

## APPENDIX 4E OF ADVERTITAS LIMITED (“Company” or “Group”)

### Reporting period

Current reporting period: Year ended 30 June 2026  
 Previous reporting period: Year ended 30 June 2025

### Results for announcement to the market

|                                                                 |      |     |    |               |      |               |
|-----------------------------------------------------------------|------|-----|----|---------------|------|---------------|
| Revenue from ordinary activities                                | up   | 31% | To | \$10,313,281  | From | \$7,843,953   |
| Loss from ordinary activities after tax attributable to members | down | 24% | To | (\$5,357,428) | From | (\$7,085,752) |
| Net loss for the period attributable to members                 | down | 24% | To | (\$5,357,428) | From | (\$7,085,752) |

### Dividends

|         | Amount per share | Franked amount per share |
|---------|------------------|--------------------------|
| Final   | \$ nil           | n/a                      |
| Interim | \$ nil           | n/a                      |

Record date for determining entitlements to dividends: n/a

### Brief explanation necessary to enable the figures above to be understood

Refer to the Directors’ Report included in the attached Financial Statements.

### Net tangible assets

30 June 2026: Net tangible asset backing (0.04) cents per share<sup>1, 2</sup>  
 30 June 2025: Net tangible asset backing 0.48 cents per share<sup>1</sup>

#### Notes:

1. This calculation excludes right of use assets and associated liabilities
2. The net tangible asset backing per share at 30 June 2026 was in credit which is mainly due to deferred revenue of \$3,645,576. Deferred revenue represents the prepaid portion of those sales contracts that have been paid upfront by the Group’s customers. It is anticipated that the deferred revenue obligations will be satisfied in the fulfilment of the Group’s services in accordance with the contracts.

### Other

The Company has no equity interests in any associates or joint ventures.

Accounting standards used in relation to the Company’s foreign subsidiaries in compiling this financial report are the International Financial Reporting Standards as issued by the International Accounting Standards Board.

### Audit opinion

The independent auditor’s report to the members of Adveritas Limited (**Audit Report**) includes a paragraph on material uncertainty relating to going concern. This paragraph in the Audit Report draws attention to Note 2(v) in the financial statements, which describes the principal conditions that raise doubt about the Group’s ability to continue as a going concern. The audit opinion has not been modified in respect of this matter.

**ADVERTITAS LIMITED**

**ABN 88 156 377 141**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2026**

# **Adveritas Limited**

## **Corporate Directory**

### **Directors**

|                                               |                                                          |
|-----------------------------------------------|----------------------------------------------------------|
| Non-Executive Chairman                        | Mr Joshua Lowcock                                        |
| Managing Director and Chief Executive Officer | Mr Mathew Ratty                                          |
| Executive Director                            | Mr Scott Thomson                                         |
| Non-Executive Directors                       | Mr Mark McConnell<br>Mr Andrew Stott<br>Mr Marc Phillips |

### **Company Secretary**

Ms Susan Park

### **Principal and Registered Office**

Suite 10, 16 Brodie Hall Drive  
Bentley WA 6102

Telephone: +61 8 9473 2500  
Facsimile: +61 8 9473 2501

### **Share Register**

Computershare Investor Services Pty Limited  
Level 17, 221 St Georges Terrace  
Perth WA 6000  
Telephone: +61 8 9323 2000  
Facsimile: +61 8 9323 2033

### **Securities Exchange Listing**

Adveritas Limited shares are listed on the Australian Securities Exchange  
(ASX: AV1)

### **Solicitors**

Steinepreis Paganin  
Level 4, The Read Building  
16 Milligan Street  
Perth WA 6000

### **Bankers**

Commonwealth Bank of Australia Limited  
1/95 William Street  
Perth WA 6000

### **Auditors**

Ernst & Young  
9 The Esplanade  
Perth WA 6000

# **Adveritas Limited**

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# Adveritas Limited

## Directors' Report

The directors present their report together with the consolidated financial report of Adveritas Limited (**Adveritas** or **Company**) and its controlled entities (collectively referred to as the **Group**) for the financial year ended 30 June 2026 and the independent auditor's report thereon.

### DIRECTORS

The names and details of the Company's directors in office during the financial year and until the date of this report are set out below. Directors were in office for this entire period unless stated otherwise.

#### **Mr Joshua Lowcock** **Non-Executive Chairman**

Mr Lowcock is a New York based senior executive in media and advertising. Mr Lowcock is the President of Media for Quad (NYSE:QUAD), a prominent marketing experience company, leading Quad's media agency and data capability. Prior to joining Quad, Mr Lowcock served as the Global Chief Media Officer of UM, part of Interpublic Group (NYSE: IPG). Mr Lowcock has held similar marketing, media, and technology roles in Australia and China.

Mr Lowcock holds a B.A (Communications) from Western Sydney University, MBA (Executive) from the Australian Graduate School of Management (AGSM) and is a Member of the Australian Institute of Company Directors (MAICD).

During the last three years Mr Lowcock has served as a non-executive director of ASX listed Accent Group Limited (ASX: AX1). Mr Lowcock resigned from Accent Group Limited on 17 November 2023.

#### **Mr Mathew Ratty** **Managing Director and Chief Executive Officer**

Mr Ratty is an experienced investor focused on Australian and US equity and debt markets. He has extensive experience across capital raising advice, seed investment negotiation, corporate strategy and financial modelling.

He is the co-founder of MC Management Group Pty Ltd, a venture capital firm operating in domestic and international debt and equity markets. At MC Management Group Pty Ltd, which is a substantial shareholder of the Company, Mr Ratty holds the position of Head of Investment and is responsible for negotiating deal structures and asset pricing for companies in the healthcare, financial and technology space.

Prior to this, Mr Ratty was a director and analyst at property development and equity company, Gladstone Bridge.

Mr Ratty holds a Bachelor of Commerce (Property and Finance) with first class honours in finance from Curtin University of Technology.

During the last three years Mr Ratty has not served as a director of any other ASX listed company.

#### **Mr Scott Thomson** **Executive Director (appointed on 7 April 2026, previously held the role of Non-Executive Director)**

Mr Thomson worked globally for Google between 2015 and 2024 in the Google Ads Data Platforms, Google Analytics and Google Cloud product areas and served as the Head of Innovation at Google Cloud.

Previously, Mr Thomson worked with Adobe across the Asia Pacific region on digital strategy and digital transformation. This work was primarily focused on real time data and personalised content and advertising with large enterprises in that region.

Mr Thomson graduated with a Bachelor of Computer Science (Honours), with a major in Artificial Intelligence, and has a postgraduate diploma in innovation and design thinking.

During the last three years, Mr Thomson has not served as a director of any other ASX listed company.

# **Adveritas Limited**

## **Directors' Report**

### **DIRECTORS (continued)**

#### **Mr Mark McConnell** **Non-Executive Director**

Mr McConnell is a successful business developer whose skills cover the areas of business strategy, investor relations, capital raising and innovation. He has extensive experience in both listed and unlisted technology companies in Australia and abroad. He co-founded the Magentus Group (previously named Citadel Group) in 2007, a leading software and technology company.

Mr McConnell currently serves as a Non-Executive Director of Magentus Group Pty Ltd and as the Chairman of Citadel Edge Pty Ltd and acts as an advisor to several technology start-up companies.

Mr McConnell has a Bachelor of Science, a Graduate Diploma of Employment Relations, a Graduate Diploma of Logistics Management, and a Master of Business Administration. He is also a Fellow of the Australian Institute of Company Directors (FAICD).

During the last three years, Mr McConnell has served as a director of Breast Cancer Australia Ltd (ASX:BDX).

#### **Mr Andrew Stott** **Non-Executive Director**

Mr Stott is an experienced technology-sector adviser with expertise in mergers and acquisitions, growth strategy, fundraising and cross-border expansion for listed and private companies.

Mr Stott previously worked in London and New York before relocating to Singapore in 2012 to establish the Asian offices of an international technology-focused law firm. He subsequently served as Asia Managing Partner and Regional Head of Corporate. In 2018, Mr Stott founded Stott Advisory, advising growth-stage technology companies in the AI, fintech, regtech, e-commerce, media and adtech sectors. His work includes strategic growth initiatives, commercial partnerships, fundraising and M&A. He has co-founded five companies and supported portfolio companies in raising more than US\$500 million globally.

Mr Stott brings experience working with Australian technology companies on international growth strategy and market entry, capital raising and strategic transactions. He is a member of the National Retail Federation Innovation Advisory Committee, growth mentor to the Accenture FinTech Innovation Lab in Asia, and a founding member of the British Tech Advisors network across APAC.

Mr Stott holds a Bachelor of Laws (LLB).

During the past three years, Mr Stott has not served as a director of any other ASX-listed entity.

#### **Mr Marc Phillips** **Non-Executive Director**

Mr Phillips has extensive experience in sports betting and in providing venture capital funding to Software-as-a-Service (SaaS) companies. He is a successful entrepreneur, founding two online sports betting and gaming companies: Sportbets.com.au, a real time odds affiliate platform, founded in 2004 and subsequently acquired by SportsBet in 2011; and Bets.com.au, a sports betting and racing tips portal, founded in 2013 and sold in 2016.

Since 2011, Mr Phillips has served as a venture capitalist, investing in early stage B2B SaaS technology companies and has successfully helped scale companies in the USA by raising capital, facilitating strategic channel partnerships and has overseen numerous merger and acquisition transactions.

Mr Phillips completed a Bachelor Degree in Commerce from the University of Melbourne.

During the last three years, Mr Phillips has not served as a director of any other ASX listed company.

# Adveritas Limited Directors' Report

## INTERESTS IN THE SECURITIES OF THE COMPANY AND RELATED BODIES CORPORATE

As at 30 June 2026 and as of the date of this report, the interests of the directors in the securities of the Company were as follows:

|              | As at 30 June 2026 |               |                    | As at the date of this report |               |                    |
|--------------|--------------------|---------------|--------------------|-------------------------------|---------------|--------------------|
|              | Ordinary shares    | Share options | Performance Rights | Ordinary shares               | Share options | Performance Rights |
| J. Lowcock   | 1,201,100          | -             | -                  | 1,201,100                     | -             | -                  |
| M. Ratty     | 27,460,544         | -             | 15,000,000         | 27,460,544                    | -             | 15,000,000         |
| M. McConnell | 98,503,433         | -             | -                  | 98,503,433                    | -             | -                  |
| A. Stott     | 1,100,000          | -             | -                  | 1,100,000                     | -             | -                  |
| S. Thomson   | 1,000,000          | -             | -                  | 1,000,000                     | -             | -                  |
| M. Phillips  | -                  | -             | -                  | -                             | -             | -                  |

## COMPANY SECRETARY

Ms Susan Park is a governance professional with over 25 years' experience in the corporate finance industry and has extensive experience in Company Secretarial and Non-Executive Director roles on ASX, AIM and TSX listed companies.

Ms Park holds a Bachelor of Commerce degree from the University of Western Australia majoring in Accounting and Finance, is a Member of Chartered Accountants Australia and New Zealand, a Fellow of the Financial Services Institute of Australasia, a Graduate Member of the Australian Institute of Company Directors and a Fellow of the Governance Institute Australia.

## DIVIDENDS

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

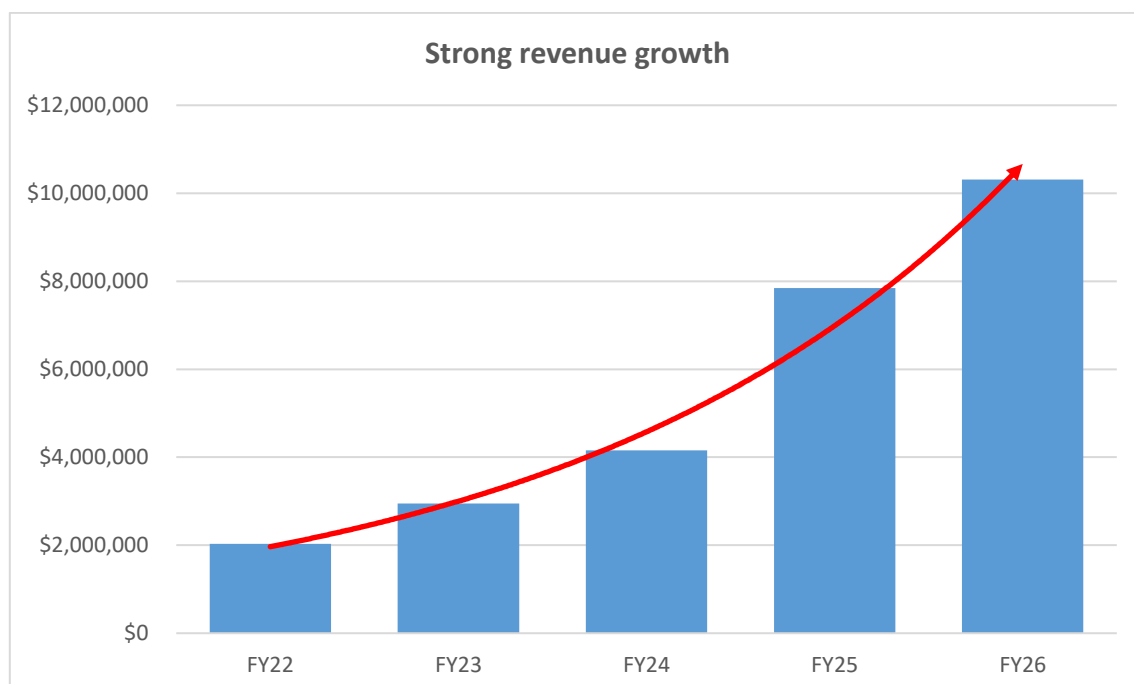
## PRINCIPAL ACTIVITIES

The Company's principal activity during the year was the provision of its TrafficGuard® software products. TrafficGuard is the world's first full funnel measurement, verification and fraud prevention solution for digital advertising.

## OPERATING AND FINANCIAL REVIEW

### Consistent revenue growth

The Group recorded revenue of \$10,313,281 in the current year (FY26) representing an increase of 31% on the revenue of \$7,843,953 recorded in FY25.



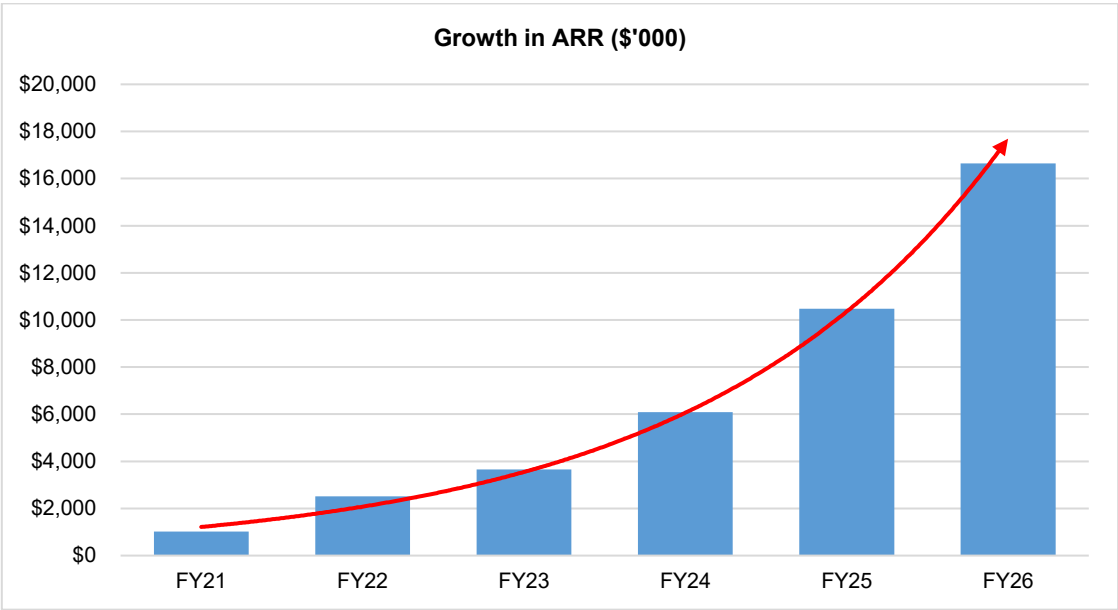
OPERATING AND FINANCIAL REVIEW (continued)

Consistent revenue growth (continued)

The growth in revenue has been driven by both an increase in customer numbers and contract values. During FY26, the enterprise customer base increased by 21% whilst the average revenue per contract increased by 33% to circa \$121,000.

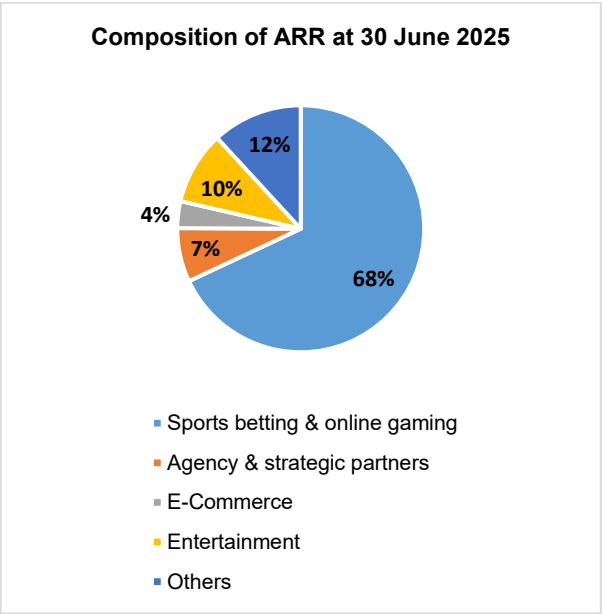
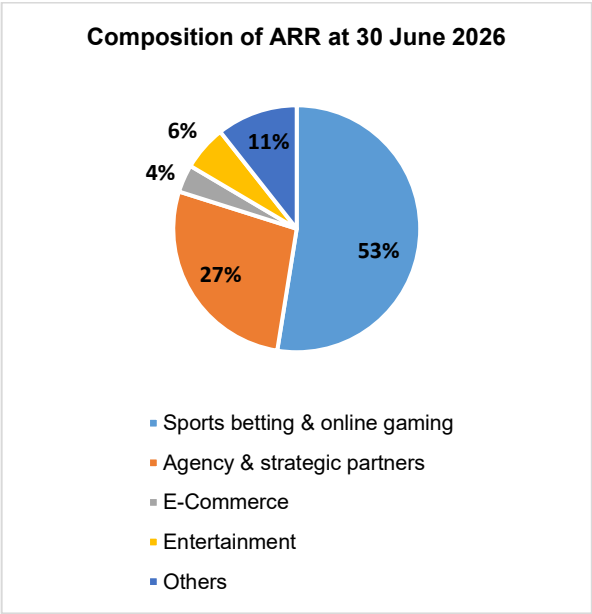
The Group uses annualised recurring revenue (**ARR**) as a key metric to assess the growth of its recurring revenue base. ARR represents the revenue expected to be earned in a 12 month period from customer contracts in place at a specified point in time. ARR does not take into account future contract renewals, new customer acquisitions or potential customer attrition.

