Axtec Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Axtec Limited
ABN:	40 009 063 834
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

				$'000
Loss from ordinary activities after tax attributable to the owners of Axtec Limited	up	246.5%	to	(7,786)
Loss for the year attributable to the owners of Axtec Limited	up	246.5%	to	(7,786)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to $7,786,000 (30 June 2025: $2,247,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.09	1.32

4. Attachments

Details of attachments (if any):

The Annual Report of Axtec Limited for the year ended 30 June 2026 is attached.

5. Signed

Signed ______________________ Date: 31 August 2026

Axtec Limited (Formerly known as Axiom Properties Limited)

ABN 40 009 063 834

Annual Report - 30 June 2026

Chairman's Statement

Dear Shareholder,

I am pleased to present to you the Annual Report for Axtec Limited for the 2025/26 financial year.

Whilst the headline result for this period has been a loss for the Group, this is to be somewhat expected given the continuing evolution of the business into the property technology ecosystem and the efforts and expenditure the management team are making to enhance the Group's product mix and services. It's important to note that this year's result, while disappointing, is a slight improvement on the previous year when the non-cash items and previous year's property development activities are accounted for.

Pleasingly through the year (and subsequent to year-end) your company has signed two key contracts with major counterparties who represent a large share of their respective areas of expertise in the property technology sphere:

1. Infotrack/SecureExchange – Axtec were selected as the preferred provider of payments and settlement services for SecureExchange, a significant provider of settlement services for the real estate industry. Under this agreement, Axtec provides settlement advance products and payment processing capabilities for all of SecureExchange's settlements on a preferred supplier basis, offering substantial reach and distribution for Axtec's products.

2. MRI – a global software provider with a major share of the Australian residential real estate market, offering software services for both the property management and the sales disciplines of a real estate agency's network. Under this agreement, MRI will promote and enable all of Axtec's product suite to be distributed through MRI's substantial network, providing a major distribution channel for the Group's capabilities.

These two agreements provide a solid validation for the strategy employed by the Company over the past few years to develop a strong capability in the property technology sector. Your Board is confident that having these two major companies as strategic partners promoting our products is a strong endorsement of the technology and our strategy. The change of company name to Axtec Limited as approved by Shareholders last November was also an important milestone in effecting this transformation.

We, as a management team and as a Board, believe the advancements we have made and are continuing to make in this technology strategy will start to deliver, in a financial sense, on the Group's vision to be a strategic provider of technology and payment solutions for the residential real estate industry. This year has seen further tangible progress in this regard, particularly with the signing of the major agreements outlined above. We are confident this strategy will continue to deliver on creating sustainable growth, complemented and enhanced by recurring revenue from our partners and customers.

On behalf of your Board, I express sincere appreciation to the management team for their unwavering commitment to Axtec's transformation. Under the leadership of Managing Director Ben Laurance, CEO of PropTech Rob Towey, and COO Brad Melman, the company is making strides toward fulfilling its long-term strategic vision.

Looking ahead and while revenue and execution retains some risk to be carefully managed for shareholders the Board is optimistic about the opportunities before us. The shift toward PropTech is a bold and transformative step, but one that we are confident will position Axtec for success in the years to come. The Company continues to build a portfolio of investments designed to drive long-term value for our shareholders and create a solid foundation for the future of Axtec.

I would like to take this opportunity to thank my fellow Board members and our wider advisory group for their counsel and contribution over the year, as well as our shareholders for their continued support and trust. Together, we are well-placed to capitalise on the opportunities before us, and we are excited about the future that lies ahead.

James Service AM
Chairman

Axtec Limited
Corporate directory
30 June 2026

Directors	James Glenn Service AM Benjamin Peter Laurance Liu Ying Chun Doris Chung Gim Lian (Alternate Director to Liu Ying Chun)
Company secretary	Kamille Dietrich
Registered office	Suite 2007, Level 20, Australia Square 264 – 278 George Street SYDNEY NSW 2000
Principal place of business	Suite 2007, Level 20, Australia Square 264 – 278 George Street SYDNEY NSW 2000
Share register	Computershare Investor Services Pty Limited Level 5 115 Grenfell Street ADELAIDE SA 5000
Auditor	BDO Audit Pty Ltd
Solicitors	Cowell Clarke Level 9 63 Pirie Street ADELAIDE SA 5000
Stock exchange listing	Axtec Limited shares are listed on the Australian Securities Exchange (ASX code: AXI)
Website	www.axtec.com.au

Axtec Limited
Directors' report
30 June 2026

The directors submit the annual financial report of the Consolidated Entity (or Group) consisting of Axtec Limited and the entities it controlled during the financial year ended 30 June 2026. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors
The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

James Glenn Service AM	Non-Executive Chairman
Benjamin Peter Laurance	Managing Director
Liu Ying Chun	Non-Executive Director
Doris Chung Gim Lian	Non-Executive Director (Alternate Director to Liu Ying Chun)
David Goddard	Non-Executive Director (appointed 9 July 2026)

Principal activities
The principal activities during the year of the Consolidated Entity consisted of real estate-focused, AI-enabled technology platform addressing the manual and fragmented nature of property transactions through automated payments, compliance tools, and digital workflows. Axtec's core services include a range of payment and lending solutions for vendors, purchasers, agents, and property owners.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Managing Director's Report and Review of Operations
The Company has achieved significant milestones during this financial year as it continues its strategy of refreshing the Group's objectives of becoming a leading provider of AI-enabled technology solutions to the real estate sector. These technology solutions are complemented and aided by the Company's payments and lending operations under the brand "PaySure" to provide a holistic solution which solves inefficiencies associated with the life cycle of buying/selling and owning property. As the Chairman has highlighted in his report, the Company's solutions have been solidly embraced by the real estate sector, evidenced by some key strategic customer agreements announced during the year:

Infotrack/SecureExchange – the Company signed a 3 year exclusive agreement (announced 23 October 2025) with Infotrack to provide processing and reconciliation of deposits when property settlement transactions occur through their SecureExchange platform. Given the changing nature of payments processing concerning security and fraud, the Company is strategically positioned to capitalise on these challenging issues. Infotrack is one of the largest software providers in the Australian market for settlement and conveyancing services, and Axtec is proud to be their exclusive partner under this agreement.

MRI – Subsequent to year-end (announced 24 July 2026), Axtec signed a 3 year distribution agreement with US software giant MRI - one of the largest providers of software solutions to the Australian real estate sector, providing Customer Relationship Management (CRM) software and property management software to a large number of real estate agencies. The nature of the agreement signed provides for Axtec's full suite of products and services to be promoted and distributed through MRI's extensive client channels of real estate agency networks and other industry participants.

Financial Result

The loss for the consolidated entity after providing for income tax and non-controlling interests amounted to $7,786,000 (30 June 2025: $2,247,000). While the headline result is disappointing, it needs to be considered in the context of the significant transition underway within the Group as it moves away from its historic property development activities and towards a property technology-led business model. The contribution from property development activities has reduced materially as those legacy projects are wound down, while the revenue benefits from the Group's technology, payments and lending platforms are still building and will take time to replace and ultimately exceed those historic earnings. Importantly, the development of the Group's core product suite is now substantially complete and the focus has shifted toward execution, customer acquisition and increasing adoption through the distribution channels established during the year and subsequent to year-end.

A significant component of the FY26 loss is also non-cash in nature, including write-downs in the carrying values of several minority investments. Excluding the contribution from legacy property development activities and the impact of these minority investment write-downs, the underlying result represents a modest improvement on the prior year, reflecting in part the actions taken to manage the Group's cost base during this transition. Accordingly, while the underlying operating result remains a loss and further revenue growth is required, management considers the year to represent continued progress in repositioning the Group toward a more scalable, technology-led business, with the emphasis now firmly on converting the investment made in products and distribution capability into sustainable recurring revenue.

Milestones

During the reporting year, the Group achieved important commercial and strategic milestones within its PropTech division, including the launch and activation of embedded payments and lending products across enterprise partner channels. This included the rollout of PaySure's Settlement Advance product through Secure Exchange, together with the deployment of property management financing solutions across multiple real estate groups. These partner channels became live with customers during the period, supporting loan applications and originations and representing an important step in scaling distribution through established real estate transaction ecosystems.

Real Flow Partnership

In April 2026, the Group further advanced its strategy through a strategic partnership between its wholly owned subsidiary, PaySure Retail Finance Pty Ltd (PaySure), and Real Flow Holdings Pty Ltd (Real Flow), a specialist provider of property-related finance and transaction-driven cashflow solutions across Australia and New Zealand. The partnership represents an important step in Axtec's transition from a balance sheet lending model to a capital-light, platform-led distribution and origination model.

Under the partnership, Axtec and Real Flow entered into a long-term Strategic Agreement, with an initial five-year term, under which Axtec will continue to offer consumer lending products through its technology platform and referral network, with loans funded by Real Flow as the credit provider. Axtec will earn distribution revenue on each loan originated under the arrangement.

The transaction is expected to reduce the capital intensity associated with holding consumer loans and enable operational resources to be redirected toward the Group's technology, product development and partnership pipeline across payments and embedded finance. The net effect of the transaction was expected to repatriate approximately $1 million of capital support to Axtec, while retaining a distribution revenue stream through PaySure without the associated loan funding requirements.

As part of the strategic partnership, Axtec is also entitled to receive a minority equity interest in Real Flow with a minimum value of $100,000, together with a potential further performance-linked incentive of $260,000, aligning the parties' interests in the future growth of the combined loan origination pipeline. Subsequent to year-end, the Company has confirmed it has earnt the additional payment from Real Flow, and the $260,000 in Real Flow shares have been issued to the Company.

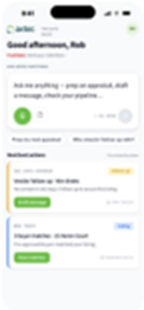
PropTech Strategy

The Directors consider the progress achieved during the reporting period, including the continued activation of enterprise distribution channels and the transition toward a more capital-light operating model, to provide an important foundation for the Group's next phase of commercial growth. Pleasingly during the year and subsequent to year end the Company has attracted significant interest in the Group's product mix including its payments, lending and technology platform from key industry players, with several real estate agent networks utilising and piloting various products.

Axtec continued to invest in an AI-enabled, end-to-end automation platform to drive improved efficiency and compliance outcomes for real estate agencies. Built on enterprise-grade infrastructure, the platform integrates payments, lending and workflow automation across the property lifecycle, delivering a secure and efficient digital experience.

