Appendix 4E

1. Details of reporting period

Name of entity	CYCLIQ GROUP LIMITED
ABN	47 119 749 647
Reporting Year	**Year ended 30 June 2026**
Previous Corresponding Year	Year ended 30 June 2025

2. Results for announcement to the market

Key information	12 months ended 30 June 2026 AU $	12 months ended 30 June 2025* AU $	Increase/ (decrease) %	Amount change $
Revenues from ordinary activities	3,791,199	4,781,474	(20.71%)	(990,275)
Loss from ordinary activities after tax attributable to members	(85,897)	(515,264)	83.33%	429,367
Loss for the period attributable to members	(85,897)	(515,264)	83.33%	429,367
Net tangible asset/(deficiency) $ per share	(0.00209)	(0.00179)		

***Previous corresponding period has been restated, where applicable.**

3. Consolidated statement of profit or loss and other comprehensive income

Refer to attached Unaudited Preliminary Financial Report

4. Consolidated statement of financial position

Refer to attached Unaudited Preliminary Financial Report

5. Consolidated statement of cash flows

Refer to attached Unaudited Preliminary Financial Report

6. Consolidated statement of changes in equity

Refer to attached Unaudited Preliminary Financial Report

7. Dividends/Distributions

No dividends declared in current or prior year.

8. Details of dividend reinvestment plans

N/A

9. Details of entities over which control has been gained or lost during the period

N/A

10. Details of associate and joint venture entities

N/A

11. Any other significant information needed by an investor to make an informed assessment of the Company's financial performance and financial position

Refer to attached Unaudited Preliminary Financial Report

12. Foreign entities

The Company's financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

13. Commentary on results for period and explanatory information

Refer to Chairman's report in the attached Unaudited Preliminary Financial Report

14. Audit

The preliminary financial report is based on financial statements which are in the process of being audited.

Non-Executive Chairman
Andrew Chapman
31 August 2026

Cycliq Group Limited

ABN 47 119 749 647

ASX: CYQ

Unaudited Preliminary Financial Report

For the year ended 30 June 2026

CONTENTS
For the year ended 30 June 2026

CHAIRMAN'S REPORT

Dear Shareholders,

FY2026 in review

FY2026 was a year of platform investment and infrastructure transformation for Cycliq. During the year, the Company continued to invest in the foundations for future growth while maintaining discipled cost management. Customer receipts for the year were $3.922 million, compared to $4.8 million in FY2025, reflecting softer consumer demand across the cycling category. Despite these market conditions, the Company maintained a broadly neutral net operating cash flow position for the year, supported by disciplined cost management alongside continued investment in platform infrastructure and inventory.

In August 2025, Cycliq launched its new Shopify e-commerce platform, completing the migration from the legacy 2017/18 system. The deployment consists of three stores: US/Global, Australia, and UK, enabling localised content and imagery, regional payment methods, and seasonally targeted campaigns for each market. The new platform delivers a significantly improved mobile functionality and enhanced customer experience across all regions.

In September 2025, Cycliq launched its CycliqPlus Garmin Edge integration, connecting Cycliq cameras directly with Garmin cycling computers. This strengthens Cycliq's position within the broader cycling technology ecosystem and enhances the value proposition for new and existing customers.

The Company's key sales campaigns performed well through the year, including a Black Friday campaign generating $1.3 million in gross revenue, the annual UpRide Birthday campaign, and a strong End of Financial Year sale. These campaigns were underpinned by continued strength in Cycliq's organic content strategy, with the Company's owned social channels generating 219.36 million impressions during the year.

The Company also received a $0.188 million cash refund under the Federal Government's Research and Development Tax Incentive Scheme in October 2025, providing further support for ongoing innovation and product development.

On 14 October 2025, the Company announced the resignation of Mr Andrew Cotterill as Non-Executive Director to focus on other business interests, and Ms Carla Healy resigned as Joint Company Secretary on 23 March 2026.

Year Ahead

The momentum established during the FY2026 continues into the new financial year.

Subsequent to year-end, we appointed Mr Rhys Campbell as Chief Technology Officer on a consulting basis and welcomed the appointment of Mr Ariel (Eddie) King to the Board as a Non-Executive Director, replacing Mr Gareth Jakeman. These appointments further strengthen both our technical capability and governance as we continue to execute our strategy.

The appointment of our CTO supports the Company's strategy to expand its vision technology capability, including growth opportunities in applying AI to the UpRide platform's data set. With over 18,000 curated cycling incident submissions collected to date, the UpRide platform represents a valuable foundation for developing AI-driven safety insights and features.

Looking ahead to FY2027, our primary focus will be building inventory levels to capitalise on the Cyber November sales period. Combined with our enhanced e-commerce platform, this strengthened inventory position is expected to support the Company's growth objectives for the year ahead. Management will continue to work on new product development initiatives and partnerships with cycling safety organisations.

Finally, I would like to take this opportunity to thank the Cycliq management team and my fellow Board members for their contributions throughout the year. I also thank our shareholders for their continued support, and I look forward to an exciting year ahead.

