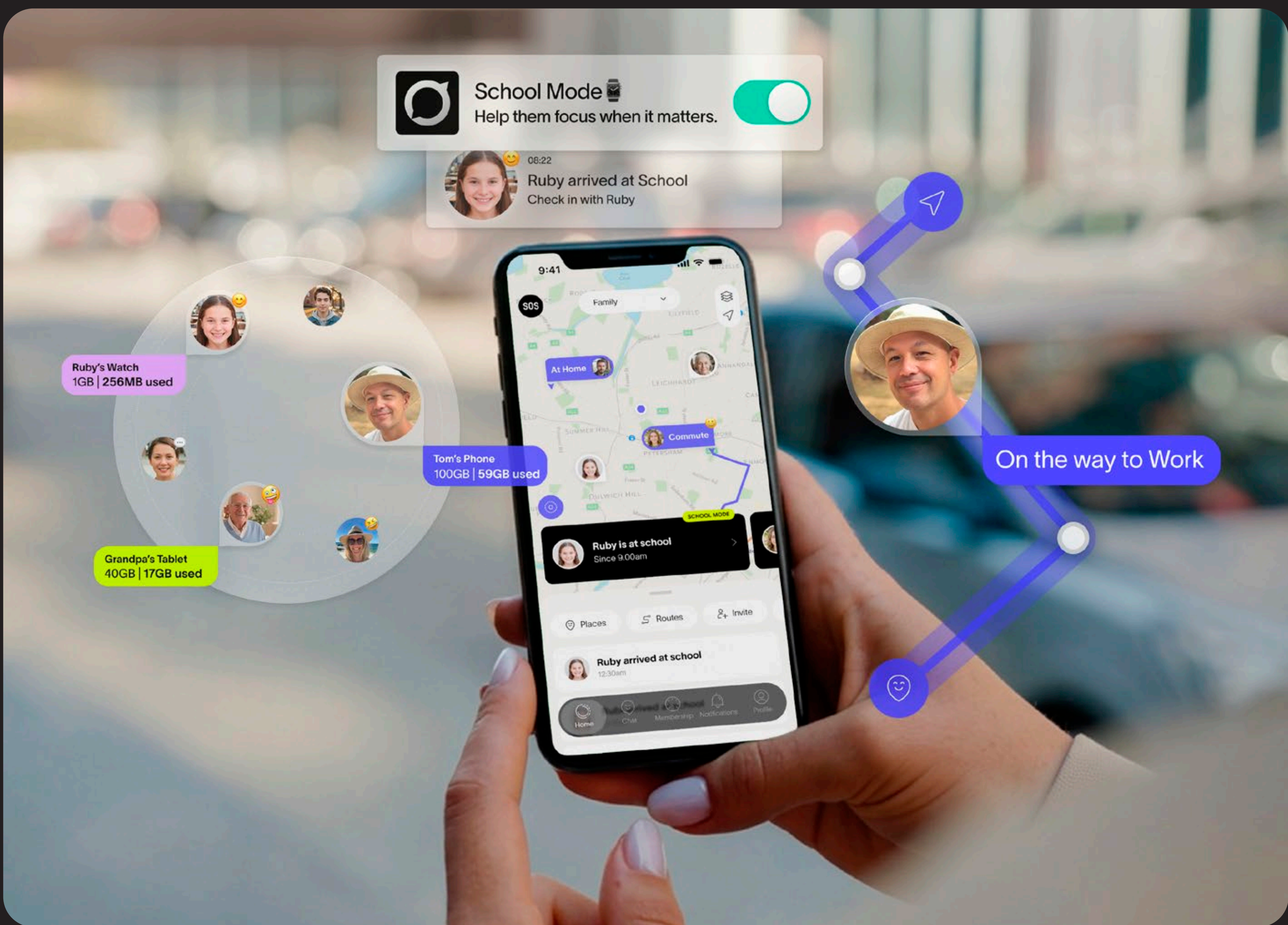
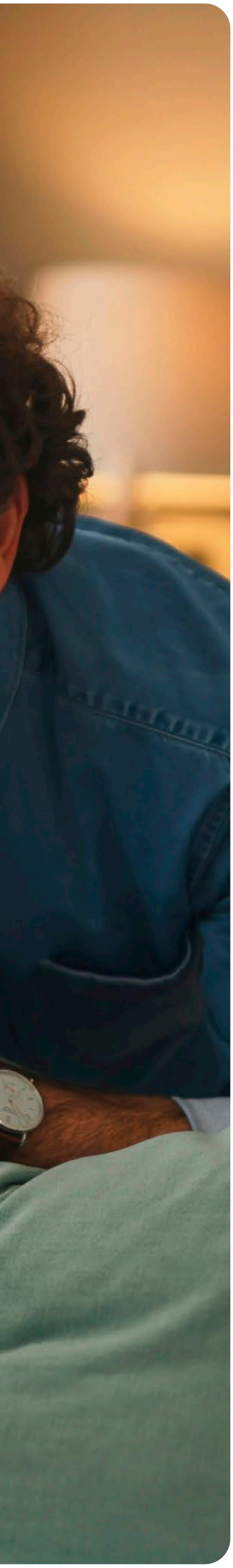
Annual Report

For the Year Ended 30 June 2026

Spacetalk Limited ABN 93 091 351 530




9:41
Iron Cove
Rodd Point
SOS
Family
Elouise
Updated 2 mins ago
Home
since 4:40pm
Online Safety
active
6,345
steps
87%
battery
Online Safety
Last active 12/11/2026 at 1.30pm
ACTIVE
10
blocked today
5% blocked average
Online Safety settings
Spaces
Chat
Membership
Notifications
Profile



Contents

Positioning Spacetalk for Scale

Letter from the Chair of Spacetalk Ltd

Dear Shareholders

On behalf of the Board of Directors, I am pleased to present the Company's Annual Report for the 2026 financial year ('FY26') incorporating financial statements as presented on 28th August 2026.

FY26 marked an important step in Spacetalk's transformation, as the company strengthened the foundations required for its next phase of growth. During the year, we completed a significant re-platforming of our core technology architecture, establishing a modern and scalable solution to support new products, data capabilities and the continued evolution of Spacetalk into a software-led, hardware-enabled family safety platform.

The investments made during FY26 were necessary to re-platform the business and position the business for scale. At the same time, Spacetalk Mobile continued to grow, demonstrating the ongoing transition towards higher-quality recurring revenue and a more predictable revenue mix.

The agreements entered into with TPG Telecom and Vodafone Australia represent an important validation of our strategy. The partnership establishes a new software distribution channel for Spacetalk, while the new wholesale mobile agreement provides a pathway to improved economics and greater operational flexibility. Together, these agreements demonstrate the broader commercial opportunities now available to the Company as we move from building the platform to monetising it.

Looking ahead to FY27, our focus is on disciplined execution. We must now convert the investments and foundations established through FY26 into sustainable growth, strengthen our recurring revenue base, maintain cost management and continue progressing opportunities that can deliver long-term value for shareholders.

I would like to thank our CEO and Managing Director, Simon Crowther, and the entire Spacetalk team for their commitment and resilience during a demanding year of change. I would also like to thank our shareholders for their continued support as we enter the next stage of Spacetalk's development.

Georg Chmiel
Non-Executive Chair

"FY26 marked an important step in Spacetalk's transformation, as the company strengthened the foundations required for its next phase of growth."

CEO's Report

I am pleased to report on the key milestones achieved in the 2026 financial year, which represent an important step in our company's transformation and positions the business for scale.

We remain focused on executing Spacetalk's software-led growth strategy outlined to shareholders and guided by the overarching vision of 'Family Safety at Every Stage of Life'. Re-platforming of our core technology during the financial year means we now have a modern, scalable architecture designed to support new products, data capabilities and distribution models. Rather than operating primarily as a children's wearable hardware business, we are now building a software-led, hardware-enabled global family safety platform.

The new architecture gives us a common foundation for Spacetalk and co-branded software experiences, broader device compatibility, new subscription models and enterprise distribution through partners. Importantly, it allows us to increasingly think about the household, rather than an individual device sale, as the long-term customer relationship.

Spacetalk Mobile continued to perform strongly during the year and is now our largest revenue stream, reflecting the growing importance of recurring connectivity within the business. As our business model evolves, recurring revenue streams are becoming an increasingly important part of the Spacetalk ecosystem, supporting greater predictability, stronger customer relationships and increased lifetime value. Mobile remains central to this strategy and provides a strong platform from which we can deepen engagement across the households we serve.

Hardware remains an important part of the Spacetalk ecosystem and continues to play a valuable role in acquiring customers and establishing recurring subscription relationships. Increasingly, we see hardware as one of several entry points into the broader Spacetalk platform. A device can begin the relationship, connectivity makes it recurring and software provides the opportunity to deepen engagement and introduce additional services over time. This integrated model allows us to build a broader and more valuable relationship with families beyond the initial device purchase.

An important validation of this strategy occurred shortly after year-end. We entered into two binding agreements with TPG Telecom and Vodafone Australia. Vodafone Australia will launch and market a co-branded family safety and digital wellbeing proposition powered by Spacetalk's software platform, creating a new enterprise distribution channel beyond our traditional direct-to-consumer model. Separately, Spacetalk Mobile will migrate to the TPG Telecom wholesale network, with Spacetalk retaining ownership of the customer relationship, brand, pricing and proposition. We expect this to improve unit economics and provide greater commercial flexibility. Together, these agreements represent an important step from building the capabilities of the new Spacetalk business toward commercialising them.

FY27 is a year of execution. Our priorities are to bring the Vodafone Australia proposition to market, migrate Spacetalk Mobile to TPG, introduce new online safety and tiered subscription capabilities, progress additional enterprise software opportunities and continue advancing our product roadmap, including new kids hardware and the Sibyl seniors proposition. Cost discipline also remains important, with the optimisation programme identified during FY26 expected to deliver annualised efficiencies.

The business is entering FY27 in a materially different position from the Spacetalk we began transforming in 2023. We have moved beyond a strategy dependent predominantly on children's hardware toward a platform designed to connect devices, family members and services across different stages of life.

I would like to thank the Spacetalk team for their commitment through a demanding year, our Board for their support and our customers, partners and shareholders for their continued confidence in the company. We have risen to the challenges to create this tremendous opportunity. Our focus in FY27 is clear: execute the strategy, improve the economics of the business and demonstrate the potential of the new Spacetalk.

Simon Crowther
CEO and Managing Director

September 2026

Corporate Directory

Directors	Georg Chmiel - Non-Executive Chair Simon Crowther - CEO and Managing Director Michael Rann - Non-Executive Director Andrew Grover - Non-Executive Director John Bird - Non-Executive Director
Company secretary	Hasaka Martin
Notice of annual general meeting	The details of the annual general meeting of Spacetalk Limited are: Thursday, 19 November 2026
Registered Office	Suite 1, Level 9 80-82 Pitt Street Sydney NSW 2000
Principal place of business	Suite 1, Level 9 80-82 Pitt Street Sydney NSW 2000
Share Registry	Boardroom Pty Ltd Level 8 210 George Street Sydney NSW 2000 **Telephone:** 1300 737 760 **Overseas callers:** +61 2 9290 9600 **Email:** enquiries@boardroomlimited.com.au
Auditor	RSM Australia Partners
Stock Exchange listing	Spacetalk Limited shares are listed on the Australian Securities Exchange (ASX code: **SPA**)
Website	https://spacetalk.co https://investorhub.spacetalk.co

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Spacetalk Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

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

- Georg Chmiel - Chair
- Simon Crowther - CEO and Managing Director
- Michael Rann
- John Bird (appointed 15 September 2025)
- Andrew Grover (appointed 8 April 2026)
- Martin Pretty (resigned 14 September 2025)

Principal activities

Spacetalk Limited is Australia's leading provider of connected safety solutions for families, offering an integrated ecosystem of mobile devices, software, and services that deliver peace of mind at every life stage. Our mission is simple yet powerful: to keep families safe, connected, and supported—wherever life takes them. As a package, our technology platform provides a complete digital communication solution that supports safety and security for families across their life stages. Our unique proprietary ecosystem, which has continued to evolve over time, is today recognised as a leader in family safety and the connected wearables industry.

The Spacetalk technology platform comprises both market-leading hardware and a trusted, client-controlled software platform that provides safety and security to users via the benefits of mobile technology. The multi-functional SaaS Spacetalk App can be customised, giving clients the ability to enable or disable individual features. Parents are empowered to block their kids access to the open internet, social media, and inappropriate adult content while simultaneously blocking calls and messages from unknown senders. The app can also monitor the location of vulnerable family members, including children and seniors, bringing enhanced peace of mind for the entire family.

