Appendix 4D

Preliminary Final Report For The Period Ended 30 June 2026

Details of the Reporting Period

Name and entity	WAY 2 VAT LTD and Controlled Entities
ARBN	637 709 114
Reporting period	6 months ended 30 June 2026 (H1 FY26)
Previous Corresponding Period	6 months ended 30 June 2025 (H1 FY25)
Currency	All figures are in **AUD in thousands**

Results Announcement to the market:

	2026	2025	Movement %
Revenues from ordinary activities	4,001	2,491	+61%
Operating Loss	(4,115)	(2,343)	+76%
Loss from ordinary activities after tax attributable to owners	(5,513)	(3,702)	+49%
Net Loss for the period attributable to owners	(5,513)	(3,702)	+49%

Commentary on the Results for the Half Year

Results for H1 FY26 included the following key activity:

- Reported revenue increased to $4.00 million, a 61% increase on the previous corresponding period (pcp) (1H FY25: $2.49 million).
- Enterprise clients increased 29% from 414 to 533 on pcp (includes RBC clients after acquisition).
- Operating loss increased by 76% compared to the pcp, to $4.11 million, primarily due to one-off costs, including $881,000 of expenses related to the RBC acquisition and other non-cash expenses. Net cash used in operating activities improved to ($3,093) from ($3,204) on pcp.
- Way2VAT completed development in H1 FY26 of Way2Invoice, its new AI e-invoicing platform. Way2Invoice combines two capabilities in one solution: generating and sending compliant e-invoices

across markets and automatically running deep compliance checks on incoming invoices - structured e-invoices and traditional PDF or image-based documents alike.

- During 1H FY26, Way2VAT completed a placement on 2 April 2026 for $2,600,000 (before costs). The placement was completed via an issue of 37,142,858 fully paid ordinary shares in the company at $0.07 per placement share, together with one free attaching new option in the company (with an exercise price of $0.07 each and expiry date of 3 years from issue).
- Way2VAT also announced on 30 June 2026 that it had restructured its debt facilities with its long-term banker, Bank Hapoalim to increase the total debt facility and lengthen the maturity term. The benefits of this enhanced facility are to extend the company's operational runway and enable further client acquisition to help the company reach breakeven.
- The increased debt facility included a new secured loan of approximately $2.297 million with a 3 year maturity of 30 June 2029, repayable in 36 equal monthly instalments. Interest payable on the loan is the Israeli Prime Rate + 5.00% (currently equating to 10.00%).
- Subsequent to the end of 1H FY26, the Company also agreed with its banker, Israeli Bank Hapoalim on 17th August 2026 to extend an existing $1.293 million secured loan for another 12 months to 30 August 2027.

Statement of Profit or Loss and Other Comprehensive Income with Notes to the Statement

Refer to the 30 June 2026 attached condensed interim consolidated financial statements and accompanying notes for Way2VAT Limited.

Statement of Financial Position with Notes to the Statement

Refer to the 30 June 2026 attached condensed interim consolidated financial statements and accompanying notes for Way2VAT Limited.

Statement of cash flows with Notes to the Statement

Refer to the 30 June 2026 attached condensed interim consolidated financial statements and accompanying notes for Way2VAT Limited.

Statement of retained earnings and change in equity

Refer to the 30 June 2026 attached condensed interim consolidated financial statements and accompanying notes for Way2VAT Limited.

Dividends

No dividends have been paid during the year, and the Company does not propose to pay any final dividend.

Details of dividend reinvestment plans

The Company does not have a dividend reinvestment plan.

Emphasis of Matter – Going Concern

The Company's independent auditor's review report for the six months ended 30 June 2026 includes an emphasis of matter in relation to going concern. Further details are provided in Note 1.c. of the condensed interim consolidated financial statements.