Andrew Chapman
Chairman

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Note	2026 $	2025 *Restated $
Continuing operations			
Revenue	3	3,791,199	4,781,474
Cost of Sales		(1,587,337)	(2,376,902)
Gross Profit		2,203,862	2,404,572
Other income	3	188,264	276,840
Administrative expenses		(280,877)	(216,209)
Advertising & Marketing expenses		(642,130)	(668,045)
Depreciation and amortisation	4	(62,834)	(123,790)
Employee related costs	4	(1,000,337)	(1,212,265)
Fair value movement on warrant liability	2 & 16	(32,069)	(44,575)
Finance costs		(6,566)	(6,035)
Legal and consulting fees		(292,342)	(398,465)
Occupancy costs		(68,802)	(54,996)
Other operating expenses		(80,184)	(345,156)
Share-based payments expense	19	-	(12,707)
Research and development expenses		(11,882)	(114,433)
Loss before income tax		(85,897)	(515,264)
Income tax benefit / (expense)	5	-	-
Loss from continuing operations		(85,897)	(515,264)
Loss attributable to minority interests		(11,436)	82,288
Loss attributable to members of the parent entity		(74,461)	(597,552)
		(85,897)	(515,264)
Other comprehensive income, net of income tax			
Exchange difference on translating foreign operations		(34,897)	10,938
Other comprehensive income for the year, net of tax		(120,794)	(504,236)
Total comprehensive income / (loss)		(120,794)	(504,236)
Loss attributable to minority interests		(11,436)	82,288
Loss attributable to members of the parent entity		(109,358)	(586,614)
		(120,794)	(504,236)
Earnings per share:			
Basic and diluted loss per share (cents per share)	6	(0.02)	(0.13)

**Refer to Note 2 for details regarding the restatement as a result of an error.*

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	2026 $	2025 *Restated $	1 July 2024 *Restated $
Current assets				
Cash and cash equivalents	7	535,439	616,657	619,500
Trade and other receivables	8	55,648	93,124	151,716
Inventories	9	244,529	330,584	309,289
Prepayments	10	218,778	153,182	405,761
Total current assets		1,054,394	1,193,547	1,486,266
Non-current assets				
Trade and other receivables	8	8,663	8,663	8,663
Plant and equipment	11	8,221	15,541	18,771
Intangible assets	12	290,520	346,120	80,787
Right of use Assets		-	-	7,208
Total non-current assets		307,394	370,324	115,429
Total assets		1,361,788	1,563,871	1,601,695
Current liabilities				
Trade and other payables	14	1,272,215	1,438,868	1,436,941
Unearned revenue		51,813	-	-
Provisions	15	186,310	188,581	130,505
Borrowings - current	16a	522,198	416,440	374,422
Lease liabilities - current		-	-	7,264
Total current liabilities		2,032,536	2,043,889	1,949,132
Non-current liabilities				
Borrowings – non current	16b	-	69,936	62,898
Total non-current liabilities		-	69,936	62,898
Total liabilities		2,032,536	2,113,825	2,012,030
Net (liabilities)/assets		**(670,748)**	**(549,954)**	**(410,335)**
Equity				
Issued capital	17a	16,645,852	16,645,852	16,158,852
Reserves	18	4,032,460	4,067,357	4,178,715
Accumulated losses		(21,437,057)	(21,362,596)	(20,755,044)
Parent entity interest		**(758,745)**	**(649,387)**	**(427,480)**
Minority interest		**87,997**	**99,433**	**17,145**
Total equity		**(670,748)**	**(549,954)**	**(410,335)**

Refer to Note 2 for details regarding the restatement as a result of an error.

The consolidated statement of financial position is to be read in conjunction with the accompanying notes

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2026

***RESTATED**	Issued Capital $	Foreign Currency Translation Reserve $	Share Based Payments Reserve $	Warrants Reserve $	Convertible Notes Reserve $	Accumulated Losses $	Minority Interest $	Total $
Balance at 1 July 2024	**16,158,852**	**21,768**	**4,135,794**	**-**	**21,150**	**(20,765,044)**	**17,145**	**(410,335)**
(Loss)/profit for the year	-	-	-	-	-	(597,552)	82,288	(515,264)
Other comprehensive loss	-	10,938	-	-	-	-	-	10,938
Total comprehensive loss	-	10,938	-	-	-	(597,552)	82,288	(504,326)
Conversion of performance rights	135,000	-	(135,000)	-	-	-	-	-
Share based payments	-	-	12,707	-	-	-	-	12,707
Issue of shares	352,000	-	-	-	-	-	-	352,000
Balance at 30 June 2025	**16,645,852**	**32,706**	**4,013,501**	**-**	**21,150**	**(21,362,596)**	**99,433**	**(549,954)**
Balance at 1 July 2025 *Restated	**16,645,852**	**32,706**	**4,013,501**	**-**	**21,150**	**(21,362,596)**	**99,433**	**(549,954)**
(Loss)/profit for the year	-	-	-	-	-	(74,461)	(11,436)	(85,897)
Other comprehensive loss	-	(34,897)	-	-	-	-	-	(34,897)
Total comprehensive loss	-	(34,897)	-	-	-	(74,461)	(11,436)	(120,794)
Issue of shares	-	-	-	-	-	-	-	-
Balance at 30 June 2026	**16,645,852**	**(2,191)**	**4,013,501**	**-**	**21,150**	**(21,437,057)**	**87,997**	**(670,748)**

Refer to Note 2 for details regarding the restatement as a result of an error.