ARR at 30 June 2026 was approximately \$16,646,000, an increase of 59% on the ARR at 30 June 2025 (circa \$10,470,000). The growth in ARR over the last six years is shown in the accompanying chart.



As shown in the charts below, the sports betting and online gaming verticals continue to generate the largest proportion of the Group's ARR. During FY26, the ARR generated from sports betting and online gaming increased by circa \$2,000,000, representing growth of approximately 30%.

Importantly, the contribution to ARR from agency and strategic partnerships increased by 20% during FY26 reflecting the successful implementation of the Group's strategy to execute agency and partner agreements. Agency and strategic partnerships have significant potential to accelerate the sales cycle and generate revenue.



# Adveritas Limited

## Directors' Report

### OPERATING AND FINANCIAL REVIEW (continued)

#### Managing Artificial Intelligence

The Company is actively leveraging artificial intelligence (AI) to strengthen its capabilities and protect its position within the digital advertising market with the following key objectives:

- **Continuous model advancement**

The Company is integrating the latest advances in machine learning and AI into TrafficGuard's detection engine, ensuring the TrafficGuard products stay ahead of evolving fraud techniques. Every new threat TrafficGuard encounters becomes training data to make the TrafficGuard system smarter.

AI continues to accelerate the sophistication, scale, and cost-efficiency of bot fraud and invalid traffic generation which in turn drives demand for the TrafficGuard products, making the Group unique in the industry and highlights the value of TrafficGuard.

- **Expanding the Company's data advantage**

As TrafficGuard's customer base and transaction volumes grow, so does the depth of the proprietary signal data that TrafficGuard has accumulated since its inception. This is a compounding asset, the more data collected, the better the TrafficGuard models perform, and the harder it becomes for any competitor or customer to replicate what TrafficGuard does.

- **Scaling through partnerships**

TrafficGuard's Google Cloud Marketplace presence, combined with its growing network of global agency partnerships, creates a distribution flywheel that drives revenue growth and solidifies TrafficGuard's role in the digital advertising ecosystem.

The Group is a net beneficiary of the rise of AI. It is taking advantage of AI to increase its operating efficiencies whilst simultaneously expanding its total addressable market as AI increases online marketing fraud.

#### SME self-serve platform

The Group launched its upgraded, fully automated TrafficGuard™ self-serve platform on 1 April 2026.

The launch of the upgraded platform marked a positive transformational increase in TrafficGuard's addressable market by extending TrafficGuard's enterprise-grade invalid traffic (IVT) protection to the long tail of digital advertisers through a low-touch, high-margin distribution model.

The new platform is engineered for self-service from sign-up to active protection, with no sales or onboarding intervention required. Key capabilities include:

- A unified view of advertising performance and invalid traffic across paid media in a single dashboard.
- Cross-platform analytics covering Google Ads at launch, with Meta integration to follow.
- Frictionless self-sign-up, credit-card billing, and a product designed to deliver value with minimal sales and support overhead.

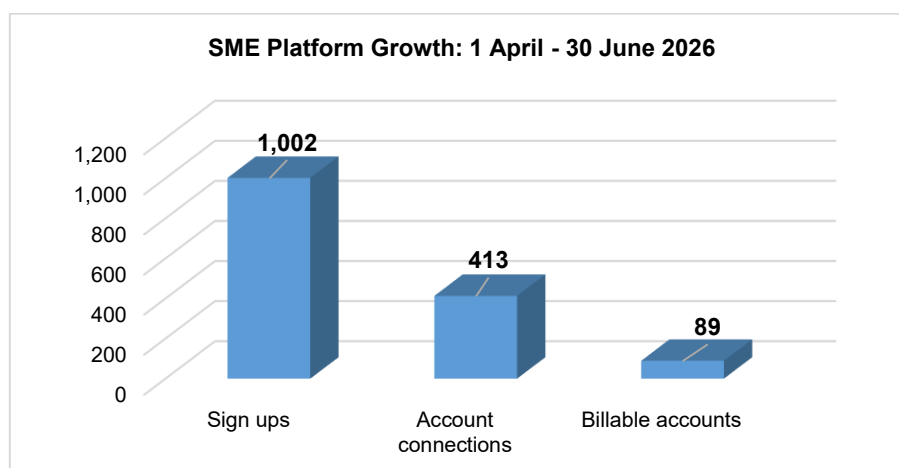
Between 1 April and 30 June 2026 launch, the Group has recorded:

- **1,002 sign-ups** registered with the platform.
- **413 account connections**, representing advertisers who have commenced a trial and connected a payment method. This shows a 41% conversion rate from sign-up to trial.
- **89 billable accounts** now active as paying subscribers (US\$49 per month), representing a 22% conversion rate from trial to billing, and a 9% overall conversion rate from sign-up to billing.

# Adveritas Limited Directors' Report

## OPERATING AND FINANCIAL REVIEW (continued)

### SME self-serve platform (continued)



### North American Expansion

During FY26, TrafficGuard's growth in the North American market continued to diversify beyond the Group's established sports betting and gaming core. A large proportion of new ARR added in FY26 was derived from US-based strategic partnerships and organisations in the agency, e-commerce and retail verticals.

E-commerce continues to be a particularly important growth vertical for the Group. Global e-commerce digital advertising spend is estimated to exceed US\$230 billion annually, with invalid traffic (IVT) estimated to waste 20-25% of programmatic advertising budgets (source: Pivalate, Q4 2025 Global Invalid Traffic (IVT) & Ad Fraud Benchmark Report, March 2026). This represents a significant, measurable opportunity for TrafficGuard's core protection capabilities.

### Agency Channel

The Group has continued to pursue white-label and co-branded partnership models with select organisations and agencies during FY26. These structures are expected to enable agencies to embed TrafficGuard's technology within their own service offerings, supporting scalable distribution, deeper account penetration, and higher average contract values.

### Financial summary

A high-level summary of the Group's revenue and expenditure as compared to FY25 is set out below:

|                                                                   | FY26<br>\$          | FY25<br>\$   |
|-------------------------------------------------------------------|---------------------|--------------|
| <b>Revenue</b>                                                    | <b>10,313,281</b>   | 7,843,953    |
| Server hosting and other product costs                            | (1,789,392)         | (1,227,046)  |
| Employment costs                                                  | (10,791,112)        | (10,294,398) |
| Marketing costs                                                   | (1,223,387)         | (1,353,288)  |
| Administration costs                                              | (1,480,578)         | (1,318,410)  |
| <b>Overheads</b>                                                  | <b>(15,284,469)</b> | (14,193,142) |
| Grants received                                                   | 652,582             | 856,602      |
| Interest and sundry income                                        | 89,001              | 60,431       |
| Finance costs (see Note 5)                                        | (615)               | (438,480)    |
| Foreign exchange differences                                      | (137,726)           | (5,719)      |
| Depreciation                                                      | (94,944)            | (130,691)    |
| Share-based payments (see Note 17)                                | (683,927)           | (990,096)    |
| Bad debts and expected credit losses                              | (46,639)            | (36,334)     |
| Fair value gain on convertible loan note derivative (see Note 14) | -                   | 40,293       |
| <b>Other (expenses) / gains</b>                                   | <b>(222,268)</b>    | (643,994)    |
| <b>Loss before income tax</b>                                     | <b>(5,193,456)</b>  | (6,993,183)  |

# Adveritas Limited

## Directors' Report

### OPERATING AND FINANCIAL REVIEW (continued)

#### Financial summary (continued)

Revenue has continued its upwards trend with an increase of 31% on FY25 which has been driven by both an increase in customer numbers and an increase in contract values.

Overheads have increased by 7% from FY25, with employment, server hosting and production costs being the largest contributors to the increased cost base. The increase in these cost categories occurred to drive revenue growth.

#### MATERIAL BUSINESS RISKS

The Board is committed to monitoring and mitigating business risks faced by the Group, including the key risks listed below that have the potential to materially impact its financial prospects.

These risks are not ranked in any order of importance or timeframe. The intention of the Board's risk management framework is to identify risks to allow the Board and management to plan, assess and execute risk management strategies. Risk management and assessment activities are designed to reduce, or otherwise manage, risks to levels that are acceptable to the Board and management.

#### Competition and new technologies

The industry in which the Group's TrafficGuard products operate is highly competitive, fast-paced and fast-changing. Any failure to adapt to rapid technological changes could render the TrafficGuard products obsolete.

The activities or actions of competitors may negatively affect the Group's operating and financial performance. New technologies could overtake the advancements made by the Group. Similarly, aggressive pricing or additional service offerings from competitors could require the Group to adjust its own pricing and service offerings to continue to generate business, which could negatively impact on the Group's financial position and financial performance.

A program of continuous innovation and development of the TrafficGuard products is in place. In addition, the Group undertakes all reasonable due diligence and research in relation to its competitors and other fraud detection products.

#### Integration and management of artificial intelligence

Integrating AI into operations introduces financial, regulatory, legal, and operational risks that can disrupt business operations if unmanaged. While AI drives efficiency, deploying models without proper oversight exposes companies to potential data vulnerabilities and compliance penalties.

The Group mitigates this risk by actively monitoring the use of AI throughout the business operations. The Group has also developed an artificial intelligence and machine learning policy which forms part of the suite of policies and procedures encompassed in its information security framework.

#### Cyber security

The Group recognises the importance of cyber security in safeguarding digital assets, systems, and information from unauthorised access or disruption. The Group mitigates this risk through various security measures and a contingency Cyber Security Incident Response Plan for business continuity.

#### Privacy laws

Privacy laws around the world continue to develop and impose greater burdens on businesses when dealing with personally identifiable information. The laws are designed to give greater protections to data owners, improve transparency and require businesses to develop better privacy practices and security processes.

The Group has a number of strategies in place to monitor and comply with the privacy requirements of the jurisdictions in which it operates. Failure to comply could result in pecuniary penalties, negative publicity and brand damage which, if they were to occur, could adversely impact on the Group's financial position and financial performance.

# Adveritas Limited

## Directors' Report

### MATERIAL BUSINESS RISKS (continued)

#### Management of capital resources

In assessing the management of capital resources, the Group is continuing to manage its cash position carefully in accordance with its operating plan and longer-term strategic plan. If the Group is unable to obtain and/or manage additional funds when required, the Group may be forced to delay or reduce the scope of planned software development or commercialisation.

#### Environmental, social and governance

The key environment, social and governance risks that the Group is currently exposed to are:

##### *Employee retention, attraction and development*

The failure to retain, attract and develop highly competent people may impact its ability to achieve its strategic objectives and deliver value for shareholders. The Group focuses on attracting people who desire to have a long-term career with the Group, whose experience demonstrates proven capability and whose behaviours exhibit cultural alignment.

##### *Climate risk*

Climate risk is the risk that climate change poses to the Group's strategy and business model. If the Group does not remain agile in adapting to the changing climate and associated market conditions, it may be exposed to financial and reputational loss. The move towards a low-carbon economy will continue to influence change in a number of industries within which the Group operates. The Group's markets and growth strategy provides the flexibility for the Group to diversify into new markets, creating opportunities and mitigating the risk of market changes.

### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the Group's state of affairs during the course of the 2026 financial year.

### SIGNIFICANT EVENTS AFTER BALANCE DATE

No event has arisen since 30 June 2026 that would be likely to materially affect the operations of the Group, or its state of affairs which has not otherwise been disclosed in this financial report.

### LIKELY DEVELOPMENTS AND EXPECTED FUTURE RESULTS

The Group has a strong growth outlook underpinned by the following:

- Strong demand for the SME self serve product, which is expected to drive strategic partnerships to provide scalable access to large, established SME customer bases and accelerate subscriber growth beyond organic acquisition.
- Planned deployment of commercial AI agents to drive outbound sequencing, inbound lead triage, and marketing automation at zero marginal headcount cost, delivering compounding returns across the business.
- Continued vertical diversification, with verticals including e-commerce, retail and agency partnerships contributing alongside the Company's established sports betting and gaming base.

### ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is not subject to any particular or specific environmental regulation in any of the jurisdictions in which it operates and therefore is not required to present further details in relation to environmental regulation.

### SHARE OPTIONS

#### Unissued shares

As at 30 June 2026, there were no unissued ordinary shares under options (30 June 2025: nil).

#### Shares issued as a result of the exercise of options

During the financial year, no options were exercised to acquire ordinary shares (2025: nil).

# Adveritas Limited Directors' Report

## PERFORMANCE RIGHTS

### Unissued shares

As at 30 June 2026 there were 19,292,500 unissued ordinary shares under performance rights (30 June 2025: 24,745,000).

Holders of performance rights do not have any right, by virtue of the performance right, to participate in any share issue of the Company or any related body corporate.

Refer to the remuneration report and Note 17 for further details of the performance rights outstanding.

### Shares issued as a result of the conversion of performance rights

During the financial year 4,647,500 performance rights were converted into ordinary shares (2025: 4,500,000).

## INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract insuring the directors and officers of the Company against any liability incurred in the course of their duties to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

## INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

## DIRECTORS' MEETINGS

The number of meetings of directors held by the Company during the year and the number of meetings attended by each director were as follows:

|                         |                                             |                                   |
|-------------------------|---------------------------------------------|-----------------------------------|
| Number of meetings held | 5                                           |                                   |
|                         | Number of<br>meetings eligible<br>to attend | Number of<br>meetings<br>attended |
| J. Lowcock              | 5                                           | 4                                 |
| M. Ratty                | 5                                           | 3                                 |
| M. Phillips             | 5                                           | 5                                 |
| S. Thomson              | 5                                           | 5                                 |
| M. McConnell            | 5                                           | 4                                 |
| A. Stott                | 5                                           | 5                                 |

## Committee Membership

Due to the Company's relatively small size and board structure, separate Remuneration and Audit Committees have not been constituted. The full board of directors assumes responsibility for any such matters as outlined in the Company's corporate governance plan.

## NON-AUDIT SERVICES

The following non-audit services were provided by the Group's auditor, Ernst & Young Australia and Ernst & Young Australia received or is due to receive the following amounts for the provision of such services:

|                            |            |            |
|----------------------------|------------|------------|
|                            | 2026<br>\$ | 2025<br>\$ |
| Grant application services | 25,000     | 25,000     |

The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means the auditor's independence was not compromised.

# Adveritas Limited

## Directors' Report

### AUDITOR INDEPENDENCE

Section 307C of the *Corporations Act 2001* requires the Company's auditors, Ernst & Young Australia, to provide the directors of the Company with an Independence Declaration in relation to the audit of the Financial Report. The directors received the Independence Declaration set out on page 24 for the year ended 30 June 2026.

### REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2026 outlines the remuneration arrangements of the Group in accordance with the requirements of the *Corporations Act 2001, as amended* (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report is presented under the following sections:

1. Introduction
2. Remuneration governance
3. Remuneration outcomes
4. Executive contracts
5. Additional disclosures relating to performance rights, options and shares
6. Other transactions and balances with key management personnel and their related parties

#### 1. Introduction

The remuneration report details the remuneration arrangements for key management personnel (**KMP**) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent entity.

The list below outlines the KMP of the Group during the financial year ended 30 June 2026. Unless otherwise indicated, the individuals were KMP for the entire financial year.

For the purposes of this report, the term "executive" indicates the executive directors and senior executives of the Group.

#### **Non-Executive Directors (NEDs)**

|              |                        |
|--------------|------------------------|
| J. Lowcock   | Non-Executive Chairman |
| M. Phillips  | Non-Executive Director |
| M. McConnell | Non-Executive Director |
| A. Stott     | Non-Executive Director |

#### **Executive Directors**

|            |                                                                                                     |
|------------|-----------------------------------------------------------------------------------------------------|
| M. Ratty   | Managing Director and Chief Executive Officer                                                       |
| S. Thomson | Executive Director (transitioned from Non-Executive Director to Executive Director on 7 April 2026) |

#### **Senior Executives**

|           |                                                           |
|-----------|-----------------------------------------------------------|
| M. Sutton | Chief Operating Officer                                   |
| M. Lopes  | Chief Product Officer (appointed 1 July 2025)             |
| E. Shuggi | Chief Product Officer (resigned effective 12 August 2025) |
| C. Kinlay | Chief Marketing Officer                                   |
| F. Muir   | Chief Financial Officer                                   |

#### 2. Remuneration governance

##### **2(a) Remuneration Philosophy**

The performance of the Group depends upon the quality of the directors and executives. The philosophy of the Group in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### **2(b) Remuneration Committee**

The current size of the Group and structure of the board of directors does not warrant a separate remuneration committee. The board of directors as a whole (**Board**) is currently responsible for determining and reviewing compensation arrangements for directors and executives. Directors are excluded from discussions and voting on their own remuneration arrangements.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

#### **2(c) Remuneration Structure: Non-Executive Director Remuneration**

##### **Fixed Remuneration**

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

The Board seeks to set aggregate remuneration of non-executive directors at a level that provides the Group with the ability to attract and retain high calibre directors, whilst incurring a cost that is acceptable to shareholders.

The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The aggregate remuneration set pursuant to Adveritas Limited's constitution is \$500,000 per year, which may be varied by shareholders in general meeting.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board does not currently seek external remuneration advice.

Each non-executive director receives a fee for being a director of the Company.

##### **Options and Performance Rights**

No options or performance rights were issued to any non-executive director in the current year (2025: nil).

#### **2(d) Remuneration Structure: Executive Director and Senior Executive Remuneration**

##### **(i) Objective**

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities so as to:

- Reward executives;
- Align the interests of executives with those of shareholders;
- Link reward with strategic goals and performance of the Group; and
- Ensure total remuneration is competitive by market standards.

##### **(ii) Principles of Compensation**

Compensation levels for employees of the Group are competitively set to attract and retain appropriately qualified and experienced senior executives. Executive remuneration and other terms of employment are reviewed annually by the Board having regard to the performance, relevant comparative information and expert advice if required.

##### **(iii) Structure**

Remuneration consists of the following key elements:

- Fixed Remuneration (base salary, superannuation and non-monetary benefits;
- Variable Remuneration
  - Short-term incentives
  - Long-term incentives

The Board establishes the proportion of fixed and variable remuneration for each executive.

**REMUNERATION REPORT (AUDITED) (continued)**

**2(d) Remuneration Structure: Executive Director and Senior Executive Remuneration (continued)**

**Fixed Remuneration**

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. The Board periodically reviews fixed remuneration when extending or otherwise amending the employment contracts of key executives. This review takes into account the overall performance of the executive and of the Group. The Board considers the executive's performance of the specific duties and tasks set out in their employment contracts which were included based on the general nature of the executive's role together with any specific requirements from the Board.

Executives may be given the flexibility to receive their remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

**Variable Remuneration – short-term incentive**

The objective of short-term incentives is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. Operational targets are set periodically by the Board and include matters such as the funding of the Company, the timing of technological developments and the implementation of sales and marketing strategies.