One platform, four products

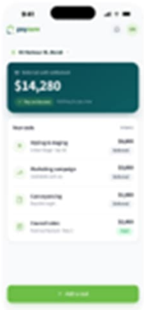
The platform is delivered through four products:



Axtec IQ

The AI workspace for agencies

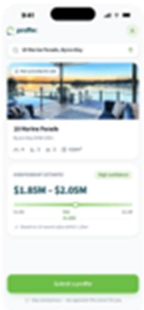
Prepares appraisals, drafts follow-ups and automates administrative work, returning hours to every agent, every day.



PaySure

Payments and advances across the transaction

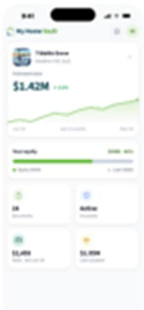
Deposits, invoices, marketing and commissions, delivered when clients need them. Advances are funded by the Group's lending partner Real Flow, with the capacity to integrate multiple lenders.



Proffer

Buyer intent matching

Identifies buyer intent within an agency's existing database, activating the unconverted majority of that database and routing ready buyers to the agency's agents first.



MyHomeVault

The agency's brand in the customer's pocket

Provides property value, equity and document services to the owner between transactions, and surfaces selling and refinance intent back to the agent.

Illustrations of AXI's product capabilities

Three routes to market

The Group takes these products to market through three complementary channels. The first is operating systems: Axtec integrates with the critical software platforms agencies run their businesses on, so that a single integration provides reach into thousands of agencies; three year agreements have been signed with InfoTrack and MRI. The second is lenders and brokers, where the Group is in discussions with several lenders, with no agreements concluded to date, to connect pre-approved borrowers to live listings; industry-reported data indicates that as few as approximately 35% of pre-approved borrowers proceed to settlement, most commonly because they cannot find the right property. The third is direct, where a dedicated sales channel signs agency groups individually, with pilots first followed by network rollout. Three routes to the same customer means adoption is not dependent on any single channel.

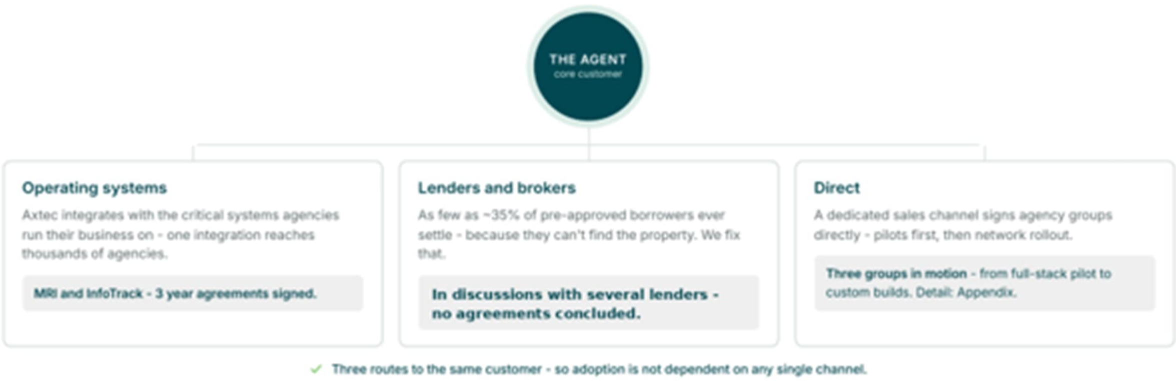


Figure 1: Three routes to the agent

Partnership progress

As noted above, the InfoTrack and MRI agreements give the Group embedded distribution across two of the sector's largest operating platforms. InfoTrack demonstrates the model in operation: deposit payments have been live and growing since the fourth quarter of FY26, with initial channel revenue now being generated, and MRI partner onboarding is now underway. In each case the approach is the same - establish one product on the partner's platform, then deepen across the workflow, providing a cost-efficient and scalable adoption pathway to every agency on that platform.

The Group’s strategy is to continue to provide market-leading technology and payments solutions for the wider Real Estate sector; another important milestone in this evolution of the Company’s activities towards this end was achieved during the year following the Company’s change of name approved by shareholders in November 2025 to Axtec Limited. The strategy is now focused on driving strong customer adoption of the various products and services, which in turn, is expected to start delivering strong recurring revenues and build the foundations of a solid, sustainable business going forward.

Extending the platform

Beyond real estate, the Board is also exploring opportunities to extend the platform's rails - payments, advances, AI workflow automation and the consumer app - into adjacent categories where existing client relationships or a clear strategic rationale support entry. Any such extension would build on the infrastructure and partner model already in place rather than requiring new capability to be built, and is being pursued as optionality alongside, not as a dependency of, the Group's core real estate strategy.

Property Development Division in wind down

The Company is managing the return of bank guarantees held in relation to the ‘Glenlea Estate’, Mount Barker (50% interest), together with various end-of-lifecycle construction activities which are expected to be completed over the next six months. The divestment of this legacy project supports the Groups strategic focus on its core competency as a pure-play PropTech business.

Significant changes in the state of affairs
On 27 November 2025, following shareholder approval at the Company's Annual General Meeting, the Company changed its name from Axiom Properties Limited to Axtec Limited. The change of name was registered by the Australian Securities and Investments Commission with effect from that date. The Company's ASX code remains unchanged as AXI.
The change of name did not affect the Company's legal status, operations, assets or liabilities.

Matters subsequent to the end of the financial year
MRI
Subsequent to year-end (announced 24 July 2026), Axtec signed a 3 year distribution agreement with US software giant MRI - one of the largest providers of software solutions to the Australian real estate sector, providing Customer Relationship Management (CRM) software and property management software to a large number of real estate agencies. The nature of the agreement signed provides for Axtec's full suite of products and services to be promoted and distributed through MRI's extensive client channels of real estate agency networks and other industry participants.

Real Flow Partnership
Subsequent to year-end, the Company confirmed it has earnt the additional payment from Real Flow Holdings Pty Ltd, and the $260,000 in Real Flow shares have been issued to the Company.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation
The Group's operations are subject to various environmental regulations under both Commonwealth and State legislation, particularly in relation to its property development activities. The Group's practice is to ensure that where operations are subject to environmental regulations, those obligations are identified and appropriately addressed. This includes the obtaining of approvals, consents and requisite licences from the relevant authorities and complying with their conditions. There have been no significant known breaches of environmental regulations to which the Group is subject.

Information on directors
Name:	James Glenn Service AM
Title:	Non-Executive Chairman
Experience and expertise:	Mr Service AM has been the Group Managing Director of the JGS Property Group since 1989. JGS Property is an independent advisor in the property investment and project delivery sector. He has extensive direct experience in all sectors of property advice including investment, development, project delivery, construction and asset management. Mr Service AM has more than 30 years' experience as a company director serving on boards in the private, public and not for profit sectors. Mr Service is currently a director of a range of private companies in the property sector and not for profit entities. He was Chairman ACT Building and Construction Industry Training Fund Authority from inception until 2020 and Chairman of Canberra Tourism and Events Corporation for 6 years until 2001. In 2017 Mr Service was made a member of the Order of Australia (AM).
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Benjamin Peter Laurance
Title:	Managing Director
Qualifications:	Bachelor of Economics from the University of Western Australia
Experience and expertise:	Ben Laurance has been the Managing Director of Axtec Ltd since 2006. Mr Laurance’s role as Managing Director of Axtec is to manage, oversee and deliver on the property and technology strategy of the Group. He is also responsible for the day-to-day management and operation of the Company. With his expertise in the corporate and financial markets, Mr Laurance has been instrumental in the guidance and management of Axtec's business strategy over his tenure and positioning the business for a future-facing, enduring business vision. Mr Laurance is a member of the Group’s Audit Committee, Remuneration Committee and Nomination Committee.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	101,436,640 ordinary shares

Name:	Liu Ying Chun
Title:	Non-Executive Director
Qualifications:	MBA, University of Science and Technology, Beijing and Diploma in Business Economics, Renmin University of China
Experience and expertise:	Mr. Liu Ying Chun is the Chief Executive Officer and an Executive Director of Oriental University City Holdings (H.K.) Limited (“OUCHK”), a company listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited. He is primarily responsible for managing the overall operations of OUCHK. Mr. Liu is currently also a director of Langfang Education Consultancy. Mr. Liu is also registered as an engineer in the People’s Republic of China (“PRC”), a valuer with the China Appraisal Society and a qualified auditor accredited by the National Audit Office in the PRC.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

Name:	Doris Chung Gim Lian
Title:	(Non-executive Director (Alternate Director)
Experience and expertise:	Over the past 20 years, Doris has directed all aspects of college operations. She has researched and developed new operational functions and procedures for the colleges to increase efficiency. Further, she has collaborated with financial teams to study operational expenses, revenues and cash flows. As HR Director, she has developed plans for managing / retaining talent inside the organization and for improving leadership strength. Additionally, she has also integrated functional strategies, utilizing business expertise to reach financial and operational objectives. In her roles, she has to meet with board members to conduct presentations on strategies and enhancement projects. On account of her vast experience in the operations of REC colleges since its inception in 1990, Doris has been actively involved in and is spearheading the Group's recent strategic expansion into Europe. She is also the Executive Director of Chew Hua Seng Foundation which was incorporated in 2007 by her spouse, Mr. Chew Hua Seng, the founder of REC to help disadvantaged youth by granting them the resources they need to develop their talents and unlock their potential in life. The Foundation believes education is the cornerstone to building bright futures and stronger communities. Ms Doris Chung Gim Lian is currently the Director of Operations and Human Resource for Raffles Education Limited ("REC", and together with its subsidiaries, "REC Group"), having been appointed since February 2000 to oversee the operational efficiency and human resource needs of the REC Group. Ms Doris Chung is concurrently a Director for several of REC's subsidiaries including Raffles K12 Sdn. Bhd. that operates the Raffles American School in Educity, a fully integrated education hub at Iskandar, Malaysia. She is directly responsible for the management of the Raffles American School.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	95,750,000 ordinary shares

Name:	David Goddard
Title:	Non-Executive Director (appointed 9 July 2026)
Experience and expertise:	Mr Goddard is an experience executive with more than 25 years of experience across banking, advisory and operating businesses in Australia and Asia. His career has included senior leadership roles with Commonwealth Bank of Australia and Vietnam International Bank, executive positions with emerging technology businesses, and advisory work with founders, boards and investors on growth, governance and capital management. He holds a Master of Applied Finance and investment and Bachelor of Economics from University of Sydney.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Interests in shares:	Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Michael Alperstein (resigned 27 November 2025)
Mr Michael Alperstein is the former Company Secretary and Chief Financial Officer of Axtec Limited. Mr Alperstein is responsible for the overall finance function, including taxation, treasury, management accounting, corporate accounting and planning and analysis for reporting to Board members and senior executives. He is also responsible for company secretarial services and compliance, risk and governance systems and practices across the Group.