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		3,922,463	4,835,253
Payments to suppliers and employees		(4,115,357)	(4,965,880)
Other income		188,264	276,840
Interest Paid		(6,566)	(5,899)
Net cash used in operating activities	7a	**(11,196)**	**140,314**
Cash flows from investing activities			
Purchase of intangible assets		-	(372,400)
Purchases of property, plant and equipment		96	(6,284)
Net cash used in investing activities		**96**	**(378,684)**
Cash flows from financing activities			
Proceeds from capital raising		-	352,000
Repayment of borrowings		(90,644)	(82,411)
Proceeds from borrowings		-	86,892
Net cash provided by financing activities		**(90,644)**	**356,481**
Net (decrease)/ increase in cash held		(101,744)	118,111
Effects of exchange rate changes on the balance of cash held in foreign currencies		20,526	(120,954)
Cash at beginning of year		616,657	619,500
Cash at end of year	7	**535,439**	**616,657**

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These are the consolidated financial statements and notes of Cycliq Group Limited ("Company") and controlled entities ("Consolidated Group" or "Group"). Cycliq Group Limited is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of the parent entity, Cycliq Group Limited, have not been presented with this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 31 August 2026 by the Directors of the Company.

a) Basis of preparation

The financial statements comprise the consolidated financial statements of the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

i. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the Corporations Act 2011 (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

ii. Financial position

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. The amounts presented in the financial statements have been rounded to the nearest dollar.

iii. Going Concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities in the ordinary course of business.

During the year the Group incurred a net loss of $85,897 (2025(Restated): $515,264). Net liabilities at 30 June 2026 were $670,749 (30 June 2025(Restated): net liabilities $549,954) and the Group held cash assets at 30 June 2026 of $535,439 (2025: $616,657). These factors indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. The directors have prepared a cashflow forecast which indicates that the group will have sufficient cashflows to meet all commitments and working capital requirements for the 12-month period from the date of signing this report.

The Directors are confident of the Group's ability to continue as a going concern for the following reasons:

- Management has prepared a cashflow forecast for the next 12 months that indicates the operating cash inflows will be sufficient to meet expenses and other financial obligations when they fall due;
- Management has demonstrated the ability to contain costs in all areas of the business;
- The ability to raise capital or loans from shareholders or related parties; and
- Management's expectation of the outcome of the WASC Claim (the subject of ongoing negotiation) is that it will not impact the going concern of the Company.

Based on the above, the Directors consider the going concern basis of preparation to be appropriate for this financial report.

The ability of the Group to continue to pay its debts as and when they fall due is dependent upon the Group generating consistent profits during the next 12 months from existing operations and, if required, raising additional capital to meet any shortfall should the Group require.

The financial statements do not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classifications of liabilities that might be necessary should the Group not be able to continue as a going concern.

iv. Use of estimates and judgements

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period which the estimate is revised and in any future periods affected.

Judgments made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1(n).

v. Comparative figures

Where required by AASBs comparative (2025) figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b) Principles of consolidation

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered or left the Consolidated Group during the year, their operating results have been included or excluded from the date control was obtained or ceased.

i. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;

  less
- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained at note 13 Controlled Entities.

iii. Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, than such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

iv. Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

c) Income tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items recognised outside profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

d) Inventories

Inventories are measured at the lower of cost and net realisable value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

e) Plant and equipment

i. Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation (see below) and impairment losses (impairment losses are discussed further in note 1i.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads.

Where parts of an item of plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Gains and losses on disposal of an item of plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of plant and equipment and are recognised net within “other income” in profit or loss.

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

ii. Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of plant and equipment are recognised in the income statement as an expense as incurred.

iii. Depreciation

Depreciation is charged to the income statement on a straight-line basis over the asset’s useful life to the consolidated group commencing from the time that the assets is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

	2026 %	2025 %
▸ Countertop Display advertising units	50%	50%
▸ Computer equipment	33%	33%
▸ Office furniture and equipment	33%	33%
▸ Test Model	33%	33%

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

f) Intangibles

i. Intangible assets other than goodwill

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value as at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research costs are expensed in the period which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

g) Employee benefits

i. Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

ii. Short-term benefits

Liabilities for employee benefits for wages, salaries, superannuation and leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers' compensation insurance and payroll tax. Liabilities for employee benefits expected to be settled in excess of the 12 months from reporting date are recognised as non-current liabilities.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by employees.

iii. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of the date when the Group can no longer withdraw the offer for termination benefits and the date when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefit that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

iv. Equity-settled compensation

The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

h) Financial instruments

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Classification and subsequent measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the assets or liability, assuming the market participants acts in their economic best interests.

The consolidated entity does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

i. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets.)

ii. Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit and loss through the amortisation process and when the financial liability is derecognised.

Derivative instruments

The consolidated entity does not trade or hold derivatives.

Financial guarantees

The consolidated entity has no material financial guarantees.

iii. Classification and Subsequent Measurement

(1) *Cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of nine (9) months or less, and bank overdrafts. Bank overdrafts are shown within short-borrowings in current liabilities on the Statement of financial position.

(2) *Loans*

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(3) *Trade and other receivables*

Receivables are usually settled within 60 days. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Collectability of trade and other receivables is reviewed on an ongoing basis. An impairment loss is recognised for debts which are known or expected to be uncollectible. An impairment provision is raised for any doubtful amounts.

(4) *Trade and other payables*

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid and stated at their amortised cost. The amounts are unsecured and are generally settled on 30 day terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2026

(5) *Share capital*

Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

iv. Amortised cost

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

v. Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

vi. Effective interest method

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

vii. Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Financial assets are tested for impairment on an individual basis.

All impairment losses are recognised in the income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the income statement.

viii. Derecognition

Financial assets are derecognised where the contractual rights to cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

ix. Finance income and expenses

Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis.

i) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets (see accounting policy 1c) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

j) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

k) Revenue and other income

Interest revenue is recognised in accordance with note 1(h)ix Finance income and expenses.

