

Stakk Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Stakk Limited
ABN:	41 108 042 593
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

Revenues from ordinary activities	up	1098% to	14,892,187
Loss from ordinary activities after tax attributable to the owners of Stakk Limited	up	94% to	(5,118,634)
Loss for the year attributable to the owners of Stakk Limited	up	53% to	(5,023,945)

Dividends

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

Comments

For the year ended 30 June 2026, the consolidated entity generated revenue from ordinary activities of A\$14,892,187, representing an increase of 1,098% from A\$1,242,979 in FY2025.

The consolidated entity generated an operating profit of A\$1,069,093, compared with an operating loss of A\$2,642,796 in FY2025. After recognising A\$6,187,727 of non-operating expenses, the consolidated entity recorded a statutory loss after tax of A\$5,118,634.

Non-operating expenses included a non-cash loss of A\$2,789,404 arising from the deconsolidation and orderly wind-down of former Dough entities, A\$3,297,637 of acquisition-related costs and A\$100,686 of finance costs associated with the acquisition of Stakk IQ, Inc.

The consolidated entity generated net cash inflows from operating activities of A\$3,780,025 and held cash and cash equivalents of A\$17,574,421 at 30 June 2026.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.53	(0.13)

4. Control gained over entities

No control was gained over any entity during the year ended 30 June 2026.

The proposed acquisition of ParaScript was announced subsequent to year-end and had not completed at 30 June 2026. Accordingly, ParaScript did not form part of the consolidated entity's FY2026 financial results.

Stakk Limited
Appendix 4E
Preliminary final report

5. Loss of control over entities

As part of the orderly wind-down of the Group's former Douugh consumer finance activities, Mathieu Tribut was appointed as liquidator of Douugh IP Pty Ltd on 8 December 2025 pursuant to a creditors' voluntary liquidation.

Upon the liquidator's appointment, Stakk Limited ceased to control Douugh IP Pty Ltd for accounting purposes. The entity was consequently deconsolidated from the consolidated financial statements from the date control ceased.

Douugh IP Pty Ltd was dormant, did not form part of Stakk's AI-native Digital Trust operations and did not contribute to the consolidated entity's FY2026 operating revenue.

The deconsolidation and broader wind-down of the former Douugh entities resulted in the recognition of a non-cash, non-operating loss of A\$2,789,404. Further information is provided in Note 4 to the preliminary consolidated financial statements.

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

The consolidated entity includes Stakk IQ, Inc., a wholly owned subsidiary incorporated in the United States.

Stakk IQ, Inc. maintains its underlying accounting records in accordance with the requirements applicable in its jurisdiction of incorporation. For the purpose of preparing the consolidated financial statements, its financial information is adjusted where necessary to comply with the recognition and measurement requirements of Australian Accounting Standards.

The financial statements of Stakk IQ, Inc. are translated into Australian dollars for consolidation in accordance with the consolidated entity's foreign-currency accounting policies.

The preliminary consolidated financial statements of Stakk Limited have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board.

10. Significant information relating to the entity's financial performance and financial position

Overview

FY2026 represented the first full financial year of Stakk's operation as an AI-native Digital Trust infrastructure provider serving regulated industries.

During the year, the Company focused on the continued commercialisation and delivery of its unified Digital Trust platform, the implementation of enterprise customer agreements and continued investment in the technology required to support its growing customer base.

Stakk's platform enables regulated organisations to establish trust across each stage of a digital interaction, including identity verification, document authentication, fraud prevention, transaction authorisation and contextual decisioning. The platform combines federated signal intelligence, contextual digital personas, real-time authentication, orchestration and settlement within a closed-loop, SOC 2 Type II compliant environment purpose-built for regulated institutions.

During FY2026, the consolidated entity's activities principally involved delivering its technology and services to banks, credit unions, neobanks, fintech platforms and other regulated enterprises in the United States and Australia.