Mr Alperstein has more than 20 years' experience in financial reporting and control in Australia. Prior to joining the Group he worked for leading insurance groups Suncorp Insurance and Zurich Insurance. Mr Alperstein started his career working in audit within a chartered accounting firm.

In a volunteer capacity, Mr Alperstein currently serves as a Director for a not-for-profit organisation.

Mr Alperstein is a member of Chartered Accountants Australia and New Zealand (CA ANZ) and holds a Bachelor of Commerce (Accounting) and Bachelor of Applied Finance double degree from Macquarie University.

Brad Melman (Appointed 27 November 2025, resigned 04 June 2026)
Mr Brad Melman co-founded PaySure, which was acquired by Axtec Limited during FY25. Mr Melman served as Chief Operating Officer and Company Secretary of the Company during the financial year. Following a transitional period, the company secretarial function was transferred to Automic Group, providing the Company with a permanent, independent company secretarial solution.

Kamille Dietrich (appointed 4 June 2026)
Kamille Dietrich is a Company Secretary, lawyer and accredited mediator with over five years' experience in corporate governance and company secretarial services for both listed and unlisted entities. She is an Affiliate Member of the Governance Institute of Australia.

Kamille is a Company Secretary at Automic Group, where she advises boards on corporate governance and regulatory compliance. She manages a diverse portfolio of listed and unlisted clients across a range of industries, including financial services, biotechnology, mining, defence and technology, providing strategic governance support, overseeing statutory and ASX compliance, and facilitating effective communication between boards, management and key stakeholders.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board		Audit Committee	
	Attended	Held	Attended	Held
James Service AM	6	6	1	1
Benjamin Laurance	6	6	1	1
Liu Ying Chun	3	6	-	1
Doris Chung Gim Lian	3	6	-	1

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

There were no meetings held by the remuneration committee or nomination committee, during the year ended 30 June 2026.

Remuneration report (audited)

This report, which forms part of the directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of Axtec Limited (the "Company") for the financial year ended 30 June 2026. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any Director (whether executive or otherwise) of the parent company, and includes the top executives of the Parent and the Group receiving the highest remuneration.

Principles used to determine the nature and amount of remuneration

Remuneration Philosophy

The performance of the Company depends upon the quality of the Directors and other key management personnel. The philosophy of the Company in determining remuneration levels is to:

- Set competitive remuneration packages to attract and retain high calibre employees; and
- Link executive rewards to shareholder value creation.

Remuneration Committee

The Remuneration Committee of the Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the Directors, the Managing Director and the Company Secretary. The Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Directors and other key management personnel on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum shareholder benefit from the retention of a high-quality Board.

Remuneration Structure

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

Company's Remuneration Policies

The Board, subject to the approval of shareholders in the Annual General Meeting, sets the remuneration level of the non-executive members of the Board. Remuneration is set according to the skills, experience and length of service of each Director. Remuneration of the Non-Executive Chairman is determined by the Board of Directors and is also determined by the skills, experience and length of service of the Non-Executive Chairman. Non-Executive Directors receive a fixed fee and statutory superannuation for services as Directors.

The Company's Constitution provides that Directors may collectively be paid a fixed sum, not exceeding the aggregate maximum per annum from time to time, as determined by the Company and approved by shareholders. A Director may be paid fees or other amounts as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. Where deemed appropriate there is a link between remuneration paid to Non-Executive Directors and corporate performance such as bonus payments for achievement of certain key performance indicators.

Remuneration for Executive Directors and Senior Managers is based upon a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company.

The contracts for service between Executive Directors and the Company are on a continuing basis the terms of which are not expected to change, other than for remuneration packages, which are reviewed annually by the Board in its capacity as Remuneration Committee. Remuneration packages may include base salary, superannuation, fringe benefits, and bonuses.

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

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed as required. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. There are currently no share options or other incentives issued to Non-executive directors.

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level of fix remuneration.

The executive remuneration and reward framework has three components:

- base pay and non-monetary benefits
- short-term performance incentives
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Use of remuneration consultants

Remuneration consultants have not been utilised during the period.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Axtec Limited:
- James Glenn Service AM (Non-Executive Chairman)
- Benjamin Peter Laurance (Managing Director)
- Liu Ying Chun (Non-Executive Director)
- Doris Chung Gim Lian (Non-Executive Director - alternate director)
- David Goddard (Non-Executive Director) (appointed 9 July 2026)

And the following person:

	Short-term benefits			Post-employment benefits	Long-term benefits	
2026	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Total $
Non-Executive Directors:						
James Glenn Service AM	82,500	-	-	-	-	82,500
Liu Ying Chun	55,000	-	-	-	-	55,000
Doris Chung Gim Lian	-	-	-	-	-	-
Managing Director:						
Ben Laurance	509,961	-	-	29,997	(15,667)	524,291
	647,461	-	-	29,997	(15,667)	661,791

	Short-term benefits			Post-employment benefits	Long-term benefits	
2025	Cash salary and fees $	Cash bonus $	Non-monetary $	Super-annuation $	Long service leave $	Total $
Non-Executive Directors:						
James Glenn Service AM	82,500	-	-	791	-	83,291
Liu Ying Chun	55,000	-	-	-	-	55,000
Doris Chung Gim Lian	-	-	-	-	-	-
John Howe	25,000	-	-	-	-	25,000
Tracy Le	40,404	-	-	4,646	-	45,050
Executive Director:						
Ben Laurance	594,310	-	-	68,346	14,079	676,735
Other Key Management Personnel:						
Paul Rouvray	304,320	-	-	34,997	(29,802)	309,515
	1,101,534	-	-	108,780	(15,723)	1,194,591

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2026	Fixed remuneration 2025	At risk - STI 2026	At risk - STI 2025	At risk - LTI 2026	At risk - LTI 2025
Non-Executive Directors:						
James Glen Service AM	100%	100%	-	-	-	-
Liu Ying Chun	100%	100%	-	-	-	-
Doris Chung Gim Lian	100%	100%	-	-	-	-
Tracey Le	-	100%	-	-	-	-
Executive Director:						
Ben Laurance	100%	100%	-	-	-	-
Other Key Management Personnel:						
Paul Rouvray	-	100%	-	-	-	-

Tracy Le resigned as a non-executive director of Axtec Limited on 24 February 2025.
Paul Rouvray resigned from his role as General Manager at Axtec Limited on 13 December 2024.

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	James Glenn Service AM
Title:	Non-Executive Chairman
Agreement commenced:	19 April 2024
Details:	Mr Service is to provide non-executive director services for 10 hours per month as required for Axtec Limited In exchange for Mr Service’s services, an annual remuneration package of $55,000. In addition, Mr Service receives an additional $27,500 per annum effective 30 June 2025 in his capacity as Chairman The Company may terminate this contract at any time with one month’s notice if Mr Service defaults in the performance and observance of his obligations under the agreement or is declared bankrupt.

Name:	Ben Laurance
Title:	Managing Director
Agreement commenced:	24 November 2006
Details:	Mr Laurance is to provide managing directorial services as required for Axtec Limited. In exchange for Mr Laurance’s services, an annual remuneration package of $400,000 plus benefits is payable. During the year, Mr Laurance has voluntarily offered a reduction in his base remuneration package of approx. $200,000 to reflect the change in business strategy and more aligned with the status of the Group’s evolving transformation. The Company may terminate this contract at any time with one month’s notice if Mr Laurance defaults in the performance and observance of his obligations under the agreement or is declared bankrupt.

Name:	Liu Ying Chun
Title:	Non-Executive Director
Agreement commenced:	25 November 2015
Details:	Mr Liu is to provide non-executive director services as required for Axtec Limited. In exchange for Mr Liu's services, Oriental University City Holdings (H.K.) Limited will receive an annual fee of $55,000. The Company may terminate this contract at any time with one month's notice if Mr Liu defaults in the performance and observance of his obligations under the agreement or is declared bankrupt.

Name:	Doris Chung Gim Lian
Title:	Non-Executive Director (alternate)
Agreement commenced:	25 November 2015
Details:	Ms Chung is to provide non-executive director services as Mr Liu's alternate as required for Axtec Limited. The Company may terminate this contract at any time with one month's notice if Ms Chung defaults in the performance and observance of her obligations under the agreement or is declared bankrupt.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Additional information

The table below shows the Group's earnings performance as well as the movement in the Group's Earnings Per Share (EPS) and share price over the last 5 years.

	2026	2025	2024	2023	2022
Share price at financial year end (cents)	1.30	2.30	7.00	4.40	5.70
Basic earnings/(loss) per share (cents per share)	(1.56)	(0.52)	(1.15)	(0.79)	1.27
Profit/(Loss) after tax ($'000)	(7,826)	(2,359)	(5,254)	(3,433)	5,502

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Benjamin Peter Laurance	87,936,640	-	13,500,000	-	101,436,640
Doris Chung Gim Lian	82,250,000	-	13,500,000	-	95,750,000
	170,186,640	-	27,000,000	-	197,186,640

Other transactions with key management personnel and their related parties
a) J.G. Service Pty Ltd
J.G. Service Pty Ltd, a Director related entity of Mr J G Service, has been reimbursed for Director required travel and accommodation costs. The expenses were reimbursed at cost. The total charged to the Company this financial year was $3,233 (2025: $2,097).

b) Oriental University City Holdings (H.K.) Limited
On 13 June 2026, the Company entered into a Convertible Note Issue Agreement with Oriental University City Holdings (H.K.) Limited ("OUC") for a funding commitment of up to $1,000,000 (subject to shareholder approval). Under the agreement, OUC has committed to provide funding in five monthly advances of $200,000, commencing on 26 June 2026.