Revenue from contracts with customers is recognised in accordance with AASB 15 Revenue from Contracts with Customers. Revenue is measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of returns, refunds, rebates and other similar amounts

At contract inception, the Group identifies the performance obligations in the contract and allocates the transaction price to those obligations based on their relative stand-alone selling prices, where applicable. Revenue is recognised when, or as, a performance obligation is satisfied by transferring control of the promised goods or services to the customer.

Performance obligations are satisfied either over time or at a point in time, depending on the nature of the goods or services and the terms of the contract. Revenue for performance obligations satisfied over time is recognised by measuring progress towards satisfaction of the obligation. Revenue for performance obligations satisfied at a point in time is recognised when control of the goods or services transfers to the customer.

Variable consideration, including returns, refunds and rebates, is recognised only to the extent that it is highly probable that a significant reversal of revenue will not occur.

All revenue is stated net of the amount of value added taxes (note 1l Goods and Services Tax).

l) Goods and Services Tax

Goods and Services Tax (**GST**) is the term for the broad-based consumption taxes that the Group is exposed to in Australia.

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the balance sheet.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

m) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ results are regularly reviewed by the Group’s Managing Director to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

n) Critical Accounting Estimates and Judgments

Management discusses with the Board the development, selection and disclosure of the Group’s critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

i. Key judgment: Going Concern

Refer Note 1(a)iii Going concern.

ii. Key estimate: Impairment

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. As a result of this review, the Group has determined that no material impairment was required.

iii. Key estimate: Provision for warranty claims

The group provides warranties to customers for a number of its products. Judgement is required in determining the warranty provision required to be recognised to fulfil any warranty claims. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The best estimate is based on historical experience and an understanding of the product base applied against sales within the warranty period.

iv. Key estimate: Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

v. Key estimate: Share-based payments

The value attributed to share options and remuneration shares issued is an estimate calculated using an appropriate mathematical formula based on Black-Scholes option pricing model. The choice of models and the resultant option value require assumptions to be made in relation to the likelihood and timing of the conversion of the options to shares and the value and volatility of the price of the underlying shares. Details of share-based payments assumptions are detailed in Note 19.

o) New, revised or amending Accounting Standards and Interpretations adopted

The group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the group during the financial year.

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

p) Accounting Standards that are mandatorily effective for the current reporting year

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2025.

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2026, the directors have reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2025. As a result of this review, the Directors have determined that there is no material impact of any new and revised Standards and Interpretations issued by the AASB.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the year ending 30 June 2026. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Group and therefore no material change is necessary to Group accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 30 June 2026

NOTE 2 CORRECTION OF PRIOR PERIOD ERROR

a) Nature of the prior period error

During the year ended 30 June 2026 the Group identified that warrants issued to Partners for Growth V, L.P. ("PFG") in connection with the PFG loan facility and the Forbearance and Amendment Deed announced to ASX on 16 July 2019 had been incorrectly classified in the financial statements of prior periods.

Two tranches of warrants were issued:

- Original Warrants — 67,857,143 warrants issued on 18 July 2019, exercisable at $0.007 per warrant, expiring 29 March 2026; and
- New Warrants — 75,000,000 warrants issued on 31 October 2019 following shareholder approval at the 2019 Annual General Meeting held on 30 October 2019 exercisable at $0.001 per warrant, expiring 31 October 2026.

Under the terms of the warrant instruments, the holder may elect, on the occurrence of specified events (an acquisition or change of control of the Company, a listing event, or expiry of the warrants), to require the Company to pay a fixed cash amount in lieu of exercising the warrants. That amount is $400,000 in respect of the Original Warrants and $75,000 in respect of the New Warrants. The election is exercisable by the holder within 60 days of notification of the relevant event.

Because settlement in cash was at the option of the holder and was not within the control of the Company, the warrants did not meet the definition of an equity instrument in AASB 132 Financial Instruments: Presentation. The instruments failed the "fixed for fixed" condition and the Company has a contractual obligation to deliver cash which it cannot unconditionally avoid. The warrants should therefore have been recognised in their entirety as financial liabilities from the date of issue and measured at fair value through profit or loss, with subsequent changes in fair value recognised in profit or loss.

The warrants were instead recognised in equity within a warrant reserve at an amount of $103,575, determined using a Black-Scholes call option valuation which did not incorporate the holder's cash settlement right, and were amortised to profit or loss as a borrowing cost. No financial liability was recognised in respect of the cash settlement right.

The terms of the warrant instruments were available to the Company when the financial statements for each of those periods were authorised for issue. The misstatement therefore constitutes a prior period error within the meaning of AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, and has been corrected by retrospective restatement of each prior period presented.

b) Restatement of the statement of financial position as at 1 July 2024

Below is the impact of the restatement:

1 July 2024	**Previously reported $**	**Adjustment $**	**Restated $**
Current liabilities			
Warrant liabilities at fair value through profit or loss	–	-	-
Non-current liabilities			
Warrant liabilities at fair value through profit or loss	–	(398,356)	(398,356)
Total liabilities	(1,613,675)	**(398,356)**	**(2,012,031)**
Net assets / (liabilities)	**(11,980)**	**(398,356)**	**(410,336)**
Equity			