Net Tangible Assets Per Security

	June 2026	December 2025
	$/share	$/share
Net tangible assets per ordinary share	(0.016)	(0.005)

Details of Controlled Entities:

Entity name	Country of incorporation	Proportion of ownership interest on 30 June		Held by
		2025	2024	
WAY2VAT UK Limited	UK	100%	100%	WAY2VAT Ltd
DevoluIVA S.L.U	Spain	100%	100%	WAY2VAT Ltd
WAY2VAT SRL	Romania	100%	100%	WAY2VAT Ltd
Bevan & Bevan Limited	UK	100%	100%	WAY2VAT Ltd.
RBCVAT Limited	UK	100%	100%	Bevan & Bevan Limited

WAY2VAT Inc., a former subsidiary of the Company, was liquidated on 30 June 2025.

Signed ______________________ Date 31 August 2026

Chairman

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2026

(UNAUDITED)

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2026

(UNAUDITED)

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Review report on interim financial information to the shareholders of

WAY2VAT LTD.

Introduction

We have reviewed the accompanying condensed interim consolidated statements of financial position of WAY2VAT Ltd. (the "Company") as of 30 June 2026 and the related condensed interim consolidated statements of loss and other comprehensive loss, changes in shareholders' equity (deficit) and cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of review

We conducted our review in accordance with international standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial information does not present fairly, in all material respects, the consolidated financial position of the Company as of 30 June 2026, and of its financial performance and its consolidated cash flows for the six months then ended in accordance with International Accounting Standard IAS 34.

Emphasis of Matter

We draw attention to note 1.c. of the financial information, which indicates that the company has incurred negative cash from operations of $3,093 thousand and net losses of $5,513 thousand during the six months ended 30 June 2026. As stated in Note 1.c., these matters indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Ziv Haft

Tel-Aviv, Israel
31 August 2026

Ziv haft
Certified Public Accountants (Isr.)
BDO Member Firm

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(AUD in thousands)

	30 June 2026 Unaudited	31 December 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	1,923	768
Trade receivables	6,909	7,358
Other accounts receivable	357	319
	9,189	8,445
Non-Current Assets:		
Intangible Assets, net	2,918	3,208
Right-of-use assets, net	719	944
Property and equipment, net	16	41
	3,653	4,193
Total Assets	12,842	12,638

The accompanying notes are an integral part of the condensed financial statements.

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT.)

(AUD in thousands)

	Note	30 June 2026 Unaudited	31 December 2025
LIABILITIES AND EQUITY (DEFICIT)			
Current Liabilities:			
Bank loans	4	3,317	2,629
Governmental loans		30	31
Trade payables		581	575
Lease liabilities		339	345
Liability for royalties payable		224	264
Derivative liability – Options	5	1,201	163
Other accounts payables*		4,937	4,376
		10,629	8,383
Non-Current Liabilities:			
Bank loans	4	1,625	168
Governmental loans		328	335
Lease liabilities		407	569
Liability for royalties payable		524	477
Deferred tax liability*		285	132
Other Liabilities		429	408
		3,598	2,089
Equity (Deficit):	6		
Share capital		11,500	9,695
Additional paid in capital		41,524	40,254
Share based compensation reserve		3,883	4,850
Adjustments arising from translation to reporting currency		(1,094)	(948)
Accumulated losses		(57,198)	(51,685)
Total Equity (Deficit)		(1,385)	2,166
Total Liabilities and Equity (Deficit)		12,842	12,638

* Reclassified, see also Note 2.e.

Amos Simantov	Evyatar Cohen	31 August 2026
CEO & Director	CFO	Date of approval of financial statements

The accompanying notes are an integral part of the condensed financial statements.

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND OTHER COMPREHENSIVE LOSS

(AUD in thousands)

		Six months ended 30 June	
		2026	**2025**
	Note	**Unaudited**	
Revenue		4,001	2,491
Cost of revenues		1,124	444
Gross profit		2,877	2,047
Research and development expenses		1,478	1,291
Selling and marketing expenses		1,549	1,123
General and administrative expenses*		3,084	1,976
Expenses Related to the RBC Acquisition	3	881	-
Total Operating expenses		6,992	4,390
Operating loss		(4,115)	(2,343)
Finance income		60	7
Finance expenses		(1,144)	(1,384)
Loss before taxes on income		**(5,199)**	**(3,720)**
Income tax expense (benefit)*		314	(18)
Loss for the period		**(5,513)**	**(3,702)**
Other comprehensive loss, net of tax:			
Items that will not be reclassified to profit or loss:			
Exchange losses arising on translation to reporting currency		(146)	(41)
Total comprehensive loss for the period		**(5,659)**	**(3,743)**
Basic and diluted loss per share ($)		(0.0245)	(0.044)

* Reclassified, see also Note 2.e.