During the year, following shareholder approval on 4 June 2026, the Company issued $1,275,000 of unsecured convertible notes to related parties, Startrend Investments Pty Ltd (a substantial shareholder of Axtec Limited and an entity controlled by Benjamin Peter Laurance) and Oriental University City Holdings (H.K.) Limited (a substantial shareholder of Axtec Limited, who nominated Liu Ying Chun as a representative Director on the Board of Axtec Limited). The notes mature on 1 December 2028, bear interest at 10% per annum and may be converted or redeemed in accordance with their terms. As the notes may convert into a variable number of ordinary shares, the conversion feature was recognised as an embedded derivative financial liability under AASB 132, with the residual recognised as the host financial liability.

The following transactions occurred during 2025:

Integrated Event Delivery Management Pty Ltd
Integrated Event Delivery Management Pty Ltd, a Director related entity of former Director Mr J S Howe, has in prior years been reimbursed for Director required travel and accommodation costs. The expenses were reimbursed at cost. The total charged to the Company the previous financial year was $1,037. Axtec was also reimbursed for Adelaide office rental and outgoing costs. The expenses were reimbursed at cost. The total received by Axtec during the previous financial year was $42,339.

Pivot Group Pty Ltd
Peter Laurance A.O., Chairman of Pivot Group Pty Ltd (a substantial shareholder of Axtec Limited) and consultant to the Board, was reimbursed for costs associated with attending Company Board meetings at the request of Directors. The expenses were reimbursed at cost. The total charged to the Company for the year ended 30 June 2025 was $1,210.

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Axtec Limited under option outstanding at the date of this report.

Shares issued on the exercise of options
There were no ordinary shares of Axtec Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability 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.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
Fletch Capital Pty Ltd (Fletch Capital), an entity in which the Company is a secured and unsecured creditor and shareholder, was put into liquidation on 11 December 2025. The Liquidator is continuing to consider recovery actions, including liaising with the Liquidators of the 1derful companies in relation to any assets realised in the liquidation to satisfy the outstanding debts owed to Fletch Capital and to finalise the liquidation as appropriate.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 25 to the financial statements.

Officers of the company who are former partners of BDO Audit Pty Ltd
There are no officers of the company who are former partners of BDO Audit Pty Ltd.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Ben Laurance
Managing Director

31 August 2026

Axtec Limited (**Company**) has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to ASX Corporate Governance Council Principles and Recommendations 4th edition (**Principles & Recommendations**). The Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The governance-related documents can be found on the Company's website at https://www.axtec.com.au/company

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Place
Level 19, 30 Pirie Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

DECLARATION OF INDEPENDENCE
BY ANDREW TICKLE
TO THE DIRECTORS OF AXTEC LIMITED

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

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Axtec Limited and the entities it controlled during the period.

Andrew Tickle
Director

BDO Audit Pty Ltd

Adelaide, 31 August 2026

General information

The financial statements cover Axtec Limited as a consolidated entity consisting of Axtec Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Axtec Limited's functional and presentation currency.

Axtec Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2007, Level 20, Australia Square
264 – 278 George Street
SYDNEY NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 August 2026. The directors have the power to amend and reissue the financial statements.

Axtec Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Revenue			
Revenue from contracts with customers		-	3,274
Finance income		492	929
Cost of Sales		-	(1,950)
		492	2,253
Other income	5	395	678
Share of profits/(losses) of equity accounted investments	4	(496)	3,346
Net gain on loan book disposal		360	-
Employee benefit expense	6	(1,503)	(2,485)
Depreciation and amortisation expense		(599)	(615)
Finance costs	6	(1,404)	(1,677)
Legal and consultancy fees		(431)	(1,288)
Software development and data expenses		(555)	(227)
Other Expenses	6	(4,085)	(2,344)
Loss before income tax expense		(7,826)	(2,359)
Income tax expense	7	-	-
Loss after income tax expense for the year		(7,826)	(2,359)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(7,826)	(2,359)
Loss for the year is attributable to:			
Non-controlling interest		(40)	(112)
Owners of Axtec Limited		(7,786)	(2,247)
		(7,826)	(2,359)
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(40)	(112)
Owners of Axtec Limited		(7,786)	(2,247)
		(7,826)	(2,359)
		Cents	**Cents**
Basic loss per share	32	(1.56)	(0.52)
Diluted loss per share	32	(1.56)	(0.52)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Axtec Limited
Statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	8	259	3,125
Restricted Cash		84	200
Trade and other receivables	9	700	3,355
Financial assets at fair value through profit or loss	10	100	2,579
Other assets		77	19
Total current assets		1,220	9,278
Non-current assets			
Investments accounted for using the equity method	12	1,398	3,242
Right-of-use assets	11	269	370
Intangibles	13	1,829	2,433
Total non-current assets		3,496	6,045
Total assets		4,716	15,323
Liabilities			
Current liabilities			
Trade and other payables	15	381	667
Borrowings	16	-	3,088
Lease liabilities	17	51	92
Financial liabilities at fair value		-	568
Employee benefits	18	205	368
Total current liabilities		637	4,783
Non-current liabilities			
Borrowings	16	1,475	2,094
Lease liabilities	17	260	311
Employee benefits	18	42	42
Total non-current liabilities		1,777	2,447
Total liabilities		2,414	7,230
Net assets		2,302	8,093
Equity			
Issued capital	19	32,236	30,641
Accumulated losses		(29,934)	(22,148)
Equity attributable to the owners of Axtec Limited		2,302	8,493
Non-controlling interest	20	-	(400)
Total equity		2,302	8,093

The above statement of financial position should be read in conjunction with the accompanying notes

Axtec Limited
Statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital $'000	Reserves $'000	Retained profits $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2024	30,641	-	(19,901)	(288)	10,452
Loss after income tax expense for the year	-	-	(2,247)	(112)	(2,359)
Total comprehensive income for the year	-	-	(2,247)	(112)	(2,359)
Balance at 30 June 2025	30,641	-	(22,148)	(400)	8,093

Consolidated	Issued capital $'000	Reserves $'000	Retained profits $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2025	30,641	-	(22,148)	(400)	8,093
Loss after income tax expense for the year	-	-	(7,786)	(40)	(7,826)
Total comprehensive income for the year	-	-	(7,786)	(40)	(7,826)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 19)	1,595	-	-	-	1,595
Derecognition after deconsolidation of subsidiary	-	-	-	440	440
Balance at 30 June 2026	32,236	-	(29,934)	-	2,302

The above statement of changes in equity should be read in conjunction with the accompanying notes

Axtec Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 2026 $'000	Consolidated 2025 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST) *		-	4,522
Grants received		254	-
Payments to suppliers and employees (inclusive of GST)		(4,129)	(5,228)
Refund of project development costs		-	207
Purchase of inventory		-	(1,862)
Finance income received		574	954
Interest received		155	68
Finance costs		(815)	(907)
Net cash outflow from operating activities	31	(3,961)	(2,246)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(5)
Net (increase)/decreased in loans advanced to customers *		(193)	899
Proceeds on disposal of loan book		2,356	-
Payments for software		-	(674)
Distributions received		1,160	5,461
Payments for investments		(42)	(165)
Net cash inflow from investing activities		3,281	5,516
Cash flows from financing activities			
Proceeds from borrowings		1,535	4,586
Proceeds of debt from securitisation trust		266	-
Proceeds from issuance of shares		1,694	-
Repayment of borrowings		(5,298)	(4,900)
Repayment of lease liabilities		(121)	(217)
Transaction costs relating to borrowings		(163)	(581)
Transaction costs relating to issues of equity securities		(99)	-
Net cash outflow from financing activities		(2,186)	(1,112)
Net increase/(decrease) in cash and cash equivalents		(2,866)	2,158
Cash and cash equivalents at the beginning of the financial year		3,125	967
Cash and cash equivalents at the end of the financial year	8	259	3,125

** Comparative balances have been reclassified for consistency with the classification in the 30 June 2026 Annual Report.*

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial report has been prepared on a going concern basis which contemplates the continuation of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business. For the year ended 30 June 2026, the consolidated entity recorded a loss of $7,826,000 (2025: $2,359,000) and net cash outflows from operating activities of $3,961,000 (2025: $2,246,000).

The Directors believe sufficient additional funds will be able to be raised if or as required, and additionally, there are sufficient mechanisms to reduce costs if required in the short-term.

The matters set out above indicate the existence of a material uncertainly that may cast significant doubt about the entity’s ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments in relation to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Axtec Limited ('company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Axtec Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Convertible notes

Convertible notes are recognised initially at fair value, net of directly attributable transaction costs.

Where the conversion feature does not satisfy the "fixed-for-fixed" criterion under AASB 132 *Financial Instruments: Presentation*, the conversion feature is separated from the host debt instrument and recognised as an embedded derivative financial liability at fair value through profit or loss.

The host debt liability is initially recognised at fair value, net of transaction costs attributable to the host liability, and is subsequently measured at amortised cost using the effective interest method.

The embedded derivative is subsequently remeasured to fair value at each reporting date, with changes in fair value recognised in profit or loss.

Interest expense on the host liability, including the unwinding of any discount using the effective interest method, is recognised in finance costs in the statement of profit or loss.

Right-of-use assets
The right-of-use asset is measured at cost.

Note 1. Material accounting policy information (continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 9, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

The fair value of Level 3 assets and liabilities is determined using valuation techniques incorporating significant unobservable inputs. The fair value of the investment in Realty Assist was determined using an adjusted net asset approach, under which intangible assets were written down to nil due to Realty Assist's recurring losses and negative EBITDA. This was cross-checked using an earnings multiple approach based on normalised EBITDA and a comparable transaction multiple, adjusted for debt and available cash. Both approaches indicated a nil equity value. Refer to Note 23 for further details.

Goodwill and other indefinite life intangible assets
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Note 3. Operating segments

The following table represents revenue and results on an aggregated basis provided to the chief operating decision maker for the years ended 30 June 2026 and 30 June 2025.

Corporate is not considered a segment but rather a reconciling category.