From time to time, cash bonuses (short-term incentives) are paid where an executive has met a short-term objective of the Group. Such bonuses are paid when specific criteria which are set by the Board are met. These criteria are linked to the operational targets set by the Board. In some instances, cash bonuses are paid when the Board determines that an executive has made contributions that are significant and beyond the normal expectations of their role. In making such determinations, the Board will consider a number of factors including the area of the business that has been impacted by the executive's contributions and the alignment of these contributions to the Group's overall strategy.

**Variable Remuneration – long-term incentive**

Long-term incentives are delivered in the form of options and performance rights.

Performance rights and options are generally issued in accordance with the terms and conditions of the Adveritas Employee Incentive Securities Plan (**Plan**) that has been approved by the Company's shareholders.

Pursuant to the listing rules of the Australian Securities Exchange (**Listing Rules**), the Company's shareholders are required to re-approve the Plan and all unallocated securities issuable under it every three years. The Company's current Plan was approved by shareholders at the 2023 AGM.

The key features of the Plan are as follows:

- **Purpose:** The purpose of the Plan is to:
  - (a) assist in the reward, retention and motivation of Eligible Participants;
  - (b) link the reward of Eligible Participants to Shareholder value creation; and
  - (c) align the interests of Eligible Participants with, by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Shares, Options or Performance Rights under the Plan (**Plan Securities**).
- **Maximum number of Plan Securities:** The maximum number of Plan Securities proposed to be issued under the Plan in reliance on Listing Rule 7.2 (Exemption 13(a)) is 33,100,706. It is not envisaged that the maximum number of Plan Securities will be issued immediately.
- **Plan administration:** The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion (except to the extent that it prevents the Participant relying on the deferred tax concessions under Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth)). The Board may delegate its powers and discretion.
- **Eligibility, invitation and application:** The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for any (or any combination of) the Plan Securities on such terms and conditions as the Board decides.

On receipt of an invitation, an Eligible Participant may apply for the Plan Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.

If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

**REMUNERATION REPORT (AUDITED) (continued)**

**2(d) Remuneration Structure: Executive Director and Senior Executive Remuneration (continued)**

**Variable Remuneration – long-term incentive (continued)**

Key features of the Employee Incentive Securities Plan (continued)

- **Restrictions on dealing with Convertible Securities:** A Convertible Security represents a right to acquire one or more Shares in accordance with the Plan (for example, an Option or a Performance Right). Convertible Securities cannot be sold, assigned, transferred, have a security interest granted over or otherwise dealt with unless in Special Circumstances as defined under the Plan (including in the case of death or total or permanent disability of the holder) with the consent of the Board in which case the Convertible Securities may be exercisable on terms determined by the Board.  
A holder must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
- **Vesting of Convertible Securities:** Any vesting conditions applicable to the Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Eligible Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, it will lapse.
- **Forfeiture of Convertible Securities:** Convertible Securities will be forfeited in the following circumstances:
  - (a) in the case of unvested Convertible Securities only, where the holder ceases to be an Eligible Participant (e.g. is no longer employed or their office or engagement is discontinued with the Company and any Associated Bodies Corporate (as defined in the Corporations Act) (**Group**);
  - (b) in the case of unvested Convertible Securities only, where a Participant acts fraudulently, dishonestly, negligently, in contravention of any Group policy or wilfully breaches their duties to the Group;
  - (c) where there is a failure to satisfy the vesting conditions in accordance with the Plan;
  - (d) on the date the Participant becomes insolvent; or
  - (e) on the expiry date.
- **Restriction periods and restrictions on transfer of Shares on exercise:** If the invitation provides that any Shares issued upon the valid exercise of a Convertible Security are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.  
Additionally, Shares issued on exercise of the Convertible Securities are subject to the following restrictions:
  - (a) if the Company is required but is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, Shares issued on exercise of the Convertible Securities may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act;
  - (b) all Shares issued on exercise of the Convertible Securities are subject to restrictions imposed by applicable law on dealing in Shares by persons who possess material information likely to affect the value of the Shares and which is not generally available; and
  - (c) all Shares issued on exercise of the Convertible Securities are subject to the terms of the Company's Securities Trading Policy.
- **Reorganisation:** If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
- **Change of control:** If a change of control event occurs (being an event which results in any person (either alone or together with associates) owning more than 50% of the Company's issued capital), or the Board determines that such an event is likely to occur, any vested but unexercised or any unvested Convertible Securities must be exercised within 30 days of the change of control event. Any unexercised Convertible Securities will lapse. The Board may specify in the Invitation how the Convertible Securities will be treated on a change of control event occurring, or the Board determining that such event is likely to occur, which may vary depending upon circumstances in which the Participant becomes a leaver and preserve some or all of the Board's discretion under this rule.

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### **2(d) Remuneration Structure: Executive Director and Senior Executive Remuneration (continued)**

##### ***Variable Remuneration – long-term incentive (continued)***

Key features of the Employee Incentive Securities Plan (continued)

- **Amendments:** Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

In the event that an invitation made to an Eligible Participant to participate in the Plan will result in the maximum number of Plan Securities being exceeded, the invitation will not be covered by ASIC Class Order 14/1000 and the Company will be required to address the secondary sale requirements of any shares issued upon exercise of the Convertible Securities. This includes the Company lodging a cleansing notice under Section 708A(5) of the *Corporations Act 2001* or a prospectus under Section 708A(11) of the same Act.

During the current year, no performance rights were granted to executives (2025: 15,000,000). There were no options granted to executives in the current year (2025: nil).

#### **2(e) Remuneration Report Approval at 2024 Annual General Meeting**

The remuneration report of Adveritas Limited for the year ended 30 June 2025 was approved by shareholders at the 2025 AGM.

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 3. Remuneration outcomes

##### *Remuneration of Key Management Personnel*

|                                |      | Short-term benefits                         |                       | Post-employment | Long-term benefits    | Share-based payments               |           |                       |
|--------------------------------|------|---------------------------------------------|-----------------------|-----------------|-----------------------|------------------------------------|-----------|-----------------------|
|                                |      | Salary, fees & annual leave entitlements \$ | Commission / Bonus \$ | Super \$        | Long service leave \$ | Performance Rights <sup>1</sup> \$ | Total \$  | Performance related % |
| <b>Non-Executive Directors</b> |      |                                             |                       |                 |                       |                                    |           |                       |
| J. Lowcock                     | 2026 | 64,100                                      | -                     | -               | -                     | -                                  | 64,100    | -                     |
|                                | 2025 | 30,000                                      | -                     | -               | -                     | -                                  | 30,000    | -                     |
| M. McConnell                   | 2026 | 38,846                                      | -                     | 4,663           | -                     | -                                  | 43,509    | -                     |
|                                | 2025 | 20,275                                      | -                     | 2,332           | -                     | -                                  | 22,607    | -                     |
| A. Stott                       | 2026 | 42,892                                      | -                     | -               | -                     | -                                  | 42,892    | -                     |
|                                | 2025 | 21,900                                      | -                     | -               | -                     | -                                  | 21,900    | -                     |
| M. Phillips                    | 2026 | 42,925                                      | -                     | -               | -                     | -                                  | 42,925    | -                     |
|                                | 2025 | 21,961                                      | -                     | -               | -                     | -                                  | 21,961    | -                     |
| S. Thomson <sup>2</sup>        | 2026 | 31,717                                      | -                     | -               | -                     | -                                  | 31,717    | -                     |
|                                | 2025 | 22,200                                      | -                     | -               | -                     | -                                  | 22,200    | -                     |
| <b>Executive Directors</b>     |      |                                             |                       |                 |                       |                                    |           |                       |
| M. Ratty <sup>1,3</sup>        | 2026 | 417,778                                     | 187,500               | 30,000          | 10,942                | 331,238                            | 977,458   | 53                    |
|                                | 2025 | 403,709                                     | 150,000               | 29,932          | 24,499                | 474,431                            | 1,082,571 | 58                    |
| S. Thomson <sup>2</sup>        | 2026 | 63,960                                      | -                     | 7,033           | 70                    | -                                  | 71,063    | -                     |
|                                | 2025 | -                                           | -                     | -               | -                     | -                                  | -         | -                     |
| <b>Total Directors</b>         | 2026 | 702,218                                     | 187,500               | 41,696          | 11,012                | 331,238                            | 1,273,664 | 6                     |
|                                | 2025 | 520,045                                     | 150,000               | 32,264          | 24,499                | 474,431                            | 1,201,239 | 52                    |

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 3. Remuneration outcomes (continued)

|                                                  |             | Short-term benefits                            |                          | Post-employment | Long-term benefits       | Share-based payments     |                  |                          |
|--------------------------------------------------|-------------|------------------------------------------------|--------------------------|-----------------|--------------------------|--------------------------|------------------|--------------------------|
|                                                  |             | Salary, fees & annual leave entitlements<br>\$ | Commission / Bonus<br>\$ | Super<br>\$     | Long service leave<br>\$ | Performance Rights<br>\$ | Total<br>\$      | Performance related<br>% |
| <b>Senior Executives</b>                         |             |                                                |                          |                 |                          |                          |                  |                          |
| M. Lopes (appointed 1 July 2025)                 | <b>2026</b> | <b>432,132</b>                                 | -                        | -               | -                        | -                        | <b>432,132</b>   | -                        |
|                                                  | 2025        | -                                              | -                        | -               | -                        | -                        | -                | -                        |
| F. Muir <sup>1</sup>                             | <b>2026</b> | <b>229,079</b>                                 | -                        | <b>27,507</b>   | <b>2,873</b>             | <b>48,516</b>            | <b>307,975</b>   | <b>16</b>                |
|                                                  | 2025        | 220,861                                        | -                        | 25,399          | 3,760                    | 39,620                   | 289,640          | 14                       |
| M. Sutton <sup>1</sup>                           | <b>2026</b> | <b>424,876</b>                                 | <b>212,098</b>           | -               | -                        | <b>39,211</b>            | <b>676,185</b>   | <b>37</b>                |
|                                                  | 2025        | 431,365                                        | 260,334                  | -               | -                        | 84,730                   | 776,429          | 44                       |
| C. Kinlay <sup>1</sup>                           | <b>2026</b> | <b>399,348</b>                                 | <b>614</b>               | <b>30,000</b>   | <b>738</b>               | <b>39,211</b>            | <b>469,911</b>   | <b>8</b>                 |
|                                                  | 2025        | 348,648                                        | -                        | -               | -                        | 160,602                  | 509,250          | 32                       |
| E. Shuggi <sup>1</sup> (resigned 12 August 2025) | <b>2026</b> | <b>72,562</b>                                  | -                        | <b>5,492</b>    | -                        | -                        | <b>78,054</b>    | -                        |
|                                                  | 2025        | 401,263                                        | -                        | 29,932          | (2,280)                  | 46,261                   | 475,176          | 10                       |
|                                                  |             |                                                |                          |                 |                          |                          |                  |                          |
| <b>Total Senior Executives</b>                   | <b>2026</b> | <b>1,557,997</b>                               | <b>212,712</b>           | <b>62,999</b>   | <b>3,611</b>             | <b>126,938</b>           | <b>1,964,257</b> | <b>17</b>                |
|                                                  | 2025        | 1,402,137                                      | 260,334                  | 55,331          | 1,480                    | 331,213                  | 2,050,495        | 29                       |
| <b>Total Directors and Senior Executives</b>     | <b>2026</b> | <b>2,260,215</b>                               | <b>400,212</b>           | <b>104,695</b>  | <b>14,623</b>            | <b>458,176</b>           | <b>3,237,921</b> | <b>27</b>                |
|                                                  | 2025        | 1,922,182                                      | 410,334                  | 87,595          | 25,979                   | 805,644                  | 3,251,734        | 37                       |

#### Notes

1. Refer to section 5 below and Note 17 for further information on the vesting conditions attached to performance rights.
2. Mr Thomson transitioned from Non-Executive Director to Executive Director on 7 April 2026.
3. During the current year, Mr Ratty was awarded a bonus of \$187,500 relating to the achievement of the following milestones in the 2025 financial year: operational efficiency, strategic expansion, leadership management and prioritisation of net revenue retention (NRR).

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 4. Executive contracts

Remuneration arrangements for executives are formalised in their employment agreements. The following outlines the details of the contracts with executives:

##### **Mathew Ratty, Managing Director and Chief Executive Officer**

Mr Ratty's current employment agreement commenced on 9 November 2018 (Mr Ratty held the position of Interim CEO up to this date). The term of Mr Ratty's contract will come to an end on 30 June 2028.

The details of Mr Ratty's employment agreement are set out below:

- Remuneration: Mr Ratty's current annual base salary is \$375,000 (plus statutory superannuation).
- Performance related bonuses – short term incentive: at the Board's discretion, a cash bonus may be paid to Mr Ratty in relation to the successful completion of various milestones periodically set by the Board. The cash bonus is not to exceed 50% of the annual salary in the financial year the bonus is earned.
- Long term incentive: the following performance rights were held by Mr Ratty on 30 June 2026:

| <b>Milestones to be achieved</b>                                                                                              | <b>Quantum of performance rights to vest upon achievement of milestone</b> | <b>Status of performance rights at 30 June 2026</b> |
|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------|
| Remain as Chief Executive Officer of the Company as at 31 Dec 2023                                                            | 2,500,000                                                                  | Vested, not yet exercised                           |
| Remain as Chief Executive Officer of the Company as at 31 Dec 2024                                                            | 2,500,000                                                                  | Vested, not yet exercised                           |
| Remains as Chief Executive Officer of the Company on 31 December 2025.                                                        | 2,750,000                                                                  | Vested, not yet exercised                           |
| Remains as Chief Executive Officer of the Company on 31 December 2026.                                                        | 3,000,000                                                                  | Not yet vested                                      |
| Achieve annual recurring revenue ( <b>ARR</b> ) of \$9 million and an operating cost reduction of \$1 million by 30 June 2025 | 1,500,000                                                                  | Vested, not yet exercised                           |
| Achieve ARR of \$15 million by 30 June 2026                                                                                   | 2,250,000                                                                  | Vested, not yet exercised                           |
| Achieve an annual customer contract value of \$1 million                                                                      | 500,000                                                                    | Vested, not yet exercised                           |

- The agreement may be terminated:
  - by the Company without cause by giving twelve months' notice, or immediately with payment in lieu of notice;
  - by the Company giving one months' notice if Mr Ratty is unable to perform his duties due to illness, accident or incapacitation, for six consecutive months or a period aggregating more than six months in any twelve-month period; or
  - by the Company immediately without notice following material breach or in the case of misconduct; or
  - by Mr Ratty without cause by giving three months' notice or immediately if the Company commits any serious or persistent breach of the agreement.
- The agreement includes other general industry standard provisions for a senior executive.

##### **Scott Thomson, Executive Director (transitioned from Non-Executive Director on 7 April 2026)**

Mr Thomson transitioned to the role of executive director from non-executive director on 7 April 2026. The details of Mr Thomson's employment agreement are set out below:

- Mr Thomson shall devote three days per week to the Group's business (Pro-rate Services).
- Remuneration: Mr Thomson's current base salary is \$250,000 (plus statutory superannuation) per annum for the Pro-rate Services.
- Performance related bonuses – short term incentive: subject to shareholder approval being obtained, 1,000,000 shares are to be issued to Mr Thomson as a sign on bonus.
- Long term incentive: subject to shareholder approval being obtained, 1,000,000 performance rights are to be issued to Mr Thomson in accordance with the Company's Employee Incentive Plan (Plan). The conversion of the performance rights into shares will be subject to the achievement of specified vesting conditions set by the Board, and the terms and conditions of the Plan.

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 4. Executive contracts (continued)

##### *Scott Thomson, Executive Director (continued)*

- The agreement may be terminated:
  - by the Company without cause by giving three months' notice, or immediately with payment in lieu of notice;
  - by the Company giving one months' notice if Mr Thomson is unable to perform his duties due to illness, accident or incapacitation, for two consecutive months or a period aggregating more than two months in any twelve-month period; or
  - by the Company immediately without notice following material breach or in the case of misconduct; or
  - by Mr Thomson without cause by giving three months' notice or immediately if the Company commits any serious or persistent breach of the agreement.
- The agreement includes other general industry standard provisions for a senior executive.

##### *Matthew Sutton, Chief Operating Officer*

Mr Sutton's employment agreement commenced on 4 January 2021 and has no fixed term. The details of Mr Sutton's employment agreement are set out below:

- Remuneration: Mr Sutton's current annual base salary is SGD\$370,000.
- Performance related bonuses – short term incentive: Mr Sutton earns commission ranging between 1% and 7% on revenue from contracts entered into or renewed as a result of the sales efforts of Mr Sutton or his sales team.
- Long term incentive: the following performance rights were held by Mr Sutton on 30 June 2026:

| <b>Milestones to be achieved</b>            | <b>Quantum of performance rights to vest upon achievement of milestone</b> | <b>Status of performance rights at 30 June 2026</b> |
|---------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------|
| Achieve ARR of \$15 million by 30 June 2026 | 600,000                                                                    | Vested, not yet exercised                           |

- The agreement may be terminated:
  - by the Company without cause by giving three months' notice, or immediately with payment in lieu of notice;
  - by the Company giving one months' notice if Mr Sutton is unable to perform his duties due to illness, accident or incapacitation, for two consecutive months or a period aggregating more than two months in any twelve-month period; or
  - by the Company immediately without notice following material breach or in the case of misconduct; or
  - by Mr Sutton without cause by giving three months' notice or at any time if the Company commits any serious or persistent beach which is not remedied within twenty eight days.
- The agreement includes other general industry standard provisions for a senior executive.

##### *Chad Kinlay, Chief Marketing Officer*

Mr Kinlay commenced the role of Chief Marketing Officer on 4 January 2022. Details of Mr Kinlay's employment agreement are set out below:

- Remuneration: Mr Kinlay's current annual base salary is \$364,080 (plus statutory superannuation).
- Long term incentive: the following performance rights were held by Mr Kinlay on 30 June 2026:

| <b>Milestones to be achieved</b>            | <b>Quantum of performance rights to vest upon achievement of milestone</b> | <b>Status of performance rights at 30 June 2026</b> |
|---------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------|
| Achieve ARR of \$15 million by 30 June 2026 | 600,000                                                                    | Vested, not yet exercised                           |

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 4. Executive contracts (continued)

##### *Chad Kinlay, Chief Marketing Officer (continued)*

- The agreement may be terminated:
  - by the Company without cause by giving three months' notice, or immediately with payment in lieu of notice;
  - by the Company giving one months' notice if Mr Kinlay is unable to perform his duties due to illness, accident or incapacitation, for three consecutive months or a period aggregating more than three months in any twelve-month period; or
  - by the Company immediately without notice following material breach or in the case of misconduct; or
  - by Mr Kinlay without cause by giving three months' notice or immediately if the Company commits any serious or persistent breach of the agreement.
- The agreement includes other general industry standard provisions for a senior executive.