Dividends

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

Operational and Financial Review

KEY PERFORMANCE HIGHLIGHTS

Income Statement ($'000)	**FY26**	**FY25**
Total income ($'000)	17,143	20,105
Annual recurring revenue ($'000)	10,800	12,100
Revenue ($'000)	16,218	19,609
Revenue growth (%)	(17)%	12%
Gross Profit ($'000)	7,480	9,726
Gross Margin (%)	46%	50%
Operating Expenses (excluding depreciation and amortisation) ($'000)	(20,006)	(12,459)
Adjusted EBITDA[1] ($'000)	(10,227)	(1,849)
Loss from continuing operations before income tax ($'000)	(17,153)	(4,544)

1. Adjusted EBITDA is defined as earnings before interest, tax, depreciation, and amortisation (“EBITDA”), further adjusted by adding back or deducting specific items that are considered non-operational, infrequent, or non-cash, such as impairment of non-financial assets, impairment charges, or other one-off income/expenses. The measure is reconciled to the nearest statutory measure, with all adjustments explicitly disclosed in the accompanying notes to the financial statements. In our case, adjusted EBITDA excludes fair value of derivatives, share based payments and costs related to write-off of non-financial assets. Management believes that this Adjusted EBITDA is consistent, transparent and linked to corporate strategy.

Adjusted EBITDA reconciliation	**2026** **$'000**	**2025** **$'000**
Loss from continuing operations before income tax	**(17,153)**	**(4,544)**
Depreciation and amortisation expense	2,338	1,442
Finance costs	3,214	865
Share based payments	281	361
Write off of non-financial assets	1,093	27
Adjusted EBITDA	**(10,227)**	**(1,849)**

FINANCIAL PERFORMANCE

Summary

The 2026 financial year was a deliberate reset year for the Company in which management has put in place the commercial, product and distribution building blocks for a software-led growth trajectory. The Company invested ahead of revenue to complete a complex re-platforming new App launch in November 2025, rebuilding its technology capability and establishing a repeatable enterprise distribution model. Against that backdrop, revenue declined by 17% to $16.2m due to lower device revenue, the continued wind-down of the legacy Schools business and a period of platform remediation following the November 2025 launch. The overarching revenue decline reflects the transformational nature of the financial year which was otherwise operationally strong.

The Company delivered strong operational momentum across the business and laid the foundation for a significant strategic milestone achieved shortly after the year end. Subsequent to year end, on 6 July 2026, the Company executed two binding agreements with TPG Telecom Limited (ASX: TPG), a commercial agreement under which Vodafone Australia will launch and market an exclusive co-branded family safety and digital wellbeing offer powered by Spacetalk's software platform, and a strategic MVNO wholesale agreement to migrate Spacetalk Mobile to the TPG Telecom wholesale network on improved economics. Together these agreements validate the Company's B2B software proposition, expand the addressable market well beyond the direct-to-consumer channel, and establish a framework that management believes is repeatable with telecommunications operators in other markets.

Segment performance

	2026	2025	Change
Revenue	**$'000**	**$'000**	**%**
MVNO (Spacetalk Mobile)	8,070	6,957	16%
Apps	1,694	2,411	(30%)
Schools	925	1,866	(50%)
Recurring revenue	**10,689**	**11,234**	**(5%)**
Devices	5,529	8,313	(33%)
Seniors	–	62	(100%)
Total revenue	**16,218**	**19,609**	**(17%)**
Other income	925	496	86%
Total income	**17,143**	**20,105**	**(15%)**

	2026	2025	2026 margin	2025 margin
Gross profit	**$'000**	**$'000**	**%**	**%**
MVNO (Spacetalk Mobile)	4,015	3,633	50%	52%
Apps	1,352	1,687	80%	70%
Schools	811	1,759	88%	94%
Devices	1,302	2,587	24%	31%
Seniors	-	60	-	97%
Total gross profit	**7,480**	**9,726**	**46%**	**50%**

Spacetalk Mobile (MVNO) revenue grew 16% to $8.1m and is now the Group's largest revenue stream, representing 50% of total revenue (FY25: 35%). Growth was supported by an 18% increase in active mobile subscribers to 60.6k (FY25: 51.3k). At year end, 56% of Spacetalk Mobile customers were on annual plans, supporting retention, revenue predictability and customer lifetime value. Gross margin was broadly stable at 50% (FY25: 52%).

Devices revenue declined 33% to $5.5m and gross margin contracted 7ppt to 24%. Device sell-in volumes declined from 48,616 in FY25 to 42,331 in FY26. The revenue and margin declined as a result of a shift in product mix towards lower-priced variants, higher discounting and scan-back activity in a more competitive market, and reduced retailer sell-in as channel partners worked through existing inventory. Despite the decline in revenue, the Company sold a lower-featured device variant into a major new retail partner secured during the financial year. While this variant carries a lower average selling price that the Company's premium devices, it strengthens the Company's presence within a major family-oriented retail channel and broadens access to its target customer base. Underlying consumer demand remained broadly stable.

Apps revenue declined 30% to $1.7m, reflecting the planned migration of standalone app customers to bundled mobile-and-service offerings, which carry superior unit economics, together with a transition period as a vast majority of smartwatch customers in Australia currently receive the app for free if they have a Spacetalk Mobile SIM card and subscription in their watch. Beyond the existing B2C base, the app presents a growing B2B opportunity through telco partnerships, including the Vodafone Australia deal and supported by further platform development scheduled for release in 2QFY27; tiered app pricing model, enabling customer segmentation and differentiated value capture, and the launch of enhanced safety features, which will expand monetisation opportunities across both the B2C and B2B user base. Gross margin improved 10ppt to 80% following the platform migration.

Schools revenue declined 50% to $0.9m, consistent with the continued strategic wind-down of the legacy Schools business as state governments progressively insource these services.

Annual Recurring Revenue

ARR declined 11% to $10.8m (FY25: $12.1m). The decline is attributable to the wind-down of Schools ARR and a planned, expected reduction in App ARR ahead of the tiered pricing model roll-out. Spacetalk Mobile ARR grew 5% to $8.4m and now represents the substantial majority of the recurring base. Recurring revenue represented 66% of total revenue in FY26, up from 57% in FY25, reflecting continued improvement in revenue quality notwithstanding the overall revenue decline.

Gross profit and margins

Gross profit declined 23% to $7.5m (FY25: $9.7m) and gross margin contracted 4ppt to 46% (FY25: 50%). Margin compression was concentrated in the Devices segment. Recurring revenue gross margin was broadly maintained.

	2026	2025
Operating expenses	**$'000**	**$'000**
Advertising and marketing	(2,142)	(1,825)
Allowance for expected credit loss	(41)	(315)
Corporate and administration	(8,635)	(4,156)
Employee benefits expense	(7,788)	(6,152)
Share-based payments expense	(281)	(361)
Write-off of non-financial assets	(1,093)	(27)
Net (loss)/gain on foreign exchange	(26)	377
Operating expenses (excluding D&A)	**(20,006)**	**(12,459)**
Depreciation and amortisation expense	(2,338)	(1,442)
Total expenses	**(22,344)**	**(13,901)**

Operating expenses before depreciation and amortisation increased 61% to $20.0m. The principal drivers were:

- Corporate and administration, up $4.5m, reflecting third-party technology, consulting and contractor spend on the re-platforming programme and remediation activity in the third quarter to address platform stability and elevated customer support ticket volumes following the November 2025 launch.
- Employee benefits, up $1.6m, reflecting targeted investment in technology and product capability to support the transition to a software-led model.
- Write-off of non-financial assets of $1.1m (FY25: $27k), including $0.6m written off against capitalised development assets superseded by the new platform and website as well as $0.5m inventory write-off ahead of the new kids smartwatch hardware launch targeted for 2HFY27.
- Advertising and marketing, up $0.3m, supporting platform launch and international e-commerce expansion.

Cash flows and financial position

	2026	2025
Summary Cash Flow Statement	**$'000**	**$'000**
Receipts from customers (inclusive of GST)	17,596	18,764
Payments to suppliers and employees (inclusive of GST)	(25,645)	(21,295)
Government grants	877	446
Interest and other finance costs paid	(227)	(596)
Net cash used in operating activities	**(7,399)**	**(2,681)**
Payments for intangibles	(4,461)	(1,630)
Net cash used in investing activities	**(4,515)**	**(1,658)**
Cash flow before financing activities	**(11,914)**	**(4,339)**
Net cash from financing activities	**11,647**	**3,714**
Net decrease in cash and cash equivalents	(267)	(625)
Cash and cash equivalents at year end	**878**	**1,149**

Net cash used in operating activities increased to $7.4m, reflecting the higher cost base, inventory and service-enabling investment made ahead of the hardware and platform launches, and MVNO wholesale payments.

Investment in intangible assets increased to $4.5m (FY25: $1.6m), representing capitalised development on the new platform and app. The carrying value of development assets at 30 June 2026 was $4.3m (FY25: $2.6m) after $2.1m of amortisation and $0.6m of write-off.

Financing activities generated $11.6m, mainly comprising $7.5m from equity placements and $5.2m from converting notes, less share issue transaction costs and lease principal repayments.

GROWTH STRATEGY

The Company's strategy is to build a scalable, high-margin recurring revenue business by embedding its family safety software platform within large existing customer bases; principally those of telecommunications operators and while maintaining a capital-light approach to market entry and expansion.

Key growth initiatives are:

- **Scalable Telco SaaS mode**l. The Vodafone Australia agreement gives millions of eligible postpaid mobile customers access to a co-branded family safety application powered by Spacetalk's platform, with a premium tier available for up to 12 months from customer activation. The agreement creates a repeatable commercial framework that the Company is now pursuing with telecommunications operators across APAC, Europe and North America. Distribution through telco partners enables Spacetalk to scale with low marginal cost, minimal bespoke engineering and strong operating leverage.
- **Improved mobile unit economics**. The strategic MVNO wholesale agreement with TPG Telecom will see Spacetalk Mobile migrate to a network covering majority of the Australian population. Spacetalk retains ownership of the customer relationship, brand, pricing and proposition. The agreement is expected to deliver improved wholesale economics, new long-life mobile plans for parents and seniors, and greater flexibility to launch targeted offers supporting subscriber growth, higher ARPU and stronger customer lifetime value. Phased migration commences in FY27.
- **Recurring revenue growth and monetisation**. CVM capabilities implemented with the new platform are expected to improve ARPU and customer lifetime value and reduce churn. A tiered app subscription pricing model, together with online safety and digital wellbeing features, is scheduled for launch in 2QFY27 and is expected to reverse the recent decline in App ARR.
- **Product roadmap**. The Company expects to launch the Spacetalk App on Apple and Samsung watches, extending the platform to a device-agnostic footprint, and will launch new kids smartwatch hardware with improved unit economics in 2HFY27.
- **International expansion**. E-commerce capability has been rolled out across Europe, the UK, Singapore, the USA, Canada and New Zealand under a capital-light, e-commerce-first "land and expand" strategy. Platform-led commercial agreements are also expected to open hardware distribution channels that were not accessible under the previous hardware-led model.
- **Seniors market opportunity**. Sibyl, the Company's AI-enabled seniors device offering fall prediction, emergency alerts and predictive health insights, targets the "sandwich generation" and expands the addressable market across B2C and B2B segments.
- **Cost discipline**. The cost optimisation programme identified during FY26 is expected to deliver approximately $3.5m of annualised cash savings, aligning the cost base to the software-led model and improving operating leverage as recurring revenue scales.

Significant changes in the state of affairs

During the year, the Company completed two equity placements to sophisticated, professional and institutional investors, raising a total of approximately $7.5 million (before transaction costs) through the issue of 111,712,050 fully paid ordinary shares (refer note 22). The second placement was completed in two tranches, with the final tranche issued following shareholder approval obtained on 20 May 2026.

During the year, the Company issued 6,550,000 converting notes with a total face value of $6,550,000 (refer note 21). 2,000,000 notes were converted to shares during the year.

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

Strategic MVNO partnership

Subsequent to 30 June 2026, the Company entered a strategic Mobile Virtual Network Operator (MVNO) wholesale agreement with TPG Telecom Limited ("TPG Telecom") to support the next phase of growth for Spacetalk Mobile. Under the agreement, the Company will migrate its Spacetalk Mobile customer base to the TPG Telecom wholesale mobile network which provides coverage to 99 per cent of the Australian population across more than 1.2 million square kilometres. The Company will continue to own the customer relationship, brand experience, pricing and customer proposition, while TPG Telecom will provide wholesale mobile network capacity and related services.

Commercial agreement with TPG Telecom (Vodafone Australia)

Subsequent to 30 June 2026, the Company entered into a commercial agreement with TPG Telecom, under which Vodafone Australia will launch an exclusive offer to its customers for a co-branded family location, online safety and digital wellbeing solution powered by Spacetalk's proprietary software platform.