Subsequent to year-end, the Company announced its proposed US\$63.0 million acquisition of ParaScript, a United States-based provider of AI-powered document intelligence and fraud-detection technology. The Company also completed an A\$27.0 million institutional placement before transaction costs to support the proposed acquisition and the future growth of the combined business.

The ParaScript acquisition had not completed at 30 June 2026 and therefore did not contribute to the financial results contained in this preliminary report.

Revenue

The consolidated entity generated revenue from ordinary activities of A\$14,892,187 in FY2026, compared with A\$1,242,979 in FY2025. This represents an increase of approximately 1,098%.

The increase was driven by the continued implementation and delivery of enterprise customer agreements, increased customer utilisation and the conversion of previously contracted customers into revenue-generating production activity.

The FY2026 result exceeded the Company's previously announced unaudited revenue guidance of approximately A\$13.55 million.

Customer cash receipts increased to A\$14,514,565, compared with A\$1,073,155 in FY2025. The close relationship between recognised revenue and customer receipts reflects strong cash conversion and disciplined management of trade receivables.

Operating performance and statutory result

The consolidated entity generated an operating profit of A\$1,069,093 in FY2026, compared with an operating loss of A\$2,642,796 in FY2025.

This operating result was achieved after recognising A\$6,371,771 of research and development expenditure associated with the continued expansion of Stakk's technology platform and capabilities.

After recognising A\$6,187,727 of non-operating expenses, the consolidated entity recorded a statutory loss after tax of A\$5,118,634.

The non-operating expenses comprised:

- a non-cash loss of A\$2,789,404 arising from the deconsolidation and orderly wind-down of former Douugh entities;
- acquisition-related expenses of A\$3,297,637; and
- finance costs of A\$100,686 associated with the acquisition of Stakk IQ, Inc.

These expenses were separate from the underlying operating performance of Stakk's continuing Digital Trust business.

Research and Development

The consolidated entity recognised A\$6,371,771 of research and development expenditure during FY2026 as it continued to invest in the development and expansion of its technology platform.

This expenditure supported the continued development of the Company's Digital Trust infrastructure, including its federated signal intelligence, contextual digital personas, real-time authentication, orchestration and transaction decisioning capabilities.

Stakk Limited
Appendix 4E
Preliminary final report

The Board expects the level of development expenditure required in future periods to reduce as the Company transitions from the intensive platform-development phase undertaken during FY2026 toward the continued commercial deployment and scaling of its technology.

Cashflow

The consolidated entity generated net cash inflows from operating activities of A\$3,780,025 in FY2026, compared with net operating cash outflows of A\$15,956 in FY2025.

Net cash inflows from financing activities were A\$16,917,448, while net cash used in investing activities was A\$3,497,637.

These movements resulted in a net increase in cash and cash equivalents of A\$17,199,836 during the year.

Cash and cash equivalents at 30 June 2026 were A\$17,574,421, compared with A\$374,585 at 30 June 2025.

Financial position

At 30 June 2026, the consolidated entity had:

- current assets of A\$18,690,523;
- current liabilities of A\$1,840,143;
- net current assets of A\$16,850,380;
- total assets of A\$30,971,449;
- total liabilities of A\$2,251,316; and
- net assets of A\$28,720,133.

Net assets increased from A\$9,589,434 at 30 June 2025 to A\$28,720,133 at 30 June 2026.

Net tangible assets per ordinary security increased to 0.53 cents at 30 June 2026, compared with negative 0.13 cents at 30 June 2025.

The Group's financial position at 30 June 2026 reflected its increased operating scale, positive operating cash flow and capital raised during the year. The financial position at that date does not include the A\$27.0 million institutional placement completed subsequent to year-end or the funding obligations associated with the proposed ParaScript acquisition.

Outlook

The Company expects the continued implementation and delivery of contracted enterprise customer agreements to support further growth in its Digital Trust operations during FY2027.