##### *Fiona Muir, Chief Financial Officer*

Ms Muir's employment agreement commenced on 25 June 2018 and has no fixed term. Details of Ms Muir's employment agreement are set out below:

- Remuneration: Ms Muir fulfils the role of Chief Financial Officer on a part time basis and is currently remunerated pro-rata based on an annual base salary of \$288,750 plus statutory superannuation.
- Long term incentive: the following performance rights were held by Ms Muir on 30 June 2026:

| Milestones to be achieved                             | Quantum of performance rights to vest upon achievement of milestone | Status of performance rights at 30 June 2026 |
|-------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------|
| Remain an employee of the Company on 19 December 2026 | 500,000                                                             | Not yet vested                               |

- The agreement may be terminated:
  - by Ms Muir with one months' notice, unless the Company is in breach of a material term of the agreement, in which case Ms Muir may terminate it immediately;
  - by the Company with one months' notice or payment in lieu of notice;
  - by the Company immediately without notice following material breach or in the case of misconduct
- The agreement includes other general industry standard provisions for a senior executive.

##### *Miguel Lopes Chief Product Officer (appointed 1 July 2025)*

Mr Lopes employment agreement commenced on 1 July 2025 and has no fixed term. The details of Mr Lopes's employment agreement are set out below:

- Remuneration: Mr Lopes's current annual base salary is US\$270,000.
- The agreement may be terminated:
  - by the Company by giving one months' notice; or
  - by Mr Lopes by giving one months' notice.
- The agreement includes other general industry standard provisions for a senior executive.

##### *Elie Shuggi, Chief Product Officer (resigned 12 August 2025)*

Mr Shuggi's employment agreement commenced on 14 November 2022 and has no fixed term. Mr Shuggi resigned from the Company with effect from 12 August 2025. At the time of his resignation, Mr Shuggi's annual base salary was \$350,000. All performance rights held by Mr Shuggi at the time of his resignation lapsed.

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 5. Additional disclosures relating to performance rights, options and shares

##### Performance Rights

Performance rights do not carry any voting or dividend rights and can only be converted into ordinary shares up until their expiry date, provided any vesting conditions are met and the Executive remains as an employee of the Group as at a specified date.

The tables below disclose the movement in performance rights held by key management personnel during the current and prior year. During the current year, no performance rights were granted.

There is a nil exercise price payable on the conversion of performance rights into ordinary shares.

|                                          | Number of performance rights |                         |                        | Converted into ordinary shares during the year | Lapsed during the year | Closing balance (vested, not yet exercised) | Closing balance (not yet vested) |
|------------------------------------------|------------------------------|-------------------------|------------------------|------------------------------------------------|------------------------|---------------------------------------------|----------------------------------|
|                                          | Opening balance              | Granted during the year | Vested during the year |                                                |                        |                                             |                                  |
| 2026                                     |                              |                         |                        |                                                |                        |                                             |                                  |
| Executive directors                      |                              |                         |                        |                                                |                        |                                             |                                  |
| M. Ratty                                 | 15,000,000                   | -                       | 5,000,000              | -                                              | -                      | 12,000,000                                  | 3,000,000                        |
| Senior Executives                        |                              |                         |                        |                                                |                        |                                             |                                  |
| M. Sutton                                | 1,000,000                    | -                       | 600,000                | 400,000                                        | -                      | 600,000                                     | -                                |
| E. Shuggi<br><i>resigned 12 Aug 2025</i> | 1,000,000                    | -                       | -                      | 400,000                                        | 600,000                | -                                           | -                                |
| C. Kinlay                                | 2,000,000                    | -                       | 600,000                | 1,400,000                                      | -                      | 600,000                                     | -                                |
| F. Muir                                  | 1,000,000                    | -                       | 500,000                | 500,000                                        | -                      | -                                           | 500,000                          |
|                                          |                              |                         |                        |                                                |                        |                                             |                                  |
|                                          | Number of performance rights |                         |                        | Converted into ordinary shares during the year | Lapsed during the year | Closing balance (vested, not yet exercised) | Closing balance (not yet vested) |
|                                          | Opening balance              | Granted during the year | Vested during the year |                                                |                        |                                             |                                  |
| 2025                                     |                              |                         |                        |                                                |                        |                                             |                                  |
| Executive directors                      |                              |                         |                        |                                                |                        |                                             |                                  |
| M. Ratty                                 | 5,000,000                    | 10,000,000              | 4,500,000              | -                                              | -                      | 7,000,000                                   | 8,000,000                        |
| Senior Executives                        |                              |                         |                        |                                                |                        |                                             |                                  |
| M. Sutton                                | 4,000,000                    | 1,000,000               | 2,400,000              | 4,000,000                                      | -                      | 400,000                                     | 600,000                          |
| E. Shuggi                                | 500,000                      | 1,000,000               | 900,000                | 500,000                                        | -                      | 400,000                                     | 600,000                          |
| C. Kinlay                                | -                            | 2,000,000               | 1,400,000              | -                                              | -                      | 1,400,000                                   | 600,000                          |
| F. Muir                                  | -                            | 1,000,000               | -                      | -                                              | -                      | -                                           | 1,000,000                        |

# Adveritas Limited

## Directors' Report

### REMUNERATION REPORT (AUDITED) (continued)

#### 5. Additional disclosures relating to performance rights, options and shares (continued)

##### Performance Rights (continued)

The table below discloses the status of the associated performance milestones at 30 June 2026:

|          | Vesting Condition                                                                                                    | Number    | Status at 30 June 2026    | Expiry date  |
|----------|----------------------------------------------------------------------------------------------------------------------|-----------|---------------------------|--------------|
| M Ratty  | Remains as Chief Executive Officer of the Company on 31 December 2023.                                               | 2,500,000 | Vested, not yet exercised | 22 June 2028 |
| M Ratty  | Remains as Chief Executive Officer of the Company on 31 December 2024.                                               | 2,500,000 | Vested, not yet exercised | 22 June 2028 |
| M Ratty  | Remains as Chief Executive Officer of the Company on 31 December 2025.                                               | 2,750,000 | Vested, not yet exercised | 27 Nov 2027  |
| M Ratty  | Remains as Chief Executive Officer of the Company on 31 December 2026.                                               | 3,000,000 | Not yet vested            | 27 Nov 2027  |
| M Ratty  | Achieve annual recurring revenue (ARR) of \$9 million and an operating cost reduction of \$1 million by 30 June 2025 | 1,500,000 | Vested, not yet exercised | 27 Nov 2027  |
| M Ratty  | Achieve ARR of \$15 million by 30 June 2026                                                                          | 2,250,000 | Vested, not yet exercised | 27 Nov 2027  |
| M Ratty  | Achieve an annual customer contract value of \$1 million                                                             | 500,000   | Vested, not yet exercised | 27 Nov 2027  |
| M Sutton | Achieve ARR of \$15 million by 30 June 2026                                                                          | 600,000   | Vested, not yet exercised | 31 Dec 2026  |
| C Kinlay | Achieve ARR of \$15 million by 30 June 2026                                                                          | 600,000   | Vested, not yet exercised | 31 Dec 2026  |
| F Muir   | Remain an employee of the Company on 19 December 2026                                                                | 500,000   | Not yet vested            | 31 Mar 2027  |

##### Option holdings of KMP

Nil options were held at 30 June 2026.

##### Share holdings of KMP

The table below discloses the shares held directly, indirectly and beneficially by key management personnel.

|                        | Balance<br>1 July 2025 | On market<br>purchases | On market<br>sales | Exercise of<br>performance<br>rights | Other              | Balance<br>30 June<br>2026 |
|------------------------|------------------------|------------------------|--------------------|--------------------------------------|--------------------|----------------------------|
| J. Lowcock             | 880,000                | 321,100                | -                  | -                                    | -                  | 1,201,100                  |
| S. Thomson             | 1,000,000              | -                      | -                  | -                                    | -                  | 1,000,000                  |
| M. McConnell           | 105,503,433            | -                      | (7,000,000)        | -                                    | -                  | 98,503,433                 |
| A. Stott               | 1,100,000              | -                      | -                  | -                                    | -                  | 1,100,000                  |
| M. Ratty               | 27,460,544             | -                      | -                  | -                                    | -                  | 27,460,544                 |
| E. Shuggi <sup>1</sup> | 1,000,000              | -                      | -                  | 400,000                              | (1,400,000)        | -                          |
| M. Sutton              | 4,000,000              | -                      | -                  | 400,000                              | -                  | 4,400,000                  |
| C. Kinlay              | 500,000                | -                      | -                  | 1,400,000                            | -                  | 1,900,000                  |
| F. Muir                | 500,000                | -                      | -                  | 500,000                              | -                  | 1,000,000                  |
| <b>Total</b>           | <b>141,943,977</b>     | <b>321,100</b>         | <b>(7,000,000)</b> | <b>2,700,000</b>                     | <b>(1,400,000)</b> | <b>136,565,077</b>         |

##### Notes

- Mr Shuggi resigned with effect from 12 August 2025. He held 1,400,000 shares at the time of his resignation.

## **Adveritas Limited Directors' Report**

### **REMUNERATION REPORT (AUDITED) (continued)**

#### **6. Other transactions and balances with key management personnel and their related parties**

During the current year, the Company entered into an agreement with APT Strategies Inc, an entity controlled by Non-Executive Director Marc Phillips, to provide support in the following areas: US expansion, sales leadership search and strategic acquisition targeting. The fees paid to APT Strategies Inc in the current year were \$21,392. At 30 June 2026, unpaid fees from APT Strategies Inc of \$4,707 were included in trade and other payables.

#### **END OF REMUNERATION REPORT**

Signed in accordance with a resolution of the directors:

A handwritten signature in black ink, appearing to read 'Mathew Ratty', with a stylized flourish at the end.

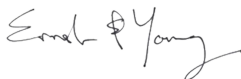
**Mathew Ratty**  
**Managing Director and Chief Executive Officer**  
Perth, Western Australia  
Dated 28 August 2026

## Auditor's Independence Declaration to the Directors of Adveritas Limited

As lead auditor for the audit of the financial report of Adveritas Limited for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Adveritas Limited and the entities it controlled during the financial year.



Ernst & Young



Darryn Hall  
Partner  
28 August 2026

**Adveritas Limited**
**Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026**

|                                                                                               | Note | 2026<br>\$         | 2025<br>\$         |
|-----------------------------------------------------------------------------------------------|------|--------------------|--------------------|
| Revenue from contracts with customers                                                         | 4    | 10,313,281         | 7,843,953          |
| Interest income                                                                               |      | 82,818             | 35,756             |
| Other income                                                                                  | 5(a) | 658,765            | 881,277            |
| Employment costs                                                                              | 5(b) | (10,791,112)       | (10,294,398)       |
| Marketing costs                                                                               | 5(c) | (1,223,387)        | (1,353,288)        |
| Server hosting and product costs                                                              |      | (1,789,392)        | (1,227,046)        |
| Administration costs                                                                          | 5(d) | (789,577)          | (687,785)          |
| Compliance costs                                                                              | 5(e) | (399,320)          | (338,894)          |
| Consultancy costs                                                                             | 5(f) | (164,974)          | (166,817)          |
| Occupancy costs                                                                               |      | (126,708)          | (124,914)          |
| Expected credit losses and bad debts expense                                                  |      | (46,639)           | (36,334)           |
| Depreciation                                                                                  | 5(g) | (94,944)           | (130,691)          |
| Foreign exchange losses                                                                       |      | (137,725)          | (5,719)            |
| Finance costs                                                                                 | 5(h) | (615)              | (438,480)          |
| Share based payments expense                                                                  | 17   | (683,927)          | (990,096)          |
| Fair value gain on convertible loan note derivative                                           | 14   | -                  | 40,293             |
| <b>Loss before income tax</b>                                                                 |      | <b>(5,193,456)</b> | <b>(6,993,183)</b> |
| Income tax expense                                                                            | 6    | (163,972)          | (92,569)           |
| <b>Loss for the year attributable to the members of Adveritas Limited</b>                     |      | <b>(5,357,428)</b> | <b>(7,085,752)</b> |
| <b>Other comprehensive income net of tax</b>                                                  |      |                    |                    |
| <i>Items that may be reclassified to profit or loss</i>                                       |      |                    |                    |
| Exchange differences on translation of foreign operations                                     |      | (91,030)           | 99,709             |
| <b>Total comprehensive loss for the year attributable to the members of Adveritas Limited</b> |      | <b>(5,448,458)</b> | <b>(6,986,043)</b> |
| <b>Loss per share attributable to members of Adveritas Limited</b>                            |      |                    |                    |
|                                                                                               |      | <b>Cents</b>       | <b>Cents</b>       |
| Basic loss per share                                                                          | 23   | (0.58)             | (0.89)             |
| Diluted loss per share                                                                        | 23   | (0.58)             | (0.89)             |

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the consolidated financial statements.

**Adveritas Limited**  
**Consolidated Statement of Financial Position as at 30 June 2026**

|                                      | Note | 2026<br>\$       | 2025<br>\$        |
|--------------------------------------|------|------------------|-------------------|
| <b>ASSETS</b>                        |      |                  |                   |
| <b>CURRENT ASSETS</b>                |      |                  |                   |
| Cash and cash equivalents            | 7    | 4,487,302        | 9,481,457         |
| Trade and other receivables          | 8    | 951,110          | 735,507           |
| Prepayments                          |      | 122,570          | 94,734            |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>5,560,982</b> | <b>10,311,698</b> |
| <b>NON-CURRENT ASSETS</b>            |      |                  |                   |
| Plant and equipment                  | 9    | 28,605           | 22,711            |
| Right-of-use assets                  | 10   | 846,518          | 101,054           |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>875,123</b>   | <b>123,765</b>    |
| <b>TOTAL ASSETS</b>                  |      | <b>6,436,105</b> | <b>10,435,463</b> |
| <b>LIABILITIES</b>                   |      |                  |                   |
| <b>CURRENT LIABILITIES</b>           |      |                  |                   |
| Trade and other payables             | 11   | 1,388,772        | 1,093,772         |
| Income tax payable                   |      | 7,917            | 31,141            |
| Deferred revenue                     | 12   | 3,645,576        | 3,917,409         |
| Provisions                           | 13   | 842,315          | 777,153           |
| Lease liabilities                    | 10   | 35,544           | 163,015           |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>5,920,124</b> | <b>5,982,490</b>  |
| <b>NON-CURRENT LIABILITIES</b>       |      |                  |                   |
| Provisions                           | 13   | 96,365           | 70,493            |
| Lease liabilities                    | 10   | 810,974          | -                 |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>907,339</b>   | <b>70,493</b>     |
| <b>TOTAL LIABILITIES</b>             |      | <b>6,827,463</b> | <b>6,052,983</b>  |
| <b>NET (LIABILITIES) / ASSETS</b>    |      | <b>(391,358)</b> | <b>4,382,480</b>  |
| <b>EQUITY</b>                        |      |                  |                   |
| Contributed equity                   | 15   | 84,457,151       | 84,002,149        |
| Accumulated losses                   | 18   | (90,607,577)     | (85,250,149)      |
| Share based payment reserve          | 16   | 5,735,385        | 5,515,767         |
| Foreign currency translation reserve | 16   | 23,683           | 114,713           |
| <b>TOTAL (DEFICIT) / EQUITY</b>      |      | <b>(391,358)</b> | <b>4,382,480</b>  |

The Consolidated Statement of Financial Position is to be read in conjunction with the notes to the consolidated financial statements.

**Adveritas Limited**  
**Consolidated Statement of Cash Flows for the year ended 30 June 2026**

|                                                                      | Note | 2026<br>\$         | 2025<br>\$         |
|----------------------------------------------------------------------|------|--------------------|--------------------|
| <b>Cash flows from operating activities</b>                          |      |                    |                    |
| Receipts from customers                                              |      | 9,806,705          | 10,375,461         |
| Payments to suppliers and employees                                  |      | (14,802,409)       | (13,846,546)       |
| Research and development grant income received                       | 5(a) | 652,582            | 856,602            |
| Other income received                                                |      | 6,317              | 25,498             |
| Interest received                                                    |      | 86,335             | 42,104             |
| Interest expense on lease liabilities                                | 10   | (602)              | (16,366)           |
| Interest paid                                                        |      | (13)               | (302,269)          |
| Income tax paid                                                      |      | (189,952)          | (71,660)           |
| <b>Net cash flows used in operating activities</b>                   | 7    | <b>(4,441,037)</b> | <b>(2,937,175)</b> |
| <b>Cash flows from investing activities</b>                          |      |                    |                    |
| Purchase of plant and equipment                                      |      | (24,547)           | (22,698)           |
| Proceeds on disposal of plant and equipment                          |      | 358                | -                  |
| Deposits refunded on leased property                                 |      | -                  | 1,814              |
| <b>Net cash flows (used in) / generated by investing activities</b>  |      | <b>(24,189)</b>    | <b>(20,884)</b>    |
| <b>Cash flows from financing activities</b>                          |      |                    |                    |
| Proceeds from issue of shares                                        |      | -                  | 8,500,000          |
| Share issue costs paid                                               |      | (136,171)          | (349,802)          |
| Lease liability payments                                             |      | (138,791)          | (119,810)          |
| <b>Net cash flows provided by financing activities</b>               |      | <b>(274,962)</b>   | <b>8,030,388</b>   |
| <b>Net increase / (decrease) in cash and cash equivalents</b>        |      | <b>(4,740,188)</b> | <b>5,072,329</b>   |
| <b>Cash and cash equivalents at the beginning of the year</b>        |      | <b>9,481,457</b>   | <b>4,285,814</b>   |
| <b>Effects of exchange rate changes on cash and cash equivalents</b> |      | <b>(253,967)</b>   | <b>123,314</b>     |
| <b>Cash and cash equivalents at the end of the year</b>              | 7    | <b>4,487,302</b>   | <b>9,481,457</b>   |

The Consolidated Statement of Cash Flows is to be read in conjunction with the notes to the consolidated financial statements.