Placement and capital raising

On 5 August 2026, the Company announced that it had received binding commitments from institutional and professional investors to raise $10.0 million before costs through a two-tranche placement of fully paid ordinary shares at an issue price of $0.075 per share.

Tranche 1 comprised 34,581,000 ordinary shares to raise approximately $2.6 million before costs, and was issued on 13 August 2026 under the Company's existing placement capacity.

At the General Meeting held on 16 September 2026, shareholders approved the issue of 98,752,333 Tranche 2 August Placement Shares to raise approximately $7.4 million before costs, completing the $10.0 million placement. Shareholders also approved the issue of 1,333,333 fully paid ordinary shares (included in Tranche 2) to Simon Crowther, or his nominee, being a related party of the Company, at the same issue price of $0.075 per share.

In addition, shareholders approved the issue of 30,000,000 Lead Manager Options as partial consideration for services provided in connection with the placement. The Lead Manager Options are exercisable at $0.10 each and expire on 12 August 2029.

Converting notes

On 3 August 2026, the Company issued 59,630,957 fully paid ordinary shares for nil consideration, as a result of the conversion of 4,475,000 converting notes (with a face value of $1.00 each) at $0.08 per share, and interest payable on the converting notes under the terms of issue.

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.

Likely developments and expected results of operations

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

Summary of key business risks

The Group operates in a highly competitive and rapidly changing sector, which provides both opportunities and challenges. While some of these challenges and risks may be out of the Group's control, we have made, and continue to make investments in our risk management and control frameworks to ensure we can respond to and mitigate the impact of these risks as they arise, whether they result from regulatory changes, shifts in the competitive environment, or other circumstances over which the Group has no control.

Material risk areas	What we are doing to manage the risk
Capital and funding Challenges in securing sufficient debt and equity funding could impact our ability to effectively execute our strategy.	• Regular communications and close relationship with debt funder. • Close management of cash flow. • Actively engaging with shareholders and the broader equity market.
Strategic Staying responsive to shifts in the competitive landscape is essential. Ensuring our strategic actions are well-aligned with these changes will help maintain our market position.	• Regular discussions of strategy and strategic initiatives with the Board. • Periodic measurement of results against targets. • Strengthen capability with experts who possess a good command of the environment.
Technology Underinvesting in developing and maintaining systems which support innovation and growth.	• Clear definition of technology roadmap. • Understanding changing customer needs and responding with the necessary technology improvements.
People Attracting and retaining staff who align with our culture and can drive innovation and customer-focused solutions.	• Remuneration and benefits structure to retain and attract top talent. • Clear and consistent on our culture and values.
Macroeconomic Staying attuned to broader economic and retail trends is important to ensure our strategy remains relevant and effective.	• Analyse and monitor economic and retail conditions, at a minimum, to identify shifts and take steps to manage potential impacts.
Environment and climate Proactively understanding and addressing environmental risks and impacts will be vital to our long-term sustainability.	• Review processes and practices to reduce impact on the environment. • Develop reporting on our environmental footprint.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Georg Chmiel

Non-Executive Chair

MBA (INSEAD), Master equiv. in Computer Science (Technical University of Munich), FAICD, ICDM(F)

Georg is a business leader, company director and senior advisor with more than 3 decades of experience in rapidly growing companies and disruptive technologies. Georg has strong knowledge of the capital markets and technology business expertise with extensive global exposure in Asia, Australia, New Zealand, and Europe. Georg is a Non-Executive Chair and Co-Founder of Juwai-IQI.

Other current directorships:	Non-Executive Chair of Centrepoint Alliance (ASX: CAF) (from 7 October 2016) Non-Executive Director of Kinatico (ASX: KYP) (from 19 September 2023) Non-Executive Director of Xamble Ltd (ASX:XGL) (from 15 November 2023)
Former directorships (last 3 years):	Non-Executive Director of BUTN (ASX:BTN) (September 2020 – November 2023)
First Appointed:	1 July 2022
Special responsibilities:	Member, Audit and Risk Committee Member, Remuneration and Nomination Committee
Interests in shares:	1,943,764
Interests in options:	Nil
Interests in rights:	Nil

Simon Crowther

CEO and Managing Director

BA (Hons) Business Studies & Media from Leeds University (UK) and Master of Business & Enterprise from the University of Melbourne

Simon Crowther is a serial entrepreneur and CEO with over 20 years of commercial success rooted in the technology sector in the UK, US, Canada and Australia. Simon had his first profitable exit in 2000 which paved the way for increased leadership roles and exits in subsequent years. He is comfortable at transitioning businesses at different operating stages and leading teams from startup, scale up and turnaround across international markets.

Simon was CEO with AirMap, Managing Director with Yamaha Motor Ventures & Laboratory Silicon Valley and CEO of Nearmap, which he built from a start up into a leading spatial data business. He devised the core subscription model that delivered exponential growth for shareholders, culminating in a $1B+ acquisition.

Other current directorships:	Dubber Corp Ltd (ASX:DUB)
Former directorships (last 3 years):	None
First Appointed:	6 February 2023
Special responsibilities:	Chief Executive Officer and Managing Director
Interests in shares:	2,425,667
Interests in options:	Nil
Interests in rights:	Nil

HON Mike Rann, AC CNZM

Non-Executive Director

Master's degree in Politics (University of Auckland)

Mike was Premier of South Australia for almost ten years from 2002 to 2011. While Premier, he also served as Minister for Economic Development, the Arts, Sustainability and Climate Change and Social Inclusion. In late 2012 Mike was appointed as Australian High Commissioner to the United Kingdom and was a Governor of the Commonwealth Secretariat. In 2014 he was appointed as Australia's Ambassador to Italy, San Marino, Albania and Libya, and Permanent Representative to the UN's World Food Programme and to the Food and Agricultural Organisation. In the 2016 Australia Day Honours List he was appointed as a Companion of the Order of Australia (AC). Mike was Chair of the Power of Nutrition (UK) between 2017 and 2022 and was also an Independent Director of Health House International (Australia) until 2023. Mike is currently the UK and Global Chair of the Climate Group. He is Chair of the South Australia Film Corporation, CEO of Rann Strategy Group and Adjunct Professor at the University of Technology Sydney.

Other current directorships:	None
Former directorships (last 3 years):	None
First Appointed:	1 July 2022
Special responsibilities:	Chair, Remuneration and Nomination Committee Member, Audit and Risk Committee
Interests in shares:	87,029
Interests in options:	Nil
Interests in rights:	185,234

John Bird

Non-Executive Director

Bachelor of Economics from Macquarie University, CPA, Graduate of the Australian Institute of Company Directors and Chartered Secretaries Australia

John is a highly experienced executive with over three decades of public company experience and has a proven track record in providing financial and strategic direction including mergers and acquisitions to ASX listed companies, in the biotech, technology and gaming industries. He most recently held the role of CFO at Ai-Media (ASX: AIM) and is currently Interim CFO of Swoop Holdings Ltd (ASX: SWP). John's previous public company experience includes Regeneus Ltd (ASX:RGS), NSW TAB (ASX:TAB), iCash Payment Systems Ltd (ASX:ICP) and AWA Limited (ASX:AWA).

Other current directorships:	None
Former directorships (last 3 years):	None
First Appointed:	15 September 2025
Special responsibilities:	Chair of the Audit and Risk Committee from 15 September 2025
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

Andrew Grover

Non-Executive Director

Information on Directors

Andrew Grover (appointed 8 April 2026)

Non-Executive Director

Andrew is an experienced public company executive, entrepreneur and investor with extensive experience across healthcare, technology, consumer and financial services sectors. He is Executive Chair of Echo IQ Ltd (ASX: EIQ), where he led the company's transformation into a US focused AI diagnostics business, achieving FDA clearance and establishing a US-based leadership team to drive commercialisation and growth. Andrew also serves as Non-Executive Chairman of Nutritional Growth Solutions (ASX: NGS), where he is leading a strategic rebuild including governance reform, operational restructuring and acquisition strategy. He has founded and exited multiple high-growth businesses and is recognised for strategic repositioning, capital markets execution and scaling organisations for long-term value creation.

Other current directorships:	Executive Chairman Echo IQ Ltd (ASX: EIQ) (from 24 May 2019) Non-Executive Chairman Nutritional Growth Solutions Ltd (ASX: NGS) (from 18 November 2025)
Former directorships (last 3 years):	None
First Appointed:	8 April 2026
Special responsibilities:	None
Interests in shares:	Nil
Interests in options:	Nil
Interests in rights:	Nil

Martin Pretty (resigned 14 September 2025)

Non-Executive Director

Bachelor of Arts (Honours) from The University of Melbourne, Graduate Diploma of Applied Finance from FINSIA, CFA charter holder, Graduate of the Australian Institute of Company Directors

Martin has over 24 years of experience in the investment and financial services industry and has had deep involvement over that time in investing in and supporting growing Australian technology businesses.

Other current directorships:	Non-executive chairman of ASX-listed home security technology company Scout Security (ASX:SCT), and a non-executive director of ASX- listed financial services group Centrepoint alliance (ASX:CAF).
Former directorships (last 3 years):	None
First Appointed:	3 November 2020
Special responsibilities:	Chair, Audit and Risk Committee until 14 September 2025 Member, Remuneration and Nomination Committee until 14 September 2025
Interests in shares:	1,118,768*
Interests in options:	Nil*
Interests in rights:	Nil*

Company secretary

Hasaka Martin, the founder of Singleton Co Sec, has over 20 years of experience working with listed companies across various industries. He has held in-house roles and has also worked with several corporate service providers. Hasaka is an appointed Company Secretary for several listed entities and is a Fellow of the Governance Institute of Australia. He is also a Chartered Secretary and holds postgraduate qualifications in corporate and securities law.

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

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

*Number of shares, options and performance rights held at the date of resignation.

Meetings of directors

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

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	**Held**	**Attended**	**Held**	**Attended**	**Held**
Georg Chmiel	19	19	3	3	3	3
Simon Crowther	19	19	–	–	–	–
Michael Rann	19	19	3	3	3	3
John Bird*	15	17	–	–	2	2
Andrew Grover*	3	3	–	–	–	–
Martin Pretty**	2	2	–	3	1	1

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

* John Bird and Andrew Grover were appointed Directors on 15 September 2025 and 8 April 2026 respectively.

** Martin Pretty resigned as Director on 14 September 2025.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The Board policy is to remunerate directors at market rates for time, commitment, and responsibilities. The Board determined payments to directors and reviews their remuneration annually, based on market practice, duties, and accountability. Independent external advice is sought when required. The maximum aggregate amount of Directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. To align Directors' interests with shareholders' interests, the Directors are encouraged to hold shares in the Company.

The Directors and full-time executives receive a superannuation guarantee contribution as required by law, currently 12%. The CEO and full-time executives do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

All remuneration paid to Directors and executives is valued at the cost to the Company and expensed.

Non-executive directors remuneration

Objective

The Board seeks to set aggregate compensation at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Structure

The Constitution and the ASX listing rules specify that the aggregate compensation of non-executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed.

The amount allocated for non-executive directors, as approved by the shareholders, remains at $500,000 - unchanged from the previous year.

The Board considers advice from external consultants as appropriate as well as the fees paid to non-executive Directors of comparable companies when undertaking the annual review process. Non-Executive Directors' remuneration may include an incentive portion consisting of performance rights, as considered appropriate by the Board, which may be subject to Shareholder approval in accordance with ASX listing rules.

Separate from their duties as Directors, the Non-Executive Directors may undertake work for the Company directly related to the evaluation and implementation of various business opportunities, including information / evaluation and new business ventures, for which they receive a daily rate. These payments are made pursuant to individual agreements with the non-executive Directors and are not taken into account when determining their aggregate remuneration levels.

Executive remuneration

The Group aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the entity so as to:

- reward executives for Company and individual performance against targets set by appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Company; and
- ensure total compensation is competitive by market standards.

Structure

In determining the level and make-up of executive remuneration, the Board negotiates remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Remuneration is periodically compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable executive roles.

Remuneration consists of a fixed remuneration and a long- term incentive portion as considered appropriate. Compensation may consist of the following key elements:

- Fixed compensation;
- Variable compensation;
- Short Term Incentive (STI); and
- Long Term Incentive (LTI).

Short term incentives

The Company provides short-term incentives to key management personnel in the form of discretionary performance bonuses. Bonuses are determined by the Board after considering the performance of the Company and the individual during the financial year. There are no predetermined financial or non-financial performance hurdles, and any bonus awarded is at the Board's discretion.