Warrant reserve	103,575	(103,575)	–
Accumulated losses	(20,470,264)	(294,781)	(20,765,045)
Total equity	**(11,980)**	**(398,356)**	**(410,336)**

c) Restatement of the statement of financial position as at 1 July 2025

30 June 2025	**Previously reported $**	**Adjustment $**	**Restated $**
Current liabilities			
Warrant liabilities at fair value through profit or loss	–	(372,994)	(372,994)
Non-current liabilities			
Warrant liabilities at fair value through profit or loss	–	(69,936)	(69,936)
Total liabilities	**(1,670,894)**	**(442,931)**	**(2,113,825)**
Net assets / (liabilities)	**(107,024)**	**(442,931)**	**(549,955)**
Equity			
Warrant reserve	103,575	(103,575)	–
Accumulated losses	(21,023,242)	(339,355)	(21,362,597)
Total equity	**(107,024)**	**(442,930)**	**(549,954)**

d) Restatement of the statement of profit or loss and other comprehensive income

Year ended 30 June 2025	**Previously reported $**	**Adjustment $**	**Restated $**
Finance costs	(6,035)	-	(6,035)
Fair value movement on warrant liabilities	–	(44,575)	(44,575)
Loss before income tax	**(470,689)**	**(44,575)**	**(515,264)**
Income tax expense	–	–	–
Loss after income tax	**(470,689)**	**(44,575)**	**(515,264)**
Other comprehensive income	–	–	–
Total comprehensive loss for the year	**(470,689)**	**(44,575)**	**(515,264)**
Basic and diluted loss per share (cents)	(0.12)	(0.01)	(0.13)

Basic and diluted loss per share for the year ended 30 June 2025 has been restated in accordance with AASB 133.64. No income tax effect arises on the correction because the Group has unrecognised carried forward tax losses and no deferred tax asset has been recognised in any period presented.

e) Cumulative effect on accumulated losses

	Warrant reserve $	Accumulated losses $	Total equity $
Cumulative effect of the error to 30 June 2024	(103,575)	(294,780)	(398,355)
Effect on the year ended 30 June 2025	–	(44,575)	(44,575)
Cumulative effect to 30 June 2025	**(103,575)**	**(339,355)**	**(442,930)**

f) Statement of cash flows

The correction had no effect on the net increase or decrease in cash and cash equivalents, or on the individual operating, investing or financing cash flow line items, in any period presented. Accordingly, the statement of cash flows has not been restated.

g) Developments in the current reporting period

The Original Warrants expired on 29 March 2026 without exercise. The holder exercised the cash settlement right on 29 March 2026 and an amount of $400,000 remains payable at 30 June 2026 and is presented within trade and other payables.

The New Warrants remain on issue at 30 June 2026 and expire on 31 October 2026. The related liability of $75,000 is presented as a current liability at 30 June 2026.

h) Fair value measurement

The warrant liabilities are measured at fair value on a recurring basis and are categorised within Level 3 of the fair value hierarchy. The valuation reflects the higher of the value of the holder's right to subscribe for ordinary shares and the present value of the cash amount payable under the cash settlement right, weighted for the probability of each settlement outcome. The significant unobservable inputs are the probability of the cash settlement right being exercised, the expected settlement date and the discount rate applied of 11.5%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 3 REVENUE AND OTHER INCOME

	2026 $	2025 $
a) Revenue		
Fly 12 Sport sales	1,811,797	2,285,301
Fly 6 Pro sales	1,372,438	1,396,516
Other accessories sales	595,237	430,782
Fly 6 Gen 3 sales	-	236,082
Other	11,727	432,793
	3,791,199	4,781,474

	2026 $	2025 $
b) Other Income		
Grant income	188,264	276,840
	188,264	276,840

NOTE 4 PROFIT / (LOSS) BEFORE INCOME TAX

	2026 $	2025 $
The following significant revenue and expense items are relevant in explaining the financial performance:		
Depreciation and amortisation		
Depreciation of plant and equipment	7,234	16,723
Amortisation of intangible assets	55,600	107,067
	62,834	123,790
Employment costs		
Key management personnel remuneration	142,500	154,800
General wages, salaries and superannuation	598,461	541,648
Other employment related costs	259,376	515,817
	1,000,337	1,212,265

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 5 INCOME TAX

	2026 $	2025 $
a) Income tax expense / (benefit)		
Current tax (benefit) / expense	-	-
Deferred tax expense / (benefit)	-	-
Income tax expense/(benefit) attributable to entity	-	-
Deferred income tax expense included in income tax expense comprises:		
(Increase)/ decrease in deferred tax assets resulting from origination/reversal of temporary differences	-	-
b) Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Loss from continuing operations before income tax expense	(85,897)	(470,689)
Australian tax rate %	25.0	25.0
Tax amount at the Australian tax rate	(21,474)	(117,672)
Add / (Less) the tax effect of:		
Non-deductible expenses	(46,624)	(64,526)
Effect of unrecognised temporary difference	-	-
International tax rate difference	1,944	(13,989)
Over/under provisions relating to prior years	-	21,269
Tax losses previously not recognised	237,239	159,104
Deferred tax asset not brought to account	(171,085)	15,814
Total income tax expense/ (benefit)	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

c) Deferred tax assets	2026 $	2025 $
The balance comprises temporary differences attributable to:		
Employee benefits	3,490	4,040
Borrowing Costs	19,363	26,111
Accrued expenses	25,352	30,381
Other provisions	46,591	47,145
Unrealised foreign exchange gain	56,613	25,452
Patent Costs	844	1,126
Property, plant and equipment	3,655	833
Tax losses	6,317423	6,213,287
Total deferred tax assets	6,473,332	6,348,375
Set-off deferred tax liabilities pursuant to set-off provisions	(38,144)	(38,144)
Less deferred tax assets not recognised	(6,435,188)	(6,310,231)
Net deferred tax assets	-	-
d) Deferred tax liabilities		
The balance comprises temporary differences attributable to:		
Prepayments	(38,144)	(38,144)
Total deferred tax liabilities	(38,144)	(38,144)
Set-off deferred tax liabilities pursuant to set-off provisions	38,144	38,144
Net deferred tax liabilities	-	-