Consolidated - 2026	Property $'000	Technology $'000	Corporate $'000	Total $'000
Revenue				
Finance income	-	492	-	492
Other income	-	302	93	395
Gain on loan book disposal	-	-	360	360
Share of net profit/(loss) of equity accounted investments	(19)	(475)	(2)	(496)
Segment expenditure	(487)	(5,013)	(3,077)	(8,577)
Loss before income tax benefit	(506)	(4,694)	(2,626)	(7,826)
Included within segment results are:	-	-	-	-
Depreciation and amortisation	-	(498)	(101)	(599)
Interest revenue	-	18	93	111
Finance costs	-	(769)	(635)	(1,404)
Assets				
Segment assets	96	3,583	1,037	4,716
Total assets				4,716
Total assets includes:				
Investments accounted for using the equity method	55	1,343	-	1,398
Liabilities				
Segment liabilities	375	-	2,039	2,414
Total liabilities				2,414

Note 3. Operating segments (continued)

Consolidated - 2025	**Property** $'000	**Technology** $'000	**Corporate** $'000	**Total** $'000
Revenue				
Sales to external customers	3,201	-	73	3,274
Finance income	-	929	-	929
Other income	37	521	120	678
Share of net profit/(loss) of equity accounted investments	4,317	(971)	-	3,346
Segment expenditure	(2,263)	(4,896)	(3,427)	(10,586)
Loss before income tax benefit	5,292	(4,417)	(3,234)	(2,359)
Included within the segment results are:	-	-	-	-
Rental revenue	-	73	-	73
Depreciation and amortisation	-	(454)	(161)	(615)
Interest revenue	37	1	48	86
Finance costs	-	(655)	(1,022)	(1,677)
Assets				
Segment assets	1,447	10,517	3,359	15,323
Total assets				15,323
Total assets includes:				
Investments accounted for using the equity method	1,421	1,821	-	3,242
Liabilities				
Segment liabilities	326	2,907	3,997	7,230
Total liabilities				7,230

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of Axtec Limited.

All Group assets are located in Australia, hence all revenue received was in Australia.

Note 4. Share of profits/(losses) of equity accounted investments

	Consolidated	
	2026 **$'000**	**2025** **$'000**
Share of profit/(loss) from MB Estate Pty Ltd	(19)	4,480
Share of profit/(loss) from Point Data Holdings Ltd	(475)	(971)
Share of profit/(loss) from Proffer Pty Ltd	(2)	(163)
Share of profits/(losses) of associates and joint ventures accounted for using the equity method	(496)	3,346

Share of profit/(loss) from equity accounted investments

Note 5. Other income

	Consolidated 2026 $'000	Consolidated 2025 $'000
Net fair value gain on financial assets	-	5
Research and development tax credit	284	515
Other income	-	72
Interest income	111	86
Other income	395	678

Note 6. Other Expenses

	Consolidated 2026 $'000	Consolidated 2025 $'000
Audit and accountancy fees	(270)	(286)
Insurances	(118)	(175)
Travel and accommodation	(48)	(50)
System costs and data expenses	(205)	(210)
Fair value adjustment of Investment in financial assets	(2,013)	(1,440)
Bad debts	(413)	(18)
Subscriptions & Memberships	(75)	-
Advertising	(44)	-
Loss on deconsolidation of subsidiary	(440)	-
Impairment of equity accounted investment	(188)	-
Other expenses	(271)	(165)
	(4,085)	(2,344)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Employee benefits expense		
Employee benefits expense includes the following specific amounts:		
Superannuation expense	(126)	(163)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Finance costs		
Distribution, Funding & Capacity Costs	708	639
Interest	549	662
Lease finance costs	28	66
Other finance costs	119	310
	1,404	1,677

Note 7. Income tax expense

	Consolidated 2026 $'000	Consolidated 2025 $'000
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(7,826)	(2,359)
Tax at the statutory tax rate of 25%	(1,957)	(590)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	773	581
Other deferred tax assets and tax liabilities not recognised	1,184	9
Income tax expense	-	-

Note 8. Cash and cash equivalents

	Consolidated 2026 $'000	Consolidated 2025 $'000
Current assets		
Cash at bank	259	3,125

Note 9. Trade and other receivables

	Consolidated 2026 $'000	Consolidated 2025 $'000
Current assets		
Trade receivables	-	33
Other Receivables	290	-
Loans Receivable	130	3,375
Vendor Loan Receivable	276	-
Less: Allowance for expected credit losses	(55)	(210)
	641	3,198
Other Receivable	-	83
GST receivable	59	74
	700	3,355

Other receivables include the performance-linked receivable incentive of $260,000 from Real Flow Holdings Pty Ltd (refer to note 10).

Trade receivables are generally due for settlement within periods ranging from 15 days to 30 days.

Loans Receivable includes amounts excluded from the loan book sale. These balances relate to loan repayments which are due on the earliest of settlement, the end of the sale, or six months.

The vendor loan represents amounts expected to be collected from Real Estate Finance associated with loans transferred as part of the sale transaction to Real Estate Finance.

Note 9. Trade and other receivables (continued)

Allowance for expected credit losses
The Group recognises a loss allowance for expected credit losses on trade debtors, loan receivables and vendor loan receivables. The Group has applied the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. There were no past due trade receivables at reporting date.

Note 10. Financial assets at fair value through profit or loss

	Consolidated	
	2026 $'000	**2025 $'000**
Current assets		
Shares in listed companies	-	5
Term Deposits	-	21
Investments in unlisted companies at fair value through profit or loss	100	2,553
	100	2,579

Refer to note 23 for further information on fair value measurement.

Investment in Realty Assist
During FY26, the Company reassessed the carrying value of its investment in Realty Assist in accordance with AASB 9 and AASB 13. The assessment considered Realty Assist's financial performance, net asset position, debt obligations and the illiquid nature of the Company's minority shareholding. Management applied a net asset valuation approach and an earnings multiple cross-check, both of which indicated that the equity value attributable to the investment was effectively nil. Accordingly, the Company recognised a fair value loss of $1,754,937 during FY26, reducing the carrying value of the investment to nil as at 30 June 2026. Any future recovery in the value of the investment will be assessed and recognised when supported by observable evidence in accordance with AASB 9.

Investment in unlisted shares of Real Flow Holdings Pty Ltd
During FY26, the Group received a minority equity interest in Real Flow Holdings Pty Ltd as non-cash consideration for the sale and assignment of its consumer credit loan book. As the shares are not quoted in an active market, their fair value was determined using a market approach, based on a share sale agreement between existing shareholders of Real Flow Holdings Pty Ltd and an external purchaser. Management applied the implied equity value to the Group's shareholding, and determined the fair value of the Group's investment at 30 June 2026 was the $100,000 minimum value. The performance-linked incentive of $260,000 was also recognised in other receivables (refer to note 9).

Note 11. Right-of-use assets

	Consolidated	
	2026 $'000	**2025 $'000**
Non-current assets		
Office Space - right-of-use	1,029	1,028
Less: Accumulated depreciation	(760)	(658)
	269	370

The company leases an office in Sydney under an agreement for five years. The lease has an annual fixed escalation clause. On renewal, the terms of the lease are renegotiated. The company also leases office equipment under agreements. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

Note 12. Investments accounted for using the equity method

	Consolidated 2026 $'000	Consolidated 2025 $'000
Non-current assets		
MB Estate Pty Ltd	54	1,421
Point Data Holdings Ltd	1,344	1,819
Proffer Group Pty Ltd	-	2
	1,398	3,242

Investments in joint ventures
Details of the Group's joint venture at the end of the reporting period is as follows:

Name of entity	Principal activity	Country of incorporation	Equity Participation Share 2026	Equity Participation Share 2025
MB Estate Pty Ltd	Land subdivision	Australia	50%	50%

Reconciliation of carrying amount of the interest in joint venture recognised in the Group financial statements.

Summarised financial information of material joint venture – MB Estate Pty Ltd

	Consolidated 2026 $'000	Consolidated 2025 $'000
Opening carrying amount	1,421	2,486
Distributions from joint venture	(1,160)	(5,545)
Add-back of upstream development fee	-	200
Share of net profit of joint venture	(19)	4,280
Impairment	(188)	-
Carrying value of the Group's interest in the joint venture	54	1,421

Axtec was responsible for initial equity contributions for the venture. The other party contributed land and holds the land for the benefit of the joint venture until allotments are sold. After an initial distribution of capped profits paid to the other party, and a project management fee paid to Axtec, a majority of the remaining profits have been distributed in accordance with the above equity participation share. It is expected that the remaining profits will be distributed during the next financial year. As at the end of the reporting period, the venture had accrued for estimated remaining development costs obligations. Summarised financial information of MB Estate Pty Ltd is set out below:

	Consolidated 2026	Consolidated 2025
Financial position		
Current assets	199	3,078
Non-current assets	-	-
Current liabilities	(90)	(608)
Non-current liabilities	-	-
Net assets	109	2,470

Note 12. Investments accounted for using the equity method (continued)

	Consolidated 2026 $'000	Consolidated 2025 $'000
Financial performance		
The group's share of total comprehensive income	(19)	4,480

Summarised financial information of material joint venture – Proffer Pty Ltd

	Consolidated 2026 $'000	Consolidated 2025 $'000
Opening carrying amount		
Contributions joint venture	2	165
Share of net profit of joint venture	(2)	(163)
Carrying value of the Group's interest in the joint venture	-	2

The joint venture partners are jointly and equally responsible to fund any costs or expenditures that are deemed essential to be incurred by Proffer in operating the business. These funds are being contributed by way of loans by the parties.

Investments in Associates

Details of the Group’s investments in associates at the end of the reporting period is as follows:

Name of entity	Principal activity	Country of incorporation	Equity Participation Share 2026 %	Equity Participation Share 2025 %
Point Data Holdings Ltd	Property data and analytics	Australia	25.99%	32.55%

Reconciliation of carrying amount of the interest in joint venture recognised in the Group financial statements.

Summarised financial information of material associate – Point Data Holdings Ltd

	Consolidated 2026 $'000	Consolidated 2025 $'000
Opening carrying amount	1,819	2,790
Share of net loss of associates	(475)	(971)
Carrying value of the Group’s interest in the joint venture	1,344	1,819

Axtec has invested in deep tech PropertyAI company Point Data, giving Axtec a circa one quarter ownership of Point Data.

Summarised financial information of Point Data Holdings Ltd is set out below:

Note 12. Investments accounted for using the equity method (continued)

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Financial position		
Current assets	348	876
Non-current assets	390	306
Current liabilities	(970)	(1,067)
Non-current liabilities	(345)	-
Net assets	(577)	115

Note 13. Intangibles

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Non-current assets		
Goodwill - at cost	203	203
Technology Application - at cost	3,424	3,379
Less: Accumulated amortisation	(1,151)	(502)
Less: Impairment	(647)	(647)
	1,626	2,230
	1,829	2,433

Goodwill and intangible assets allocated to the PaySure Cash Generating Unit (CGU) were tested for impairment using a value-in-use model based on Board-approved forecasts covering five years.

The recoverable amount exceeded the CGU’s carrying amount. No reasonably possible change in the key assumptions would result in an impairment.