Long term incentives

The objective of long-term incentives is to reward Directors and executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The incentive portion is payable based upon attainment of objectives related to the Directors' or executives' job responsibilities. The objectives vary, but all are targeted to related directly to the Company's business and financial performance and thus to shareholder value.

Long term incentives (LTIs) granted to Directors or executives are delivered in the form of performance rights. These rights are granted subject to pre-determined performance hurdles determined at the time of issue.

The objective of the granting of performance rights is to reward Executives in a manner which aligns the element of remuneration with the creation of shareholder wealth. As such, LTIs are made to Executives who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance.

At the Board's discretion, the grant of LTIs occurs at the commencement of employment, at bi-annual performance reviews, or in the event that the individual receives a promotion and, as such, is not subsequently affected by the individual's performance over time.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Group. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

The Nomination and Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Use of remuneration consultants

Where necessary, the Board seeks independent third-party expert advice on its remuneration policies and has implemented suitable practices and procedures that are appropriate for an organisation of this size and maturity. No experts were used during the year.

Voting and comments made at the Company's 20 November 2025 Annual General Meeting ('AGM')

At the 20 November 2025 AGM, 99.12% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of Spacetalk Limited:

- Georg Chmiel
- Michael Rann
- Simon Crowther
- John Bird
- Andrew Grover
- Martin Pretty

And the following persons:

- Craig Boshier - Chief Operating Officer
- Innocent Ndoda - Chief Financial Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments[1]	
	Cash salary and fees	Bonuses[4]	Benefits and entitlements[5]	Superannuation	Long service leave	Equity-settled	Total
2026	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Executive Directors:							
Georg Chmiel	96,000	-	-	-	-	18,670	114,670
Michael Rann	45,000	-	-	5,400	-	10,669	61,069
John Bird[2]	33,750	-	-	4,050	-	-	37,800
Andrew Grover[2]	11,250	-	-	1,350	-	-	12,600
Martin Pretty[3]	11,250	-	-	1,350	-	10,669	23,269
Executive Directors:							
Simon Crowther	360,000	120,000	19,536	43,800	-	48,000	591,336
Other Key Management Personnel:							
Craig Boshier	300,000	100,000	19,217	36,723	-	65,250	521,190
Innocent Ndoda	300,000	75,000	21,343	31,500	-	70,000	497,843
	1,157,250	295,000	60,096	124,173	-	223,258	1,859,777

1 Directors' performance rights were rights that could be converted to shares immediately. Therefore the value of each right is the share price of the date of issue.

2 John Bird and Andrew Grover was appointed Directors on 15 September 2025 and 8 April 2026 respectively.

3 Martin Pretty resigned as a Director on 14 September 2025.

4 During the year, the Board approved performance bonuses for certain key management personnel. The bonuses were satisfied through the issue of mandatory converting notes in lieu of cash payment. No portion of the approved bonuses was forfeited.

5 Includes movement in annual leave provision and cash in lieu of leave.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments[1]	
	Cash salary and fees	Bonuses	Benefits and entitlements[3]	Superannuation	Long service leave	Equity-settled	Total
2025	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Executive Directors:							
Georg Chmiel	76,314	-	-	-	-	21,179	97,493
Michael Rann	41,388	-	-	4,760	-	14,119	60,267
Martin Pretty	42,751	-	-	4,916	-	14,119	61,786
Executive Directors:							
Simon Crowther	365,077	-	70,770	41,984	-	191,894	669,725
Other Key Management Personnel:							
Craig Boshier	304,231	-	34,162	34,987	-	49,846	423,226
Gerhard Beukes	319,000	-	-	-	-	-	319,000
Innocent Ndoda[2]	65,000	-	7,341	7,475	-	-	79,816
	1,213,761	-	112,273	94,122	-	291,157	1,711,313

1 Directors' performance rights were rights that could be converted to shares immediately. Therefore the value of each right is the share price of the date of issue.

2 Innocent Ndoda was appointed Chief Financial Officer on 14 April 2025.

3 Includes movement in annual leave provision.

Name	Fixed remuneration 2026	Fixed remuneration 2025	At risk - STI 2026	At risk - STI 2025	At risk - LTI 2026	At risk - LTI 2025
Non-Executive Directors:						
Georg Chmiel	84%	78%	-	-	16%	22%
Michael Rann	83%	77%	-	-	17%	23%
John Bird	100%	-	-	-	-	-
Andrew Grover	100%	-	-	-	-	-
Martin Pretty	54%	77%	-	-	46%	23%
Executive Directors:						
Simon Crowther	72%	71%	20%	-	8%	29%
Other Key Management Personnel:						
Craig Boshier	68%	88%	19%	-	13%	12%
Innocent Ndoda	71%	-	15%	-	14%	-

Service agreements

Remuneration and other terms of employment for the Executive KMP are formalised in service agreements. Each of these agreements can provide for the provision of STI, eligibility for the Spacetalk LTI and may include other competitive benefits. All employment agreements are unlimited in term but capable of termination at agreed notice by either the Company or the Executive KMP. The Company can make a payment in lieu of notice. The notice period for each Executive KMP is listed in the table below. In the event of retrenchment, each of the Executive KMP listed in the table below is entitled to the payment provided for in the service agreement. The employment of the Executive KMP may be terminated by the Company without notice by payment in lieu of notice. Upon termination of employment, the Board exercises its discretion on payment of a pro-rata STI entitlement and early vesting of any unvested LTI held by the Executive KMP. The service agreements also contain confidentiality and restraint of trade clauses. The provisions of the agreements relating to notice period and remuneration are listed in the table below.

	Commencement date	Term of agreement	Notice period[1]	Total fixed remuneration[2] $	Termination payments[3]
Simon Crowther	6 February 2023	No fixed term	6 months	403,200	6 months
Craig Boshier	6 February 2023	No fixed term	6 months	336,000	6 months
Innocent Ndoda	14 April 2025	No fixed term	6 months	336,000	6 months

1 Notice applies to either party.

2 Annual base salaries and superannuation.

3 Base salary payable if the Company terminates employee with notice, and without cause.

Share-based compensation

Issue of shares

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

Options

The Company granted 2,318,571 share options to the Chief Financial Officer under its Long-Term Incentive (LTI) plan on 3 September 2025. The share options are subject to continued service vesting conditions and vest in three equal tranches, with one-third vesting on each of the first, second and third anniversaries of the grant date, provided the service vesting conditions are satisfied. The options have an exercise price of $0.22 per option and an expiry date on the fourth anniversary of the grant date.

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Innocent Ndoda	772,857	3/9/2025	3/9/2026	3/9/2029	$0.220	$0.1100
Innocent Ndoda	772,857	3/9/2025	3/9/2027	3/9/2029	$0.220	$0.1100
Innocent Ndoda	772,857	3/9/2025	3/9/2028	3/9/2029	$0.220	$0.1100

Options granted carry no dividend or voting rights.

Details of options over ordinary shares that lapsed for directors and other key management personnel during the year ended 30 June 2026 are set out below:

Name	Grant date	Vesting date	Number of options granted	Number of options lapsed	Value of options lapsed
					$
Georg Chmiel	23/09/2024	23/09/2024	600,379	600,379	138,087
Michael Rann	23/09/2024	23/09/2024	15,889	15,889	3,654
Simon Crowther	23/09/2024	23/09/2024	103,610	103,610	23,830
Martin Pretty	23/09/2024	23/09/2024	312,363	312,363	71,843
Craig Boshier	23/09/2024	23/09/2024	45,834	45,834	10,542

Performance rights

During the current financial year, the Company granted 813,708 performance rights to key management personnel. These performance rights were issued for nil consideration and awarded in accordance with performance guidelines established by the Remuneration Committee.

The vesting of these performance rights is contingent on achieving specific performance targets relevant to the role. Key targets include:

- Annual Recurring Revenue (ARR) targets
- Free cash flow targets
- Volume-Weighted Average Price (VWAP) targets

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date
Craig Boshier	450,000	26/09/2025	26/09/2025	26/09/2030	$0.1450
Michael Rann	96,989	28/11/2025	28/11/2025	28/11/2030	$0.1100
Georg Chmiel	169,730	28/11/2025	28/11/2025	28/11/2030	$0.1100
Martin Pretty	96,989	28/11/2025	28/11/2025	28/11/2030	$0.1100

Performance rights granted carry no dividend or voting rights.

With the exception of Michael Rann, all performance rights were exercised during the year.

Additional information

The earnings of the Group for the five years to 30 June 2026 are summarised below:

	2026 $'000	2025 $'000	2024 $'000	2023 $'000	Restated 2022 $'000
Sales revenue	16,218	19,609	17,480	13,455	14,879
Adjusted EBITDA	(10,227)	(1,849)	(4,377)	(3,524)	(1,469)
Loss after income tax	(17,153)	(4,544)	(5,696)	(10,814)	(5,703)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2026	2025	2024	2023	Restated 2022
Share price at financial year end (cents)	12.5	15.0	16.6	25.1	53.9
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share)*	(16.2)	(7.4)	(13.3)	(42.9)	(35.1)
Diluted earnings per share (cents per share)*	(16.2)	(7.4)	(13.3)	(42.9)	(35.1)

*Earnings per share calculation presented on post consolidation basis for FY22 to FY24 periods.

Additional disclosures relating to key management personnel

Shareholding

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

2026	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other*	Balance at the end of the year
Ordinary shares					
Georg Chmiel	1,774,034	169,730	-	-	1,943,764
Michael Rann	87,029	-	-	-	87,029
Simon Crowther	1,292,334	300,000	833,333	-	2,425,667
John Bird	-	-	-	-	-
Andrew Grover**	-	-	-	-	-
Martin Pretty	1,021,779	96,989	-	(1,118,768)	-
Craig Boshier	976,542	450,000	166,666	-	1,593,208
Innocent Ndoda	-	-	-	-	-
	5,151,718	1,016,719	999,999	(1,118,768)	6,049,668

* Includes shareholding at date of resignation.

** Independently from the above, an entity by the name of A22 Pty Ltd, being a company controlled entirely by Mr Grover's spouse, and in which Mr Grover does not hold any relevant interest (including any control over the acquisition or disposal of the securities), or any notifiable interest for the purposes of the ASX Listing Rules, is the registered holder of 8,200,000 shares in the company.

Option holding

The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

2026	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Georg Chmiel	600,379	-	-	(600,379)	-
Michael Rann	15,889	-	-	(15,889)	-
Simon Crowther	103,610	-	-	(103,610)	-
John Bird	-	-	-	-	-
Andrew Grover	-	-	-	-	-
Martin Pretty	312,363	-	-	(312,363)	-
Craig Boshier	45,834	-	-	(45,834)	-
Innocent Ndoda	-	2,318,571	-	-	2,318,571
	1,078,075	2,318,571	-	(1,078,075)	2,318,571

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

2026	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Georg Chmiel	-	169,730	(169,730)	-	-
Michael Rann	88,245	96,989	-	-	185,234
Simon Crowther	1,000,000	-	(300,000)	(700,000)	-
John Bird	-	-	-	-	-
Andrew Grover	-	-	-	-	-
Martin Pretty	-	96,989	(96,989)	-	-
Craig Boshier	-	450,000	(450,000)	-	-
Innocent Ndoda	-	-	-	-	-
	1,088,245	813,708	(1,016,719)	(700,000)	185,234

Converting note holdings

The number of converting notes in the Company held by each director and other member of key management personnel of the Group, including their personally related parties, during the financial year is set out below:

	Balance at the start of the year	Notes issued	Notes converted	Balance at the end of the year
Simon Crowther	-	170,000	-	170,000
Michael Rann	-	20,000	-	20,000
Georg Chmiel	-	75,000	-	75,000
John Bird	-	20,000	-	20,000
Craig Boshier	-	105,000	-	105,000
Innocent Ndoda	-	80,000	-	80,000
	-	470,000	-	470,000

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Spacetalk Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
3 September 2025	3 September 2029	$0.220	4,102,120
20 May 2026	20 May 2029	$0.085	25,000,000
			29,102,120

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Grant date	Exercise price	Number under rights
21 November 2024	$0.000	88,245
28 November 2025	$0.000	96,989
		185,234

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

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

Date performance rights granted	Exercise price	Number of shares issued
21 November 2024	$0.000	300,000
4 December 2024	$0.000	32,500
12 June 2025	$0.000	200,000
26 September 2025	$0.000	450,000
28 November 2025	$0.000	266,719
		1,249,219

Indemnity and insurance of officers

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

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 28 to the financial statements.

The directors are of the opinion that the services as disclosed in note 28 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of RSM Australia Partners

There are no officers of the Company who are former partners of RSM Australia Partners.