As previously announced, Stakk's standalone FY2027 revenue outlook is approximately A\$21.8 million, based on recurring services to be delivered under executed customer agreements, current implementation schedules and applicable revenue-recognition assumptions. This outlook excludes additional customer wins, expanded customer utilisation, cross-selling opportunities and any contribution from the proposed ParaScript acquisition.

Subject to completion, the proposed acquisition of ParaScript is expected to materially increase the Group's scale, revenue, earnings and international customer base. The proposed acquisition would combine Stakk's AI-native Digital Trust infrastructure with ParaScript's AI-powered document intelligence and fraud-detection capabilities.

The proposed acquisition remains subject to satisfaction or waiver of the outstanding completion conditions. Accordingly, ParaScript's financial performance has not been consolidated into the FY2026 results.

All forward-looking information remains subject to the assumptions, risks and qualifications contained in the Company's relevant ASX announcements.

11. Audit status

The preliminary consolidated financial statements are in the process of being audited and remain subject to completion of the external audit and finalisation of the consolidated entity's annual financial report for the year ended 30 June 2026.

Stakk Limited
Appendix 4E
Preliminary final report

12. Attachments

Details of attachments (if any):

The Preliminary Financial Report of Stakk Limited for the year ended 30 June 2026 is attached.

13. Signed

Signed 

Date: 31 August 2026

Nikhil Ghanekar
Executive Chair



Interim report

31 August 2026

Stakk Limited ABN 41 108 042 593

Stakk Limited
Corporate directory
30 June 2026

Directors	Nikhil Ghanekar (Executive Chair) Andrew Taylor (Executive Director) Arthur Lo (Non-Executive Director) Michelle Tang (Non-Executive Director) Kasey Kaplan (Non-Executive Director)
Company secretary	Derek Hall
Registered office Principal place of business	Level 5, 126 Phillip Street, Sydney, NSW 2000 Level 5, 126 Phillip Street, Sydney, NSW 2000
Share register	Automic Registry Services Level 5 191 St Georges Terrace Perth WA 6009
Auditor	Hall Chadwick Level 40, 2 Park Street Sydney, NSW 2000
Solicitors	Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6000 Australia T +61 (0) 8 9321 4000
Stock exchange listing	Stakk Limited shares are listed on the Australian Securities Exchange (ASX code: SKK).
Website	https://stakk.tech/

Stakk Limited
Contents
30 June 2026

Preliminary consolidated statement of profit or loss and other comprehensive income	4
Preliminary consolidated statement of financial position	5
Preliminary consolidated statement of changes in equity	6
Preliminary consolidated statement of cash flows	7
Notes to the preliminary consolidated financial statements	8

General information

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

Stakk Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

Stakk Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 30 June 2026 \$	30 June 2025 \$
Revenue		14,892,187	1,242,979
Other income	3	149,801	782,246
Operating Expenses			
Share based payments		(796,912)	(506,073)
Administrative and operating activities		(2,535,035)	(785,802)
Employee benefits expense		(435,581)	(1,130,098)
Research and development costs		(6,371,771)	(1,135,364)
Depreciation and amortisation expense		(6,785)	(135,077)
Direct and other operational costs		(3,463,964)	(819,941)
Finance costs		(98,737)	(94,377)
Advertising and marketing		(264,110)	(61,289)
Total Operating Expenses		<u>(13,972,895)</u>	<u>(4,668,021)</u>
Operating Profit		1,069,093	(2,642,796)
Non-Operating Expenses			
Net gain (loss) on deconsolidation of subsidiary	4	(2,789,404)	-
Acquisition – related costs		(3,297,637)	-
Finance costs – related to Stakk IQ		<u>(100,686)</u>	<u>-</u>
Total Non-Operating Expenses		(6,187,727)	-
Loss before income tax expense		(5,118,634)	(2,642,796)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax expense for the year attributable to the owners of Stakk Limited		(5,118,634)	(2,642,796)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>94,689</u>	<u>(649,273)</u>
Other comprehensive income for the year, net of tax		<u>94,689</u>	<u>(649,273)</u>
Total comprehensive loss for the year attributable to the owners of Stakk Limited		<u><u>(5,023,945)</u></u>	<u><u>(3,292,069)</u></u>
		Cents	Cents
Basic earnings per share	8	(0.19)	(0.16)
Diluted earnings per share	8	(0.19)	(0.16)

The accompanying notes form part of these preliminary financial statements.