The accompanying notes are an integral part of the condensed financial statements.

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

(AUD in thousands)

For the six months ended 30 June 2026 (Unaudited):	**Share capital**	**Additional paid in capital**	**Share based compensation**	**Adjustments arising from translation to reporting currency**	**Accumulated deficit**	**Total**
Balance as of 1 January 2026	9,695	40,254	4,850	(948)	(51,685)	2,166
Changes during the period:						
Net loss	-	-	-	-	(5,513)	(5,513)
Other comprehensive loss	-	-	-	(146)	-	(146)
Total comprehensive loss	-	-	-	(146)	(5,513)	(5,659)
Issuance of shares, net of issuance expenses in connection with a finance round	1,706	49	-	-	-	1,755
Issuance of shares, net of issuance expenses in connection with Directors' service rendered	71	33	-	-	-	104
Issuance of shares, net of issuance expenses in connection with service rendered	25	200	-	-	-	225
Exercise of options to ordinary shares	3	541	(544)	-	-	*
Expiration and forfeiture of Share based compensation	-	447	(447)	-	-	-
Share based compensation	-	-	24	-	-	24
Balance as of 30 June 2026	**11,500**	**41,524**	**3,883**	**(1,094)**	**(57,198)**	**(1,385)**

* Represent an amount lower than $1 thousand

The accompanying notes are an integral part of the condensed financial statements.

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT) (CONT.)

(AUD in thousands)

For the six months ended 30 June 2025 (Unaudited):	Share capital	Additional paid in capital	Share based compensation	Adjustments arising from translation to reporting currency	Accumulated deficit	Total
Balance as of 1 January 2025						
Changes during the period:	3,888	35,901	4,370	(965)	(45,324)	(2,130)
Net loss	-	-	-	-	(3,702)	(3,702)
Other comprehensive loss	-	-	-	(41)	-	(41)
Total comprehensive loss	-	-	-	(41)	(3,702)	(3,743)
Issuance of shares in connection with conversion of the Convertible Notes	2,077	1,637	-	-	-	3,714
Issuance of shares, net of issuance expenses in connection with a finance round	1,257	666	-	-	-	1,923
Issuance of shares, net of issuance expenses in connection with Directors' service rendered	46	29	-	-	-	75
Issuance of shares, net of issuance expenses in connection with service rendered	6	169	-	-	-	175
Exercise of options to ordinary shares	4	337	(341)	-	-	*
Expiration and forfeiture of Share based compensation	-	30	(30)	-	-	-
Share based compensation	-	-	163	-	-	163
Balance as of 30 June 2025	**7,278**	**38,769**	**4,162**	**(1,006)**	**(49,026)**	**177**

* Represent an amount lower than $1 thousand

The accompanying notes are an integral part of the condensed financial statements.

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(AUD in thousands)

	Six months ended 30 June	
	2026	**2025**
	Unaudited	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Loss for the period	(5,513)	(3,702)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization and depreciation	282	241
Capital loss	-	34
Fair value adjustments of Derivative liability Options	369	(11)
Fair value adjustments of contingent consideration	-	(22)
Interest and fair value adjustment in connection with the convertible notes	-	1,164
Interest expenses and reassessment	64	(47)
Share based compensation in connection with service rendered	225	-
Financial expenses, net	483	49
Share based compensation	24	163
Changes in assets and liabilities:		
Change in trade receivable, net	22	(661)
Change in other accounts receivable	(55)	75
Change in trade accounts payable	40	(162)
Change in other accounts payable*	941	(221)
Change in other liabilities	44	14
Change in deferred tax*	161	(18)
Cash from operations	(2,913)	(3,104)
Interest paid	(180)	(100)
Net cash used in operating activities	(3,093)	(3,204)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	-	(2)
Net cash used in investing activities	-	(2)

* Reclassified, see also Note 2.e.