Rounding of amounts

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

Auditor's independence declaration

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

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors

GEORG CHMIEL

Non-Executive Chair

28 September 2026

Directors' Declaration

In the directors' opinion:

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

(b) the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

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

(d) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(e) the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the directors

GEORG CHMIEL

Non-Executive Chair

28 September 2026

RSM Australia Partners

Level 7, 1 Martin Place
Sydney
NSW 2000
Australia
T +61 (02) 8226 4500
F +61 (02) 8226 4501
rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Spacetalk Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA PARTNERS

GNS

Gary Sherwood
Partner

Sydney, NSW
Dated: 28 September 2026

RSM Australia Partners

Level 7, 1 Martin Place
Sydney
NSW 2000
Australia
T +61 (02) 8226 4500
F +61 (02) 8226 4501
rsm.com.au

INDEPENDENT AUDITOR'S REPORT

To the Members of Spacetalk Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Spacetalk Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2026, and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including independence standards*) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net loss of $17,153,000 and had net cash outflows from operating and investing activities of $7,399,000 and $4,515,000 respectively. As at 30 June 2026, the Group had net current liabilities of $16,751,000 and net liabilities of $11,891,000. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt as to whether the Group will continue as a going concern. Our opinion is not modified in respect of this matter.

RSM

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Recognition of Revenue - Refer to Note 5 in the financial statements</td></tr>
<tr><td>The Group generates revenue from multiple sources, including:
• Sale of goods (devices)
• App subscriptions
• Mobile Virtual Network Operator (“MVNO”) subscriptions
• School messaging services
Revenue recognition was considered a key audit matter due to the complexity of the Group’s revenue streams and the significant judgements required in applying AASB 15 Revenue from Contracts with Customers. These judgements include:
• Identification and assessment of performance obligations within contracts.
• Determining whether performance obligations are satisfied over time or at a point in time.
• Appropriate allocation of transaction prices in multi-element arrangements (e.g. bundled delivery of goods and services).
• Estimation of rebates and other discounts offered to customers.</td><td>Our audit procedures in relation to the recognition of revenue included, among others:
• Obtained a detailed understanding of each of the revenue streams and the process for calculating and recording revenue under AASB 15.
• Assessed whether the Group’s revenue recognition policies were in compliance with Australian Accounting Standards.
• Reviewed significant customer contracts and assessed whether the Group’s revenue recognition policies were in compliance with Australian Accounting Standards, including AASB 15.
• Performed substantive testing on a sample basis to assess the occurrence, accuracy, completeness and cut-off of revenue, including agreeing selected transactions to sales invoices, proof of delivery, external sales reports, and other supporting documentation, depending on the nature of the revenue streams.
• Evaluated the adequacy and appropriateness of the disclosures in the financial statements.</td></tr>
<tr><td colspan="2">Inventory valuation and obsolescence - Refer to Note 11 in the financial statements</td></tr>
<tr><td>Inventory valuation and obsolescence were considered a key audit matter due to:
• The Group's inventory primarily comprises smartwatches and related technology products. Given the technology-driven nature of these products, together with the Group's strategic shift in business focus,</td><td>Our audit procedures included, among others:
• Understood and evaluated the Group’s policy for accounting for inventory obsolescence.
• Assessing the methodology and key assumptions applied by management in determining the provision for inventory obsolescence and inventory write off.</td></tr>
</table>

there is an increased risk that certain inventory items may become obsolete, slow-moving or not recoverable at their carrying value. • The determination of the provision for inventory obsolescence involves significant management judgement and estimation, including consideration of inventory ageing, historical sales trends, forecast demand, product life cycles and expected net realisable values. Changes in these assumptions could have a material impact on the valuation of inventory and the associated provision.	• Analysing inventory ageing, historical sales trends and inventory turnover by product line to assess the reasonableness of management's estimates. • Performing substantive testing on a sample basis to assess whether inventory was measured at the lower of cost and net realisable value in accordance with AASB 102 *Inventories*. • Evaluated the adequacy and appropriateness of the disclosures in the financial statements.
Intangible assets - Refer to Note 14 in the financial statements	
The intangible assets were considered a key audit matter due to: • The significance of development costs capitalised during the year and the judgement involved in assessing whether development expenditure met the recognition criteria for capitalisation under AASB 138 Intangible Assets. • The judgement involved in assessing the recoverability of intangible assets that may no longer generate future economic benefits as a result of the Group's shift in business focus.	Our audit procedures included, among others: • Made enquiries of management to understand the nature and purpose of development expenditure capitalised during the year. • Tested a sample of capitalised development expenditure by agreeing the amounts recorded to supporting documentation and evaluating whether the nature of the expenditure was consistent with the recognition criteria under AASB 138 Intangible Assets. • Evaluated management's assessment supporting the write-off of the former website and mobile application assets, including whether those assets were expected to generate future economic benefits. • Evaluated management's assessment of the recoverability of existing intangible assets and the support for their carrying amounts at year end. • Recalculated amortisation expense and assessed whether the useful lives and amortisation methods applied were reasonable and consistent with the expected pattern of consumption of future economic benefits. • Evaluated the adequacy and appropriateness of the related disclosures in the financial statements.

Converting notes - Refer to Note 21 in the financial statements	
The accounting for converting notes was considered a key audit matter due to the significance and complexity of the instruments and the judgements required in applying AASB 9 *Financial Instruments* and AASB 132 *Financial Instruments: Presentation*. These judgements include: • Assessing the contractual terms and identifying the classification of convertible notes. • Determining the appropriate initial and subsequent measurement of each component, including assumptions used in valuation models. • Accounting for transaction costs, interest expense and conversions occurring during the financial year.	Our audit procedures included, among others: • Obtained and reviewed the converting note agreements and assessed the key contractual terms, including conversion, redemption, interest and maturity provisions. • Evaluated management's classification of the converting notes against the requirements of AASB 9 and AASB 132. • Assessed the appropriateness of management's valuation methodology and key assumptions and, where applicable, tested the mathematical accuracy of the valuation. • Agreed proceeds, transaction costs, interest, and conversions to supporting documentation and recalculated the related accounting entries. • Evaluated the adequacy and appropriateness of the related disclosures in the financial statements.

Other Information

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

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 18 to 25 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Spacetalk Limited, for the year ended 30 June 2026, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

GNS

Gary Sherwood
Partner

RSM Australia Partners

Sydney, NSW
Dated: 28 September 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

Revenue	**Notes**	**2026**	**2025**
Revenue	5	16,218	19,609
Cost of sales		(8,738)	(9,883)
Gross profit		**7,480**	**9,726**
Other income	6	**925**	**496**
Expenses			
Advertising and marketing		(2,142)	(1,825)
Allowance for expected credit loss		(41)	(315)
Corporate and administration		(8,635)	(4,156)
Employee benefits expense	7	(7,788)	(6,152)
Share based payments expense		(281)	(361)
Depreciation and amortisation expense	7	(2,338)	(1,442)
Write-off of non-financial assets		(1,093)	(27)
Net (loss)/gain on foreign exchange		(26)	377
Total expenses		(22,344)	(13,901)
Operating loss		**(13,939)**	**(3,679)**
Finance costs	7	(3,214)	(865)
Loss before income tax expense		(17,153)	(4,544)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Spacetalk Limited		**(17,153)**	**(4,544)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		125	(435)
Other comprehensive income for the year, net of tax		125	(435)
Total comprehensive income for the year attributable to the owners of Spacetalk Limited		**(17,028)**	**(4,979)**
		Cents	**Cents**
Basic earnings per share	34	(16.2)	(7.4)
Diluted earnings per share	34	(16.2)	(7.4)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 30 June 2026

Assets	Notes	2026	2025
Current assets			
Cash and cash equivalents	9	878	1,149
Trade and other receivables	10	977	1,563
Inventories	11	990	1,692
Prepayments		1,645	1,416
Total current assets		**4,490**	**5,820**
Non-current assets			
Property, plant and equipment	12	108	118
Right-of-use assets	13	770	101
Intangibles	14	4,266	2,561
Prepayments		206	-
Total non-current assets		**5,350**	**2,780**
Total assets		**9,840**	**8,600**
Liabilities			
Current liabilities			
Trade and other payables	15	6,369	4,267
Contract liabilities	16	2,153	2,262
Borrowings	17	3,600	1,300
Lease liabilities	18	283	40
Derivative financial instruments	19	722	826
Employee benefits		353	342
Provisions	20	371	447
Converting notes - host liability	21	4,699	-
Converting notes - embedded derivative	21	2,691	-
Total current liabilities		**21,241**	**9,484**
Non-current liabilities			
Borrowings	17	-	3,300
Lease liabilities	18	490	79
Total non-current liabilities		**490**	**3,379**
Total liabilities		**21,731**	**12,863**
Net assets/ liabilities		**(11,891)**	**(4,263)**
Equity			
Issued capital	22	53,567	45,544
Reserves	23	1,162	276
Accumulated losses		(66,620)	(50,083)
Total equity/(deficiency)		**(11,891)**	**(4,263)**

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

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

Figures in $'000	**Issued capital**	**Reserves**	**Accumulated loss**	**Total deficiency in equity**
	$'000	**$'000**	**$'000**	**$'000**
Balance at 1 July 2024	40,802	875	(45,539)	(3,862)
Changes in equity				
Loss after income tax expense for the year	-	-	(4,544)	(4,544)
Other comprehensive income for the year, net of tax	-	(435)	-	(435)
Total comprehensive income for the year	-	(435)	(4,544)	(4,979)
Transactions with owners in their capacity as owners				
Contributions of equity, net of transaction costs (note 22)	4,217	-	-	4,217
Conversion of rights to shares (notes 22 and 23)	460	(460)	-	-
Transfer from share-based payments reserve (notes 22 and 23)	65	(65)	-	-
Employee rights expense (note 23)	-	361	-	361
Balance at 30 June 2025	45,544	276	(50,083)	(4,263)
Balance at 1 July 2025	45,544	276	(50,083)	(4,263)
Loss after income tax expense for the year	-	-	(17,153)	(17,153)
Other comprehensive income for the year, net of tax	-	125	-	125
Total comprehensive income for the year	-	125	(17,153)	(17,028)
Transactions with owners in their capacity as owners				
Share placements (note 22)	7,877	-	-	7,877
Shares issued on the conversion of converting notes and accrued interest (note 22)	2,093	-	-	2,093
Conversion of rights to shares (notes 22 and 23)	181	(181)	-	-
Employee rights and options expense (note 23)	-	281	-	281
Capital raising costs - Broker options (notes 22 and 23)	(1,277)	1,277	-	-
Capital raising costs - other	(851)	-	-	(851)
Lapsed rights and expired options (note 23)	-	(616)	616	-
Balance at 30 June 2026	**53,567**	**1,162**	**(66,620)**	**(11,891)**

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

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

Cash flows from operating activities	**Notes**	**2026**	**2025**
Receipts from customers (inclusive of GST)		17,596	18,764
Payments to suppliers and employees (inclusive of GST)		(25,645)	(21,295)
		(8,049)	(2,531)
Government grants		877	446
Interest and other finance costs paid		(227)	(596)
Net cash flows used in operating activities	33	**(7,399)**	**(2,681)**
Cash flows used in investing activities			
Payments for property, plant and equipment	12	(54)	(28)
Payments for intangibles	14	(4,461)	(1,630)
Net cash used in investing activities		**(4,515)**	**(1,658)**
Cash flows from financing activities			
Proceeds from issue of shares	22	7,502	4,606
Proceeds from converting notes	33	5,180	-
Payments of lease liabilities (principal)	33	(184)	(103)
Share issue transaction costs		(851)	(389)
Repayment of borrowings		-	(400)
Net cash from financing activities		**11,647**	**3,714**
Net decrease in cash and cash equivalents		**(267)**	**(625)**
Cash and cash equivalents at the beginning of the financial year		1,149	1,770
Effects of exchange rate changes on cash and cash equivalents		**(4)**	**4**
Cash and cash equivalents at the end of the financial year	9	**878**	**1,149**

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

Notes to the Consolidated Financial Statements

For the year ended 30 June 2026

Note 1. General information

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

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

Suite 1, Level 9
80-82 Pitt Street
Sydney NSW 2000

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

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

Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

For the year ended 30 June 2026, the Group incurred a loss of $17,153,000 (2025: $4,544,000) and had net cash outflows from operating and investing activities of $7,399,000 (2025: $2,681,000) and $4,515,000 (2025: $1,658,000) respectively. At 30 June 2026, the Group had net current liabilities of $16,751,000 (2025: $3,664,000) and net liabilities of $11,891,000 (2025: $4,263,000).

