

Decidr AI Industries Ltd
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Decidr AI Industries Ltd
ABN:	28 614 347 269
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

		%	\$'000
Revenues from ordinary activities	up	99.0% to	4,727
Gross margin	up	37.8% to	2,111
Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA')	down	176.6% to	(21,195)
(Loss)/profit from ordinary activities after tax attributable to the owners of Decidr AI Industries Ltd	down	(146.5%) to	(33,081)
(Loss)/profit for the year attributable to the owners of Decidr AI Industries Ltd	down	(146.5%) to	(33,081)

Dividends

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

Comments

Financial performance

The loss for the Group after providing for income tax and non-controlling interest amounted to \$33,081,000 (30 June 2025: profit of \$71,110,000).

The (loss)/profit is inclusive of non-cash share-based payments expense of \$2,591,000 (30 June 2025: \$11,554,000).

During the financial year ended 30 June 2026, revenue from ordinary activities increased to \$4,727,000 (30 June 2025: \$2,375,000).

Research and development tax incentive grants during the financial year increased to \$2,207,000 (30 June 2025: \$589,000). Interest revenue increased to \$689,000 (30 June 2025: \$163,000).

The directors consider Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') to reflect the core earnings of the Group. Underlying EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for non-cash and significant items. The following table summarises key reconciling items between statutory result and the underlying results for the current and previous year:

	2026 \$'000	2025 \$'000
Profit for the year is attributable to:		
Owners of Decidr AI Industries Ltd	(33,081)	71,110
Non-controlling interest	(210)	(2,593)
Profit after income tax expense for the year	(33,291)	68,517
Less: Net gain on remeasurement to fair value of previously held interest in associate	-	(88,383)
Add: Share-based payments expenses	2,591	11,554
Less: Gain on sale of subsidiary	(73)	-

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Add: Income tax expense	3	-
Add: Finance costs	887	583
Less: Interest revenue	(689)	(163)
Add: Depreciation and amortisation expense	9,310	66
Add: Impairment of intercompany loan	67	-

Underlying EBITDA	<u>(21,195)</u>	<u>(7,826)</u>
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Financial position

The net assets increased from \$99,704,000 as at 30 June 2025 to \$125,924,000 as at 30 June 2026. The increase was primarily due to increase in the cash balance driven by proceeds received from the issue of shares.

Share capital increased by equity contributions, net of transaction costs, of \$43,511,000 (30 June 2025: \$19,249,000) from both the exercise of options and a placement. The cash reserves of the Group increased to \$23,371,000 as at 30 June 2026 (30 June 2025: \$7,752,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>4.53</u>	<u>(1.72)</u>

The net tangible assets per ordinary security is calculated as follows:

	2026 \$'000	2025 \$'000
Net assets	125,924	99,704
Less: Right-of-use assets	(4,124)	(5,735)
Less: Intangibles	(111,291)	(102,865)
Add: Lease liabilities	5,435	5,868
Net tangible assets	<u>15,944</u>	<u>(3,028)</u>

	2026 Number	2025 Number
Total shares issued	<u>352,234,488</u>	<u>175,539,657</u>

4. Control gained over entities

Not applicable.

Name of entities (or group of entities)	Sugarwork, Inc. Decidr U.S. Inc.
Date control gained	Sugarwork, Inc.: 2 January 2026
Date control established	Decidr U.S. Inc.: 9 October 2025

5. Loss of control over entities

Name of entities (or group of entities)	13 Seed Pty Ltd
Date control lost	1 July 2025

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:

Sugarwork, Inc., a US based entity, is consolidated into the Group's Annual report according to IFRS Accounting Standards.

Decidr U.S. Inc., a US based entity, is consolidated into the Group's Annual report according to IFRS Accounting Standards.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements are currently in the process of being audited and an unmodified opinion is expected to be issued.

11. Attachments

Details of attachments:

The Preliminary Financial Report of Decidr AI Industries Ltd for the year ended 30 June 2026 is attached.