The accompanying notes are an integral part of the condensed financial statements.

WAY2VAT LTD.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT.)

(AUD in thousands)

	Six months ended 30 June	
	2026	**2025**
	Unaudited	
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash received in connection with Convertible Notes, net of issuance expenses	-	2,550
Issuance of unit of securities, net of issuance costs, in connection with financing rounds	2,427	-
Issuance of shares, net of issuance costs, in connection with financing rounds	-	1,923
Bank loans, net	2,071	(343)
Principal paid on lease liabilities	(172)	(177)
Governmental loans	-	(62)
Exercise of options to ordinary shares	**	**
Net cash provided by financing activities	4,326	3,891
Net increase in cash and cash equivalents	1,233	685
Cash and cash equivalents at the beginning of the period	768	131
Effects of exchange rate changes on cash and cash equivalents	(78)	47
Cash and cash equivalents at the end of the period	1,923	863
APPENDIX A - NON-CASH ACTIVITIES:		
Conversion of Convertible Notes	-	3,714
Recognition of right of use assets and lease liabilities	-	122
Issuance of shares in connection with Director's service rendered	104	75
Share based compensation in connection with service rendered	225	175

** Represent an amount lower than $1 thousand

The accompanying notes are an integral part of the condensed financial statements.

(AUD in thousands)

NOTE 1 - GENERAL:

a. Way 2 Vat Ltd. ("the Company") was incorporated on 19 February 2014, under the laws of Israel and commenced operations on 1 March 2016. The Company is listed, and its shares are publicly traded on the Australian Securities Exchange ("ASX"). The Company, along with its subsidiaries, is developing applications for automatic VAT reclaims for enterprises.

b. The condensed interim consolidated financial statements include the results of the Company and its wholly owned subsidiaries as follows (together "the Group"):

Entity name	Country of incorporation	Proportion of ownership interest as of:		Held by
		30 June 2026	31 December 2025	
WAY2VAT UK Limited ("UK Limited")	UK	100%	100%	WAY2VAT Ltd.
WAY2VAT Spain ("Spain")	Spain	100%	100%	WAY2VAT Ltd.
WAY2VAT SRL ("SRL")	Romania	100%	100%	WAY2VAT Ltd.
Bevan & Bevan Limited ("Bevan")	UK	100%	100%	WAY2VAT Ltd.
RBCVAT Limited ("RBC")	UK	100%	100%	Bevan & Bevan Limited

WAY2VAT Inc., a former subsidiary of the Company, was liquidated on 30 June 2025.

c. The Company financed its operation through fundraising via its listing on the ASX, private placements, bank loans, governmental loans and grants. The Group has incurred negative cash from operating activities of $3,093 thousand and net loss of $5,513 thousand for the six months ended 30 June 2026 and, as of that date, the Group's current liabilities exceeded its current assets by $1,440 thousand. As a result of these matters, there is a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern.

The directors believe that the Company will be able to pay its debts when they fall due, and to fund near term anticipated activities based on proceeds primarily from:

- Additional support from existing and new shareholders.
- Growth in revenues from existing and new clients.
- The Group's ability to implement further cost reductions and other cost-saving measures, if required, to reduce its operating cash expenditure.
- The Group's ability to access additional debt funding and/or extend existing borrowing arrangements.