These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- During the year the Group raised $7,502,000 through share placement (refer note 22), and $6,550,000 through the issue of converting notes (refer Note 21), of which $5,180,000 were cash and $1,370,000 were non-cash settlements. The Group also converted $1,000,000 (refer Note 17) of its loan with Pure Asset Management into $1,000,000 converting notes which is part of the non-cash portion.
- As stated in Note 32, subsequent to the end of the financial year, the Group announced that it had received binding commitments from institutional and professional investors to raise $10,000,000 before costs via a two-tranche placement of fully paid ordinary shares at an issue price of $0.075 per share (refer to note 32). Tranche 1 comprised 34,581,000 shares to raise approximately $2,593,575 before costs and was issued immediately under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1. At the General Meeting held on 16 September 2026, shareholders approved the issue of 98,752,333 Tranche 2 August Placement Shares to raise approximately $7,406,425 before costs, completing the $10,000,000 placement.
- As disclosed in note 21, the Group has converting notes with a face value of $4,550,000 carried at $7,390,000 at 30 June 2026. The notes matured on 31 July 2026 and were subject to mandatory conversion into equity. Despite the fact that these instruments will convert to equity, they have been classified as derivative financial liabilities from an accounting perspective as there is some potential variability in the number of shares that will be issued to extinguish these liabilities. On 3 August 2026, 4,475,000 converting notes, with a face value of $1.00 each, were converted into ordinary shares of the Company (refer to note 32) and the balance of 75,000 notes were forfeited.
- Included within current liabilities are contract liabilities carried at $2,153,000, which are not expected to require to be cash settled, but rather through the provision of services.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 30.

Principles of consolidation

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

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

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

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Rounding of amounts

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

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

AASB 18 Presentation and Disclosure in Financial Statements

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

Note 3. Critical accounting judgements, estimates and assumptions

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

Capitalisation of internally generated intangible assets

The Group incurs significant expenditure conducting research and development activities for new and existing products developed internally. As a result of this, professional judgement is required in order to identify which of these expenditures represent research and which represent development costs.

Expenditure associated with research activities are expensed as incurred in accordance with AASB 138. An intangible asset is recognised to record expenditure arising from development activities only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Any costs that cannot be reliably split between research and development activities are expensed when incurred.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Fair value of derivative liabilities - warrants

Included in note 19 is a derivative liability in relation to warrant issued. The classification of this instrument involves significant judgement, particularly in determining whether it meets the criteria for equity classification under AASB 132 Financial Instruments: Presentation. The directors have exercised their judgement in determining that the warrant be classified as a financial liability on the basis that the instrument does not meet the “fixed for fixed” test under AASB 132.

The fair value measurement of the derivative liability also involves significant estimation uncertainty. Key assumptions used in the valuation include expected volatility and the risk-free interest rate. These inputs are subject to change and can materially affect the fair value outcome. The valuation technique applied is consistent with AASB 13 Fair Value Measurement, and the instrument is categorised within Level 3 of the fair value hierarchy due to the use of unobservable inputs.

Fair value of embedded derivatives

The embedded derivative liabilities arising from the Group’s converting notes are measured at fair value in accordance with AASB 13 Fair Value Measurement. The valuation is classified as a Level 3 fair value measurement due to the use of significant unobservable inputs.

Key unobservable inputs include assumptions regarding share price volatility, risk free interest rate and probable conversion outcomes. These assumptions require significant judgement and are based on management’s best estimates at the reporting date. Changes in these assumptions could result in a material change in the fair value of the embedded derivatives, with a corresponding impact on profit or loss in future reporting periods.

Warranty provision

In determining the level of provision required for warranties the Group has made judgements in respect of the expected performance of the products, the number of customers who will actually claim under the warranty and how often, and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services.

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into 5 operating segments: Devices, Schools, MVNO, Apps, and Seniors. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM assesses the performance of the Group's operating segments and allocates resources primarily based on segment revenue and gross profit. Information relating to segment assets and segment liabilities is not regularly provided to, or reviewed by, the CODM as part of the Group's internal management reporting process. Accordingly, in accordance with AASB 8 Operating Segments, segment asset and liability information has not been disclosed.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

The Group operates predominantly in five business segments, defined by the Group's different product and service offerings. The principal products and services of each of these operating segments are as follows

1. **Devices** Device segments supply the 'Spacetalk' smartwatches through retail distribution networks and online sales.
2. **Schools** The schools segment provides school messaging services and licence fees to various schools.
3. **MVNO** MVNO (Mobile Virtual Network Operator) segment sells mobile services under the 'Spacetalk' brand name using the network of a licensed mobile operator.
4. **Apps** Apps segment supply the 'Spacetalk' smartwatches customers the device agnostic (open) mobile application products.
5. **Seniors** The senior (or "Life mPers") segment targets elderly individuals and their families with wearable safety devices and emergency alert features. These offerings help seniors live independently while providing reassurance to families and caregivers.

Other income and expenses:

Corporate 'Corporate' is the aggregation of government grants and other sundry income and expenses at the corporate level.

Major customers

For the year ended 30 June 2026, revenue from a single customer within Australasia amounted to approximately $2.7 million.

For the year ended 30 June 2025, included in revenues arising from Australasia were revenues of approximately $2.7 million and $2.4 million which arose from sales to the Group's two largest customers.

No other single customer contributed 10% or more to the Group's revenue for both 2026 and 2025.

Operating segment information

2026	**Devices $'000**	**Schools $'000**	**MVNO $'000**	**Apps $'000**	**Seniors $'000**	**Total $'000**
Revenue	5,529	925	8,070	1,694	-	16,218
Gross profit	1,302	811	4,015	1,352	-	7,480

2025	**Devices $'000**	**Schools $'000**	**MVNO $'000**	**Apps $'000**	**Seniors $'000**	**Total $'000**
Revenue	8,313	1,866	6,957	2,411	62	19,609
Gross profit	2,587	1,759	3,633	1,687	60	9,726

Revenue by geographical area

	2026 $'000	**2025 $'000**
Australasia	15,496	18,958
Rest of world	722	651
	16,218	19,609

Note 5. Revenue

	2026 $'000	2025 $'000
Revenue from contracts with customers	16,218	19,609

Timing of revenue recognition

	2026 $'000	2025 $'000
Good recognised at a point in time	5,529	8,313
Services recognised over time	10,689	11,296
	16,218	19,609

Accounting policy for revenue

Sale of goods

Revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. Delivery occurs when the goods have been shipped to the customer's specific location. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

School messaging service, App subscriptions and MVNO subscriptions

App subscription revenue

App subscription revenue relates to fees charged for access to the Group's application platform and associated services. The related performance obligations are satisfied over time throughout the subscription period. Revenue is recognised over the subscription term using a time-based measure of progress, being the proportion of the subscription period elapsed. Amounts received or invoiced in advance are recognised as contract liabilities and recognised as revenue as the related services are provided.

MVNO subscription revenue

MVNO revenue relates to the provision of mobile connectivity and telecommunications services to customers. The related performance obligations are satisfied over time. Revenue is recognised over the service period using a time-based measure of progress. Amounts received or invoiced in advance are recognised as contract liabilities and recognised as revenue as the related services are provided.

School messaging revenue

School messaging revenue relates to the provision of communication and messaging services to schools under contractual arrangements. The related performance obligations are satisfied over time. Revenue is recognised over the contract period using a time-based measure of progress, being the proportion of the service period elapsed. Amounts received or invoiced in advance are recognised as contract liabilities and recognised as revenue as the related services are provided.

Rebates, discounts and marketing contributions

The Group provides rebates, discounts and marketing contributions to certain customers under contractual arrangements. These amounts are recognised as a reduction of revenue when the related revenue is recognised.

Note 6. Other income

	2026 $'000	2025 $'000
Government grants	877	446
Sundry income	48	50
Other income	925	496

Accounting policy for government grants

The Group is eligible to receive refundable tax offsets under the Australian Government's Research and Development Tax Incentive scheme in respect of eligible research and development expenditure. The research and development tax incentive is accounted for as a government grant in accordance with AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*. The incentive is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to the incentive and that the incentive will be received.

Note 7. Expenses

	2026 $'000	2025 $'000
Loss before income tax includes the following specific expenses:		
Depreciation expenses		
Leasehold improvements	5	-
Plant and equipment	59	22
Buildings right-of-use assets	146	157
Total depreciation	210	179
Amortisation expenses		
Capitalised development cost	2,128	1,263
Total depreciation and amortisation	2,338	1,442
Finance costs		
Imputed interest on convertible notes (note 21)	2,133	-
Interest and finance charges paid/payable on borrowings and lease liabilities	389	478
Fair value loss of embedded derivative (note 21)	800	-
Fair value (gain)/loss on warrants	(104)	407
Interest income	(4)	(20)
Finance costs expensed	3,214	865
Corporate and administration		
Professional fees	4,335	2,300
Software and IT Subscriptions	1,586	768
Superannuation expense		
Defined contribution superannuation expense	891	523

Note 8. Income tax

	2026 $'000	2025 $'000
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(17,153)	(4,544)
Tax at the statutory tax rate of 25%	(4,288)	(1,136)
Current year deferred tax not recognised	4,288	1,136
Income tax expense	-	-

	2026 $'000	2025 $'000
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Other provisions	452	148
Property, plant and equipment	11	12
Lease liabilities	193	30
Distribution rights	-	110
Trade payables/accrued expenses	71	277
Provision for employee entitlements	88	86
Right-of-use assets	(192)	(25)
Income tax losses	8,417	5,256
Intangible assets	881	498
Capital raising costs	188	73
Foreign currency monetary items	12	-
Other financial liabilities	174	-
Total deferred tax assets not recognised	10,295	6,465

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The unused carried forward tax losses for which no deferred tax asset has been recognised as at 30 June 2026 are $33,666,000 (30 June 2025: $21,024,000) with a potential tax benefit at 25% of $8,417,000 (30 June 2025: $5,256,000).

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 9. Cash and cash equivalents

	2026 $'000	2025 $'000
Current assets		
Cash at bank	593	988
Cash on deposit	285	161
	878	1,149

Accounting policy for cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 10. Trade and other receivables

	2026 $'000	2025 $'000
Current assets		
Trade receivables	645	1,385
Less: Allowance for expected credit losses	(29)	(80)
	616	1,305
Other receivables	361	258
	977	1,563

Allowance for expected credit losses

The ageing of the receivables after provision for expected credit losses is as follows:

	2026 $'000	2025 $'000
Not due	589	988
Past due 0-30 days	-	39
Past due 31-60 days	-	74
Past due 61-90 days	3	72
Past due over 90 days	24	132
	616	1,305

Movements in the allowance for expected credit losses are as follows:

	2026 $'000	2025 $'000
Opening balance	80	52
Additional provisions recognised due to new sales	41	315
Receivables written off during the year as uncollectible	(92)	(287)
Closing balance	29	80

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

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

Where contractual arrangements or commercial practices provide for discounts, rebates, or other price concessions, these are recognised as a reduction in revenue and offset against the related receivable. The provision is estimated based on historical trends, current agreements, and expected future claims.

Discounts may include:

- Volume rebates
- Promotional allowances

These are accounted for at the time of revenue recognition if the amount can be reliably estimated and it is probable that the discount will be claimed.

Receivables are offset only when there is a legally enforceable right to offset and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Note 11. Inventories

	2026 $'000	2025 $'000
Current assets		
Finished goods - at cost (Net of a provision of $982,000 (2025: $1,285,000))	990	1,692

The cost of inventories recognised as an expense during the year in respect of continuing operations was $4,221,000 (2025: $5,728,000).

Inventory of $465,000 (2025: $nil) was written off during the current year as the Company plans to launch new kids smartwatch hardware with improved unit economics in 2HF27.

Accounting policy for inventories

Finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 12. Property, plant and equipment

	2026 $'000	2025 $'000
Non-current assets		
Leasehold property - at cost	5	9
Less: Accumulated depreciation	(5)	(4)
	-	5
Plant and equipment - at cost	304	250
Less: Accumulated depreciation	(196)	(137)
	108	113
	108	118

Reconciliations

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

	Leasehold property $'000	Plant and equipment $'000	Total $'000
Balance at 1 July 2024	5	107	112
Additions	-	28	28
Depreciation expense	-	(22)	(22)
Balance at 30 June 2025	5	113	118
Additions	-	54	54
Depreciation expense	(5)	(59)	(64)
Balance at 30 June 2026	-	108	108

Accounting policy for property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a reducing balance basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Leasehold improvements	10 years
Plant and equipment	5 - 10 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 13. Right-of-use assets

	2026 $'000	2025 $'000
Non-current assets		
Land and buildings - right-of-use	1,251	435
Less: Accumulated depreciation	(481)	(334)
	770	101

The Group leases office premises under a non-cancellable lease with an initial term of three years, commencing on 1 April 2026. The lease does not include any renewal or extension options. Lease payments are subject to fixed annual increases of 3.75%, which are reflected in the measurement of the lease liability and corresponding right-of-use asset.