12. Signed

This Appendix 4E has been authorised for release by the Board of Directors and signed on its behalf by:

Signed  _____

David Brudenell
Executive Chairman
Date: 31 August 2026

Decidr AI Industries Ltd

ABN 28 614 347 269

Preliminary Financial Report - 30 June 2026

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Decidr AI Industries Ltd
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Revenue	1	4,727	2,375
Cost of sales		(2,616)	(843)
Gross margin		<u>2,111</u>	<u>1,532</u>
Research and development tax incentive grant	2	2,207	589
Interest revenue		689	163
Net gain on remeasurement to fair value of previously held interest in associate	7	-	88,383
Gain on sale of subsidiary		73	-
Expenses			
Administration and corporate expenses		(19,906)	(7,123)
Technical, new product and market development		(2,362)	(1,305)
Selling and distribution		(3,237)	(1,519)
Depreciation and amortisation expense	3	(9,310)	(66)
Share-based payments expenses	3	(2,591)	(11,554)
Other expenses		(75)	-
Finance costs	3	<u>(887)</u>	<u>(583)</u>
(Loss)/profit before income tax expense		(33,288)	68,517
Income tax expense		<u>(3)</u>	<u>-</u>
(Loss)/profit after income tax expense for the year		(33,291)	68,517
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		<u>(261)</u>	<u>-</u>
Other comprehensive loss for the year, net of tax		<u>(261)</u>	<u>-</u>
Total comprehensive (loss)/income for the year		<u>(33,552)</u>	<u>68,517</u>
(Loss)/profit for the year is attributable to:			
Non-controlling interest		(210)	(2,593)
Owners of Decidr AI Industries Ltd		<u>(33,081)</u>	<u>71,110</u>
		<u>(33,291)</u>	<u>68,517</u>
Total comprehensive (loss)/income for the year is attributable to:			
Non-controlling interest		(210)	(2,593)
Owners of Decidr AI Industries Ltd		<u>(33,342)</u>	<u>71,110</u>
		<u>(33,552)</u>	<u>68,517</u>
		Cents	Cents
Basic earnings per share	4	(11.87)	46.85
Diluted earnings per share	4	(10.93)	31.34

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

Decidr AI Industries Ltd
Consolidated statement of financial position
As at 30 June 2026

	Note	2026 \$'000	2025 \$'000
Assets			
Current assets			
Cash and cash equivalents		23,371	7,752
Trade and other receivables	5	1,742	419
Inventories		369	389
Other assets	6	1,275	1,297
		<u>26,757</u>	<u>9,857</u>
Assets classified as held for sale		-	63
Total current assets		<u>26,757</u>	<u>9,920</u>
Non-current assets			
Property, plant and equipment		109	141
Intangibles	8	111,291	102,865
Right-of-use assets	9	4,124	5,735
Other assets	6	770	769
Total non-current assets		<u>116,294</u>	<u>109,510</u>
Total assets		<u>143,051</u>	<u>119,430</u>
Liabilities			
Current liabilities			
Trade and other payables	10	2,121	1,701
Contract liabilities		8	19
Borrowings	11	4,525	4,478
Lease liabilities	12	1,307	396
Employee benefits		299	184
Other liabilities	13	218	-
Total current liabilities		<u>8,478</u>	<u>6,778</u>
Non-current liabilities			
Trade and other payables	10	312	286
Borrowings	11	2,666	7,190
Lease liabilities	12	4,128	5,472
Other liabilities	13	1,543	-
Total non-current liabilities		<u>8,649</u>	<u>12,948</u>
Total liabilities		<u>17,127</u>	<u>19,726</u>
Net assets		<u>125,924</u>	<u>99,704</u>
Equity			
Issued capital	14	75,473	31,962
Reserves	15	42,191	26,756
Retained profits		7,905	45,833
Equity attributable to the owners of Decidr AI Industries Ltd		<u>125,569</u>	<u>104,551</u>
Non-controlling interest		355	(4,847)
Total equity		<u>125,924</u>	<u>99,704</u>

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

Decidr AI Industries Ltd
Consolidated statement of changes in equity
For the year ended 30 June 2026

	Issued capital \$'000	Reserves \$'000	(Accumulated losses) / retained profits \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2024	12,713	15,202	(25,277)	-	2,638
Profit/(loss) after income tax expense for the year	-	-	71,110	(2,593)	68,517
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	71,110	(2,593)	68,517
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 14)	19,249	-	-	-	19,249
Share-based payments	-	11,554	-	-	11,554
Non-controlling interests on acquisition	-	-	-	(2,254)	(2,254)
Balance at 30 June 2025	31,962	26,756	45,833	(4,847)	99,704