Consolidated	**Technology Application $'000**	**Goodwill $'000**	**Total $'000**
Balance at 30 June 2025	2,230	203	2,433
Disposals	(107)	-	(107)
Amortisation expense	(497)	-	(497)
Balance at 30 June 2026	1,626	203	1,829

The recoverable amount of the PaySure cash-generating unit, to which goodwill and intangible assets are allocated, was determined using a value-in-use calculation. The calculation uses Board-approved cash flow projections covering a five-year period and a terminal value.

The key assumptions used were a pre-tax discount rate of 12%, revenue growth of 30% in FY28 tapering to 15% by FY31, annual operating cost growth of 7% from FY28 and a terminal growth rate of 3%. Forecast revenue growth reflects the expected adoption of existing payment and distribution channels.

The discount rate reflects the time value of money and the risks specific to the cash-generating unit.
No reasonably possible change in the key assumptions would result in an impairment.

Note 14. Deferred tax

	Consolidated	
	2026	2025
	$'000	$'000
Non-current assets		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Carry forward tax losses available for offset against future taxable income	7,680	6,618
Shares	187	243
Leases	78	101
Provisions and accruals	94	162
Set off of tax	(101)	(159)
	7,938	6,965
Deferred tax assets not recognised	(7,938)	(6,965)
Deferred tax asset	-	-

No deferred tax assets have been recognised. The balance of deferred tax assets is not recognised as it is not yet considered probable that future taxable profits will be available to offset these amounts.

The net deferred tax asset not recognised has been measured at the base rate entity tax rate for the year ended 30 June 2025 of 25% on the basis the asset is measured at the tax rate expected to apply when the asset is realised or the liability is settled.

Legislation has been enacted to allow groups, comprising of a parent entity and its Australian resident wholly owned entities, to elect to be consolidated and be treated as a single entity for income tax purposes. The legislation, which includes both mandatory and elective elements, is applicable to Axtec Limited.

As at the reporting date, the Directors have not made an election to be taxed as a single entity. The financial effect of the legislation has therefore not been brought to account in the financial statements for the year ended 30 June 2026.

Note 15. Trade and other payables

	Consolidated	
	2026	2025
	$'000	$'000
Current liabilities		
Trade payables	256	202
Accrued expenses	110	107
BAS payable	15	333
Other payables	-	25
	381	667

Trade payables are non-interest bearing and are normally settled on 30-day terms.

Note 16. Borrowings

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Current liabilities		
Borrowings	-	3,088
Non-current liabilities		
Borrowings (1)	200	2,094
Convertible notes payable (2)	1,275	-
	1,475	2,094
	1,475	5,182

Refer to note 22 for further information on financial instruments.

(1) On 13 June 2026, the Company entered into a Convertible Note Issue Agreement with Oriental University City Holdings (H.K.) Limited ("OUC") for a funding commitment of up to $1,000,000 (subject to shareholder approval). Under the agreement, OUC has committed to provide funding in five monthly advances of $200,000, commencing on 26 June 2026.

(2) During the year, the Company issued unsecured convertible notes with an aggregate face value of $1,275,000 to Startrend Investments Pty Ltd (a substantial shareholder of Axtec Limited and an entity controlled by Benjamin Peter Laurance) and Oriental University City Holdings (H.K.) Limited (a substantial shareholder of Axtec Limited, who nominated Liu Ying Chun as a representative Director on the Board of Axtec Limited) following shareholder approval obtained on 4 June 2026. The convertible notes have a maturity date of 1 December 2028, bear interest at 10% per annum payable quarterly in arrears and are convertible into ordinary shares at the holder's election prior to maturity. The conversion price is equal to 80% of the lesser of the 30-day VWAP immediately prior to conversion (subject to a floor price of $0.030 per share and a ceiling price of $0.045 per share) or the issue price under any concurrent capital raising. If the notes are not converted or redeemed prior to maturity, they will automatically convert at maturity. The holders also have the right to elect redemption at maturity, while the Company may elect to redeem the notes at any time prior to maturity.

As shareholder approval is required prior to the issue of the convertible notes, amounts advanced under the facility will initially be provided as an unsecured loan. The Company intends to seek shareholder approval for the issue of the convertible notes at its next Annual General Meeting on 26 November 2026, following which the outstanding loan balance will be satisfied through the issue of unsecured convertible notes.

The proposed convertible notes will have a five-year term, bear interest at 10% per annum payable quarterly in arrears, and will be convertible into ordinary shares of the Company at a conversion price of $0.0195 per share, subject to the terms of the agreement.

As the conversion feature results in the Company potentially issuing a variable number of ordinary shares, the convertible notes do not satisfy the "fixed-for-fixed" criterion under AASB 132 Financial Instruments: Presentation. Accordingly, the conversion feature has been classified as an embedded derivative financial liability, with the residual amount recognised as the host financial liability.

The fair value of the embedded derivative was determined using a Monte Carlo simulation valuation model at the initial recognition date of 4 June 2026, based on an independent valuation prepared by Stantons Corporate Finance. Key assumptions included a share price of $0.015, expected volatility of 85.04%, a risk-free rate of 4.460% and an assumed conversion at maturity.

The carrying amounts of the convertible notes at 30 June 2026 were as follows:

Note 16. Borrowings (continued)

Holder	Face Value ($'000)	Embedded Derivative ($'000)	Financial Liability ($'000)
Startrend Investments Pty Ltd	800	81	719
Oriental University City Holdings (H.K.) Limited	475	48	427
Total	**1,275**	**129**	**1,146**

Note 17. Lease liabilities

	Consolidated	
	2026 $'000	2025 $'000
Current liabilities		
Lease liability	51	92
Non-current liabilities		
Lease liability	260	311
	311	403

Refer to note 22 for further information on financial instruments.

Note 18. Employee benefits

	Consolidated	
	2026 $'000	2025 $'000
Current liabilities		
Employee benefits	205	368
Non-current liabilities		
Employee benefits	42	42
	247	410

Employee benefits represents amounts accrued for annual leave and long service leave.

Note 19. Issued capital

	Consolidated			
	2026 Shares	2025 Shares	2026 $'000	2025 $'000
Ordinary shares - fully paid	545,613,658	432,713,658	32,236	30,641

Note 19. Issued capital (continued)

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$'000**
Balance	1 July 2024	432,713,658		30,641
Balance	30 June 2025	432,713,658		30,641
Placement to sophisticated investors under the Company's placement capacity	16 October 2025	64,933,333	$0.015	974
Issue of shares to Managing Director	01 December 2025	13,500,000	$0.015	203
Issue of shares to Non-Executive Director	12 December 2025	13,500,000	$0.015	203
Placement to sophisticated investors	26 June 2026	20,966,667	$0.015	314
Transaction costs arising from the issue of shares		-		(99)
Balance	30 June 2026	545,613,658		32,236

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital risk management
The consolidated entity's objectives 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 optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 20. Non-controlling interest

	Consolidated	
	2026	**2025**
	$'000	**$'000**
Non-controlling interests	-	(400)

The non-controlling interest has a 7% (2025: 7%) equity holding in Axipay Pty Ltd and had a 12.5% (2025: 12.5%) equity holding in Fletch Capital up to Dec 2025.

Fletch Capital Pty Ltd went into administration in Dec 2025, resulting in Axtec Limited and the non-controlling interest losing control of the entity. As a result, Axtec deconsolidated Fletch Capital Pty Ltd and the related non-controlling interest in the current period.

Note 21. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 22. Financial instruments

Financial risk management objectives
The Group is exposed to a variety of financial risks: interest rate risk, credit risk, liquidity risk and capital risk management. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balances. The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings. Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital. The Group's strategy remains unchanged from 2024.

Interest rate risk
The Group is exposed to interest rate risk on borrowings as entities in the Group borrow funds at both fixed and floating interest rates. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group may seek to minimise the effect of this risk by using derivative financial instruments to hedge the risk exposure wherever it is prudent to do so. The use of financial instruments is dependent on management's assessment of the interest rate risk going forward and this is assessed on a case-by-case basis. Financial institutions may also require the Group to enter into derivatives though loan facility documentation.

The Company's and Group's exposures to interest rate on financial liabilities are detailed in the liquidity risk management section of the note.

Interest Rate Sensitivity Analysis
The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50 basis point increase or decrease is a reasonable basis on which to base the sensitivity analyses.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from cash and cash equivalents, deposits with banks and financial institutions, trade and other receivables and contract assets. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit risk on cash and cash equivalents is limited due to the high proportion of funds being held with high rated banking institutions.

The table below shows the balance of cash and cash equivalents and other financial assets held with various financial institutions at the end of the reporting period.

Bank	Ratings at 30 June 2026	Balance at 30 June 2026 $'000	Rating at 30 June 2025	Ratings at 30 June 2025 $'000
Bank of South Australia Limited	AA-	-	AA-	2,730
Macquarie Bank Limited	A+	259	A+	595

Source: Standard & Poors

Credit risk arises from the financial assets of the Group. The Group's exposure to credit risk arises from potential default of the Consumer receivables, with a maximum exposure equal to the carrying amount of these instruments. The Group utilises its proprietary real time rating algorithm to mitigate credit risk for its Consumer receivables. The Group regularly reviews the adequacy of the provision for expected credit losses to ensure that it is sufficient to mitigate credit risk exposure in terms of

Note 22. Financial instruments (continued)

financial reporting. The allowance for expected credit losses represents management's best estimate at the reporting date of the expected credit losses based on their experienced judgement.

Credit risk also arises from cash held with banks and financial institutions, and from the investment of financial assets when they are available with designated counterparties. The Group's bank and financial institution counterparties maintain high long-term credit S&P ratings.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity, and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk
Liquidity risk is the risk that the Group will be unable to meet its financial commitments. Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves and borrowing facilities and by monitoring forecast versus actual cash flows and matching where ever possible the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the Group's remaining maturities for its non-derivative financial assets and financial liabilities. These are based upon the undiscounted cash flows of financial instruments based upon the earliest date on which the Group can be required to pay.