Reconciliations

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

	Buildings $'000
Balance at 1 July 2024	198
Additions	60
Depreciation expense	(157)
Balance at 30 June 2025	101
Additions	815
Depreciation expense	(146)
Balance at 30 June 2026	770

Accounting policy for right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 14. Intangibles

	2026 $'000	2025 $'000
Non-current assets		
Capitalised development cost	10,688	25,903
Less: Accumulated amortisation	(6,422)	(23,342)
	4,266	2,561

Reconciliations

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

	Development **$'000**
Balance at 1 July 2024	2,192
Additions	1,659
Written off	(27)
Amortisation expense	(1,263)
Balance at 30 June 2025	2,561
Additions	4,461
Written off*	(628)
Amortisation expense	(2,128)
Balance at 30 June 2026	4,266

*During the year, the Company launched a new website in October 2025 and a new mobile application in November 2025. As a result of these replacements, the Company assessed the carrying amounts of costs previously capitalised in relation to the former website and mobile application. As the former website and mobile application were no longer expected to generate future economic benefits following the launch of their replacements, the remaining carrying amounts of the related capitalised costs were fully written off and recognised as a write-off expense in the statement of profit or loss.

Accounting policy for research and development

Intangible assets comprise capitalised development costs and are measured at cost less accumulated amortisation and impairment losses.

Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs include directly attributable employee costs and other expenditure incurred in developing software, platforms and related technology that meet the capitalisation criteria.

Capitalised development costs are amortised on a straight-line basis over their estimated useful life of three years from the date the asset is available for use.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Any impairment loss is recognised immediately in profit or loss.

The useful lives, residual values and amortisation methods of intangible assets are reviewed at least annually and adjusted prospectively where appropriate.

Note 15. Trade and other payables

	2026 $'000	2025 $'000
Current liabilities		
Trade payables	3,822	1,691
Other payables	2,547	2,576
	6,369	4,267

Refer to note 25 for further information on financial instruments.

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 16. Contract liabilities

	2026 $'000	2025 $'000
Current liabilities		
Unearned revenue	2,153	2,262

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $2,153,000 as at 30 June 2026 ($2,262,000 as at 30 June 2025) and is expected to be recognised as revenue in future periods as follows:

	2026 $'000	2025 $'000
Within 6 months	1,798	1,890
6 to 12 months	355	372
	2,153	2,262

Accounting policy for contract liabilities

Contract liabilities represent the Group's obligation to transfer services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the services to the customer.

Note 17. Borrowings

	2026 $'000	2025 $'000
Current liabilities		
Term loan	3,600	1,300
Non-current liabilities		
Term loan	-	3,300
	3,600	4,600

Refer to note 25 for further information on financial instruments.

Term loan

On 11 July 2025, Pure Asset Management ("Pure") agreed to subscribe for 1,000,000 Converting Notes in settlement of $1,000,000 of secured debt owed by the Company. The conversion took effect on 12 November 2025 upon obtaining shareholder approval for the issuance of the Converting Notes, reducing the outstanding secured debt facility to $3,600,000. The Company obtained shareholder approval for the issuance.

In addition, Pure agreed to the following amendments to its existing secured loan facility:

- Suspension of all capital repayments for the remainder of the 2026 calendar year; and
- Extension of the loan maturity date by three months to 30 June 2027.

The loan incurs interest at 9.5% per annum.

The term loan is subject to the following covenants:

- The Group's minimum cash balance must remain at $750,000 at all times.
- EBITDA covenants: Specific targets to be met quarterly from 30 June 2025 onwards.

As at 30 June 2026, the Company was granted a waiver on covenant targets by Pure Asset Management.

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	2026 $'000	2025 $'000
Total facilities		
Term loan	3,600	4,600
Used at the reporting date		
Term loan	3,600	4,600
Unused at the reporting date		
Term loan	-	-

Note 18. Lease liabilities

	2026 $'000	2025 $'000
Current liabilities		
Lease liability	283	40
Non-current liabilities		
Lease liability	490	79
	773	119

Refer to note 25 for further information on financial instruments.

Accounting policy for lease liabilities

The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Note 19. Derivative financial instruments

	2026 $'000	2025 $'000
Current liabilities		
Warrants	722	826

Refer to note 25 for further information on financial instruments.

Refer to note 26 for further information on fair value measurement.

At the beginning of the financial year, the Company had 11,000,000 warrants on issue, comprising 9,000,000 warrants exercisable at $0.23 per share and expiring on 31 March 2027, and 2,000,000 warrants exercisable at $0.165 per share and expiring on 31 December 2026. During the year, following capital raisings, the exercise price of both warrant series was repriced to $0.07 per share in accordance with their terms. At 30 June 2026, the Company had 11,000,000 warrants on issue, comprising 9,000,000 warrants exercisable at $0.07 per share and expiring on 31 March 2027, and 2,000,000 warrants exercisable at $0.07 per share and expiring on 31 December 2026. As the warrants contain repricing provisions that result in a variable exercise price, they do not satisfy the fixed-for-fixed criterion in AASB 132 and are therefore classified as derivative financial liabilities. Accordingly, the warrants are measured at fair value through profit or loss. No warrants were issued, exercised, cancelled or expired during the year ended 30 June 2026.

Key assumptions used in determining the fair value of the warrants:

Valuation date	Share price at 30 June	Exercise price	Expected volatility	Warrant remaining life	Fair value per warrant at valuation date	Number of warrants issued	Fair value of warrants
	$	$	%	Years	$		$'000
30 June 2026	0.125	0.070	84.13	0.50	0.0608	2,000,000	121
30 June 2026	0.125	0.070	95.30	0.75	0.0668	9,000,000	601
						11,000,000	722
30 June 2025	0.150	0.165	120.35	1.50	0.0794	2,000,000	159
30 June 2025	0.150	0.230	120.35	1.75	0.0741	9,000,000	667
						11,000,000	826

Note 20. Provisions

	2026 $'000	2025 $'000
Current liabilities		
Warranties	241	148
Returns	130	299
	371	447

Warranties

The provision represents the estimated warranty claims in respect of products sold which are still under warranty at the reporting date. The provision is estimated based on historical warranty claim information, sales levels and any recent trends that may suggest future claims could differ from historical amounts.

Returns

The Group recognises a provision for expected sales returns at the time revenue is recognised for products sold where customers have a contractual right of return. The provision is measured based on historical return rates, current sales trends and management's expectations of future returns.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

2026	Warranties $'000	Returns $'000	Total $'000
Carrying amount at the start of the year	148	299	447
Reversed	-	(470)	(470)
Raised	150	630	780
Utilised	(57)	(329)	(386)
Carrying amount at the end of the year	241	130	371

Note 21. Converting notes

During the year ended 30 June 2026, the Company issued at total of 6,550,000 converting notes with a total face value of $6,550,000. This included 2,000,000 notes issued on 16 September 2025, which were subsequently converted into ordinary shares. The remaining 4,550,000 notes were issued in three tranches: 3,000,000 notes on 14 July 2025, 1,000,000 notes on 12 November 2025 and 550,000 notes on 28 November 2025.

All converting notes were issued on identical terms and conditions. The notes bear a fixed interest rate of 10% per annum, with interest settled quarterly through the issue of ordinary equity shares. The notes had a maturity date of 31 July 2026, at which time they were subject to mandatory conversion into equity. On 3 August 2026, the Company issued 59,630,957 fully paid ordinary shares on conversion of 4,475,000 converting notes with an aggregate face value of $4,475,000, at a conversion price of $0.08 per share, together with shares issued in settlement of interest payable on the converting notes in accordance with their terms of issue (refer to note 32).

Converting notes - host liability

	2026 $'000	2025 $'000
Opening balance	-	-
Notes issued at inception	5,550	-
Notes issued in settlement of term loan	1,000	-
Derivative feature - conversion feature	(1,891)	-
Imputed interest on converting notes	2,133	-
Conversion of interest to shares	(93)	-
Conversion of notes to shares	(2,000)	-
Closing balance	4,699	-

Converting notes - embedded derivative

	2026 $'000	2025 $'000
Opening balance	-	-
Converting notes - embedded derivative fair value at inception	1,891	-
Loss on fair value of embedded derivative	800	-
Closing balance	2,691	-

Key assumptions used in determining the fair value of the converting notes - embedded derivatives

Valuation date	Share price $	Exercise price $	Expected volatility %	Converting life remaining Years	Fair value of option at valuation date $	Number of shares to be issued	Fair value of options $'000
30 June 2026	0.125	0.08	127.65	0.0849	0.0473	56,875,000	2,691
At inception	0.115 - 0.150	0.11 - 0.14	93.88 - 118.01	0.66 - 1	0.04 - 0.07	35,519,481	1,891

Accounting policy for converting notes

Converting notes issued by the Company comprise a financial liability and an embedded derivative relating to the conversion feature.

On initial recognition, the derivative component is measured at fair value, with the residual amount recognised as the host financial liability. The host financial liability is subsequently measured at amortised cost using the effective interest method. Interest expense recognised over the term of the notes includes the contractual interest and the unwinding of any discount arising on initial recognition.

The derivative liability is subsequently measured at fair value through profit or loss, with changes in fair value recognised in profit or loss

On conversion, the financial liability and derivative liability are derecognised and the resulting equity instruments are recognised in issued capital.

Note 22. Issued capital

	2026	2025	2026	2025
	Shares	**Shares**	**$'000**	**$'000**
Ordinary shares - fully paid	209,758,407	72,912,682	53,567	45,544

Movements in ordinary share capital

Details	**Shares**	**$'000**
Balance at 1 July 2024	471,021,409	40,802
Exercise of performance rights	19,219,875	458
Equity raising	143,947,420	3,341
Transfer of vested expired options to share capital	3,571,428	65
Capital consolidation (1 for 10)	(573,984,119)	-
Consolidation of shares	348	-
Share placement	9,035,715	1,265
Exercise of performance rights	100,606	2
Capital raising costs		(389)
Balance at 30 June 2025	72,912,682	45,544
Share placement (a)	11,682,050	1,500
Shares issued on the conversion of converting notes and accrued interest (b)	18,884,456	2,093
Conversion of rights to shares (note 23)	1,249,219	181
Share placement (c)	100,030,000	6,002
Shares issued as consideration for services rendered (d)	5,000,000	375
Capital raising costs		(2,128)
Balance at 30 June 2026	209,758,407	53,567

(a) On 13 November 2025, the Company completed a placement to sophisticated and professional investors, issuing 11,682,050 fully paid ordinary shares at an issue price of $0.1284 per share, raising $1.5 million before transaction costs.

(b) Shares issued on conversion of converting notes include: converting notes with a face value of $2.0 million that were issued and converted during the financial year including accrued interest of $28,000; and shares issued in settlement of interest of $65,000 on converting notes that remained outstanding at the reporting date (refer note 21).

(c) The Company completed a placement to institutional and professional investors comprising 100,030,000 fully paid ordinary shares at an issue price of $0.06 per share, raising $6.0 million before transaction costs. The placement was completed in two tranches, with 15,694,712 shares issued on 15 April 2026 and the remaining 84,335,288 shares issued on 22 May 2026 following shareholder approval at the general meeting held on 20 May 2026. The issue of the first tranche was ratified by shareholders at the same meeting.

(d) Shares issued as consideration for services received at $0.075 per share.

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.

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

In order to maintain or adjust the capital structure, the 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 2025 Annual Report.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'borrowings', 'lease liabilities', 'derivative liabilities' and 'converting notes' as shown in the statement of financial position) less 'cash and cash equivalents' as shown in the statement of financial position. Total capital is calculated as 'total equity' as shown in the statement of financial position (including non-controlling interest) plus net debt.