	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Non- controlling interest \$'000	Total equity \$'000
Balance at 1 July 2025	31,962	26,756	45,833	(4,847)	99,704
Loss after income tax expense for the year	-	-	(33,081)	(210)	(33,291)
Other comprehensive loss for the year, net of tax	-	(261)	-	-	(261)
Total comprehensive loss for the year	-	(261)	(33,081)	(210)	(33,552)
Transfer of non-controlling interests	-	-	(4,847)	4,847	-
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 14)	43,511	-	-	-	43,511
Share-based payments	-	2,591	-	-	2,591
Share consideration on acquisition	-	13,105	-	565	13,670
Balance at 30 June 2026	75,473	42,191	7,905	355	125,924

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

Decidr AI Industries Ltd
Consolidated statement of cash flows
For the year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		3,871	2,280
Payments to suppliers and employees (inclusive of GST)		(26,288)	(11,301)
Receipts of research and development tax incentive and other grants		2,207	589
Interest received		689	141
Net cash used in operating activities		<u>(19,521)</u>	<u>(8,291)</u>
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		(1,830)	(141)
Payments for property, plant and equipment		(92)	(110)
Payments for intangibles	8	-	(25)
Payment for investment in associate company		-	(3,631)
Payment for convertible note		-	(209)
Proceeds from disposal of business		65	-
Advance of loans to related parties		(756)	-
Net cash used in investing activities		<u>(2,613)</u>	<u>(4,116)</u>
Cash flows from financing activities			
Proceeds from issue of shares	14	35,000	11,000
Proceeds from exercise of options		10,389	9,526
Share issue transaction costs		(2,236)	(770)
Repayment of borrowings		(5,400)	(700)
Net cash from financing activities		<u>37,753</u>	<u>19,056</u>
Net increase in cash and cash equivalents		15,619	6,649
Cash and cash equivalents at the beginning of the financial year		<u>7,752</u>	<u>1,103</u>
Cash and cash equivalents at the end of the financial year		<u><u>23,371</u></u>	<u><u>7,752</u></u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

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Note 1. Revenue

	2026 \$'000	2025 \$'000
<i>Revenue from contracts with customers</i>		
Sale of goods and services	4,727	2,375

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	2026 \$'000	2025 \$'000
<i>Major product and service lines</i>		
Partnership product	1,637	89
Direct customers - implementation, subscription and consulting	1,514	175
Online sales	1,438	1,974
Wholesale	103	137
Software subscriptions	35	-
	4,727	2,375

Geographical regions

Australia	4,692	2,375
USA	35	-
	4,727	2,375

Timing of revenue recognition

Goods and services transferred at a point in time	1,541	2,111
Services rendered over time	3,186	264
	4,727	2,375

Note 2. Research and development tax incentive grant

	2026 \$'000	2025 \$'000
Research and development tax incentive grant	2,207	589

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Note 3. Expenses

	2026 \$'000	2025 \$'000
(Loss)/profit before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	33	14
Computer equipment	76	25
Office lease and leasehold improvements	928	9
Total depreciation	1,037	48
<i>Amortisation</i>		
Website development	12	-
Brand	11	18
Technology	8,250	-
Total amortisation	8,273	18
Total depreciation and amortisation expense	9,310	66
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	113	108
Interest and finance charges paid/payable on lease liabilities	251	133
Unwinding of the interest on borrowings	523	342
Finance costs expensed	887	583
<i>Share-based payments expense</i>		
Share-based payments expense relating to director and employees incentives	708	8,877
Share-based payments relating to external advisor and consultant payments	1,883	2,677
Total share-based payments expenses	2,591	11,554
<i>Employee benefits expense excluding superannuation</i>		
Employee benefits expense excluding superannuation	7,483	3,626
<i>Superannuation expense</i>		
Superannuation expense	774	304

Note 4. Earnings per share

	2026 \$'000	2025 \$'000
(Loss)/profit after income tax	(33,291)	68,517
Non-controlling interest	210	2,593
(Loss)/profit after income tax attributable to the owners of Decidr AI Industries Ltd	(33,081)	71,110

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Note 4. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	278,579,479	151,781,677
Adjustments for calculation of diluted earnings per share:		
Options and performance rights over ordinary shares	24,149,123	75,090,640
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>302,728,602</u>	<u>226,872,317</u>
	Cents	Cents
Basic earnings per share	(11.87)	46.85
Diluted earnings per share	(10.93)	31.34

31,200,000 options have been excluded for the 30 June 2026 calculation as their inclusion would be anti-dilutive.