Stakk Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents		17,574,421	374,585
Trade and other receivables	5	981,994	1,078,643
Other assets		134,108	87,419
Total current assets		<u>18,690,523</u>	<u>1,540,647</u>
Non-current asset			
Intangibles		12,280,926	12,287,711
Total non-current asset		<u>12,280,926</u>	<u>12,287,711</u>
Total assets		<u>30,971,449</u>	<u>13,828,358</u>
Liabilities			
Current liabilities			
Trade and other payables		1,840,143	2,868,572
Employee benefits		-	505,435
Other liabilities		-	453,744
Total current liabilities		<u>1,840,143</u>	<u>3,827,751</u>
Non-current liabilities			
Deferred tax liabilities		411,173	411,173
Total non-current liabilities		<u>411,173</u>	<u>411,173</u>
Total liabilities		<u>2,251,316</u>	<u>4,238,924</u>
Net assets/(liabilities)		<u>28,720,133</u>	<u>9,589,434</u>
Equity			
Issued capital	7	57,244,561	40,080,035
Reserves		9,742,870	8,851,269
Accumulated losses		(38,267,298)	(39,341,870)
Total equity/(deficiency)		<u>28,720,133</u>	<u>9,589,434</u>

The accompanying notes form part of these preliminary financial statements.

Stakk Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	33,318,843	2,694,469	(36,699,074)	(685,762)
Loss after income tax expense for the year	-	-	(2,642,796)	(2,642,796)
Other comprehensive income for the year, net of tax	-	(649,273)	-	(649,273)
Total comprehensive income for the year	-	(649,273)	(2,642,796)	(3,292,069)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	506,073	-	506,073
Issue of shares for services rendered	234,835	-	-	234,835
Issue of shares in lieu of accrued salaries	68,800	-	-	68,800
Issue of shares to directors in lieu of fees	223,100	-	-	223,100
Issue of shares to vendors of R-DBX (Note 9)	6,249,766	6,300,000	-	12,549,766
Share issue costs	(15,309)	-	-	(15,309)
Balance at 30 June 2025	<u>40,080,035</u>	<u>8,851,269</u>	<u>(39,341,870)</u>	<u>9,589,434</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	40,080,035	8,851,269	(39,341,870)	9,589,434
Loss after income tax expense for the year	-	-	(5,118,634)	(5,118,634)
Other comprehensive income for the year, net of tax	-	94,689	-	94,689
Total comprehensive income for the year	-	94,689	(5,118,634)	(5,023,945)
<i>Transactions with owners in their capacity as owners:</i>				
Contribution of equity, net of transaction costs	13,923,108	-	-	13,923,108
Share-based payments	-	796,912	-	796,912
Options exercised	1,134,415	-	-	1,134,415
Issue of shares for services rendered	2,623,142	-	-	2,623,142
Issue of shares in lieu of payment of loan	2,296,002	-	-	2,296,002
Issue of shares to directors in lieu of fees	175,000	-	-	175,000
Issue of shares to director in lieu of loan payment	117,345	-	-	117,345
Reduction due to deconsolidation of Dough Entities	(3,104,486)	-	6,193,206	3,088,720
Balance at 30 June 2026	<u>57,244,561</u>	<u>9,742,870</u>	<u>(38,267,298)</u>	<u>28,720,133</u>

The accompanying notes form part of these preliminary financial statements.