**Adveritas Limited**
**Consolidated Statement of Changes in Equity for the year ended 30 June 2026**

|                                                                           | Contributed equity | Accumulated losses   | Share based payments reserve | Foreign currency translation reserve | Total equity       |
|---------------------------------------------------------------------------|--------------------|----------------------|------------------------------|--------------------------------------|--------------------|
|                                                                           | \$                 | \$                   | \$                           | \$                                   | \$                 |
| <b>Balance at 1 July 2025</b>                                             | <b>84,002,149</b>  | <b>(85,250,149)</b>  | <b>5,515,767</b>             | <b>114,713</b>                       | <b>4,382,480</b>   |
| Loss for the year                                                         | -                  | (5,357,428)          | -                            | -                                    | (5,357,428)        |
| <i>Other comprehensive expenditure</i>                                    |                    |                      |                              |                                      |                    |
| Foreign exchange differences arising on translation of foreign operations | -                  | -                    | -                            | (91,030)                             | (91,030)           |
| <b>Total comprehensive expenditure for the year</b>                       | <b>-</b>           | <b>(5,357,428)</b>   | <b>-</b>                     | <b>(91,030)</b>                      | <b>(5,448,458)</b> |
| <b>Transactions with equity holders in their capacity as owners</b>       |                    |                      |                              |                                      |                    |
| Ordinary shares issued                                                    | -                  | -                    | -                            | -                                    | -                  |
| Share issue costs                                                         | (9,307)            | -                    | -                            | -                                    | (9,307)            |
| Share issued on conversion of performance rights                          | 464,309            | -                    | (464,309)                    | -                                    | -                  |
| Share based payments expense                                              | -                  | -                    | 683,927                      | -                                    | 683,927            |
|                                                                           | <b>455,002</b>     | <b>-</b>             | <b>219,618</b>               | <b>-</b>                             | <b>674,620</b>     |
| <b>Balance at 30 June 2026</b>                                            | <b>84,457,151</b>  | <b>(90,6077,577)</b> | <b>5,735,385</b>             | <b>23,683</b>                        | <b>(319,358)</b>   |
| <b>Balance at 1 July 2024</b>                                             | 72,165,390         | (78,164,397)         | 4,862,744                    | 15,004                               | (1,121,259)        |
| Loss for the year                                                         | -                  | (7,085,752)          | -                            | -                                    | (7,085,752)        |
| <i>Other comprehensive expenditure</i>                                    |                    |                      |                              |                                      |                    |
| Foreign exchange differences arising on translation of foreign operations | -                  | -                    | -                            | 99,709                               | 99,709             |
| <b>Total comprehensive expenditure for the year</b>                       | <b>-</b>           | <b>(7,085,752)</b>   | <b>-</b>                     | <b>99,709</b>                        | <b>(6,986,043)</b> |
| <b>Transactions with equity holders in their capacity as owners</b>       |                    |                      |                              |                                      |                    |
| Ordinary shares issued                                                    | 8,500,000          | -                    | -                            | -                                    | 8,500,000          |
| Share issue costs                                                         | (460,279)          | -                    | -                            | -                                    | (460,279)          |
| Share issued on conversion of performance rights                          | 337,073            | -                    | (337,073)                    | -                                    | -                  |
| Share issued on conversion of convertible loan notes                      | 3,459,965          | -                    | -                            | -                                    | 3,459,965          |
| Share based payments expense                                              | -                  | -                    | 990,096                      | -                                    | 990,096            |
|                                                                           | <b>11,836,759</b>  | <b>-</b>             | <b>653,023</b>               | <b>-</b>                             | <b>12,489,782</b>  |
| <b>Balance at 30 June 2025</b>                                            | <b>84,002,149</b>  | <b>(85,250,149)</b>  | <b>5,515,767</b>             | <b>114,713</b>                       | <b>4,382,480</b>   |

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the consolidated financial statements.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 1. CORPORATE INFORMATION

The consolidated financial report of Adveritas Limited (**Adveritas** or **Company**) and its controlled entities (collectively referred to as the **Group**) for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 28 August 2026.

Adveritas is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The Group's registered office is in Bentley, Western Australia.

The nature of operations and principal activities of the Group are the creation of innovative software solutions that leverage big data to drive business performance. TrafficGuard is the Group's first commercially available software as a service.

Information on the Group's corporate structure and related party relationships is provided in Note 21.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This note provides a summary of the significant accounting policies adopted in the preparation of this consolidated financial report. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Basis of Preparation

The consolidated financial report is a general-purpose financial report which has been prepared on a historical cost basis, with the exception of derivatives, which are carried at fair value, and is presented in Australian dollars.

#### (b) Statement of Compliance

The consolidated financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board and comply with the International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

#### (c) Changes in accounting policies, disclosures, standards and interpretations

##### (i) *Accounting Standards and Interpretations issued but not yet adopted*

The Group has assessed the new accounting standards and interpretations that have been issued but are not yet effective as at 30 June 2026. Except for AASB 18 – Presentation and Disclosure in Financial Statements, these new accounting standards and interpretations have been considered as not applicable to the Group and have been assessed to have no impact on the Group during the reporting period to which they are applicable. The Group has not early adopted any new accounting standards and interpretations at balance sheet date.

##### **AASB 18 - Presentation and Disclosure in Financial Statements (effective 1 January 2027)**

AASB 18 aims to improve how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. AASB 18 is accompanied by limited amendments to the requirements in AASB 107 Statement of Cash Flows. AASB 18 is effective from 1 January 2027 and applied fully retrospectively. Entities are permitted to apply AASB 18 before that date.

AASB 18 replaces AASB 1 - Presentation of Financial Statements. The requirements in AASB 1 that are unchanged have been transferred to AASB 18 and other standards. There are 3 main areas of changes:

- requiring additional defined subtotals in the statement of profit or loss, which makes entities' financial performance easier to compare and provides a consistent starting point for investors' analysis;
- requiring disclosures about management-defined performance measures, which increases discipline over use and transparency about their calculation; and
- adding new principles for grouping (aggregation and disaggregation) of information, which improves effective communication of information.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**(c) Changes in accounting policies, disclosures, standards and interpretations (continued)**

**ii. *New standards, interpretation and amendments adopted by the Group***

The Group has adopted all applicable new standards, interpretations and amendments during the current year without there being any significant impact.

**(d) Basis of Consolidation**

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (**OCI**) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

**(e) Segment Reporting**

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segments and assess their performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues.

Operating segments have been identified based on the information presented to the chief operating decision makers, being the Company's board of directors in conjunction with the executive management team.

Information about other business activities is combined and disclosed in a separate category called "Corporate".

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) Foreign Currency Translation

##### i. Functional and presentation currency

Items included in the financial statements of each Group company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Australian dollars, which is the parent's functional and presentation currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

##### ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

##### iii. Group companies

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation purposes are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss. Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

#### (g) Plant and Equipment

All plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the profit or loss during the reporting period in which they are incurred.

Depreciation is calculated over the estimated useful life of the asset as follows:

|                        | <b>Method</b> | <b>Useful Lives</b>   |
|------------------------|---------------|-----------------------|
| Plant and equipment    | Straight Line | 1.5 – 2.5 years       |
| Leasehold improvements | Straight Line | the term of the lease |
| Office equipment       | Straight Line | 2 – 10 years          |
| Computer equipment     | Straight Line | 1.5 – 4 years         |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(h) Impairment of non-financial assets**

Non-financial assets comprise of plant and equipment. Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value (less costs of disposal) and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

**(i) Cash and Cash Equivalents**

Cash and short-term deposits in the Consolidated Statement of Financial Position comprise cash held in bank accounts, in electronic money accounts, on hand and in short-term deposits with a maturity of three months or less.

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

**(j) Government grants**

Government grants are recognised as other income where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

**(k) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(l) Revenue from contracts with customers**

The Group is in the business of providing access to its fraud mitigation software as a service to its customers. Revenue from contracts with customers is recognised over time as the service is delivered to the customer, at an amount that reflects the consideration to which the Group is entitled under the terms of the contract for that service. The Group has concluded that it is the principal in its revenue arrangements because it controls the service before delivering it to the customer.

The Group's performance obligation is providing access to its software as a service to the customer over the period of time that was agreed upon with the customer. The customer is required to pay the consideration agreed upon in the service contract. The service contract may stipulate payment on a monthly basis over the term of the contract, in which case the normal credit term is 30 to 60 days upon delivery of the service. Alternatively, the service contract may stipulate payment of the full contract value at the commencement of the contract, in which case the normal credit terms is 15 to 30 days upon commencement of the service.

Contracts with customers may include a variable consideration in addition to the fixed fee. The variable consideration comprises a fee for each block of transactions that exceeds the transaction allowance included in the fixed fee. The variable consideration is recognised at the point in time when it can be reliably estimated and the constraint applied.

Taxes collected from customers and remitted to government authorities are excluded from revenue.

**Contract balances*****Contract assets***

A contract asset is the right to consideration in exchange for services transferred to the customer. If the Group performs by transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

***Trade receivables***

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer further to the accounting policy on financial assets (Note 2(q)) for details on initial recognition, subsequent measurement and impairment.

***Deferred revenue***

Deferred revenue is the obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, deferred revenue is recognised when the payment is made. Deferred revenue is recognised as revenue when the Group performs under the contract.

**Cost to obtain a contract**

The Group pays sales commission to its employees for pre-determined milestones in relation to sales of its software services. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions because the amortisation period of the asset that the Group otherwise would have used is one year or less.

**(m) Contributed Equity**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# **Adveritas Limited**

## **Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(n) Employee Benefits**

##### ***Short-term obligations***

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

##### ***Long service leave***

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

#### **(o) Income Tax**

##### ***Current Tax***

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

##### ***Deferred Tax***

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base of those items.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit and does not give rise to equal taxable and deductible temporary differences. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company / Group intends to settle its current tax assets and liabilities on a net basis.

##### ***Current and deferred tax for the period***

Current and deferred tax is recognised as an expense or income in the consolidated statement of profit or loss and other comprehensive income except when it relates to items credited or debited directly to equity, in which case the current and deferred tax is also recognised directly in equity.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (p) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (q) Financial Assets

##### Initial recognition and measurement

Financial assets within the scope of AASB 9 are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The classification of financial assets that are debt instruments at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15. Refer to the accounting policy on revenue at Note 2(l).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes derivative instruments.

##### *Financial assets at amortised cost*

This category is the most relevant category to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade and other receivables.

##### *Financial assets designated at fair value through OCI (equity instruments)*

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB 132 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Listed equity instruments that are designated at fair value through OCI are not subject to impairment assessment.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Financial Assets (continued)

##### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

##### Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

##### *Financial assets at amortised cost*

For contract assets, trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(r) Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, or as payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification. The Group's financial liabilities comprise trade and other payables.

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are subsequently measured at amortised cost using the effective interest method and are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss and other comprehensive income.

**(s) Share-based payments**

Consultants and employees (including senior executives) of the Group receive payment or remuneration in the form of share-based payments, whereby the consultants or the employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 17.

The cost of equity-settled transactions is recognised in the share-based payments expense, together with a corresponding increase in equity, over the period in which the performance and / or service conditions are fulfilled.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(s) Share-based payments (continued)**

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

If the terms of an equity-settled award are modified, as a minimum, an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based arrangement, or is otherwise beneficial to the recipient, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted loss per share (further details are given in Note 23).

**(t) Loss per share**

Basic loss per share is calculated as net loss attributable to members of the Company, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares of the Company, adjusted for any bonus element.

Diluted loss per share is calculated as net profit or loss attributable to members of the Company, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

**(u) Significant accounting judgements, estimates and assumptions**

The directors made estimates and judgements during the preparation of these consolidated financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the consolidated financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and assumptions made have been described below:

# **Adveritas Limited**

## **Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **(u) Significant accounting judgements, estimates and assumptions (continued)**

##### ***Revenue from contracts with customers***

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- The Group determined that revenue from its fraud mitigation software service is to be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group. Where a service contract includes a usage allowance relating to the volume of advertising spend or transactions to be processed on behalf of the client, revenue from that service contract is recognized over the shorter of the term of the contract and the consumption of the usage allowance.
- The Group has determined that it is the principal in its agreements with its customers because it has control over the service before delivering it to the customer, it is primarily responsible for fulfilling the promise to deliver the service, and it is responsible for establishing the price for the service to be delivered.
- Certain contracts with customers contain a variable consideration in relation to each block of transactions that exceeds the transaction allowance included in the fixed fee. The Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Group has determined that the most likely amount method is appropriate.

##### ***Share-based payments***

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires making assumptions about the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 17.

##### ***Income Taxes***

Judgement is required in assessing whether deferred tax assets are recognised in the consolidated statement of financial position. Deferred tax assets are recognised only when it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. Judgements are also required about the application of income tax legislation.

The Group estimates that it has tax losses carried forward of \$64,192,488 (2025: \$52,747,688). Although these losses do not expire, they may not be capable of being used to offset taxable income elsewhere in the Group. The Group has neither taxable temporary differences nor tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognise deferred tax assets in respect of the tax losses carried forward.

Further details on taxes are disclosed in Note 6.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(u) Significant accounting judgements, estimates and assumptions (continued)*****Provision for expected credit losses of trade receivables and contract assets***

The Group uses a provision matrix to calculate ECLs for trade and other receivables and contract assets. The provision rates are based on days past due and adjusted for forward looking expectations specific to the debtors and the economic environment.

***Fair value measurement of financial instruments***

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets.

**(v) Going Concern**

The consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

During the year ended 30 June 2026, the Group incurred a net loss after tax of \$5,357,428 (2025: net loss after tax of \$7,085,752) and a net cash outflow from operating activities of \$4,441,037 (2025: net cash outflow from operating activities of \$2,937,175). The Group reported a cash and cash equivalents balance at 30 June 2026 of \$4,487,302 (2025: \$9,481,457) and a net current liability position of \$359,142 (2025: net current asset position of \$4,329,208). Included in the Group's net current liabilities at 30 June 2026 is deferred revenue of \$3,645,576 (30 June 2025: \$3,917,409) which represents the prepaid portion of those sales contracts that have been paid upfront by the Group's customers. It is anticipated that the deferred revenue obligations will be satisfied in the fulfilment of the Group's services in accordance with the contracts.

The ability of the Group to pay its trade creditors, continue its planned activities and maintain its going concern status is dependent on the Group continuing to grow revenue and raising additional funds, as required. As at the date of this report, the directors are satisfied that there are reasonable grounds to believe that the Group will be able to operate as a going concern by continuing to grow revenue and raising further funds as required. In forming this view, the directors of the Company have considered the ability of the Company to generate sufficient revenue and raise funds as required by way of future capital raisings.

There are inherent uncertainties associated with growing revenue and the successful completion of capital raisings. Should the directors not be able to manage these inherent uncertainties and successfully secure funding as required, there would be significant uncertainty as to whether the Group would be able to meet its debts as and when they fall due and therefore continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts nor to the amounts or classifications of liabilities that might be necessary should the Group not be able to continue as a going concern.

**(w) Comparative information**

The consolidated financial statements provide comparative information in respect of the previous period. Where required, a reclassification of items in the financial statements of the previous period has been made in accordance with the classification of items in the consolidated financial statements of the current period.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 3. SEGMENT INFORMATION

The Group's operating segments comprise:

- **Product and Engineering:** responsible for the development and maintenance of the Group's proprietary software offerings. These activities are conducted primarily in Australia, the United States and Croatia; and
- **Sales and marketing:** responsible for deploying the Group's sales and marketing initiatives and for providing ongoing customer service. These activities are carried out by sales and marketing personnel and consultants located in the Australia Pacific region, Europe, Latin America and South-East Asia.
- **Corporate:** responsible for carrying out the finance and administration and human resources functions for the Group. These activities are primarily carried out in Australia.

The board of directors review internal management reports on a monthly basis that are consistent with the information provided in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows. As a result, no reconciliation is required because, in aggregate, the information as presented is what is used by the board to make strategic decisions. No operating segments have been aggregated.

#### Segment results for the year ended 30 June 2026

|                                                   | Product & Engineering | Sales and marketing | Corporate          | Consolidated       |
|---------------------------------------------------|-----------------------|---------------------|--------------------|--------------------|
|                                                   | \$                    | \$                  | \$                 | \$                 |
| Revenue                                           | -                     | 10,313,281          | -                  | 10,313,281         |
| Other income                                      | 652,582               | 2,297               | 3,886              | 658,765            |
| Expenses                                          | (6,664,721)           | (4,385,865)         | (5,102,175)        | (16,152,761)       |
| <b>Loss before interest, depreciation and tax</b> | <b>(6,012,139)</b>    | <b>5,929,713</b>    | <b>(5,098,289)</b> | <b>(5,180,715)</b> |
| Interest income                                   | -                     | -                   | 82,818             | 82,818             |
| Interest expense                                  | (295)                 | -                   | (320)              | (615)              |
| Depreciation                                      | (49,551)              | (1,960)             | (43,433)           | (94,944)           |
| Income tax expense                                | (277)                 | (163,695)           | -                  | (163,972)          |
| <b>Loss after income tax</b>                      | <b>(6,062,262)</b>    | <b>5,764,058</b>    | <b>(5,059,224)</b> | <b>(5,357,428)</b> |

#### Segment results for the year ended 30 June 2025

|                                                   | Product & Engineering | Sales and marketing | Corporate          | Consolidated       |
|---------------------------------------------------|-----------------------|---------------------|--------------------|--------------------|
|                                                   | \$                    | \$                  | \$                 | \$                 |
| Revenue                                           | -                     | 7,843,953           | -                  | 7,843,953          |
| Other income                                      | 856,602               | 4,663               | 939,749            | 1,801,014          |
| Expenses                                          | (5,980,165)           | (4,507,878)         | (5,616,692)        | (16,104,735)       |
| <b>Loss before interest, depreciation and tax</b> | <b>(5,123,563)</b>    | <b>3,340,738</b>    | <b>(4,676,943)</b> | <b>(6,459,768)</b> |
| Interest income                                   | -                     | -                   | 35,756             | 35,756             |
| Interest expense                                  | (8,019)               | -                   | (430,461)          | (438,480)          |
| Depreciation                                      | (72,193)              | (3,384)             | (55,114)           | (130,691)          |
| Income tax expense                                | (1,763)               | (90,806)            | -                  | (92,569)           |
| <b>Loss after income tax</b>                      | <b>(5,205,538)</b>    | <b>3,246,548</b>    | <b>(5,126,762)</b> | <b>(7,085,752)</b> |

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 3. SEGMENT INFORMATION (continued)

#### Segment assets and liabilities at 30 June 2026

|                    | Product &<br>Engineering<br>\$ | Sales and<br>marketing<br>\$ | Corporate<br>\$ | Consolidated<br>\$ |
|--------------------|--------------------------------|------------------------------|-----------------|--------------------|
| <b>Assets</b>      | 3,863,961                      | 1,028,773                    | 1,543,371       | 6,436,105          |
| <b>Liabilities</b> | 1,482,746                      | 3,985,541                    | 1,119,578       | 6,587,865          |

#### Segment assets and liabilities at 30 June 2025

|                    | Product &<br>Engineering<br>\$ | Sales and<br>marketing<br>\$ | Corporate<br>\$ | Consolidated<br>\$ |
|--------------------|--------------------------------|------------------------------|-----------------|--------------------|
| <b>Assets</b>      | 1,263,752                      | 792,029                      | 8,379,682       | 10,435,463         |
| <b>Liabilities</b> | 542,138                        | 4,454,579                    | 1,056,266       | 6,052,983          |

#### Geographic information

|                                                              | Consolidated      |                  |
|--------------------------------------------------------------|-------------------|------------------|
|                                                              | 2026<br>\$        | 2025<br>\$       |
| <b>Revenue from external customers by customer location:</b> |                   |                  |
| Australia                                                    | 560,478           | 510,851          |
| Foreign countries (refer to note 4 or further details)       | 9,752,803         | 7,333,102        |
| <b>Total</b>                                                 | <b>10,313,281</b> | <b>7,843,953</b> |

Included in revenue from foreign countries is revenue arising from sales shown in the sales and marketing segment from one customer which amounted to \$905,868 (2025: \$987,674).

|                                                 | Consolidated   |                |
|-------------------------------------------------|----------------|----------------|
|                                                 | 2026<br>\$     | 2025<br>\$     |
| <b>Non-current operating assets by location</b> |                |                |
| Australia                                       | 862,867        | 117,381        |
| Europe                                          | 11,438         | 4,550          |
| Asia Pacific                                    | 818            | 1,834          |
| <b>Total</b>                                    | <b>875,123</b> | <b>123,765</b> |

Non-current assets for this purpose consist of right of use assets and property, plant and equipment.