Note 5. Trade and other receivables

	2026 \$'000	2025 \$'000
<i>Current assets</i>		
Trade receivables	1,421	190
Less: Allowance for expected credit losses	(115)	-
	<u>1,306</u>	<u>190</u>
Other receivables	25	1
GST receivable	411	228
	<u>1,742</u>	<u>419</u>

Note 6. Other assets

	2026 \$'000	2025 \$'000
<i>Current assets</i>		
Prepayments	1,087	1,297
Security deposits	12	-
Other current assets	176	-
	<u>1,275</u>	<u>1,297</u>
<i>Non-current assets</i>		
Security deposits	533	532
Other non-current assets	237	237
	<u>770</u>	<u>769</u>
	<u>2,045</u>	<u>2,066</u>

Note 7. Investments accounted for using the equity method

On 31 December 2024, the Company acquired an additional 6% control of Decidr.ai Pty Ltd ('Decidr') increasing the Company's ownership to a controlling interest of 51%, and derecognising Decidr as an associate and recognising Decidr as a subsidiary.

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Notes to the consolidated financial statements
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Note 7. Investments accounted for using the equity method (continued)

Reconciliations

Reconciliations of the carrying amount at the beginning and end of the current financial year and the previous financial year are set out below:

Investments in associates

	2026 \$'000	2025 \$'000
Opening carrying amount	-	1,809
Net gain on remeasurement to fair value of previously held interest in associate	-	88,383
Elimination of investment post control of subsidiary	-	(90,192)
Closing carrying amount	-	-

	2026 \$'000	2025 \$'000
<i>Summarised statement of profit or loss and other comprehensive income</i>		
Revenue	-	50
Expenses	-	(3,116)
Net loss	-	(3,066)

Note 8. Intangibles

	2026 \$'000	2025 \$'000
<i>Non-current assets</i>		
Goodwill - at cost	102,936	86,237
Website development - at cost	25	25
Less: Accumulated amortisation	(12)	-
	13	25
Trademark registration - at cost	17	17
Brand - at cost	118	118
Less: Accumulated amortisation	(43)	(32)
	75	86
Technology - at cost	16,500	16,500
Less: Accumulated amortisation	(8,250)	-
	8,250	16,500
	111,291	102,865

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Note 8. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill \$'000	Website development \$'000	Trademark registration \$'000	Brand \$'000	Technology \$'000	Total \$'000
Balance at 1 July 2024	-	-	17	104	-	121
Additions	-	25	-	-	-	25
Additions through business combinations* (note 19)	86,237	-	-	-	16,500	102,737
Amortisation expense	-	-	-	(18)	-	(18)
Balance at 30 June 2025	86,237	25	17	86	16,500	102,865
Additions through business combinations (note 19)	16,699	-	-	-	-	16,699
Amortisation expense	-	(12)	-	(11)	(8,250)	(8,273)
Balance at 30 June 2026	<u>102,936</u>	<u>13</u>	<u>17</u>	<u>75</u>	<u>8,250</u>	<u>111,291</u>

Changes to comparatives - finalisation of business combination accounting

*The purchase price allocation for the business combination in prior year has now been finalised and as a result a technology intangible asset has been recognised, which reduced the amount of goodwill. Refer to note 19 for further details of the finalisation of the acquisition accounting for Decidr.ai Pty Ltd.

During the current financial year, the Company acquired an additional 49% control of Decidr, increasing the Company's ownership to a controlling interest of 100%.

Acquisition of Sugarwork, Inc.

During the financial year, the Company acquired 100% of Sugarwork, Inc., and recognised in intangible assets, goodwill of \$16,699,000.

In accordance with AASB 3 'Business Combinations', the values identified in relation to the acquisition of Sugarwork, Inc. are provisional as at 30 June 2026. Therefore, the amount recognised for goodwill may be retrospectively adjusted.