Stakk Limited
Consolidated statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 30 June 2026 \$	30 June 2025 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		14,514,565	1,073,155
Payments to suppliers and employees (inclusive of GST)		<u>(11,589,039)</u>	<u>(2,028,216)</u>
		2,925,526	(955,061)
Interest received		9,793	12,391
Government grants received		884,348	1,002,385
Interest and other finance costs paid		(39,642)	(75,671)
Income taxes refunded/(paid)		<u>-</u>	<u>-</u>
Net cash from/(used in) operating activities		<u>3,780,025</u>	<u>(15,956)</u>
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		(3,297,637)	-
Cash loaned to a related party		(200,000)	-
Payments for security deposit		<u>-</u>	<u>-</u>
Net cash from/(used in) investing activities		<u>(3,497,637)</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from issue of shares		18,513,484	-
Proceeds from borrowings		350,000	289,009
Share issue transaction costs		(982,511)	(15,309)
Repayment of borrowings		(803,744)	(41,292)
Financing costs		<u>(159,781)</u>	<u>-</u>
Net cash from/(used in) financing activities		<u>16,917,448</u>	<u>232,408</u>
Net increase/(decrease) in cash and cash equivalents		17,199,836	216,452
Cash and cash equivalents at the beginning of the financial year		374,585	158,133
Effects of exchange rate changes on cash and cash equivalents		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the financial year		<u><u>17,574,421</u></u>	<u><u>374,585</u></u>

The accompanying notes form part of these preliminary financial statements.

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. It should be read in conjunction with the consolidated entity's financial report for the year ended 30 June 2025 and the public announcements made by Stakk Limited during the year and subsequent to year-end in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX Listing Rules.

The preliminary consolidated financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board. Compliance with Australian Accounting Standards ensures compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The preliminary consolidated financial statements are presented in Australian dollars, which is Stakk Limited's functional and presentation currency.

The preliminary consolidated financial statements are in the process of being audited and remain subject to completion of the external audit and finalisation of the consolidated entity's annual financial report for the year ended 30 June 2026.

Stakk Limited
Notes to the consolidated financial statements
30 June 2026

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Going Concern

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

For the year ended 30 June 2026, the consolidated entity generated an operating profit of A\$1,069,093 and net cash inflows from operating activities of A\$3,780,025. After recognising non-operating expenses of A\$6,187,727, including acquisition-related costs and a non-cash loss arising from the deconsolidation of former Douugh entities, the consolidated entity recorded a statutory loss after tax of A\$5,118,634.

At 30 June 2026, the consolidated entity had:

- cash and cash equivalents of A\$17,574,421;
- current assets of A\$18,690,523;
- current liabilities of A\$1,840,143;
- net current assets of A\$16,850,380; and
- net assets of A\$28,720,133.

Subsequent to year-end, the Company completed an A\$27.0 million institutional placement before transaction costs. The placement was undertaken principally to fund the cash consideration payable in connection with the proposed acquisition of ParaScript, LLC and ParaScript Management, Inc. and to support the operations and growth of the proposed combined business.

Completion of the proposed ParaScript acquisition remains subject to the satisfaction or waiver of the outstanding conditions under the relevant transaction documents. If completed, the acquisition will result in the payment of substantial cash consideration and the assumption of deferred payment obligations by the consolidated entity.

The Directors have prepared cash-flow forecasts covering a period of at least 12 months from the expected date of authorisation of the annual financial report. These forecasts take into account:

- the consolidated entity's cash resources at 30 June 2026;
- the proceeds received from the subsequent institutional placement;
- the anticipated funding requirements associated with the proposed ParaScript acquisition;
- forecast receipts from existing customer agreements;
- the timing and level of operating and technology-development expenditure;
- corporate, integration and transaction costs; and
- the consolidated entity's ability to modify the timing and level of discretionary expenditure if required.