**Adveritas Limited****Notes to the Consolidated Financial Statements for the year ended 30 June 2026****4. REVENUE FROM CONTRACTS WITH CUSTOMERS****Disaggregated revenue information**

Set out below is the disaggregation of the Group's revenue from contracts with customers:

|                                                    | <b>Consolidated</b> |                  |
|----------------------------------------------------|---------------------|------------------|
|                                                    | <b>2026</b>         | <b>2025</b>      |
|                                                    | <b>\$</b>           | <b>\$</b>        |
| <b>Revenue by type of goods or services</b>        |                     |                  |
| Revenue from the sale of software as a service     | <b>10,313,281</b>   | 7,843,953        |
| <b>Total revenue from contracts with customers</b> | <b>10,313,281</b>   | <b>7,843,953</b> |
| <b>Revenue by timing of revenue recognition</b>    |                     |                  |
| Services transferred over time                     | <b>10,313,281</b>   | 7,843,953        |
| <b>Total revenue from contracts with customers</b> | <b>10,313,281</b>   | <b>7,843,953</b> |
| <b>Revenue by geographical region</b>              |                     |                  |
| North America                                      | <b>1,836,280</b>    | 1,473,663        |
| Latin America                                      | <b>1,650,326</b>    | 264,215          |
| Asia Pacific                                       | <b>160,049</b>      | 214,831          |
| Australia                                          | <b>560,478</b>      | 510,851          |
| Europe                                             | <b>5,642,963</b>    | 5,154,575        |
| Other                                              | <b>463,185</b>      | 225,819          |
| <b>Total revenue from contracts with customers</b> | <b>10,313,281</b>   | <b>7,843,953</b> |

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 5. OTHER INCOME AND EXPENSES

This note provides a breakdown of the significant items included shown in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

|                                                 | <b>Consolidated</b> |             |
|-------------------------------------------------|---------------------|-------------|
|                                                 | <b>2026</b>         | <b>2025</b> |
|                                                 | <b>\$</b>           | <b>\$</b>   |
| <b>(a) Other income</b>                         |                     |             |
| Research and development grant <sup>1</sup>     | <b>652,582</b>      | 856,602     |
| Miscellaneous income                            | <b>6,183</b>        | 24,675      |
|                                                 | <b>658,765</b>      | 881,277     |
| <b>(b) Employment costs</b>                     |                     |             |
| Salaries and wages <sup>2</sup>                 | <b>9,249,943</b>    | 8,917,012   |
| Ancillary employment costs                      | <b>1,444,595</b>    | 1,371,944   |
| Recruitment fees                                | <b>96,574</b>       | 5,442       |
|                                                 | <b>10,791,112</b>   | 10,294,398  |
| <b>(c) Marketing costs</b>                      |                     |             |
| Advertising and marketing content and materials | <b>511,459</b>      | 652,508     |
| Public relations                                | <b>109,078</b>      | 83,316      |
| Travel, entertainment, trade shows and events   | <b>602,850</b>      | 617,464     |
|                                                 | <b>1,223,387</b>    | 1,353,288   |
| <b>(d) Administration costs</b>                 |                     |             |
| IT costs                                        | <b>297,187</b>      | 257,294     |
| Office and general administration costs         | <b>250,597</b>      | 270,125     |
| Corporate travel                                | <b>241,793</b>      | 160,366     |
|                                                 | <b>789,577</b>      | 687,785     |
| <b>(e) Compliance costs</b>                     |                     |             |
| Accounting fees                                 | <b>37,457</b>       | 34,570      |
| ASX compliance fees                             | <b>154,952</b>      | 137,243     |
| Audit and tax fees                              | <b>155,516</b>      | 157,046     |
| Regulatory body fees                            | <b>51,395</b>       | 10,035      |
|                                                 | <b>399,320</b>      | 338,894     |
| <b>(f) Consultancy costs</b>                    |                     |             |
| Legal fees                                      | <b>40,567</b>       | 47,844      |
| Investor relations                              | <b>81,818</b>       | 101,500     |
| Other                                           | <b>42,589</b>       | 17,473      |
|                                                 | <b>164,974</b>      | 166,817     |

1. Research and development grant income is received from the Australian government in relation to qualifying research and development activities carried out within Australia. The grant income relating to FY25 research and development activities was received in the current year and the grant income for FY24 research and development activities was received in prior year.
2. Refer to Note 24 for further details on director and executive remuneration.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 5. OTHER INCOME AND EXPENSES (continued)

|                                                                | Consolidated  |                |
|----------------------------------------------------------------|---------------|----------------|
|                                                                | 2026          | 2025           |
|                                                                | \$            | \$             |
| <b>(g) Depreciation</b>                                        |               |                |
| Depreciation of property, plant and equipment                  | 18,114        | 29,637         |
| Depreciation of right-of-use asset                             | 76,830        | 101,054        |
|                                                                | <b>94,944</b> | <b>130,691</b> |
| <b>(h) Finance costs</b>                                       |               |                |
| Interest expense on lease liabilities (Note 10)                | 602           | 16,366         |
| Convertible loan notes (Note 14)                               |               |                |
| - interest capitalised in accordance with loan note instrument | -             | 181,132        |
| - amortisation of conversion premium                           | -             | 227,534        |
| Other                                                          | 13            | 13,448         |
|                                                                | <b>615</b>    | <b>438,480</b> |

### 6. INCOME TAX EXPENSE

|                                                                                          | Consolidated   |               |
|------------------------------------------------------------------------------------------|----------------|---------------|
|                                                                                          | 2026           | 2025          |
|                                                                                          | \$             | \$            |
| Major components of income tax expense for the year are:                                 |                |               |
| <i>Current income tax</i>                                                                |                |               |
| Current income tax charge                                                                | 155,490        | 87,916        |
| Under / (over) provision of income tax liability in prior year                           | 8,482          | 4,653         |
| <i>Deferred income tax</i>                                                               |                |               |
| Deferred income tax charge relating to origination and reversal of temporary differences | -              | -             |
| Income tax expense reported in income statement                                          | <b>163,972</b> | <b>92,569</b> |

#### Tax Consolidation

The Company and its 100% owned Australian incorporated subsidiaries formed a tax consolidated group with effect from 1 July 2015.

#### Reconciliation

A reconciliation of income tax expense applicable to accounting loss before income tax at the statutory income tax rate to income tax expense at the Company's effective income tax rate for the year is as follows:

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 6. INCOME TAX EXPENSE (continued)

|                                                                                                                                                                                                                                                                                                                      | Consolidated   |               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------|
|                                                                                                                                                                                                                                                                                                                      | 2026           | 2025          |
|                                                                                                                                                                                                                                                                                                                      | \$             | \$            |
| Accounting loss before tax                                                                                                                                                                                                                                                                                           | (5,193,456)    | (6,993,183)   |
| Income tax benefit at the statutory income tax rate of 25% (2025: 25%)                                                                                                                                                                                                                                               | (1,298,364)    | (1,748,296)   |
| Adjusted for:                                                                                                                                                                                                                                                                                                        |                |               |
| Under provision for income tax in a prior year                                                                                                                                                                                                                                                                       | 8,482          | 4,653         |
| Non-deductible share-based payments expense                                                                                                                                                                                                                                                                          | 170,982        | 247,524       |
| Other non-deductible expenses                                                                                                                                                                                                                                                                                        | 12,470         | 61,952        |
| Net deductible expenses relating to right of use recognised                                                                                                                                                                                                                                                          | (15,490)       | (4,689)       |
| Non-assessable grant income                                                                                                                                                                                                                                                                                          | (163,145)      | (214,151)     |
| Non-assessable fair value gain on convertible loan note derivative                                                                                                                                                                                                                                                   | -              | (10,073)      |
| Other non-assessable income                                                                                                                                                                                                                                                                                          | -              | (54)          |
| Utilisation of previously unrecognised tax losses                                                                                                                                                                                                                                                                    | (30,504)       | (13,864)      |
| Difference between the Australian statutory income tax rate and the statutory income tax rate applicable to foreign operations                                                                                                                                                                                       | (134,870)      | (27,517)      |
| Tax losses and temporary differences not recognised as a deferred tax asset (Australian tax: \$1,734,564 (FY25: \$1,754,925, Singaporean tax: \$266 (FY25: \$25,662) USA tax: \$530 (FY25: \$412) Croatian tax: \$41CR (FY25: \$164CR) UK tax: \$6,986CR (FY25: \$5,253) Brazilian tax: \$93,807CR (FY25: \$39,248)) | 1,614,411      | 1,797,084     |
|                                                                                                                                                                                                                                                                                                                      | <b>163,972</b> | <b>92,569</b> |

### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

|                                                     | Consolidated      |                   |
|-----------------------------------------------------|-------------------|-------------------|
|                                                     | 2026              | 2025              |
|                                                     | \$                | \$                |
| Revenue losses                                      | 59,774,880        | 52,747,688        |
| Capital losses                                      | 342,174           | 342,174           |
| Temporary differences                               | 4,075,433         | 3,636,536         |
|                                                     | <b>64,192,488</b> | <b>56,716,398</b> |
| Unrecognised deferred tax assets at 25% (2025: 25%) | <b>16,048,122</b> | <b>14,179,099</b> |

Tax losses do not expire under current Australian legislation. Tax losses relating to foreign jurisdictions amount to \$1,123,798 (2025: \$1,397,991).

Deferred tax assets have not been recognised in respect of tax losses or temporary differences because it is not certain that future taxable profit will be available in the near term against which the Group can utilise the benefits.

### Availability of Tax Losses

The availability of the Group's tax losses for future periods is uncertain and will be dependent on strict requirements being satisfied with respect to continuity of ownership and the same business test imposed by income tax legislation.

The recoupment of tax losses as at 30 June 2026 is contingent upon the following:

- entities in the Group deriving future assessable income of a nature and of an amount sufficient to enable the benefit from the losses to be realised;
- the conditions for deductibility imposed by income tax legislation continuing to be complied with; and
- there being no changes in income tax legislation which would adversely affect the entities from realising the benefit from the losses.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 7. CASH AND CASH EQUIVALENTS

For the purpose of the Consolidated Statement of Financial Position and the Consolidated Statement of Cash Flows, cash and cash equivalents comprise the following at 30 June:

|                                                        | Consolidated     |           |
|--------------------------------------------------------|------------------|-----------|
|                                                        | 2026             | 2025      |
|                                                        | \$               | \$        |
| Cash at bank, on hand and in electronic money accounts | <b>4,487,302</b> | 9,481,457 |

The Group's cash is mainly held with a banking institution in Australia with a AA credit rating. Cash at bank earns interest at floating rates based on daily at call bank deposit and savings rates.

### Reconciliation from the loss after tax to the net cash flows from operations

|                                                                        | Consolidated       |             |
|------------------------------------------------------------------------|--------------------|-------------|
|                                                                        | 2026               | 2025        |
|                                                                        | \$                 | \$          |
| Net loss                                                               | <b>(5,159,725)</b> | (7,085,752) |
| <i>Adjustments for non-cash items:</i>                                 |                    |             |
| Loss on disposal of plant and equipment                                | <b>358</b>         | 389         |
| Depreciation                                                           | <b>94,944</b>      | 130,691     |
| Share based payments expense (refer to Note 17)                        | <b>683,927</b>     | 990,096     |
| Fair value gain on convertible loan note derivative (refer to Note 14) | -                  | (40,293)    |
| Interest on convertible loan notes (refer to Note 14)                  | -                  | 119,845     |
| Unrealised foreign exchange gains                                      | <b>155,893</b>     | (32,158)    |
| Expected credit loss recognised / (reversed)                           | <b>42,533</b>      | (90,258)    |
| <i>Changes in assets and liabilities:</i>                              |                    |             |
| Decrease / (increase) in trade receivables <sup>1</sup>                | <b>(186,877)</b>   | 867,717     |
| (Increase) in other receivables                                        | <b>(22,495)</b>    | (50,274)    |
| Decrease / (increase) in prepayments                                   | <b>(27,836)</b>    | 37,957      |
| Increase in trade and other payables <sup>1</sup>                      | <b>182,263</b>     | 186,820     |
| (Decrease) / increase in deferred revenue                              | <b>(271,833)</b>   | 1,789,802   |
| Increase in provision for employee entitlements                        | <b>91,035</b>      | 210,813     |
| (Decrease) / increase in provision for income tax                      | <b>(23,224)</b>    | 27,430      |
| Net cash used in operating activities                                  | <b>(4,441,037)</b> | (2,937,175) |

1. Movement is stated after adjusting for the effects of movements in foreign exchange rates from the beginning of the financial year to the end of the financial year.

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**8. TRADE AND OTHER RECEIVABLES**

|                                          | Consolidated<br>2026<br>\$ | 2025<br>\$ |
|------------------------------------------|----------------------------|------------|
| <b>CURRENT</b>                           |                            |            |
| Trade receivables (a)                    | 865,692                    | 636,801    |
| Allowance for expected credit losses (b) | (104,868)                  | (62,335)   |
| <b>Net trade receivables</b>             | <b>760,824</b>             | 574,466    |
| <br>                                     |                            |            |
| Sundry receivables                       | 52,247                     | 44,172     |
| Deposits                                 | 117,744                    | 96,736     |
| GST receivables                          | 20,295                     | 20,133     |
| <b>Other receivables</b>                 | <b>190,286</b>             | 161,041    |
|                                          | <b>951,110</b>             | 735,507    |

**(a) Trade receivables**

Trade receivables are amounts due from customers for the sale of the Group's software as a service products. Trade receivables are generally due for settlement within 30-60 days and are therefore classified as current assets. The Group's accounting policies for trade receivables are outlined in Notes 2(l) and 2(q).

**(b) Allowance for expected credit losses**

The movement in the allowance for expected credit losses is set out below:

|                                                           | Consolidated<br>2026<br>\$ | 2025<br>\$ |
|-----------------------------------------------------------|----------------------------|------------|
| <b>Allowance for expected credit losses</b>               |                            |            |
| Balance at 1 July                                         | 62,335                     | 152,593    |
| Allowance for expected credit losses                      | 65,370                     | 82,788     |
| Reversal of expected credit losses: bad debts written off | (4,105)                    | (126,592)  |
| Reversal of expected credit losses: payment received      | (14,531)                   | (44,959)   |
| Foreign exchange movements                                | (4,201)                    | (1,495)    |
| Balance at 30 June                                        | <b>104,868</b>             | 62,335     |

**(c) Fair values of trade and other receivables**

The fair value of trade and other receivables is assumed to approximate their carrying amounts due to their relatively short-term in nature.

**(d) Impairment and risk exposure**

Information about the impairment of trade and other receivables, their credit quality and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in Note 19.

**Adveritas Limited**
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**
**9. PLANT AND EQUIPMENT**

|                                 | Consolidated: 2026        |                       |                     |           |
|---------------------------------|---------------------------|-----------------------|---------------------|-----------|
|                                 | Leasehold<br>improvements | Computer<br>Equipment | Office<br>Equipment | Total     |
|                                 | \$                        | \$                    | \$                  | \$        |
| Cost                            | 81,467                    | 279,781               | 141,529             | 502,777   |
| Accumulated depreciation        | (81,283)                  | (264,594)             | (128,295)           | (474,172) |
| Carrying amount at 30 June 2026 | 184                       | 15,187                | 13,234              | 28,605    |

**Reconciliation**

|                                 |       |          |         |          |
|---------------------------------|-------|----------|---------|----------|
| Carrying amount at 1 July 2025  | 399   | 14,838   | 7,474   | 22,711   |
| Additions                       | -     | 12,986   | 11,561  | 24,547   |
| Disposals                       | -     | (358)    | -       | (358)    |
| Impact of foreign exchange      | -     | -        | (181)   | (181)    |
| Depreciation                    | (215) | (12,279) | (5,620) | (18,114) |
| Carrying amount at 30 June 2026 | 184   | 15,187   | 13,234  | 28,605   |

|                                 | Consolidated: 2025        |                       |                     |           |
|---------------------------------|---------------------------|-----------------------|---------------------|-----------|
|                                 | Leasehold<br>improvements | Computer<br>Equipment | Office<br>Equipment | Total     |
|                                 | \$                        | \$                    | \$                  | \$        |
| Cost                            | 81,467                    | 275,911               | 141,112             | 498,490   |
| Accumulated depreciation        | (81,068)                  | (261,073)             | (133,638)           | (475,779) |
| Carrying amount at 30 June 2025 | 399                       | 14,838                | 7,474               | 22,711    |

**Reconciliation**

|                                 |       |          |         |          |
|---------------------------------|-------|----------|---------|----------|
| Carrying amount at 1 July 2024  | 614   | 21,688   | 7,465   | 29,767   |
| Additions                       | -     | 15,875   | 6,823   | 22,698   |
| Disposals                       | -     | -        | (381)   | (381)    |
| Impact of foreign exchange      | -     | -        | 264     | 264      |
| Depreciations                   | (215) | (22,725) | (6,697) | (29,637) |
| Carrying amount at 30 June 2025 | 399   | 14,838   | 7,474   | 22,711   |

Refer to Note 2(g) for further details on the Group's accounting policies for plant and equipment.

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 10. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Group is the lessee in lease contracts for office premises and various items of office equipment. Leases of office premises generally have lease terms of between 1 and 10 years, while office equipment generally has a lease term between 1 and 2 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. During the current year, the Group executed a new lease agreement for its existing head office premises. The lease commences on 1 July 2026 and has an initial term of 5 years with the option to extend the lease term by a further 5 years from 1 July 2031.

In the case of leases of office premises and low value office equipment with lease terms of 12 months or less, the Group has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions under AASB 16 on leases. In the case of leases of office premises with lease terms over 12 months, the Group has recognised a right-of-use asset and an associated lease liability.