NOTE 6 EARNINGS PER SHARE (EPS)

	2026 $	2025 *Restated $
a) Reconciliation of earnings to profit or loss		
Loss used in the calculation of basic and diluted EPS	(74,461)	(598,925)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic and diluted EPS	460,516,658	442,689,735
Basic EPS (cents per share)	(0.02)	(0.13)

b) The Group does not report diluted earnings per share where options would not result in the issue of ordinary shares for less than average market price during the period (“out of the money”). In addition, the Group does not report diluted earnings per share on annual losses generated by the Group. At the end of the 30 June 2026 financial year, the Group nil unissued shares under option (June 2025: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 7 CASH AND CASH EQUIVALENTS

	2026 $	2025 $ *Restated
Cash at bank	535,439	616,657
a) Reconciliation of cash flow from operations to loss after income tax		
Loss after income tax	(85,897)	(515,264)
Non-cash flows in profit from ordinary activities:		
▸ Depreciation and amortisation	62,834	123,790
▸ Share-based payments expense	-	12,707
▸ Finance costs	-	6,035
▸ Other operating expenses	94,397	38,874
▸ Provisions	40,968	-
▸ Fair value movement on warrant liability	32,069	44,575
▸ Impairment of inventory	-	48,592
▸ Foreign currency gains/ (losses)	(44,576)	79,719
Changes in assets and liabilities		
▸ (Increase)/decrease in trade and other receivables	86,232	58,592
▸ (Increase)/decrease in inventories	86,054	(24,101)
▸ (Increase)/decrease in prepayments	(65,597)	206,793
▸ Increase/(decrease) in trade and other payables	(215,410)	1,927
▸ Increase/(decrease) in provisions	(2,270)	58,075
Cash flow from operations	(11,196)	140,314

b) Credit standby facilities

The Group has no credit standby facilities (2025: None).

c) Non-cash transactions

During the year, there were no non-cash transactions other than those detailed above.

NOTE 8 TRADE AND OTHER RECEIVABLES

	2026 $	2025 $
Current		
Trade debtors	1,607	80,749
Less: provision for Doubtful debts	(3)	(3)
Other receivables	54,044	10,809
Goods and Services Tax receivable	-	1,569
	55,648	93,124
Non-current		
Other receivables	8,663	8,663
	8,663	8,663

General terms for debtors are 30 days from invoice date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 9 INVENTORIES

	2026 $	2025 $
Finished goods	224,529	330,584
	224,529	330,584

NOTE 10 PREPAYMENTS

	2026 $	2026 $
Current		
Manufacturing prepayments	150,488	105,654
Other prepayments	68,290	47,528
	218,778	153,182

NOTE 11 PLANT & EQUIPMENT

	2026 $	2025 $
Non-current		
Computer equipment at cost	85,197	85,293
Accumulated depreciation	(79,869)	(73,810)
	5,328	11,483
Office furniture and equipment at cost	35,044	35,044
Accumulated depreciation	(32,161)	(30,986)
	2,883	4,058
Total plant and equipment	8,211	15,541

NOTE 12 INTANGIBLE ASSETS

	2026 $	2025 $
Non-current		
Product development costs	1,479,910	1,479,910
License Agreement	300,000	300,000
Website build	72,400	72,400
Accumulated amortisation	(1,561,790)	(1,506,190)
Total Intangible assets	290,520	346,120
Movements for the year		
Opening balance	346,120	80,787
Additions	-	372,400
Amortisation	(55,600)	(107,067)
Closing balance	290,520	346,120

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

The development costs, license agreement and website build useful lives have been aligned to the expected product lifetime and as a result those costs are amortised on a straight-line basis over the product lifetime period. The amortisation expense has been included in the line item “depreciation and amortisation” in the consolidated statement of profit and loss and other comprehensive income. The directors do not consider there have been any indicators of impairment of the acquired intangible assets during the year up until the date of this report.

NOTE 13 CONTROLLED ENTITIES

a) Legal parent entity

Cycliq Group Limited is the ultimate parent of the Group

i. **Legal subsidiaries**	Country of Incorporation	Class of Shares	Percentage Owned	
			30 June 2026	30 June 2025
Cycliq Products Pty Ltd	Australia	Ordinary	100%	100%
Cycliq Research and Development (HK) Ltd*	Hong Kong	Ordinary	50%	50%

b) Accounting parent entity

Cycliq Products Pty Ltd is the accounting parent of the Group

i. **Accounting subsidiaries**	Country of Incorporation	Class of Shares	Percentage Controlled	
			30 June 2026	30 June 2025
Cycliq Group Limited	Australia	Ordinary	100%	100%
Cycliq Research and Development (HK) Ltd*	Hong Kong	Ordinary	50%	50%

*Cycliq Research and Development (HK) Ltd was incorporated on the 14th of November 2017 with 50-50 shareholdings by Cycliq Group Limited and Glory Horse Investment Holdings Limited, but controlled by Cycliq Group Limited.