NOTE 1 – GENERAL (CONT.):

The Directors are satisfied that it is appropriate to prepare the condensed interim consolidated financial statements on a going concern basis on the basis that the above can be reasonably expected to be accomplished. The condensed interim consolidated financial statements do not include adjustments relating to the recoverability or classification of the recorded assets nor to the amounts or classification of liabilities that might be necessary should the company not be able to continue as a going concern.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:

a. Basis of preparation:

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2025 annual consolidated financial statements. The condensed interim financial statements as of 30 June 2026, have not been audited.

b. Significant accounting policies:

The Group has applied the same accounting policies and methods of computation in its condensed interim consolidated financial statements as in its 2025 annual consolidated financial statements.

c. Use of estimates and judgements:

There have been no material revisions to the nature and amounts of estimates of amounts reported in prior periods.

d. Functional and foreign currency:

The reporting currency of the Group is Australian Dollars (“AUD” or “$”), which provides relevant information for most investors and users of the interim consolidated financial statements. Items included in the consolidated financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”).

The functional currency of the Company and DevoluIVA is Euro, the functional currency of UK Limited, Bevan and RBC is the Pound sterling (“GBP”), the functional currency of SRL is RON.

e. Reclassification of comparative amounts:

Certain comparative amounts have been reclassified to conform with the current period presentation. The reclassifications had no impact on the Group's reported profit or loss, total assets, total liabilities, equity or net cash flows.

NOTE 3 – EXPENSES RELATED TO RBC ACQUISITION:

The contingent consideration expense recognized in the Company's consolidated statements of loss and other comprehensive income (loss) for the six months ended 30 June 2026, amounted to $881 thousand and was presented separately under "Expenses Related to the RBC Acquisition."

NOTE 4 – BANK LOANS:

The bank loans denominated in NIS as of 30 June 2026 comprised of the following:

a. Secured Loan of $1,293 thousand:

The Company obtained a secured loan in the amount of $1,293 thousand, backed by a percentage of its receivables from tax authorities. The loan is scheduled for repayment on 30 August 2026, and bears interest at the Israeli Prime Rate + 4.50% (currently 9.50%), with interest payable monthly. The repayment date of this loan was extended by one year subsequent to 30 June 2026.

b. Secured Loan Outstanding Balance of $480 thousand:

On 10 September 2025 related to the RBC acquisition, the Company secured a loan of $1,017 thousand, backed by RBC shares. The loan is repayable over an 18-month period (principal and interest), commencing on 10 October 2025 and ending on 10 March 2027. The loan bears interest at the Israeli Prime Rate plus 4.50% (currently 9.50%), with interest payable on a monthly basis. As of 30 June 2026, the Company has already repaid nine (9) instalments under the loan.

c. Unsecured Bridge Loan of $731 thousand:

On 30 October 2025, the Company received a short-term, unsecured bridge loan totalling $731 thousand. The loan is scheduled for repayment on 30 October 2026, and bears interest at the Israeli Prime Rate + 4.50% (currently 9.50%), with interest payable monthly.

d. Secured Loan of $2,438 thousand:

On 30 June 2026 the Company secured a loan of $2,438 thousand. The loan is repayable over a 36-month period (principal and interest), commencing on 28 July 2026 and ending on 28 June 2029. The loan bears interest at the Israeli Prime Rate plus 5.00% (currently 10.00%), with interest payable on a monthly basis.

The Company has granted the bank a floating charge over all its assets as security for these outstanding loans.

(AUD in thousands)

NOTE 5 – DERIVATIVE LIABILITY - OPTIONS:

a. Stock options issued to investors

The outstanding options issued to investors for the six months ended 30 June 2026 are as follows:

	Number of options
	Unaudited
As of 1 January 2026	16,313,045
Issued	37,142,858
Forfeited	(16,313,045)
As of 30 June 2026	37,142,858

Those options have an exercise price denominated in $, which differs from the Company's functional currency and as a result they are recorded as liabilities and not within the consolidated statements of changes of equity (deficit). They were recorded initially at fair value and should be continually measured at fair value at each cut-off date.

<u>16,313,045 options:</u>

Those options were issued in 2024 and were exercisable for a period of two years through 28 February 2026. Their fair value as of 31 December 2025 was $163 thousand. As the options were not exercised, they were forfeited on 28 February 2026, and their fair value was reduced to nil.