The forecasts are subject to a number of assumptions, including the timing and completion of the proposed ParaScript acquisition, the timing of customer implementations and collections, customer utilisation of the consolidated entity's platforms, the achievement of forecast revenue and operating expenditure remaining within budget.

Should actual results differ adversely from these assumptions, the consolidated entity may need to obtain additional funding, defer or reduce discretionary expenditure, renegotiate the timing of certain obligations or implement further cost-management initiatives.

The Directors believe that the consolidated entity will be able to continue as a going concern, having regard to its available cash resources, positive operating cash flow during FY2026, subsequent capital raising, contracted customer base, internal cash-flow management processes and ability to manage the timing and level of expenditure.

Stakk Limited
Notes to the consolidated financial statements
30 June 2026

Accordingly, the Directors consider it appropriate to prepare the preliminary consolidated financial statements on a going-concern basis.

The preliminary consolidated financial statements do not include any adjustments relating to the recoverability or classification of recorded assets, or to the amounts or classification of liabilities, that may be necessary if the consolidated entity is unable to continue as a going concern.

Note 2. Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the consolidated entity's chief operating decision maker to assess performance, allocate resources and determine operating strategy, and for which discrete financial information is available.

The Board of Directors has been identified as the consolidated entity's chief operating decision maker.

For the year ended 30 June 2026, the consolidated entity operated as a single reportable operating segment comprising the development, commercialisation and delivery of its AI-native Digital Trust infrastructure for regulated industries.

Stakk's unified platform enables regulated organisations to establish trust across each stage of a digital interaction, including identity verification, document authentication, fraud prevention, transaction authorisation and contextual decisioning. The platform combines federated signal intelligence, contextual digital personas, real-time authentication, orchestration and settlement within a closed-loop, SOC 2 Type II compliant environment purpose-built for regulated institutions.

During FY2026, the consolidated entity's activities principally involved delivering its technology and services to banks, credit unions, neobanks, fintech platforms and other regulated enterprises in the United States and Australia.

The Board assesses the performance of these activities on a consolidated basis because they are delivered through a unified technology platform and supported by common infrastructure, development resources, customer relationships and management oversight. Separate operating results are not regularly prepared or reviewed for individual products, services, customer categories or geographic markets.

Accordingly, the financial information for the consolidated entity's single reportable operating segment is the same as that presented in the preliminary consolidated statement of profit or loss and other comprehensive income and the preliminary consolidated statement of financial position.

The proposed acquisition of ParaScript was announced subsequent to year-end and had not completed at 30 June 2026. Accordingly, ParaScript did not form part of the consolidated entity's operating segment or financial results for the year ended 30 June 2026.

Note 3. Other income

	Consolidated	
	30 June 2026	30 June 2025
	\$	\$
Government grant R&D	140,009	744,339
Interest income	9,792	37,907
Other income	149,801	782,246

Note 3. Other income (continued)

Accounting policy for other income

Government grant

Government grants are recognised at fair value where there is reasonable assurance the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Except for amount received under the R&D tax incentive program, grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

Note 4. Loss on deconsolidation of subsidiary

(a) Background

During FY2026, Stakk Limited continued the orderly wind-down of the former Douugh consumer finance business as part of the Company's completed strategic transition into an AI-native Digital Trust infrastructure provider serving regulated industries.

Douugh IP Pty Ltd was a legacy entity associated with the Group's former consumer finance activities. It was dormant during FY2026, did not form part of Stakk's Digital Trust operations and did not contribute to the Group's FY2026 operating revenue.

Following a review of the entity's financial position, operational relevance and remaining liabilities, the Board determined that retaining Douugh IP Pty Ltd within the Group was no longer commercially appropriate. On 8 December 2025, Mathieu Tribut was appointed as liquidator of Douugh IP Pty Ltd pursuant to a creditors' voluntary liquidation.