Note 9. Right-of-use assets

	2026 \$'000	2025 \$'000
<i>Non-current assets</i>		
Office lease and leasehold improvements - right-of-use	5,052	5,735
Less: Accumulated depreciation	(928)	-
	<u>4,124</u>	<u>5,735</u>
	<u>4,124</u>	<u>5,735</u>

The Group leases office space in Sydney under a seven-year agreement, expiring on 31 July 2031 (inclusive of a 7-month rent free incentive), with an option to extend. The lease has various escalation clauses. On renewal, the term of the lease is renegotiated.

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Note 9. Right-of-use assets (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Office lease and leasehold improvements \$'000
Balance at 1 July 2024	21
Additions	5,735
Disposals	(12)
Depreciation expense	(9)
Balance at 30 June 2025	5,735
Revaluation decrements	(683)
Depreciation expense	(928)
Balance at 30 June 2026	<u><u>4,124</u></u>

Note 10. Trade and other payables

	2026 \$'000	2025 \$'000
<i>Current liabilities</i>		
Trade payables	1,356	1,299
Other payables	765	402
	2,121	1,701
<i>Non-current liabilities</i>		
Trade payables	312	286
	2,433	1,987

Note 11. Borrowings

	2026 \$'000	2025 \$'000
<i>Current liabilities</i>		
Loan - Decidr Group Pty Ltd	4,525	4,478
<i>Non-current liabilities</i>		
Loan - Decidr Group Pty Ltd	2,666	7,190
	7,191	11,668

A loan of \$13,200,000 was provided by Decidr Group Pty Ltd for the Company to purchase the 6% controlling interest in Decidr.ai Pty Ltd on 31 December 2024. The loan is non-interest bearing, for a 3-year term, and is secured against new IP created by Decidr.ai Pty Ltd from 1 January 2025.

The recorded value of the loan is \$7,191,000 which equates to the discounted value of the remaining scheduled loan repayments over the loan term. The discount rate utilised was 5.81%. Decidr Group Pty Ltd is a related party due to it being a significant shareholder in Decidr.ai Pty Ltd, and controlled by Paul Chan, who is also a director of Decidr.ai Pty Ltd.

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Note 12. Lease liabilities

	2026 \$'000	2025 \$'000
<i>Current liabilities</i>		
Lease liability	<u>1,307</u>	<u>396</u>
<i>Non-current liabilities</i>		
Lease liability	<u>4,128</u>	<u>5,472</u>
	<u>5,435</u>	<u>5,868</u>

Note 13. Other liabilities

	2026 \$'000	2025 \$'000
<i>Current liabilities</i>		
Contingent consideration	<u>218</u>	<u>-</u>
<i>Non-current liabilities</i>		
Contingent consideration	<u>1,543</u>	<u>-</u>
	<u>1,761</u>	<u>-</u>

Note 14. Issued capital

	2026 Shares	2025 Shares	2026 \$'000	2025 \$'000
Ordinary shares - fully paid	<u>352,234,488</u>	<u>175,539,657</u>	<u>75,473</u>	<u>31,962</u>

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Note 14. Issued capital (continued)