<u>37,142,858 options:</u>

Those options were issued in connection with the Placement financing round described in Note 5.b.2. Those options were issued as part of units issued at $0.07 per unit, with each unit comprising one ordinary share and one option. The Company utilized the Black-Scholes valuation model to determine the fair value of the options at the issue date. The key assumptions, in addition to the share price, exercise price and expected term, included volatility of 62%, no dividend yield and a risk-free interest rate of 3.00%. The resulting fair value was $0.0181 per option, or $672 thousand in aggregate. Accordingly, the Company bifurcated this amount from the total consideration and recognized it as a derivative liability. The options are subsequently remeasured at fair value at each reporting date. As of 30 June 2026, their fair value, based on the Black-Scholes valuation model, amounted to $1,201 thousand.

(AUD in thousands)

NOTE 5 – DERIVATIVE LIABILITY – OPTIONS (CONT.):

b. Fair value measurement

	Fair value hierarchy As of 30 June 2026			
	Level 1	Level 2	Level 3	Total
Options issued to investors	-	-	1,201	1,201

	Fair value hierarchy As of 31 December 2025			
	Level 1	Level 2	Level 3	Total
Options issued to investors	-	-	163	163

c. Reconciliation of fair value measurements that are categorized within Level 3 of the fair value hierarchy:

	Fair value Reconciliation
As of 1 January 2026	163
Issuance of options	672
Change in fair value	369
Adjustments arising from translation to reporting currency	(3)
As of 30 June 2026	1,201

	Fair value Reconciliation
As of 1 January 2025	162
Change in fair value	(11)
Adjustments arising from translation to reporting currency	11
As of 30 June 2025	162

(AUD in thousands)

NOTE 6 - EQUITY:

The Authorized issued and outstanding ordinary shares of NIS 0.1 par value for the six months ended 30 June 2026 and for the year ended 31 December 2025 are as follows:

a. Ordinary shares – Status

For the six months ended 30 June 2026:	Authorized	Issued and outstanding
	Number of shares	
	Unaudited	
Ordinary shares as of 1 January 2026	300,000,000	221,807,156
Issuance of ordinary shares in connection with service rendered	-	551,471
Issuance of ordinary shares in connection with Finance round	-	37,142,858
Exercise of options	-	61,553
Issuance of ordinary shares in connection with Director's service rendered	-	1,464,845
Ordinary shares as of 30 June 2026	300,000,000	261,027,883

For the six months ended 30 June 2025:	Authorized	Issued and outstanding
	Number of shares	
	Unaudited	
Ordinary shares as of 1 January 2025	150,000,000	93,266,584
Increase in authorized shares*	150,000,000	-
Issuance of shares in connection with conversion of the Convertible Notes	-	46,816,882
Issuance of ordinary shares in connection with service rendered	-	133,464
Issuance of ordinary shares in connection with Director's service rendered	-	1,068,914
Issuance of ordinary shares in connection with finance round	-	28,571,428
Exercise of options	-	89,729
Ordinary shares as of 30 June 2025	300,000,000	169,947,001

NOTE 6 - EQUITY (CONT.):

* On 12 May 2025, as part of the Company's annual general meeting of the shareholders', the authorized share capital was increased from NIS 15,000,000 to NIS 30,000,000, divided into 150,000,000 ordinary shares of NIS 0.1 par value.

b. Issuance of ordinary shares:

During the six months ended 30 June 2026, a total of 39,220,727 shares were issued, which occurred as part of the following transactions and events:

1. Service rendered:
   In February 2026, the Company issued 551,471 ordinary shares to a vendor of the Group as equity consideration for professional services rendered. The fair value of the shares was $60 thousand. The related expense was recognized in the consolidated statements of loss and other comprehensive loss during the periods in which the services were rendered.

2. Placement finance round:
   In April 2026, the Company raised $2.6 million through the issuance of 37,142,858 units at a price of $0.07 per unit. Each unit comprised one ordinary share and one option exercisable at $0.07 per share for a period of three (3) years, expiring on 31 May 2029. Refer to Note 4.a. for additional information. Issuance costs totaled $173 thousand and were offset against the contributed equity.