Investments in subsidiaries are accounted for at cost.

NOTE 14 TRADE AND OTHER PAYABLES

	2026 $	2025 $
Current		
Unsecured		
Trade payables	7,705	174,105
Accrued expenses	1,126,836	1,195,913
Other payables	137,674	68,850
	1,272,215	1,438,868

Trade payables are non-interest bearing and arise from the usual operating activities of the Group. Trade payables and other payables and accruals, except directors' fees, are usually settled within the lower of terms of trade or 30 days.

NOTE 15 PROVISIONS

	2026 $	2025 $
Current		
Provision for current employee benefits	94,427	85,851
Provision for warranty claims*	91,883	102,730
	186,310	188,581

*Refer note 1n(iii) for further details on warranty provision calculations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 16 BORROWINGS

	2026 $	2025 *Restated $
a). Current		
Insurance premium funding	47,198	43,446
Warrant Liability – refer to Note 2: Correction of Prior Period Error	475,000	372,994
	522,198	416,440
b). Non-current		
Warrant Liability – refer to Note 2: Correction of Prior Period Error	-	69,936
	-	69,935

During the year ended 30 June 2026 the Group identified that warrants issued to Partners for Growth V, L.P. ("PFG") in connection with the PFG loan facility and the Forbearance and Amendment Deed announced to ASX on 16 July 2019 had been incorrectly classified in the financial statements of prior periods.

Two tranches of warrants were issued:

- Original Warrants — 67,857,143 warrants issued on 18 July 2019, exercisable at $0.007 per warrant, expiring 29 March 2026; and
- New Warrants — 75,000,000 warrants issued on 31 October 2019 following shareholder approval at the 2019 Annual General Meeting held on 30 October 2019 exercisable at $0.001 per warrant, expiring 31 October 2026.

	1 July 2025 *Restated $	Net Cash flows $	Non-cash changes Equity $	Non-cash changes Other $	30 June 2026 $
Insurance Premium Funding	43,446	94,396	-	(90,644)	47,198
Warrant liability	442,931	-	-	32,069	475,000
Total	486,377	94,396	-	(58,575)	522,198

For further details, please refer to Note 2: Correction of Prior Period Error.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 17 ISSUED CAPITAL

	2026 No.	2025 No.	2026 $	2025 $
Fully paid ordinary shares at no par value	460,516,658	460,516,658	16,645,852	16,645,852
a) Ordinary shares				
At the beginning of the period	460,516,658	357,516,658	16,645,852	16,158,852
Issue of shares	-	88,000,000	-	352,000
Conversion of performance shares	-	15,000,000	-	135,000
At reporting date	460,516,658	460,516,658	16,645,852	16,645,852

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

b) Warrants

	Number	Grant Date	Exercise Price	Expiry
Deed of Forbearance	3,750,000	31/10/2019	$0.02	31/10/2026

c) Capital Management

The working capital position of the Group at balance date is as follows:

		2026 $	2025 $ *Restated
Cash and cash equivalents	7	535,439	616,657
Trade and other receivables	8	55,648	93,124
Inventories	9	244,529	330,584
Prepayments	10	218,778	153,182
Trade and other payables	14	(1,272,215)	(1,438,868)
Provisions	15	(186,310)	(188,581)
Borrowings	16	(522,198)	(416,440)
Working capital position		(926,329)	(850,342)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 18 RESERVES

	2026 $	2025 $ *Restated
Foreign currency translation reserve	(2,191)	32,706
Share-based payment reserve (Options)	4,013,501	4,013,501
Convertible notes reserve	21,150	21,150
Warrants reserve	-	-
Total reserves	4,032,460	4,067,357

For further details on the restated amounts, **please refer to Note 2.**

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries. It is also used to record the effect of hedging net investments in foreign operations.

Share-based payments reserve

This reserve is used to record the value of equity benefits provided to employees and Directors as part of their remuneration and consultants. For details regarding share-based payments during the period, please refer to Note 19.

Equity component of convertible note

The reserve represents the equity component of the $500,000 convertible noted issued during 2021.

Warrants reserve

The reserve represents equity benefit or warrants issued.

Transactions with non-controlling interests

This reserve is used to record the differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

NOTE 19 SHARE BASED PAYMENTS

a. Performance shares

Share based payments expense in the profit or loss

The fair value of the performance shares recognised in the profit and loss for the year ended 30 June 2026 was nil (2025:$12,707).

b. Shares

During the period, the company did not issue any shares in lieu of cash in settlement of services provided to the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 20 KEY MANAGEMENT PERSONNEL COMPENSATION

The names and positions of Key Management Personnel ("KMP") during the period are as follows:

- Andrew Chapman Non-Executive Chairman
- David Wheeler Non-Executive Director
- Gareth Jakeman Non-Executive Director (resigned 13 July 2026)
- Andrew Cotterill Non-Executive Director (resigned 14 October 2025)

	2026 $	2025 $
Short-term employee benefits	142,500	154,800
Total	142,500	154,800

NOTE 21 RELATED PARTY TRANSACTIONS

All transactions with related parties are on commercial terms and under conditions no more favourable than those available to other parties unless otherwise stated.

	2026 $	2025 $
Pathways Corporate Pty Ltd – Registered office services – (David Wheeler)	18,000	18,000
	32,000	18,000

At 30 June 2026, $14,000 (2025: Nil) of directors' fees remained accrued and payable. The amount is unsecured, non-interest bearing and is expected to be settled in cash.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 22 CONTINGENT LIABILITIES

a.) The Company remains in dispute with its joint venture partner in Hong Kong (HK Claim) and the joint venture entity in the WASC Claim.