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2024	124,879,796	\$0.00	12,713
Issue of share - exercise of options	15 July 2024	50,000	\$0.30	15
Issue of share - exercise of options	29 July 2024	15,500	\$0.30	5
Issue of share - exercise of options	12 August 2024	812,500	\$0.30	244
Issue of share - exercise of options	22 August 2024	82,500	\$0.30	25
Issue of share - exercise of options	6 September 2024	1,225,323	\$0.30	368
Issue of share - exercise of options	16 September 2024	1,037,973	\$0.03	311
Issue of share - exercise of options	20 September 2024	642,009	\$0.30	193
Issue of share - exercise of options	30 September 2024	680,917	\$0.30	204
Issue of share - exercise of options	7 October 2024	10,061,161	\$0.30	3,018
Issue of share - exercise of options	8 October 2024	11,907,992	\$0.30	3,572
Issue of share - exercise of options	9 October 2024	455,468	\$0.30	137
Issue of share - exercise of options	24 October 2024	1,000,000	\$0.10	100
Issue of share - exercise of options	5 November 2024	17,500	\$0.10	2
Issue of share - exercise of options	5 November 2024	75,000	\$0.30	23
Issue of share - exercise of options	5 November 2024	200,000	\$0.10	20
Issue of share - exercise of options	5 November 2024	415,800	\$0.14	58
Issue of share - exercise of options	17 January 2025	200,000	\$0.14	28
Issue of share - exercise of options	17 January 2025	30,000	\$0.25	8
Issue of share - exercise of options	17 January 2025	1,032,500	\$0.10	103
Issue of share - exercise of options	17 January 2025	375,000	\$0.30	113
Issue of share - exercise of options	1 April 2025	50,000	\$0.10	5
Issue of shares as part of a placement	1 April 2025	14,473,671	\$0.76	11,000
Issue of share - exercise of options	11 February 2025	200,000	\$0.20	40
Issue of share - exercise of options	11 February 2025	2,044,047	\$0.25	511
Issue of share - exercise of options	1 April 2025	50,000	\$0.10	5
Issue of share - exercise of options	4 April 2025	1,000,000	\$0.10	100
Issue of share - exercise of options	30 April 2025	500,000	\$0.10	50
Issue of share - exercise of options	30 April 2025	500,000	\$0.10	50
Issue of share - exercise of options	17 June 2025	1,500,000	\$0.10	150
Issue of share - exercise of options	30 June 2025	25,000	\$0.25	6
Capital raising costs		-	\$0.00	(1,215)
Balance	30 June 2025	<u>175,539,657</u>		<u>31,962</u>

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Note 14. Issued capital (continued)

Balance brought forward	1 July 2025	175,539,657	\$0.00	31,962
Issue of share - exercise of options	18 July 2025	128,000	\$0.25	32
Issue of share - exercise of options	28 July 2025	680,000	\$0.25	170
Issue of share - exercise of options	4 August 2025	2,557,000	\$0.25	639
Issue of share - exercise of options	7 August 2025	420,550	\$0.25	105
Issue of share - exercise of options	13 August 2025	681,375	\$0.25	170
Issue of share - exercise of options	13 August 2025	250,000	\$0.20	50
Issue of share - exercise of options	25 August 2025	8,521,217	\$0.25	2,130
Issue of share - exercise of options	25 August 2025	1,000,000	\$0.20	200
Issue of share - exercise of options	27 August 2025	1,220,000	\$0.20	244
Issue of shares as part of a placement	27 August 2025	2,841,801	\$0.25	710
Issue of share - exercise of options	29 August 2025	7,354,663	\$0.25	1,839
Issue of share - exercise of options	29 August 2025	620,000	\$0.20	124
Issue of share - exercise of options	2 September 2025	5,749,045	\$0.25	1,437
Issue of share - exercise of options	8 September 2025	67,303	\$0.25	17
Issue of share - exercise of options	22 September 2025	634,200	\$0.14	89
Issue of share - exercise of options	22 September 2025	2,145,000	\$0.10	215
Issue of share - placement	29 September 2025	22,222,223	\$0.90	20,000
Issue of share - acquisition of Decidr.ai Pty Ltd	18 November 2025	78,400,000	\$0.00	-
Issue of share - exercise of options	26 November 2025	1,000,000	\$0.10	100
Issue of share - exercise of options	28 November 2025	1,950,000	\$0.10	195
Issue of share - exercise of options	28 November 2025	250,000	\$0.20	50
Issue of share - exercise of options	4 December 2025	610,000	\$0.20	122
Issue of share - exercise of options	12 December 2025	3,350,000	\$0.20	670
Issue of share - exercise of options	12 December 2025	758,000	\$0.10	76
Capital raising costs				(1,067)
Issue of share - exercise of options	6 March 2026	2,905,000	\$0.10	291
Issue of share - exercise of options	24 April 2026	1,078,000	\$0.14	151
Issue of share - exercise of options	24 April 2026	42,000	\$0.10	4
Issue of share - exercise of options	27 April 2026	1,600,000	\$0.14	224
Issue of share - exercise of options	28 April 2026	72,000	\$0.14	10
Issue of share - exercise of options	29 April 2026	162,500	\$0.10	16
Issue of share - exercise of options	11 May 2026	500,000	\$0.10	50
Issue of share - exercise of options	14 May 2026	50,000	\$0.10	5
Issue of share - exercise of options	14 May 2026	24,590,168	\$0.61	15,000
Issue of share - exercise of options	19 May 2026	1,459,786	\$0.10	146
Issue of share - exercise of options	3 June 2026	675,000	\$0.10	68
Issue of share - exercise of options	22 June 2026	150,000	\$0.10	15
Capital raising costs				(786)
Balance	30 June 2026	<u>352,234,488</u>		<u>75,473</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.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group'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.