Set out below are the carrying amounts of right-of-use assets and the movements during the year:

|                        | <b>Consolidated</b> |                |
|------------------------|---------------------|----------------|
|                        | <b>2026</b>         | <b>2025</b>    |
|                        | <b>\$</b>           | <b>\$</b>      |
| <b>Office Premises</b> |                     |                |
| Opening balance        | 101,053             | 202,107        |
| Depreciation expense   | (76,830)            | (101,054)      |
| New leases             | 822,295             | -              |
| Closing balance        | <u>846,518</u>      | <u>101,053</u> |

Set out below are the carrying amounts of the lease liabilities and the movements during the year:

|                               | <b>Consolidated</b> |                |
|-------------------------------|---------------------|----------------|
|                               | <b>2026</b>         | <b>2025</b>    |
|                               | <b>\$</b>           | <b>\$</b>      |
| <b>Lease Liabilities</b>      |                     |                |
| Opening balance               | 163,015             | 282,825        |
| Interest expense              | 602                 | 16,366         |
| Lease payments                | (139,394)           | (136,176)      |
| New leases                    | 822,295             | -              |
| Closing balance               | <u>846,518</u>      | <u>163,015</u> |
| Current lease liabilities     | 35,544              | 163,015        |
| Non-current lease liabilities | <u>810,974</u>      | <u>-</u>       |
|                               | <u>846,518</u>      | <u>163,015</u> |

The following are the amounts recognised in profit or loss in relation to leased assets:

|                                                                           | <b>Consolidated</b> |                |
|---------------------------------------------------------------------------|---------------------|----------------|
|                                                                           | <b>2026</b>         | <b>2025</b>    |
|                                                                           | <b>\$</b>           | <b>\$</b>      |
| <b>Right-of-use-assets</b>                                                |                     |                |
| Depreciation of right-of-use-assets                                       | 76,830              | 101,054        |
| Interest expense on lease liabilities associated with right-of-use-assets | 602                 | 16,366         |
| <b>Short term or low value asset leases</b>                               |                     |                |
| <i>Included in occupancy costs</i>                                        |                     |                |
| Rent expense - short-term lease                                           | 91,670              | 91,919         |
| <b>Total amount recognised in profit or loss</b>                          | <u>169,102</u>      | <u>209,339</u> |

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**10. RIGHT OF USE ASSETS (continued)**

The Group had total cash outflows for right of use and short-term leases of \$231,063 in the current year (2025: \$228,095).

**11. TRADE AND OTHER PAYABLES**

|                                          | <b>Consolidated</b> |             |
|------------------------------------------|---------------------|-------------|
|                                          | <b>2026</b>         | <b>2025</b> |
|                                          | <b>\$</b>           | <b>\$</b>   |
| Trade payables                           | <b>846,570</b>      | 610,262     |
| Statutory employment related liabilities | <b>443,160</b>      | 388,682     |
| Accrued expenses                         | <b>19,502</b>       | 20,348      |
| Accrued audit fee                        | <b>64,200</b>       | 66,000      |
| Other payables                           | <b>15,340</b>       | 8,480       |
|                                          | <b>1,388,772</b>    | 1,093,772   |

Trade and other payables are non-interest bearing and are unsecured. Balances are usually settled within 30 days of recognition.

The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

**12. DEFERRED REVENUE**

|                                            | <b>Consolidated</b> |             |
|--------------------------------------------|---------------------|-------------|
|                                            | <b>2026</b>         | <b>2025</b> |
|                                            | <b>\$</b>           | <b>\$</b>   |
| Revenue received in advance from customers | <b>3,645,576</b>    | 3,917,409   |

Set out below are the movements in deferred revenue recognised during the year:

|                                                                              | <b>Consolidated</b> |             |
|------------------------------------------------------------------------------|---------------------|-------------|
|                                                                              | <b>2026</b>         | <b>2025</b> |
|                                                                              | <b>\$</b>           | <b>\$</b>   |
| Opening balance                                                              | <b>3,917,409</b>    | 2,217,607   |
| Contract revenue invoiced in advance of the services being performed         | <b>7,161,204</b>    | 6,403,887   |
| Contract revenue recognised in profit or loss on performance of the services | <b>(7,433,037)</b>  | (4,704,085) |
| Closing balance                                                              | <b>3,645,576</b>    | 3,917,409   |

Deferred revenue balances are usually settled within 12 months of receipt and are recognised as revenue when the Group performs under the contract.

The carrying amount of deferred revenue is assumed to be the same as its fair value, due to its short-term nature.

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**13. PROVISIONS**

|                    | <b>Consolidated</b> |                |
|--------------------|---------------------|----------------|
|                    | <b>2026</b>         | <b>2025</b>    |
|                    | <b>\$</b>           | <b>\$</b>      |
| <b>CURRENT</b>     |                     |                |
| Employee benefits  | <u>842,315</u>      | <u>777,153</u> |
| <b>NON-CURRENT</b> |                     |                |
| Employee benefits  | <u>96,365</u>       | <u>70,493</u>  |

The current provision for employee benefits relates to the Group's liability for annual leave and long service leave. The non-current provision for employee benefits relates only to the Group's liability for long service leave.

**14. CONVERTIBLE NOTES**

In April 2022, the Company issued 3,000,000 convertible notes each with a face value of \$1 to raise \$3,000,000. The convertible notes had an initial maturity date of 12 April 2024 which was subsequently extended to 12 April 2025.

It was agreed with the convertible note holders that on the revised maturity date of 12 April 2025, the total of the convertible notes principal and the interest capitalised to the initial maturity date of 12 April 2024 would be convertible into fully paid ordinary shares in the Company, and the interest capitalised over the period 13 April 2024 to 12 April 2025 would be settled in cash.

During the year ended 30 June 2025, the Company issued 43,797,022 shares and paid interest of \$288,822 to settle the convertible notes.

**Convertible loan note derivative**

The convertible loan note agreements contained a maximum conversion price of \$0.17 and a minimum conversion price of \$0.08. This created an embedded derivative feature within the convertible notes. The convertible loan note derivative was initially recognised at fair value and was subsequently adjusted at each reporting date to reflect the carrying amount of the convertible debt, with the adjustments to fair value being recognised in the consolidated statement of profit or loss.

Set out below is the movement in the convertible loan note derivative asset during the prior year:

|                                                       | <b>Consolidated</b> |
|-------------------------------------------------------|---------------------|
|                                                       | <b>2025</b>         |
|                                                       | <b>\$</b>           |
| Carrying amount at beginning of year                  | 879,444             |
| Fair value gain recognised in the year                | 40,293              |
| Fair value on conversion transferred to share capital | <u>(919,737)</u>    |
| Carrying amount at end of year                        | <u>-</u>            |

**Convertible loan note liability**

The convertible loan note liability, being the convertible notes principal and accrued interest, was carried at amortised cost.

Set out below is the movement in the convertible loan note liability during the prior year:

|                                                                          | <b>Consolidated</b> |
|--------------------------------------------------------------------------|---------------------|
|                                                                          | <b>2025</b>         |
|                                                                          | <b>\$</b>           |
| Carrying amount at beginning of year                                     | (4,259,858)         |
| Interest capitalised in accordance with the convertible note instruments | (227,534)           |
| Amortisation of conversion premium                                       | (181,132)           |
| Cash payment of interest accrued from 12 April 2024 to 12 April 2025     | 288,822             |
| Transferred to share capital                                             | <u>4,379,702</u>    |
| Carrying amount at end of year                                           | <u>-</u>            |

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 14. CONVERTIBLE LOAN NOTE (continued)

The following amounts are recognised in profit or loss in relation to the convertible loan notes and the convertible loan note derivative:

|                                                                              | Consolidated |           |
|------------------------------------------------------------------------------|--------------|-----------|
|                                                                              | 2026         | 2025      |
|                                                                              | \$           | \$        |
| Fair value gain on convertible loan note derivative                          | -            | 40,293    |
| <b>Included in finance costs</b>                                             |              |           |
| Interest recognised in accordance with the convertible loan note instruments | -            | (227,534) |
| Amortisation of conversion premium                                           | -            | (181,132) |
|                                                                              | -            | (408,666) |
| <b>Total amount recognised in profit or loss</b>                             | -            | (368,373) |

### 15. CONTRIBUTED EQUITY

#### (a) Issued capital

|                             | Consolidated |            |
|-----------------------------|--------------|------------|
|                             | 2026         | 2025       |
|                             | \$           | \$         |
| Ordinary shares, fully paid | 84,457,151   | 84,002,149 |

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held and in proportion to the amount paid up on the shares held. At shareholder meetings, each ordinary share is entitled to one vote in proportion to the paid-up amount of the share when a poll is called, otherwise each shareholder has one vote on a show of hands.

#### (b) Movements in share capital

|                                                       | 2026               |                   | 2025               |                   |
|-------------------------------------------------------|--------------------|-------------------|--------------------|-------------------|
|                                                       | Number             | \$                | Number             | \$                |
| Shares on issue at 1 July                             | 922,011,140        | 84,002,149        | 788,714,118        | 72,165,390        |
| Shares issued on exercise of performance rights       | 4,647,500          | 464,309           | 4,500,000          | 337,073           |
| Shares issued on conversion of convertible loan notes | -                  | -                 | 43,797,022         | 3,459,965         |
| at \$0.10 per share <sup>1</sup>                      | -                  | -                 | 85,000,000         | 8,500,000         |
| Share issue costs                                     | -                  | (9,307)           | -                  | (460,279)         |
| <b>Shares on issue at 30 June</b>                     | <b>926,658,640</b> | <b>84,457,151</b> | <b>922,011,140</b> | <b>84,002,149</b> |

Notes:

- Placements were made to sophisticated and professional investors.

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**15. CONTRIBUTED EQUITY**

**(c) Share issue costs**

Share issue costs are made up as follows:

|                                                                        | <b>Consolidated<br/>2026</b> | <b>2025</b>      |
|------------------------------------------------------------------------|------------------------------|------------------|
|                                                                        | <b>\$</b>                    | <b>\$</b>        |
| Share issue costs paid during the year                                 | <b>(9,307)</b>               | (349,802)        |
| Share issue costs included in trade and other payables at balance date | <b>-</b>                     | (110,477)        |
|                                                                        | <b>(9,307)</b>               | <b>(460,279)</b> |

**(d) Capital Risk Management**

The Group's objective when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policies or processes for managing capital during the years ended 30 June 2026 and 30 June 2025.

|                                    | <b>Consolidated<br/>2026</b> | <b>2025</b> |
|------------------------------------|------------------------------|-------------|
|                                    | <b>\$</b>                    | <b>\$</b>   |
| Trade and other payables (Note 11) | <b>(1,388,772)</b>           | (1,093,772) |
| Deferred revenue (Note 12)         | <b>(3,645,576)</b>           | (3,917,409) |
| Lease liabilities (Note 10)        | <b>(846,518)</b>             | (163,015)   |
| Total debt                         | <b>(5,880,866)</b>           | (5,174,196) |
| Total interest-bearing debt        | <b>(846,518)</b>             | (163,015)   |
| Cash and cash equivalents          | <b>4,487,302</b>             | 9,481,457   |
| Net (cash) / debt                  | <b>(3,640,784)</b>           | (9,318,442) |
| Total (deficit) / equity           | <b>(391,358)</b>             | 4,382,480   |
| Net gearing ratio                  | <b>N/A</b>                   | (213%)      |

**16. RESERVES**

|                                                                           | <b>Consolidated<br/>2026</b> | <b>2025</b> |
|---------------------------------------------------------------------------|------------------------------|-------------|
|                                                                           | <b>\$</b>                    | <b>\$</b>   |
| Foreign currency translation reserve                                      | <b>23,683</b>                | 114,713     |
| Share-based payments reserve                                              | <b>5,735,385</b>             | 5,515,767   |
| <b>Movement in the foreign currency translation reserve</b>               |                              |             |
| Balance at beginning of year                                              | <b>114,713</b>               | 15,004      |
| Foreign exchange differences arising on translation of foreign operations | <b>(91,030)</b>              | 99,709      |
| Balance at end of year                                                    | <b>23,683</b>                | 114,713     |
| <b>Movement in the share-based payments reserve</b>                       |                              |             |
| Balance at beginning of year                                              | <b>5,515,767</b>             | 4,862,744   |
| Fair value recognised in the current year for:                            |                              |             |
| - performance rights granted in the 2023 financial year                   | <b>-</b>                     | 75,303      |
| - performance rights granted in the current year                          | <b>683,927</b>               | 914,793     |
| Fair value of performance rights converted into ordinary shares           | <b>(464,309)</b>             | (337,073)   |
| Balance at end of year                                                    | <b>5,735,385</b>             | 5,515,767   |

# Adveritas Limited

## Notes to the Consolidated Financial Statements for the year ended 30 June 2026

### 16. RESERVES (continued)

#### Nature and purpose of reserves

##### *Foreign currency reserve*

The foreign currency translation reserve is used to recognise foreign currency exchange differences arising on translation of functional currency to presentation currency for foreign operations.

##### *Share-based payments reserve*

The share-based payments reserve is used to recognise the fair value of equity-settled share-based payments provided to employees, consultants and other third parties. Amounts are transferred to issued capital upon exercise of underlying equity instruments.

### 17. SHARE-BASED PAYMENTS

The share-based payments expense comprises the fair value of equity incentives at grant date recognised over their vesting periods:

|                                                                 | \$             | \$      |
|-----------------------------------------------------------------|----------------|---------|
| Performance rights granted in the 2023 financial year (FY23)    | -              | 75,303  |
| Performance rights granted in the current financial year (FY25) | <b>683,927</b> | 914,793 |
|                                                                 | <b>683,927</b> | 990,096 |

#### (a) Options

The movement in options during the year is set out below:

|                         | 2026   | 2025   |
|-------------------------|--------|--------|
|                         | Number | Number |
| Opening balance         | -      | -      |
| Expired during the year | -      | -      |
| Closing balance         | -      | -      |

No options were granted during the current year (2025: nil).

There were no option outstanding at 30 June 2026 (2025: nil).

Holders of options do not have any voting or dividend rights in relation to the options.

#### (b) Performance Rights

The following table illustrates the movement in the number of performance rights on issue during the year:

|                  | Opening<br>balance at<br>1 July<br>2025 | Granted<br>during the<br>year | Vested<br>during<br>the year | Converted<br>into<br>ordinary<br>shares<br>during the<br>year | Lapsed<br>during<br>the year | Closing<br>balance at<br>30 June<br>2026 |
|------------------|-----------------------------------------|-------------------------------|------------------------------|---------------------------------------------------------------|------------------------------|------------------------------------------|
| Granted in FY 23 | 5,000,000                               | -                             | -                            | -                                                             | -                            | 5,000,000                                |
| Granted in FY 25 | 19,745,000                              | -                             | 9,422,500                    | (4,647,500)                                                   | (805,000)                    | 14,292,500                               |
|                  | <b>24,745,000</b>                       | -                             | <b>9,422,500</b>             | <b>(4,647,500)</b>                                            | <b>(805,000)</b>             | <b>19,292,500</b>                        |

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**17. SHARE-BASED PAYMENTS (continued)**

**(c) Performance Rights (continued)**

The status of the vesting conditions of the performance rights on issue on 30 June 2026 is set out below:

| <b>Vesting condition</b>                                                                                 | <b>Quantum of performance rights</b> | <b>Status at 30 Jun 2026</b> |
|----------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------|
| <b><i>Performance rights granted in FY23</i></b>                                                         |                                      |                              |
| Remains an employee of the Group on 31 Dec 2023                                                          | 2,500,000                            | Vested, not yet exercised    |
| Remains an employee of the Group on 31 Dec 2024                                                          | 2,500,000                            | Vested, not yet exercised    |
| <b><i>Performance rights granted in FY25</i></b>                                                         |                                      |                              |
| Remains an employee of the Group on 31 Dec 2025                                                          | 2,750,000                            | Vested, not yet exercised    |
| Remains an employee of the Group on 31 Dec 2026                                                          | 3,000,000                            | Not yet vested               |
| Achieves annualised recurring revenue of \$9 million and a cost reduction of \$1 million by 30 June 2025 | 1,500,000                            | Vested, not yet exercised    |
| Achieves annualised recurring revenue of \$15 million by 30 June 2026                                    | 3,450,000                            | Vested, not yet exercised    |
| Achieves an annual customer contract value of \$1 million                                                | 500,000                              | Vested, not yet exercised    |
| Achieves annualised recurring revenue of \$2 million from agencies by 30 June 2026                       | 700,000                              | Vested, not yet exercised    |
| Remains an employee of the Group on 19 Dec 2026                                                          | 2,392,500                            | Not yet vested               |

No performance rights were granted during the current year (2025: 19,745,000).

The fair value at grant date is recognised as an expense over the vesting period. The expense recognised in the current year was \$683,927 (2025: \$990,096).

Holders of performance rights do not have any voting or dividend rights in relation to the performance rights.

**18. ACCUMULATED LOSSES**

|                                                       | <b>Consolidated 2026</b> | <b>2025</b>         |
|-------------------------------------------------------|--------------------------|---------------------|
|                                                       | <b>\$</b>                | <b>\$</b>           |
| Accumulated losses at the beginning of financial year | (85,250,149)             | (78,164,397)        |
| Net loss for the year                                 | (5,357,428)              | (7,085,752)         |
| Accumulated losses at the end of financial year       | <u>(90,607,577)</u>      | <u>(85,250,149)</u> |

**19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

**(a) Financial assets (other than cash and cash equivalents)**

|                                                                      | <b>Consolidated 2026</b> | <b>2025</b>    |
|----------------------------------------------------------------------|--------------------------|----------------|
|                                                                      | <b>\$</b>                | <b>\$</b>      |
| <b>Financial assets at amortised cost</b>                            |                          |                |
| Trade and other receivables (Note 8)                                 | 951,110                  | 735,507        |
| <b>Total financial assets (other than cash and cash equivalents)</b> | <u>951,110</u>           | <u>735,507</u> |
| Total current                                                        | 951,110                  | 735,507        |
| Total non-current                                                    | -                        | -              |
|                                                                      | <u>951,110</u>           | <u>735,507</u> |

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)**

**(b) Financial liabilities**

|                                                | Consolidated<br>2026<br>\$ | 2025<br>\$     |
|------------------------------------------------|----------------------------|----------------|
| <b>Financial liabilities at amortised cost</b> |                            |                |
| Trade payables (Note 11)                       | 846,570                    | 610,262        |
| <b>Interest bearing liabilities</b>            |                            |                |
| Lease liabilities (Note 10)                    | 846,518                    | 163,015        |
| <b>Total financial liabilities</b>             | <b>1,693,088</b>           | <b>773,277</b> |
| Total current                                  | 882,114                    | 773,277        |
| Total non-current                              | 810,974                    | -              |
|                                                | <b>1,693,088</b>           | <b>773,277</b> |

**(c) Financial instruments risk management objectives and policies**

**Financial assets**

The Group's principal financial assets comprise trade and other receivables, cash and cash equivalents and short-term deposits derived directly from its operations.

**Financial liabilities**

The Group's principal financial liabilities comprise trade and other payables and interest-bearing lease liabilities.

**Risk**

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management team oversees the management of these risks and is responsible for ensuring that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include trade and other receivables, convertible loan note derivative (prior year only), trade and other payables, interest-bearing lease liabilities and the interest-bearing convertible loan note liability that was settled during the current year.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates is negligible given that the Group has no floating rate instruments and the terms of the lease liability and convertible loan were agreed upfront.

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue and trade receivables or expenses and trade payables are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

The material financial instruments denominated in a foreign currency held by the Group are cash and cash equivalents and certain trade receivables and trade payables denominated in United States Dollars (USD) and Great British Pounds (GBP).