Upon the liquidator's appointment, responsibility for directing the relevant activities of Douugh IP Pty Ltd transferred to the liquidator. Stakk Limited therefore ceased to control the entity for accounting purposes and deconsolidated Douugh IP Pty Ltd from the consolidated financial statements from that date.

Although Stakk Limited remained the legal shareholder of Douugh IP Pty Ltd following the liquidator's appointment, it no longer had the power to direct the entity's activities or influence the returns arising from those activities. Accordingly, the entity was no longer accounted for as a controlled subsidiary.

(b) Financial effect of deconsolidation

The deconsolidation and broader wind-down of the former Douugh entities resulted in the recognition of a non-cash loss of A\$2,789,404 during FY2026.

The loss principally reflects the derecognition and impairment of historical intercompany balances associated with Douugh IP Pty Ltd and other dormant entities connected with the Group's former consumer finance operations.

These balances arose prior to Stakk's transition into its current Digital Trust business and did not relate to the development or operation of the Group's current technology platform.

The loss was non-operating and non-cash in nature. It did not affect the Group's FY2026 operating profit of A\$1,069,093, customer receipts or closing cash position. It has been presented separately in the preliminary consolidated statement of profit or loss and other comprehensive income to distinguish the accounting effect of the legacy wind-down from the underlying performance of Stakk's continuing operations.

Note 4. Loss on deconsolidation of subsidiary (continued)

(c) Accounting treatment – loss of control

Control of an entity exists where the consolidated entity has power over the entity, exposure or rights to variable returns from its involvement with the entity, and the ability to use its power to affect those returns.

The appointment of the liquidator transferred control over the relevant activities of Dough IP Pty Ltd from Stakk Limited to the liquidator. Management determined that Stakk Limited no longer satisfied the criteria for control from the date of that appointment.

Accordingly, the assets, liabilities and results of Dough IP Pty Ltd were deconsolidated from the date control ceased. The resulting accounting effect, together with the derecognition of the relevant historical balances associated with other dormant Dough entities, was recognised in profit or loss

(d) Composition of the loss

	30 June 2026 \$
Impairment of receivables from Dough IP Pty Ltd	(1,477,698)
Impairment of receivables from Dough Technology Pty Ltd	(318,587)
Impairment of receivables from Dough Wealth LLC	(784,617)
Impairment of receivables from Dough USA	(208,226)
Impairment of receivables from Dough Crypto LLC	(276)
Loss on deconsolidation before income tax	(2,789,404)
Income tax	-
Net loss on deconsolidation and wind-down of subsidiaries	(2,789,404)

The carrying amounts of assets and liabilities at the date of deconsolidation (30 June 2026) were:

Total Assets	78,857
Total Liabilities	(3,259,039)
Net liabilities deconsolidated	(3,180,182)

Note 5. Current assets – trade and other receivables

	Consolidated 2026 \$	2025 \$
Trade receivables	768,992	320,255
Other receivables	213,002	14,049
Income tax refund due	-	744,339
	<u>981,994</u>	<u>1,078,643</u>

Note 5. Current assets – trade and other receivables (continued)

Allowance for expected credit losses

Management have assessed that there is no indication of impairment of the consolidated entity's receivables as at 30 June 2026 (30 June 2025: nil).

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 6. Contingencies

There were no contingencies as at 30 June 2026 (30 June 2025: none).