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Note 14. Issued capital (continued)

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

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

The Group 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 Group 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 Group 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.

Note 15. Reserves

	2026 \$'000	2025 \$'000
Foreign currency reserve	(261)	-
Share-based payments reserve	29,347	26,756
Share consideration on acquisition reserve	13,105	-
	<u>42,191</u>	<u>26,756</u>

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Share consideration on acquisition reserve

The reserve relates to the share consideration paid in connection with the acquisition of Sugarwork, Inc. on 2 January 2026.

Movement in reserve

Movement in share-based payment reserve during the current and previous financial year are set out below:

	Foreign currency reserve \$'000	Share-based payments \$'000	Share consideration on acquisition \$'000	Total \$'000
Balance at 1 July 2024	-	15,202	-	15,202
Share-based payments	-	11,554	-	11,554
Balance at 30 June 2025	-	26,756	-	26,756
Foreign currency translation	(261)	-	-	(261)
Share-based payments	-	2,591	-	2,591
Share consideration on acquisition	-	-	13,105	13,105
Balance at 30 June 2026	<u>(261)</u>	<u>29,347</u>	<u>13,105</u>	<u>42,191</u>

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Note 16. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2026	2025
	\$'000	\$'000
Loss after income tax	(15,945)	(13,861)
Total comprehensive loss	(15,945)	(13,861)

Statement of financial position

	Parent	
	2026	2025
	\$'000	\$'000
Total current assets	33,258	12,591
Total assets	59,897	35,087
Total current liabilities	3,860	4,947
Total liabilities	6,478	11,824
Equity		
Issued capital	75,473	31,962
Share-based payments reserve	29,347	26,756
Accumulated losses	(51,401)	(35,455)
Total equity	53,419	23,263

Note 17. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		2026	2025
		%	%
13 Seeds Pty Ltd ⁽¹⁾	Australia	-	100%
8Skincare Pty Ltd ⁽²⁾	Australia	100%	100%
Therajoint Pty Ltd ⁽²⁾	Australia	100%	100%
The Beauty Apothecary Australia Pty Ltd	Australia	100%	100%
Decidr.ai Pty Ltd ⁽³⁾	Australia	100%	51%
Decidr U.S. Inc. ⁽⁴⁾	USA	100%	-
Sugarwork, Inc. ⁽⁵⁾	USA	100%	-

- (1) 13 Seeds Pty Ltd was sold on 1 July 2025
(2) These entities are dormant
(3) 100% ownership obtained on 14 November 2025
(4) Established as a new subsidiary on 9 October 2025
(5) Acquired 2 January 2026

Note 18. Remuneration of auditors

During the 2026 financial year, the Company's external audit engagement transitioned from MVAB Assurance to Horizon Nexus. This transition occurred following a corporate restructure where the MVAB Assurance team integrated into Horizon Nexus. The audit continues to be performed by the same engagement team, and Horizon Nexus serves as the Company's current external auditor. Fees paid or payable to the current and previous external auditors during the year are detailed below:

	2026 \$	2025 \$
<i>Audit services</i>		
Audit or review of the financial statements - Horizon Nexus (current auditor)	68,000	-
Audit or review of the financial statements - MVAB Assurance (previous auditor)	-	56,250
Total remuneration of auditors	<u>68,000</u>	<u>56,250</u>

Note 19. Business combinations

Acquisition of additional 49% of the ordinary shares of Decidr.ai Pty Ltd

On 14 November 2025, the Company acquired an additional 49% of the ordinary shares of Decidr.ai Pty Ltd ('Decidr') taking its ownership to 100% of Decidr. Decidr is a B2B AI-software platform business and operates in the AI software products division of the Group. It was acquired to position and evolve the Group's approach to AI technology deployment and licensing. Goodwill of \$86,237,000 represents synergies and knowledge the Group expects to benefit from in future periods. As control had already been obtained as at 30 June 2025, the subsequent acquisition of the non-controlling interest was accounted for as an equity transaction, with no adjustment to goodwill.