A summary of the AUD equivalent of the Group's foreign currency denominated financial instruments at the reporting date is as follows:

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)**

**(c) Financial instruments risk management objectives and policies (continued)**

*Foreign currency risk (continued)*

|                           | Instruments<br>denominated in USD<br>Consolidated |           | Instruments<br>denominated in GBP<br>Consolidated |          |
|---------------------------|---------------------------------------------------|-----------|---------------------------------------------------|----------|
|                           | 2026                                              | 2025      | 2026                                              | 2025     |
|                           | \$                                                | \$        | \$                                                | \$       |
| Cash and cash equivalents | 1,335,570                                         | 1,093,524 | 1,749,731                                         | 184,153  |
| Trade receivables         | 500,646                                           | 254,994   | 225,776                                           | 196,700  |
| Trade payables            | (662,624)                                         | (228,935) | (31,246)                                          | (25,316) |
| Net exposure              | 1,173,592                                         | 1,119,583 | 1,944,261                                         | 355,537  |

The sensitivity analysis below relates to the foreign currency risk exposures in existence at the reporting date. The table demonstrates the sensitivity to a reasonably possible change in foreign currency exchange rates, with all other variables held constant.

|      | Effects of AUD/USD<br>exchange rate movements |          |                                   |          | Effects of AUD/GBP<br>exchange rate movements |         |                                   |         |
|------|-----------------------------------------------|----------|-----------------------------------|----------|-----------------------------------------------|---------|-----------------------------------|---------|
|      | Loss before tax<br>(Higher)/Lower             |          | Loss before tax<br>(Higher)/Lower |          | Loss before tax<br>(Higher)/Lower             |         | Loss before tax<br>(Higher)/Lower |         |
|      | 2026                                          | 2025     | 2026                              | 2025     | 2026                                          | 2025    | 2026                              | 2025    |
|      | \$                                            | \$       | \$                                | \$       | \$                                            | \$      | \$                                | \$      |
| +11% | 44,971                                        | 58,702   | 44,971                            | 58,702   | 147,926                                       | 3,752   | 147,926                           | 3,752   |
| -11% | 44,971                                        | (58,702) | 44,971                            | (58,702) | 147,926                                       | (3,752) | 147,96                            | (3,752) |

**Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily in relation to trade and other receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**Trade receivables and contract assets**

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on the customer's financial position, past working experience with the customer (if any) and any other applicable factors. Individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and followed up accordingly.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are generally based on days past due after considering any other relevant forward-looking information. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in different jurisdictions and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

| 30 June 2026                | Total     | Current  | Days past due |            |           |
|-----------------------------|-----------|----------|---------------|------------|-----------|
|                             |           |          | 30-60 days    | 61-90 days | > 90 days |
|                             | \$        | \$       | \$            | \$         | \$        |
| Total gross carrying amount | 865,692   | 752,706  | 36,328        | 6,565      | 70,093    |
| Expected credit loss rate   |           | 2%       | 38.7%         | 99.9%      | 99.9%     |
| Expected credit loss        | (104,868) | (14,253) | (14,054)      | (6,556)    | (70,005)  |
| Net carrying amount         | 760,824   | 738,453  | 22,274        | 9          | 88        |

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)**

**(c) Financial instruments risk management objectives and policies (continued)**

***Credit risk (continued)***

| 30 June 2025                | Days past due |         |            |            |           |
|-----------------------------|---------------|---------|------------|------------|-----------|
|                             | Total         | Current | 30-60 days | 61-90 days | > 90 days |
|                             | \$            | \$      | \$         | \$         | \$        |
| Total gross carrying amount | 636,801       | 561,336 | 15,685     | 17,862     | 41,918    |
| Expected credit loss rate   |               | 0%      | 14%        | 97%        | 96%       |
| Expected credit loss        | (62,335)      | (1,526) | (2,136)    | (17,363)   | (41,310)  |
| Net carrying amount         | 574,466       | 559,810 | 13,549     | 499        | 608       |

***Trade receivables and contract assets (continued)***

At 30 June, the exposure to credit risk for trade receivables and contract assets by geographic region was as follows:

|               | Consolidated<br>2026 | 2025           |
|---------------|----------------------|----------------|
|               | \$                   | \$             |
| North America | 368,872              | 26,587         |
| Latin America | 14,185               | 25,625         |
| Asia Pacific  | 21,821               | 43,309         |
| Europe        | 232,675              | 400,488        |
| Australia     | 61,486               | 43,268         |
| Middle East   | 55,498               | 24,487         |
| Other         | 6,287                | 10,702         |
|               | <b>760,824</b>       | <b>574,466</b> |

***Cash and cash equivalents***

The Group held cash and cash equivalents of \$4,487,302 at 30 June 2026 (2025: \$9,481,457). All cash and cash equivalents are held with banks and electronic money accounts which the Group considers to be low risk.

***Liquidity risk***

Prudent liquidity risk management implies maintaining sufficient cash and funding to ensure that the Group can meet its obligations when due. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group holds the majority of its financial assets (excluding cash) as trade receivables with reputable customers who have had no significant payment issues in the past and hence, does not have any material liquidity risk at the reporting date.

The Group monitors rolling forecasts of liquidity reserves on the basis of expected cash flow.

The following tables compare the carrying amounts at balance date to the remaining contractual liabilities at various maturities at balance date. The contractual amounts are gross, undiscounted, include any contractual interest payments and exclude the impact of netting arrangements:

| 30 June 2026                                    | Carrying<br>amount<br>\$ | Contractual cash flows |                            |                 |                    |                     |
|-------------------------------------------------|--------------------------|------------------------|----------------------------|-----------------|--------------------|---------------------|
|                                                 |                          | Total<br>\$            | 12 months<br>or less<br>\$ | 1-2 years<br>\$ | 2-5<br>years<br>\$ | 5-10<br>years<br>\$ |
| <b>Non-derivative<br/>financial liabilities</b> |                          |                        |                            |                 |                    |                     |
| Trade payables                                  | 846,570                  | 846,570                | 846,570                    | -               | -                  | -                   |
| Lease liabilities <sup>1</sup>                  | 846,518                  | 1,414,755              | 124,910                    | 130,792         | 410,233            | 748,819             |
|                                                 | <b>1,693,088</b>         | <b>2,261,315</b>       | <b>971,480</b>             | <b>130,792</b>  | <b>410,233</b>     | <b>748,819</b>      |

Notes:

1. The contractual cash flows for lease liabilities has been calculated on the assumption that the Group will exercise its option to extend the lease of its head office premises for a consecutive five year term.

**Adveritas Limited**  
**Notes to the Consolidated Financial Statements for the year ended 30 June 2026**

**19. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)**

**(c) Financial instruments risk management objectives and policies (continued)**

*Liquidity risk (continued)*

| 30 June 2025                                | Contractual cash flows |                |                   |           |           |            |
|---------------------------------------------|------------------------|----------------|-------------------|-----------|-----------|------------|
|                                             | Carrying amount        | Total          | 12 months or less | 1-2 years | 2-5 years | 5-10 years |
|                                             | \$                     | \$             | \$                | \$        | \$        | \$         |
| <b>Non-derivative financial liabilities</b> |                        |                |                   |           |           |            |
| Trade payables                              | 610,262                | 610,262        | 610,262           | -         | -         | -          |
| Lease liabilities                           | 163,015                | 163,015        | 163,015           | -         | -         | -          |
|                                             | <u>773,277</u>         | <u>773,277</u> | <u>773,277</u>    | <u>-</u>  | <u>-</u>  | <u>-</u>   |

**Fair values**

Fair values of financial assets and liabilities have been assessed as being equivalent to their carrying values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

The Group values derivative financial instruments using valuation techniques, such as the Monte Carlo simulation model, which employ the use of market observable inputs such as share price, volatility and risk-free rates. This valuation methodology is Level 2 in the fair value hierarchy,

For financial instruments carried at fair value, the Group uses various methods in estimating fair value. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in an active market.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in the Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

**20. COMMITMENTS AND CONTINGENCIES**

**(a) Lease Commitments – Group as lessee**

Future minimum rentals payable under short-term and low-value leases are as follows:

|                                             | Consolidated 2026 | 2025         |
|---------------------------------------------|-------------------|--------------|
|                                             | \$                | \$           |
| Within one year                             | 7,171             | 6,735        |
| After one year but not more than five years | -                 | -            |
| More than five years                        | -                 | -            |
|                                             | <u>7,171</u>      | <u>6,735</u> |

**(b) Property, Plant and Equipment Commitments**

At balance date the Group had no contractual obligations to purchase plant and equipment (2025: nil).

**(c) Contingent Liabilities**

At balance date the Group had no pending legal claims or other contingent liabilities (2025: nil).

## Adveritas Limited

### Notes to the Consolidated Financial Statements for the year ended 30 June 2026

#### 21. GROUP STRUCTURE AND RELATED PARTY DISCLOSURES

##### a) Group Structure

The consolidated financial statements include the financial statements of Adveritas Limited (the parent entity) and the entities listed in the table below.

|                                        | <i>Country of incorporation</i> | <i>% Equity interest</i> |             |
|----------------------------------------|---------------------------------|--------------------------|-------------|
|                                        |                                 | <b>2026</b>              | <b>2025</b> |
| Livelynk Group Pty Ltd <sup>1</sup>    | Australia                       | 100                      | 100         |
| TrafficGuard Pty Ltd <sup>2</sup>      | Australia                       | 100                      | 100         |
| TrafficGuard APAC Pte Ltd <sup>2</sup> | Singapore                       | 100                      | 100         |
| TrafficGuard US Inc <sup>2</sup>       | United States                   | 100                      | 100         |
| Appenture d.o.o. <sup>2</sup>          | Croatia                         | 100                      | 100         |
| TrafficGuard UK Ltd <sup>2</sup>       | United Kingdom                  | 100                      | 100         |
| TrafficGuard LATAM LTDA <sup>2</sup>   | Brazil                          | 100                      | 100         |

Notes:

1. equity interest is held directly by Adveritas Limited
2. equity interest is held directly by Livelynk Group Pty Ltd

##### b) Transactions with related parties

During the current year, the Company entered into an agreement with APT Strategies Inc, an entity controlled by Non-Executive Director Marc Phillips, to provide support in the following areas: US expansion, sales leadership search and strategic acquisition targeting. The fees paid to APT Strategies Inc in the current year were \$21,392. At 30 June 2026, unpaid fees from APT Strategies Inc of \$4,707 were included in trade and other payables.

##### c) Guarantees

None of the entities within the Group are guarantors.

#### 22. AUDITORS' REMUNERATION

Remuneration of the Group's auditor, Ernst and Young, was as follows:

|                                                      | <b>Consolidated</b> |                |
|------------------------------------------------------|---------------------|----------------|
|                                                      | <b>2026</b>         | <b>2025</b>    |
|                                                      | <b>\$</b>           | <b>\$</b>      |
| Audit or review of the consolidated financial report | <b>105,433</b>      | 111,002        |
| Grant application services provided                  | <b>25,000</b>       | 25,000         |
|                                                      | <b>130,433</b>      | <b>136,002</b> |

#### 23. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares on issue during the year.

Diluted loss per share is calculated by dividing the loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares on issue during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**Adveritas Limited****Notes to the Consolidated Financial Statements for the year ended 30 June 2026****23. LOSS PER SHARE (continued)**

The following table reflects the data used in the calculation of the basic and diluted loss per share:

|                                                                                              | <b>2026</b>        | <b>2025</b>   |
|----------------------------------------------------------------------------------------------|--------------------|---------------|
|                                                                                              | <b>Number</b>      | <b>Number</b> |
| Weighted average number of ordinary shares used in the calculation of basic loss per share   | <b>924,573,277</b> | 799,741,026   |
| Weighted average number of ordinary shares used in the calculation of diluted loss per share | <b>924,573,277</b> | 799,741,026   |
|                                                                                              | <b>\$</b>          | <b>\$</b>     |
| Loss attributable to ordinary equity holders of Adveritas Limited for basic and diluted loss | <b>(5,357,428)</b> | (7,085,752)   |
|                                                                                              | <b>Cents</b>       | <b>Cents</b>  |
| Basic earnings loss per share                                                                | <b>(0.58)</b>      | (0.89)        |
| Diluted loss per share                                                                       | <b>(0.58)</b>      | (0.89)        |

**Classification of securities as ordinary shares**

The Company has only one category of ordinary shares included in basic loss per share.

**Classification of securities as potential ordinary shares**

No securities have been classified as dilutive potential ordinary shares on issue in the current year because the performance rights on issue are considered anti-dilutive on the basis that their inclusion in the calculation would reduce the loss per share.

The potential ordinary shares considered anti-dilutive at year end are 19,292,500 performance rights on issue at 30 June 2026 (30 June 2025: 24,745,000).

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these consolidated financial statements.

**24. DIRECTORS AND EXECUTIVE DISCLOSURE****Compensation of Key Management Personnel**

|                              | <b>Consolidated</b> |                  |
|------------------------------|---------------------|------------------|
|                              | <b>2026</b>         | <b>2025</b>      |
|                              | <b>\$</b>           | <b>\$</b>        |
| Short-term employee benefits | 2,660,427           | 2,332,516        |
| Post-employment benefits     | 104,695             | 87,595           |
| Other long-term benefits     | 14,623              | 25,979           |
| Share based payments         | 458,176             | 805,644          |
|                              | <u>3,237,921</u>    | <u>3,251,734</u> |

**Adveritas Limited****Notes to the Consolidated Financial Statements for the year ended 30 June 2026****25. PARENT ENTITY INFORMATION**

The following information relates to the legal parent entity of the Group, being Adveritas Limited. The information presented has been prepared using consistent accounting policies as presented in Note 2.

|                                     | As at 30 June<br>2026 | As at 30 June<br>2025 |
|-------------------------------------|-----------------------|-----------------------|
|                                     | \$                    | \$                    |
| <b><i>Financial Position</i></b>    |                       |                       |
| <b>Assets</b>                       |                       |                       |
| Current assets                      | 1,084,299             | 8,302,948             |
| Non-current assets                  | 9,174                 | 5,943                 |
| <b>Total assets</b>                 | <u>1,093,473</u>      | <u>8,308,891</u>      |
| <b>Liabilities</b>                  |                       |                       |
| Current liabilities                 | 577,947               | 645,337               |
| Non-current liabilities             | 107,815               | 88,041                |
| <b>Total liabilities</b>            | <u>685,762</u>        | <u>733,378</u>        |
| <b>Net assets</b>                   | <u>407,711</u>        | <u>7,575,513</u>      |
| <b>Equity</b>                       |                       |                       |
| Contributed equity                  | 81,268,845            | 80,813,843            |
| Share based payment reserve         | 4,421,238             | 4,201,620             |
| Accumulated losses                  | (85,282,372)          | (77,439,950)          |
| <b>Total equity</b>                 | <u>407,711</u>        | <u>7,575,513</u>      |
| <b><i>Financial Performance</i></b> |                       |                       |
| Loss for the year                   | (7,842,422)           | (4,808,671)           |
| Other comprehensive income          | -                     | -                     |
| <b>Total comprehensive loss</b>     | <u>(7,842,422)</u>    | <u>(4,808,671)</u>    |

**26. EVENTS AFTER BALANCE SHEET DATE**

No event has arisen since 30 June 2026 that would be likely to materially affect the operations of the Group, or its state of affairs which has not otherwise been disclosed in this financial report.

# Adveritas Limited

## Consolidated Entity Disclosure Statement

As at 30 June 2026

| Entity name                                      | Entity type    | Body corporate country of incorporation | Body corporate % of share capital held | Country of tax residence |
|--------------------------------------------------|----------------|-----------------------------------------|----------------------------------------|--------------------------|
| Adveritas Limited                                | Body Corporate | Australia                               |                                        | Australia                |
| <b>Controlled entities of Adveritas Limited:</b> |                |                                         |                                        |                          |
| Livelynk Group Pty Ltd                           | Body corporate | Australia                               | 100                                    | Australia                |
| TrafficGuard Pty Ltd                             | Body corporate | Australia                               | 100                                    | Australia                |
| TrafficGuard APAC Pte Ltd                        | Body corporate | Singapore                               | 100                                    | Singapore                |
| TrafficGuard US Inc                              | Body corporate | United States                           | 100                                    | United Sates             |
| Appenture d.o.o                                  | Body corporate | Croatia                                 | 100                                    | Croatia                  |
| TrafficGuard UK Ltd                              | Body corporate | United Kingdom                          | 100                                    | United Kingdom           |
| TrafficGuard LATAM LTDA                          | Body corporate | Brazil                                  | 100                                    | Brazil                   |

## **Adveritas Limited**

### **Directors' Declaration**

#### **In the directors' opinion:**

- (a) The consolidated financial statements and notes of Adveritas Limited set out on pages 25 to 64 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
  - (ii) giving a true and fair view of the Group's consolidated financial position as at 30 June 2026 and its performance for the financial year ended on that date, and
- (b) Note 2(b) confirms that the consolidated financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.
- (c) Subject to Note 2(v), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (d) The consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act* is true and correct.

This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2026.

On behalf of the board



**Mathew Ratty**  
**Managing Director and Chief Executive Officer**

Perth, Western Australia  
Dated 28 August 2026

## Independent auditor's report to the members of Adveritas Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Adveritas Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

We draw attention to Note 2(v) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



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## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

### 1. Revenue from Contracts with Customers

| Why significant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>During the year ended 30 June 2026, the Group has recognised total revenue of \$10,313,281 in relation to monthly subscriptions for TrafficGuard software services.</p> <p>In accordance with the requirements of Australian Accounting Standards AASB 15 'Revenue from Contracts with Customers' ("AASB 15"), the Group recognises revenue with respect to the performance obligations it has identified within its customer contracts. Generally, the Group has determined these obligations are satisfied over time as disclosed in Note 2(I) of the financial report.</p> <p>Judgement is involved in assessing the stage of completion of the services and therefore the amount of revenue to be recognised. In addition, as material revenue transactions can occur close to year end, there is a risk that revenue is recognised in the incorrect period. For the above reasons we consider this to be a key audit matter.</p> | <p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>▪ Examined a sample of customer contracts to assess whether revenue recognised was in accordance with the requirements of AASB 15 and the terms and conditions in the underlying contracts</li><li>▪ On a sample basis of revenue transactions recorded throughout the year and near year end, we assessed whether the transactions were recorded in accordance with the requirements of AASB 15 and in the correct period</li><li>▪ Examined a sample of cash receipted in advance from customers and tested the recognition pattern and the appropriateness of deferred revenue as at the balance date</li><li>▪ Performed journal entry testing procedures focusing on manual journal entries recognised within revenue for the purpose of testing cut-off</li><li>▪ Assessed the adequacy of the presentation and disclosures in Note 3, Note 4 and Note 12 of the financial report.</li></ul> |

## Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2026 annual report other than the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- a. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and;
- b. The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

For such internal control as the directors determine is necessary to enable the preparation of:

- i. The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.



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## **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the audit of the Remuneration Report**

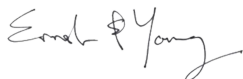
### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 12 to 24 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Adveritas Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Ernst & Young



Darryn Hall  
Partner  
Perth  
28 August 2026