Consolidated - 2026	**Weighted average interest rate %**	**1 year or less $'000**	**Between 1 and 2 years $'000**	**Between 2 and 5 years $'000**	**Over 5 years $'000**	Remaining contractual maturities $'000
Financial Assets						
Interest Bearing	1.71%	343	-	-	-	343
Non-interest Bearing	-	800	-	-	-	800
	-	1,143	-	-	-	1,143
Financial Liabilities						
Non-interest Bearing	-	381	-	-	-	381
Interest Rate Bearing instruments	10.00%	-	-	1,475	-	1,475
	-	381	-	1,475	-	1,856
Net Financial Assets / (Liabilities)	-	762	-	(1,475)	-	(713)

Consolidated - 2025	**Weighted average interest rate %**	**Less than 1 month $'000**	**1-3 months $'000**	**3 months - 1 year $'000**	**1-5 years $'000**	**5+ years $'000**	**Total $'000**
Financial Assets							
Interest-bearing	1.71%	3,346	-	-	-	-	3,346
Non-interest bearing	-	1,522	1,607	2,871	-	-	6,000
	-	4,868	1,607	2,871	-	-	9,346
Financial Liabilities							
Non-interest-bearing	-	667	-	567	-	-	1,234
Interest Rate bearing instruments	15.80%	10	20	5,551	347	-	5,928
	-	677	20	6,118	347	-	7,162
Net Financial Assets	-	4,191	1,587	(3,247)	(347)	-	2,184

Note 22. Financial instruments (continued)

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Fair value measurement

Fair value hierarchy
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2026	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Assets	-	-	-	-
Investments at fair value through profit or loss	-	-	100	100
Total assets	-	-	100	100
Liabilities				
Liabilities at fair value through profit or loss	-	-	(129)	(129)
Total liabilities	-	-	(129)	(129)

Consolidated - 2025	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Assets				
Investments at fair value through profit or loss	-	-	2,579	2,579
Total assets	-	-	2,579	2,579
Liabilities				
Liabilities at fair value through profit or loss	-	-	(568)	(568)
Total liabilities	-	-	(568)	(568)

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Unquoted investments and related liabilties at fair value through profit or loss have been valued based on the most recent available investment activity combined with and assessment of other investment specific information available at or around reporting date.

Investment in Realty Assist
During FY26, the Company reassessed the carrying value of its investment in Realty Assist in accordance with AASB 9 and AASB 13. The assessment considered Realty Assist’s financial performance, net asset position, debt obligations and the illiquid nature of the Company’s minority shareholding. Management applied a net asset valuation approach and an earnings multiple cross-check, both of which indicated that the equity value attributable to the investment was effectively nil. Accordingly, the Company recognised a fair value loss of $1,754,937 during FY26, reducing the carrying value of the investment to nil as at 30 June 2026. Any future recovery in the value of the investment will be assessed and recognised when supported by observable evidence in accordance with AASB 9.

Note 23. Fair value measurement (continued)

Investment in unlisted shares of Real Flow Holdings Pty Ltd
During FY26, the Group received a minority equity interest in Real Flow Holdings Pty Ltd as non-cash consideration for the sale and assignment of its consumer credit loan book. As the shares are not quoted in an active market, their fair value was determined using a market approach, based on a share sale agreement between existing shareholders of Real Flow Holdings Pty Ltd and an external purchaser. Management applied the implied equity value to the Group's shareholding, and determined the fair value of the Group's investment at 30 June 2026 was the $100,000 minimum value. The performance-linked incentive of $260,000 was also recognised in other receivables (refer to note 9).

As these are not quoted on an active market and the valuation incorporates inputs that are not observable in an active market, the investment has been classified within Level 3 of the fair value hierarchy.

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Shares in Listed Companies $'000	Investments in Unlisted Companies $'000	Liabilities at Fair Value $'000	Total $'000
Balance at 30 June 2025	5	2,553	(568)	1,990
Gains/(losses) recognised in profit or loss	(5)	(2,067)	57	(2,015)
True-up adjustment	-	-	25	25
Transfer of shares	-	(486)	486	-
Acquired via loan book disposal	-	100	-	100
Convertible note embedded derivative	-	-	(129)	(129)
Balance at 30 June 2026	-	100	(129)	(29)

The fair value of the Group's investment in Real Flow Holdings Pty Ltd has been determined using a market-based valuation approach, with reference to the price of the shares issued as consideration under the transaction completed in April 2026. The transaction price has been assessed having regard to the circumstances of the transaction and adjusted, where appropriate, for changes in the underlying business and market conditions between the transaction date and the reporting date. In assessing fair value, management considers the financial and operating performance of Real Flow Holdings Pty Ltd, including loan origination volumes, product mix, pricing and revenue generated from its lending products, together with relevant market and company-specific factors.

Refer to note 10 for more information on the fair value assessment of the investment in Realty Assist.

As the shares are not quoted in an active market and the valuation incorporates significant inputs that are not directly observable, the investment has been classified within Level 3 of the fair value hierarchy.

Note 24. Key management personnel disclosures

Directors
The following persons were directors of Axtec Limited during the financial year:

James Service AM	Non-Executive Chairman
Benjamin Laurance	Managing Director
Liu Ying Chun	Non-Executive Director
Doris Chung Gim Lian	Non-Executive Director - Alternate Director

Note 24. Key management personnel disclosures (continued)

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2026	**2025**
	$	**$**
Short-term employee benefits	647,461	1,101,534
Post-employment benefits	29,997	108,780
Long-term benefits	(15,667)	(15,723)
	661,791	1,194,591

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company:

	Consolidated	
	2026	**2025**
	$	**$**
Audit services - BDO Audit Pty Ltd		
Audit or review of the financial statements	125,000	110,000

Note 26. Commitments

The company had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Note 27. Related party transactions

Parent entity
Axtec Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the directors' report.

Transactions with related parties
a) J.G Service Pty Ltd
J.G. Service Pty Ltd, a Director related entity of Mr J G Service, has been reimbursed for Director required travel and accommodation costs. The expenses were reimbursed at cost. The total charged to the Company this financial year was $3,233 (2025: $2,097).

b) Integrated Event Delivery Management Pty Ltd
Integrated Event Delivery Management Pty Ltd, a Director related entity of former Director Mr J S Howe, has in prior years been reimbursed for Director required travel and accommodation costs. The expenses were reimbursed at cost. The total charged to the Company the previous financial year was $1,037. Axtec was also reimbursed for Adelaide office rental and outgoing costs. The expenses were reimbursed at cost. The total received by Axtec during the previous financial year was $42,339.

Note 27. Related party transactions (continued)

c) Pivot Group Pty Ltd
Peter Laurance A.O., Chairman of Pivot Group Pty Ltd (a substantial shareholder of Axtec Limited) and consultant to the Board, was reimbursed for costs associated with attending Company Board meetings at the request of Directors. The expenses were reimbursed at cost. The total charged to the Company for the year ended 30 June 2025 was $1,210.

d) MB Estate Pty Ltd
Axiom Mt Barker Pty Ltd as trustee for the Axiom Mt Barker Trust has a 50% interest in MB Estate Pty Ltd (MB Estate). MB Estate forms part of the investments accounted for using the equity method as disclosed in note 12.

e) Oriental University City Holdings (H.K.) Limited
On 13 June 2026, the Company entered into a Convertible Note Issue Agreement with Oriental University City Holdings (H.K.) Limited ("OUC") for a funding commitment of up to $1,000,000 (subject to shareholder approval). Under the agreement, OUC has committed to provide funding in five monthly advances of $200,000, commencing on 26 June 2026.

During the year, following shareholder approval on 4 June 2026, the Company issued $1,275,000 of unsecured convertible notes to related parties, Startrend Investments Pty Ltd (a substantial shareholder of Axtec Limited and an entity controlled by Benjamin Peter Laurance) and Oriental University City Holdings (H.K.) Limited (a substantial shareholder of Axtec Limited, who nominated Liu Ying Chun as a representative Director on the Board of Axtec Limited). The notes mature on 1 December 2028, bear interest at 10% per annum and may be converted or redeemed in accordance with their terms.

As the notes may convert into a variable number of ordinary shares, the conversion feature was recognised as an embedded derivative financial liability under AASB 132, with the residual recognised as the host financial liability. The derivative was independently valued at inception using a Monte Carlo simulation. Refer to note 16.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
Other than the loans mentioned above, there were no loans to or from related parties at the current and previous reporting date.

Terms and conditions
All transactions were made on normal commercial terms and conditions and at market rates.

Note 28. Parent entity information

	Parent	
	2026 **$'000**	**2025** **$'000**
Loss after income tax	(2,703)	(1,335)
Total comprehensive income	(2,703)	(1,335)

Note 28. Parent entity information (continued)

Statement of financial position

	Parent 2026 $'000	Parent 2025 $'000
Total current assets	528	3,279
Total assets	11,067	16,119
Total current liabilities	4,756	3,641
Total liabilities	6,767	10,712
Net assets	4,300	5,407
Equity		
Issued capital	32,237	30,641
Accumulated losses	(27,937)	(25,234)
Total equity	4,300	5,407

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
Axiom Property Funds Pty Ltd	Australia	100.00%	100.00%
Axiom Development Management Pty Ltd	Australia	100.00%	100.00%
Axiom Worldpark Trust	Australia	100.00%	100.00%
Axiom Worldpark Adelaide Pty Ltd	Australia	100.00%	100.00%
Axiom Worldpark Adelaide Trust	Australia	100.00%	100.00%
Axiom Investments Holdings Pty Ltd	Australia	100.00%	100.00%
Axiom Investments Holdings Trust	Australia	100.00%	100.00%
Axiom Mt Barker Pty Ltd	Australia	100.00%	100.00%
Axiom Mt Barker Trust	Australia	100.00%	100.00%
APL Capital Pty Ltd	Australia	100.00%	100.00%
Axiom Corporate Pty Ltd	Australia	100.00%	100.00%
Axiom Mt Gambier Pty Ltd	Australia	100.00%	100.00%
Axiom Butler Central Pty Ltd	Australia	100.00%	100.00%
Axiom Butler Central Trust	Australia	100.00%	100.00%
Axiom Mt Gambier Trust 1	Australia	100.00%	100.00%
Axiom Mt Gambier Trust 2	Australia	100.00%	100.00%
Axiom Corporate Trust	Australia	100.00%	100.00%
Axipay Pty Ltd	Australia	93.00%	93.00%
PaySure Pty Ltd	Australia	100.00%	100.00%
PaySure Finance Pty Ltd	Australia	100.00%	100.00%
PaySure Operations Pty Ltd	Australia	100.00%	100.00%
PaySure Retail Finance Pty Ltd	Australia	100.00%	100.00%
SureVault Pty Ltd	Australia	100.00%	100.00%
Fletch Capital Pty Ltd *	Australia	-	87.50%
Gilbert Motors Pty Ltd & The Trustee for Axiom Mt Barker Trust	Australia	100.00%	100.00%
PaySure Trust 2025-1	Australia	100.00%	100.00%

Note 29. Interests in subsidiaries (continued)

* Fletch Capital Pty Ltd went into administration in Dec 2025, resulting in Axtec Limited losing control of the entity. As a result, Axtec deconsolidated Fletch Capital Pty Ltd in the current period.