In accordance with AASB 3 'Business Combinations' ('AASB 3'), the values identified in relation to the acquisition of Decidr were provisional as at 30 June 2025. Therefore, the amounts recognised including goodwill are retrospectively adjusted.

The above business combination that occurred in the previous financial year has now been finalised and detailed below are the final values. The finalisation of business combination accounting in accordance with AASB 3 'Business Combinations' has resulted in a decrease of \$16,500,000 in goodwill mainly due to recognition of identifiable intangible assets in the form of technology.

Measurement period adjustments

In accordance with AASB 3, pursuant to finalisation of acquisition accounting of Decidr.ai Pty Ltd in the current year, the Group has recognised adjustments to the provisional amounts as if the accounting for the business combination had been completed at the acquisition date. Consequently, the Group has revised comparative information for prior period presented in financial statements as needed, including making changes to amortisation effects recognised in completing the initial acquisition accounting.

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Note 19. Business combinations (continued)

Details of the finalisation of the acquisition accounting are as follows:

	Provisional values recorded at 30 June 2025 \$'000	Measurement under AASB3 finalisation adjustments \$'000	Final values restated at 30 June 2025 \$'000
Cash and cash equivalents	28	-	28
Trade receivables	46	-	46
Other receivables	161	-	161
Prepayments	248	-	248
Other current assets	540	-	540
Plant and equipment	68	-	68
Technology	-	16,500	16,500
Trade payables	(1,630)	-	(1,630)
Other payables	(47)	-	(47)
Other provisions	(24)	-	(24)
Loan	(4,996)	-	(4,996)
Net liabilities acquired	(5,606)	-	(5,606)
Add: Non-controlling interest	2,254	-	2,254
Add: Goodwill (note 6)	102,737	(16,500)	86,237
	-	-	-
Net assets acquired	<u>99,385</u>	<u>-</u>	<u>99,385</u>
Representing:			
Fair value of previously held interest less non-controlling interest	87,759	-	87,759
Consideration paid/payable	<u>11,626</u>	<u>-</u>	<u>11,626</u>
	<u>99,385</u>	<u>-</u>	<u>99,385</u>

Acquisition of Sugarwork, Inc.

On 2 January 2026, Decidr U.S. Inc. acquired 100% of the ordinary shares of Sugarwork, Inc. ('Sugarwork'). This is a Delaware-based enterprise AI company and operates in the United States of America ('US'). It was acquired to provide the Group with an immediate US operational presence and support the Group's mission to scale and strengthen the Agentic AI infrastructure. The goodwill of \$16,699,000 represents the Group's global expansion strategy across enterprise markets, expanding customer access and client base across financial, industrial and education sectors.

In accordance with AASB 3 'Business Combinations', the values identified in relation to the acquisition of Sugarwork are provisional as at 30 June 2026. Therefore, the amounts recognised including goodwill may be retrospectively adjusted.

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Note 19. Business combinations (continued)

Details of the acquisition are as follows:

	Fair value \$'000
Cash and cash equivalents	156
Prepayments	64
Trade payables and other payables	(75)
Other liabilities	(34)
Loan payable to Decidr U.S. Inc.	(721)
Net liabilities acquired	(610)
Goodwill (note 8)	16,699
Acquisition-date fair value of the total consideration transferred	16,089
Representing:	
Cash paid or payable on behalf of vendor	657
Decidr U.S. Inc. shares issued to vendor	13,670
Contingent consideration	1,762
	16,089

Note 20. Events after the reporting period

On 2 July 2026, the Company was accepted into the Amazon Web Services ('AWS') ISV Accelerate Program and DecidrOS became available on the AWS Marketplace. The Company advised that this does not have a material financial impact in isolation.

On 9 July 2026, the Group, through Decidr U.S. Inc., completed the asset acquisition of the intellectual property of Rumi.ai (a San Diego AI meeting-intelligence platform) for consideration of approximately 1.6% of Decidr U.S. Inc. common stock. As an asset acquisition, the cost is allocated to the identifiable intellectual property; no goodwill arises. The initial accounting is incomplete at the date of this report.

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