3. Exercise of options:
   In April 2026 the Company issued 61,553 shares upon exercise of options.

4. Director's service rendered:
   In June 2026, the Company issued 1,464,845 ordinary shares to three (3) of its directors as consideration for services rendered. The fair value of the shares aggregated to $104 thousand. This issuance represents a settlement of liabilities through the issuance of equity. The related expense was recognized in the consolidated statements of loss and other comprehensive loss in the periods during which the services were rendered.

(AUD in thousands)

NOTE 6 - EQUITY (CONT.):

c. Stock options granted to employees and consultants:

The outstanding options granted to employees and consultants for the six months ended 30 June 2026 are as follows:

	Number of options
	Unaudited
As of 1 January 2026	16,667,990
Granted	21,609,959
Exercised	(61,553)
Forfeited	(1,595,605)
As of 30 June 2026	36,620,791

The Company granted 21,609,959 options during the six months ended 30 June 2026.

Of these, 16,609,959 options were valued on their grant date based on Black Scholes option valuation methodology based on, among other things, the following data and assumptions: exercise price per share of Between \$0. 049 - \$0.07, fully vested, contractual life of 10 years, expected volatility of 62%, dividend growth rate 0% and Expected term - 2 years. The aggregate fair value of these options was \$740 thousand. The related expense was recognized in the consolidated statements of loss and other comprehensive loss in the periods during which the services were rendered.

The remaining 5,000,000 options were granted to one of the Company's vendors and were valued at the grant date using the Black-Scholes option valuation model. The aggregate fair value of these options was \$165 thousand and was recognized in the consolidated statements of loss and other comprehensive loss for the six months ended 30 June 2026.

(AUD in thousands)

NOTE 7 – RELATED PARTIES:

The following transactions and liabilities arose with related parties (as individuals and as companies controlled by them):

	Six months ended 30 June	
Transaction – expenses*	**2026**	**2025**
	Unaudited	
Management Fee and out of pocket reimbursement to the CEO	262	196
Consultancy fees to directors	82	93
Share based compensation to the CEO and director	9	55
Share based compensation to directors	2	9

* Recorded within General and administrative expenses line item

Liabilities to related parties**	**Nature of transaction**	**30 June 2026**	**31 December 2025**
		Unaudited	
CEO and director	Management Fees and out of pocket reimbursement	44	38
Directors	Consultancy fees	35	42

** Recorded within other accounts payable line item

NOTE 8 – LEGAL PROCEEDINGS:

a. DevoluIVA is a party to three (3) legal proceedings. The exposure of all is up to $60 thousand. No provision was recorded as of 30 June 2025 and 31 December 2025 due to the uncertainty outcome of those proceedings.
b. On 26 February 2024 the Company was served with a lawsuit filed by its former landlord in a total amount of NIS 163 thousand (approximately $79 thousand based on the exchange rate of $1.00 / NIS 2.0512 in effect as of June 30, 2026) for office rent differences for prior periods. The Company does not agree with such a demand, on 2 May 2024 submitted its defense to the court. Following an unsuccessful mediation process, a preliminary hearing was held on 10 November 2024. The court has scheduled an evidentiary hearing for 12 November 2026. The parties have submitted affidavits of their witnesses. This litigation is still in its early stage and therefore no provision was recorded as of 30 June 2026.

NOTE 9 – SUBSEQUENT EVENT:

One of the loans was extended subsequent to 30 June 2026. Refer to Note 4.a. for additional details.

DECLARATION OF INDEPENDENCE BY BDO ZIV HAFT TO THE DIRECTORS OF WAY2VAT LTD.

As lead reviewer of Way2Vat Ltd. for the period ended 30 June, 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the reviewer independence requirements in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Way2Vat Ltd.

Tel-Aviv, Israel

31 August, 2026

Ziv Haft

Ziv haft

Certified Public Accountants (Isr.)

BDO Member Firm

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