Note 7. Equity – issued capital

	2026 Shares	2025 Shares	Consolidated 2026 \$	2025 \$
Ordinary shares – fully paid	<u>3,120,728,266</u>	<u>2,075,079,680</u>	<u>57,244,561</u>	<u>40,080,035</u>
<i>Movements in ordinary share capital</i>				
Details	Date	Shares	Issue price	\$
Balance	1 July 2025	2,075,079,680		40,080,035
Option exercise	6 October 2025	20,000,000	\$0.0216	432,000
Option exercise	6 October 2025	17,611,534	\$0.0120	211,338
Private Placement	13 October 2025	333,666,665	\$0.0450	15,015,000
Transaction costs (Private Placement)	13 October 2025	-	-	(1,086,832)
Option exercise	13 October 2025	20,000,000	\$0.0240	480,000
Share buyback	28 November 2025	(35,000,000)	-	-
Conversion of performance securities	28 November 2025	156,783,835	-	-
Option exercise	28 November 2025	846,152	\$0.0120	10,154
Issue of shares in lieu of loan payment	28 November 2025	13,649,826	\$0.0287	391,750
Issue of shares in lieu of loan payment	28 November 2025	380,850,400	\$0.0050	1,904,252
Issue of shares to director in lieu of loan payment	28 November 2025	23,469,000	\$0.0050	117,345
Issue of shares to director in lieu of fees	28 November 2025	35,000,000	\$0.0050	175,000
Issue of shares for services rendered	28 November 2025	52,462,834	\$0.0370	1,941,125
Option exercise	28 November 2025	76,923	\$0.0120	923
Issue of shares for services rendered	6 February 2026	26,231,417	\$0.0260	682,017
Transaction costs	28 February 2026	-	-	(5,060)
Deconsolidation of Dought Entities	30 June 2026	-	-	(3,104,486)
Balance	30 June 2026	<u>3,120,728,266</u>		<u>57,244,561</u>

Ordinary shares

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

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

Capital risk management

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

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

Note 7. Equity – issued capital (continued)

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year. The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

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

Stakk Limited
Notes to the consolidated financial statements
30 June 2026

Note 8. Earnings per share

	Consolidated 30 June 2026	30 June 2025
	\$	\$
Loss after income tax attributable to the owners of Stakk Limited	<u>(5,118,634)</u>	<u>(2,642,796)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>2,748,068,437</u>	<u>1,661,325,197</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>2,748,068,437</u>	<u>1,661,325,197</u>
	Cents	Cents
Basic earnings per share	(0.19)	(0.16)
Diluted earnings per share	(0.19)	(0.16)

Note 9. Business combination

On 27 September 2024, Stakk Limited entered into a Share Sale Agreement (the 'Agreement') to acquire 100% of the ordinary shares of Stakk IQ, Inc., previously known as Radical DBX, Inc. (R-DBX) through the issuance of 892,823,759 ordinary shares at the price of \$0.007 per share, giving a total upfront consideration of \$6,249,766. In addition, the Company has agreed to issue up 900,000,000 shares subject to achievement of revenue milestones over a 3-year period, this contingent consideration is fair valued at \$6,300,000. The settlement date of the acquisition was 28 December 2024.

During the year, the measurement period adjustments permitted by AASB 3 was finalised and no additional adjustments were recognised. Details of the finalised fair values of the net assets and purchase consideration are as follows:

	\$
Cash and cash equivalents	6,460
Trade and other receivables	44,889
Software	256,856
Customer list	1,818,687
Trade and other payables	(498,145)
Net assets acquired	<u>1,628,747</u>
Representing:	
Stakk Limited shares issued to vendor as purchase consideration	6,249,766
Stakk Limited provisional contingent consideration reserve to vendor as purchase consideration	6,300,000
	<u>12,549,766</u>
Foreign currency translation adjustment	650,002
Goodwill	<u>10,271,017</u>

Stakk IQ, Inc. operates an embedded finance platform powering some of the leading fintechs, banks and credit unions in the USA.

The goodwill of \$10,271,017 arising on acquisition relates predominantly to the specialised know-how of the workforce and fintech-as-a-service development that do not meet the recognition criteria for an intangible asset at the date of acquisition. Goodwill will not be deductible for tax purposes.

Note 9. Business combination (continued)

Accounting policy for business combination

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and the fair value of the consideration transferred is recognised as goodwill. If the consideration transferred is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.