On 20 June 2024, the Company announced it had received a Writ of Summons in a legal proceeding commenced out of the Supreme Court of Western Australia by Cycliq Research and Development (HK) Limited, the joint venture entity (WASC Claim). The Board has instructed the Company's lawyers to defend the claim. The WASC Claim has proceeded to Mediation and is the subject of ongoing negotiations. The HK Claim is not being actively pursued against the Company. Whilst the HK Claim is not being actively pursued against the Company, the Company recognises the risk for a potential liability to arise in connection to the dispute.

Except for the matters described above, no other contingent liabilities have been identified by the Company as at 30 June 2026.

NOTE 23 OPERATING SEGMENTS

a) Identification of reportable segments

The Group operates predominantly in the technology industry, manufacturing HD Bike Cameras & Safety lights.

The Group has identified its operating segments based on the internal reports that are provided to the Board on a monthly basis that are used in determining the allocation of resources across the Group. Management has identified the group has four reporting segments.

Year ended 30 June 2026	USA $	Australia $	UK $	Other $	Total $
Revenue					
Revenue	1,178,714	900,749	785,381	926,355	3,791,199
Total Segment Revenue	1,178,714	900,749	785,381	926,355	3,791,199
Segment net profit from continuing operations before tax	685,198	523,614	456,550	538,499	2,203,862
Reconciliation of segment profit / (loss) to group profit / (loss):					
Amounts not included in segment results but reviewed by the board:					
Other income					188,264
Administrative expenses					(280,877)
Advertising & Marketing expenses					(642,130)
Depreciation and amortisation					(62,834)
Employment costs					(1,000,337)
Fair value movement on warrant liability					(32,069)
Finance costs					(6,566)
Legal and consulting fees					(292,342)
Occupancy costs					(68,802)
Other operating expenses					(80,184)
Share-based payments					-
Research and development expenses					(11,882)
Net loss for the year					(85,897)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

Year ended 30 June 2025 (Restated)	USA $	Australia $	UK $	Other $	Total $
Revenue					
Revenue	1,675,586	800,247	1,127,139	1,178,502	4,781,474
Total Segment Revenue	1,675,586	800,247	1,127,139	1,178,502	4,781,484
Segment net profit from continuing operations before tax	842,641	402,439	566,831	592,661	2,404,572
Reconciliation of segment profit / (loss) to group profit / (loss):					
Amounts not included in segment results but reviewed by the board:					
Other income					276,840
Administrative expenses					(216,209)
Advertising & Marketing expenses					(668,045)
Depreciation and amortisation					(123,790)
Employment costs					(1,212,265)
Fair value movement on warrant liability					(44,575)
Finance costs					(6,035)
Legal and consulting fees					(398,465)
Occupancy costs					(54,996)
Other operating expenses					(345,156)
Share-based payments					(12,707)
Research and development expenses					(114,433)
Net loss for the year					(515,264)

Year ended 30 June 2026	USA $	Australia $	UK $	Other $	Total $
Segment Assets	121,791	93,071	81,150	101,124	397,136
Reconciliation of segment assets to group assets:					
Unallocated assets					964,652
Total Assets					1,361,788
Segment Liabilities	-	-	-	-	-
Reconciliation of segment liabilities to group liabilities:					
Unallocated liabilities					2,032,536
Total Liabilities					2,032,536

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

Year ended 30 June 2025 (Restated)	USA $	Australia $	UK $	Other $	Total $
Segment Assets	28,297	13,514	19,035	19,903	80,749
Reconciliation of segment assets to group assets:					
Unallocated assets					1,483,122
Total Assets					1,563,871
Segment Liabilities	-	-	-	-	-
Reconciliation of segment liabilities to group liabilities:					
Unallocated liabilities					2, 113,825
Total Liabilities					2,113,825

NOTE 24 PARENT ENTITY DISCLOSURES

	2026 $	2025 $
a) Financial position of Cycliq Group Limited		
Current assets		
Cash and cash equivalents	35,839	31,750
Prepayments	55,065	43,446
Total current assets	90,904	75,196
Total non-current assets	-	-
Total assets	90,904	75,196
Current liabilities		
Trade and other payables	37,816	60,567
Total current liabilities	37,816	60,567
Borrowings	47,198	43,446
Total liabilities	85,014	104,013
Net assets/(liabilities)	5,890	(28,817)
Equity		
Issued capital	88,287,276	88,287,276
Reserves	3,987,652	3,987,752
Accumulated losses	(92,269,038)	(92,303,845)
Total equity	(5,890)	(28,817)
b) Financial performance of Cycliq Group Limited		
Profit / (loss) for the year	34,807	(400,135)
Other comprehensive income	-	-
Total comprehensive income	34,807	(400,135)

c) Guarantees entered into by Cycliq Group Limited

There are no guarantees entered into by Cycliq Group Limited for the debts of its subsidiaries as at 2026 (2025: none).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

NOTE 25 EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to year-end, we appointed Mr Rhys Campbell as Chief Technology Officer on a consulting basis and welcomed the appointment of Mr Ariel (Eddie) King to the Board as a Non-Executive Director, replacing Mr Gareth Jakeman. These appointments further strengthen both our technical capability and governance as we continue to execute our strategy.

There are no other events of a material nature or transaction, that have arisen since year end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.