Note 30. Events after the reporting period

MRI

Subsequent to year-end (announced 24 July 2026), Axtec signed a 3 year distribution agreement with US software giant MRI - one of the largest providers of software solutions to the Australian real estate sector, providing Customer Relationship Management (CRM) software and property management software to a large number of real estate agencies. The nature of the agreement signed provides for Axtec's full suite of products and services to be promoted and distributed through MRI's extensive client channels of real estate agency networks and other industry participants.

Real Flow Partnership

Subsequent to year-end, the Company confirmed it has earnt the additional payment from Real Flow Holdings Pty Ltd, and the $260,000 in Real Flow shares have been issued to the Company.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 31. Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated	
	2026 $'000	2025 $'000
Loss after income tax expense for the year	(7,826)	(2,359)
Adjustments for:		
Share of losses/(profits) of equity accounted investments	496	(3,346)
Net gain on loan book disposal	(360)	-
Depreciation and amortisation	599	615
Fair value adjustment of investment in financial assets	2,013	1,435
Net finance income and finance cost	912	770
Loss on deconsolidation of subsidiary	440	-
Impairment of equity accounted investment	188	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	84	194
Decrease in inventories	-	174
Decrease/(increase) in other assets	(58)	510
Decrease in trade and other payables *	(286)	(140)
Decrease in employee benefits provision *	(163)	(99)
Net cash outflow from operating activities	(3,961)	(2,246)

** Comparative balances have been reclassified for consistency with the classification in the 30 June 2026 Annual Report.*

Note 32. Earnings per share

	Consolidated 2026 $'000	Consolidated 2025 $'000
Loss after income tax	(7,826)	(2,359)
Non-controlling interest	40	112
Loss after income tax attributable to the owners of Axtec Limited	(7,786)	(2,247)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	498,692,288	432,713,658
Weighted average number of ordinary shares used in calculating diluted earnings per share	498,692,288	432,713,658
	Cents	**Cents**
Basic loss per share	(1.56)	(0.52)
Diluted loss per share	(1.56)	(0.52)

There are no reconciling items between the net result attributable to members of the parent entity as shown in the Statement of Comprehensive Income and the amount used to calculate basic and diluted loss per share.

Axtec Limited
Consolidated entity disclosure statement
As at 30 June 2026

Name of entity	Type of entity	Trustee, partner or participant in joint venture**	% of share capital held	Country of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
			%			
Axtec Limited (ultimate parent of the Group)	Company	N/A	-	Australia	Yes	N/A
Axiom Property Funds Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Axiom Development Management Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Axiom Worldpark Trust	Trust	N/A	100.00%	Australia	Yes	N/A
Axiom Worldpark Adelaide Pty Ltd	Body Corporate	Trustee	100.00%	Australia	Yes	N/A
Axiom Worldpark Adelaide Trust	Trust	N/A	100.00%	Australia	Yes	N/A
Axiom Investments Holdings Pty Ltd	Body Corporate	Trustee	100.00%	Australia	Yes	N/A
Axiom Investments Holdings Trust	Trust	N/A	100.00%	Australia	Yes	N/A
Axiom Mt Barker Pty Ltd	Body Corporate	Trustee	100.00%	Australia	Yes	N/A
Axiom Mt Barker Trust	Trust	N/A	100.00%	Australia	Yes	N/A
APL Capital Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Axiom Corporate Pty Ltd	Body Corporate	Trustee	100.00%	Australia	Yes	N/A
Axiom Corporate Trust	Trust	N/A	100.00%	Australia	Yes	N/A
Axiom Butler Central Pty ltd	Body Corporate	Trustee	100.00%	Australia	Yes	N/A
Axiom Butler Central Trust	Trust	N/A	100.00%	Australia	Yes	N/A
Axiom Mt. Gambier Pty Ltd	Body Corporate	Trustee	100.00%	Australia	Yes	N/A
Axiom Mt. Gambier Trust 1	Trust	N/A	100.00%	Australia	Yes	N/A
Axiom Mt. Gambier Trust 2	Trust	N/A	100.00%	Australia	Yes	N/A
Axipay Pty Ltd	Body Corporate	N/A	93.00%	Australia	Yes	N/A
Paysure Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Paysure Finance Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Paysure Operations Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Paysure Retail Finance Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A

Axtec Limited
Consolidated entity disclosure statement
As at 30 June 2026

Name of entity	Type of entity	Trustee, partner or participant in joint venture**	% of share capital held	Country of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
			%			
MB Estate Pty Ltd	Body Corporate	JV	50.00%	Australia	Yes	N/A
Proffer Group Pty Ltd	Body Corporate	JV	50.00%	Australia	Yes	N/A
SureVault Pty Ltd	Body Corporate	N/A	100.00%	Australia	Yes	N/A
Gilbert Motors Pty Ltd & The Trustee for Axiom Mt Barker Trust	Trust	N/A	100.00%	Australia	Yes	N/A
PaySure Trust 2025-1	Trust	N/A	100.00%	Australia	Yes	N/A

Basis of Preparation
This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001,* reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of Tax Residency
Section 295(3B)(a) of the *Corporations Acts 2001* defines an Australian resident as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency in those foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

Partnerships and Trusts
Section 295(3B)(b) and (c) of the *Corporations Acts 2001* have been introduced to clarify that an Australian resident for the purposes of these disclosures includes a partnership with at least one member of which is an Australian resident within the meaning of the *Income Tax Assessment Act 1997* and a resident trust estate under the meaning in Division 6 of the *Income Tax Assessment Act 1936*. For the purposes of the CEDS, all the Trusts are determined to be an Australian resident trust estate within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936.*

Axtec Limited
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Ben Laurance
Managing Director

31 August 2026

Tel: +61 8 7324 6000
Fax: +61 8 7324 6111
www.bdo.com.au

BDO Place
Level 19, 30 Pirie Street
Adelaide SA 5000
GPO Box 2018 Adelaide SA 5001
Australia

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF AXTEC LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Axtec Limited (the Company) and its subsidiaries (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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and

(ii) 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and 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 matters described below to be the key audit matters to be communicated in our report.

Investment in Realty Assist

Key audit matter	How the matter was addressed in our audit
As disclosed in note 10 and 23, the Group's investment in Realty Assist is measured at fair value through profit or loss. The investment is assessed as level 3 in the fair value hierarchy, being an investment in unlisted shares. The valuation of this investment is determined to be a key audit matter because it involves the exercise of judgement and the resulting fair value adjustment is material and important to the understanding of the financial statements as a whole.	Our audit procedures included, amongst others: • Critically evaluating management's assessment of the fair value of Realty Assist • Assessing the reasonableness of the methodology adopted and challenging the assumption used • Ensuring associated disclosures are accurate and complete

Disposal of Loans Receivable

Key audit matter	How the matter was addressed in our audit
As disclosed in note 9, the Group has disposed of loans receivable during the year. This transaction is a key audit matter because the transaction was a significant, one off transaction impacting material balances in the financial statements.	Our audit procedures included, amongst others: • Critically evaluating management's assessment of the accounting treatment • Assessing the calculation of the gain on disposal and the completeness of balances incorporated into the disposal accounting.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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, 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 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 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 ability of the group to continue as a going concern, disclosing, as applicable, matters related 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 has no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 15 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Axtec 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.

BDO Audit Pty Ltd

Andrew Tickle
Director

Adelaide, 31 August 2026

Axtec Limited
Shareholder information
30 June 2026

The shareholder information set out below was applicable as at 14 August 2026.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Ordinary shares	
	Number of holders	% of total shares issued
1 to 1,000	4,216	-
1,001 to 5,000	32,195	0.01
5,001 to 10,000	200,786	0.03
10,001 to 100,000	9,906,108	1.82
100,001 and over	535,470,353	98.14
	545,613,658	100.00

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
PIVOT GROUP PTY LTD	102,194,093	18.73
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	101,449,397	18.59
ORIENTAL UNIVERSITY CITY HOLDINGS (HK) LTD	95,750,000	17.55
BLOCK CAPITAL GROUP (INT) PTY LTD	58,208,050	10.67
MRS JENNY MARY BAGULEY + MR JOHN RICHARD BAGULEY	16,200,000	2.97
BEN BUCKLER INVESTMENTS PTY LTD <BEN BUCKLER INVESTMENT A/C>	10,000,000	1.83
LSAF HOLDINGS PTY LTD <OWEN FAMILY A/C>	10,000,000	1.83
RICHMOND BRIDGE SUPERANNUATION PTY LTD <RICHMOND BRIDGE SUPER A/C>	10,000,000	1.83
LAKE PACIFIC PTY LTD	9,000,000	1.65
MR MILTON YANNIS	8,170,778	1.50
OAKMOUNT NOMINEES PTY LTD <NARROMINE SUPER FUND A/C>	6,826,500	1.25
DOMAEVO PTY LTD <THE JCS A/C>	6,666,666	1.22
TMPJ HOLDINGS PTY LIMITED	6,600,000	1.21
CITICORP NOMINEES PTY LIMITED	5,804,704	1.06
MR SEAN BAGULEY + MRS LOUISE BAGULEY <SLB SUPER FUND A/C>	5,510,050	1.01
SEAMIST PTY LTD	5,250,000	0.96
MR STEPHEN SMITH	5,000,000	0.92
EWOH PTY LTD <WEATHERED HOWE PENSION A/C>	4,290,450	0.79
PLS & BAJ PTY LTD <JAMISON &SANTINON FAMILY A/C>	4,075,000	0.75
WIGWAM SUPER PTY LTD <TEE PEE SUPER FUND A/C>	3,500,000	0.64
	474,495,688	86.96

Axtec Limited
Shareholder information
30 June 2026

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Peter Laurance	102,194,093	18.73
Ben Laurance	101,436,640	18.59
Oriental University City Holdings (HK) Ltd	95,750,000	17.55
Sean Baguley	66,971,552	12.27

Voting rights
On a show of hands, every member present in person or by proxy or attorney or duly appointed representative shall have one vote. On a poll, every member present as aforesaid shall have one vote for each share of which the member is the holder.