The gearing ratio at the reporting date was as follows:

	2026	**2025**
	$'000	**$'000**
Borrowings (note 17)	3,600	4,600
Lease liabilities (note 18)	773	119
Derivative - Warrant (note 19)	722	826
Converting notes - host liability (note 21)	4,699	-
Converting notes - embedded derivative (note 21)	2,691	-
Total borrowings	12,485	5,545
Cash and cash equivalents (note 9)	(878)	(1,149)
Net debt	11,607	4,396
Total deficiency in equity	(11,891)	(4,263)
Total capital	(284)	133
Gearing ratio	(4,087%)	3,305%

Note 23. Reserves

	2026 $'000	2025 $'000
Foreign currency reserve	(264)	(389)
Share-based payments reserve	1,426	665
	1,162	276

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

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.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

	Foreign currency translation reserve $'000	Share based payments reserve $'000	Total $'000
Balance at 1 July 2024	46	829	875
Foreign currency translation	(435)	-	(435)
Conversion of rights to shares	-	(460)	(460)
Share based payments expense	-	361	361
Shares payables not issued	-	(65)	(65)
Balance at 30 June 2025	(389)	665	276
Foreign currency translation	125	-	125
Conversion of rights to shares	-	(181)	(181)
Share based payments expense	-	281	281
Broker options	-	1,277	1,277
Lapsed rights and expired options	-	(616)	(616)
Balance at 30 June 2026	(264)	1,426	1,162

Note 24. Dividends

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

Note 25. Financial instruments

Financial risk management objectives

The Group's principal financial instruments comprise borrowings, derivatives, receivables, payables, cash and short-term deposits. The Group manages its exposure to key financial risks in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The main risks arising from the Group’s financial instruments are interest rate risk, credit risk, liquidity risk and foreign currency risk. The Group does not speculate in the trading of derivative instruments. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk, liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections.

Market risk

Foreign currency risk

As a result of operations in the USA being denominated in USD, operations in New Zealand being denominated in NZD, and operations in the United Kingdom being denominated in GBP, the Group's balance sheet can be affected by movements in the respective AUD exchange rates. The Group does not hedge this exposure.

In the reporting period the Group's volume of transactions in NZ currency was low and immaterial.

The Group manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in USD, NZD and GBP, to meet current operational commitments.

Management believes the balance date risk exposures are representative of the risk exposure inherent in financial instruments.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's exposure to risks of changes in market interest rates relates primarily to the Group ’s cash balances. The Group constantly analyses its interest rate exposure. Within this analysis consideration is given to potential renewals of existing positions, alternative financing positions and the mix of fixed and variable interest rates.

The Group's exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits. The interest rates in relation to borrowings are fixed at 9.5%. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date.

	2026 Balance $’000	2025 Balance $’000
Cash and cash equivalents (interest-bearing accounts)	285	161
Net exposure to cash flow interest rate risk	285	161

Credit risk

Credit risk arises from the financial assets of the Group, which comprise deposits with banks and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with the maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets included in the Statement of Financial Position represents the Group's maximum exposure to credit risk in relation to those assets.

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the Group does not have a significant exposure to bad debts. Trade and other receivables are expected to have a maturity of less than 12 months, for both year-ends.

There are no significant concentrations of credit risk within the Group.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate	**1 year or less**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Remaining contractual maturities**
2026	**%**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	6,369	-	-	-	6,369
Interest-bearing - fixed rate						
Term loans	9.50%	3,600	-	-	-	3,600
Converting notes*	-	-	-	-	-	-
Lease liability	3.60%	299	315	246	-	860
Total non-derivatives		10,268	315	246	-	10,829

* The converting notes have been included in the contractual maturity analysis as they are recognised as financial liabilities at the reporting date. However, the contractual terms require settlement through the mandatory issue of a variable number of ordinary shares, with no contractual obligation to deliver cash in respect of either the principal or accrued interest. Accordingly, the contractual cash outflows relating to the converting notes are nil.

2025	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	4,267	-	-	-	4,267
Interest-bearing - fixed rate						
Term loans	9.50%	1,300	3,300	-	-	4,600
Lease liability	3.70%	40	79	-	-	119
Total non-derivatives		5,607	3,379	-	-	8,986

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

Fair value of financial instruments

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

Note 26. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Liabilities				
Derivative liabilities - warrants	-	-	722	722
Derivative liabilities - converting notes	-	-	2,691	2,691
Total liabilities	-	-	3,413	3,413

2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Liabilities				
Derivative liabilities - warrants	-	-	826	826
Total liabilities	-	-	826	826

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3

Warrants:

The fair value measurement of the derivative liabilities involves significant estimation uncertainty. Key assumptions used in the valuation include expected volatility and the risk-free interest rate. These inputs are subject to change and can materially affect the fair value outcome.

Converting notes:

Key unobservable inputs include assumptions regarding share price volatility, risk free interest rate and probable conversion outcomes. These assumptions require significant judgement and are based on management's best estimates at the reporting date. Changes in these assumptions could result in a material change in the fair value of the embedded derivatives, with a corresponding impact on profit or loss in future reporting periods.

Level 3 assets and liabilities

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

	Warrants $'000	Converting notes $'000
Balance at 1 July 2024	(419)	-
Losses recognised in profit or loss	(407)	-
Balance at 30 June 2025	(826)	-
Additions	-	(1,891)
Gains/(losses) recognised in profit or loss	104	(800)
Balance at 30 June 2026	(722)	(2,691)
Total losses for the previous year included in profit or loss that relate to level 3 assets held at the end of the previous year	(407)	-
Total gains/(losses) for the current year included in profit or loss that relate to level 3 assets held at the end of the current year	104	(800)

Note 27. Key management personnel disclosures

Compensation

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

	2026 $	2025 $
Short-term employee benefits	1,512,346	1,326,034
Post-employment benefits	124,173	94,122
Share-based payments	223,258	291,157
	1,859,777	1,711,313

Note 28. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the Company:

	2026 $	2025 $
Audit services - RSM Australia Partners		
Audit or review of the financial statements	132,000	120,000
Other services - RSM Australia Partners		
Independent experts report	51,500	-
	183,500	120,000

Note 29. Related party transactions

Parent entity

Spacetalk Limited is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

	2026 $	2025 $
Other transactions:		
Subscription for converting notes by key management personnel	470,000	-

Receivable from and payable to related parties

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

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

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

Note 30. 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	(3,499)	(1,246)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	(3,499)	(1,246)

Statement of financial position

	Parent	
	2026	2025
	$'000	$'000
Total current assets	-	-
Total non-current assets	69,772	58,200
Total assets	69,772	58,200
Total current liabilities	11,712	2,126
Total non-current liabilities	-	3,300
Total liabilities	11,712	5,426
Net assets	58,060	52,774
Equity		
• Issued capital	53,567	45,544
• Share-based payments reserve	1,427	665
• Retained profits	3,066	6,565
Total equity	58,060	52,774

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment

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

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 31. Interests in subsidiaries

Unlisted controlled entity	Country of incorporation	Date of acquisition or incorporation	Class of shares	30 June 2026	30 June 2025
Spacetalk Digital Pty Ltd (formerly MGM Wireless Holdings Pty Ltd)	Australia	10/08/2003	Ordinary	100%	100%
Message You LLC1	USA	11/09/2006	Ordinary	100%	100%
Spacetalk (NZ) Pty Ltd	Australia	18/05/2010	Ordinary	100%	100%
Spacetalkwatch UK Ltd	United Kingdom	25/02/2019	Ordinary	100%	100%
Spacetalk Holdings Pty Ltd	Australia	29/06/2015	Ordinary	100%	100%
Spacetalk USA Pty Ltd	Australia	29/06/2015	Ordinary	100%	100%
Spacetalk LLC	USA	29/04/2021	Ordinary	100%	100%
Spacetalk Inc	USA	29/04/2021	Ordinary	100%	100%

Note 32. Events after the reporting period

Strategic MVNO partnership

Subsequent to 30 June 2026, the Company entered a strategic Mobile Virtual Network Operator (MVNO) wholesale agreement with TPG Telecom Limited (“TPG Telecom”) to support the next phase of growth for Spacetalk Mobile. Under the agreement, the Company will migrate its Spacetalk Mobile customer base to the TPG Telecom wholesale mobile network which provides coverage to 99 per cent of the Australian population across more than 1.2 million square kilometres. The Company will continue to own the customer relationship, brand experience, pricing and customer proposition, while TPG Telecom will provide wholesale mobile network capacity and related services.

Commercial agreement with TPG Telecom (Vodafone Australia)

Subsequent to 30 June 2026, the Company entered into a commercial agreement with TPG Telecom, under which Vodafone Australia will launch an exclusive offer to its customers for a co-branded family location, online safety and digital wellbeing solution powered by Spacetalk's proprietary software platform.

Placement and capital raising

On 5 August 2026, the Company announced that it had received binding commitments from institutional and professional investors to raise $10.0 million before costs through a two-tranche placement of fully paid ordinary shares at an issue price of $0.075 per share.

Tranche 1 comprised 34,581,000 ordinary shares to raise approximately $2.6 million before costs, and was issued on 13 August 2026 under the Company’s existing placement capacity.

At the General Meeting held on 16 September 2026, shareholders approved the issue of 98,752,333 Tranche 2 August Placement Shares to raise approximately $7.4 million before costs, completing the $10.0 million placement. Shareholders also approved the issue of 1,333,333 fully paid ordinary shares (included in Tranche 2) to Simon Crowther, or his nominee, being a related party of the Company, at the same issue price of $0.075 per share.

In addition, shareholders approved the issue of 30,000,000 Lead Manager Options as partial consideration for services provided in connection with the placement. The Lead Manager Options are exercisable at $0.10 each and expire on 12 August 2029.

Converting notes

On 3 August 2026, the Company issued 59,630,957 fully paid ordinary shares for nil consideration, as a result of the conversion of 4,475,000 converting notes (with a face value of $1.00 each) at $0.08 per share, and interest payable on the converting notes under the terms of issue.

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.

Note 33. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	2026 $'000	2025 $'000
Loss after income tax expense for the year	(17,153)	(4,544)
Adjustments for:		
Depreciation and amortisation	2,338	1,442
Write off of non-financial assets	1,093	27
Share-based payments	281	361
Fair value gain/(loss) on derivatives	(104)	407
Prepayment settled via shares	406	-
Finance costs - non-cash	2,933	-
Gains and losses on foreign exchange realised in profit or loss	26	(377)
Change in operating assets and liabilities:		
• Decrease/(increase) in trade and other receivables	586	(732)
• Decrease/(increase) in inventories	702	(175)
• Increase in prepayments	(435)	-
• Increase in other operating assets	-	(450)
• Increase in trade and other payables	2,102	1,438
• Increase/(decrease) in contract liabilities	(109)	209
• Increase in employee benefits	11	-
• Decrease in other provisions	(76)	(287)
Net cash used in operating activities	(7,399)	(2,681)

Changes in liabilities arising from financing activities

	Lease liabilities $'000	Term loan $'000	Converting notes $'000	Converting notes - hosting liability $'000	Converting notes - embedded derivative $'000	Derivative instruments - warrants $'000	Total $'000
Balance at 1 July 2024	208	5,000	-	-	-	419	5,627
Net cash used in financing activities	(103)	(400)	-	-	-	-	(503)
Changes in fair values	-	-	-	-	-	407	407
Other changes	14	-	-	-	-	-	14
Balance at 30 June 2025	119	4,600	-	-	-	826	5,545
Net cash from/(used in) financing activities	(184)	-	2,000	3,180	-	-	4,996
Term loan settled by issue of converting notes	-	(1,000)	-	1,000	-	-	-
Notes issued to employees in lieu of cash	-	-	-	370	-	-	370
Bifurcation of derivative instrument	-	-	-	(1,891)	1,891	-	-
Imputed interest on converting notes	-	-	-	2,133	-	-	2,133
Conversion of interest to shares	-	-	-	(93)	-	-	(93)
Conversion of notes to shares	-	-	(2,000)	-	-	-	(2,000)
Acquisition of leases	838	-	-	-	-	-	838
Changes in fair values	-	-	-	-	800	(104)	696
Balance at 30 June 2026	773	3,600	-	4,699	2,691	722	12,485

Gross lease payments made by the Group during the year ended 30 June 2026 were $157,000 (2025: $131,000).

Note 34. Earnings per share

	2026 $'000	2025 $'000
Loss after income tax attributable to the owners of Spacetalk Limited	(17,153)	(4,544)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	105,889,240	61,414,343
Weighted average number of ordinary shares used in calculating diluted earnings per share	105,889,240	61,414,343
	Cents	**Cents**
Basic earnings per share	(16.2)	(7.4)
Diluted earnings per share	(16.2)	(7.4)

As at 30 June 2026, 29,102,120 options and 185,234 performance rights remain on issue. These are anti-dilutive due to the reported net loss and are excluded from the 30 June 2026 diluted EPS calculation.

Note 35. Share-based payments

(a) Options

During the financial year ended 30 June 2026, the Company granted 8,221,147 share options to employees under its Long-Term Incentive (LTI) plan on 3 September 2025. The share options are subject to service vesting conditions and vest in three equal tranches, with one-third vesting on each of the first, second and third anniversaries of the grant date, subject to the satisfaction of the applicable vesting conditions. The options have an exercise price of $0.22 per option and an expiry date on the fourth anniversary of the grant date. 4,119,027 options were forfeited during the year.

On 10 June 2026, the Company issued 25,000,000 unlisted options as partial consideration for lead manager services provided in connection with the Company's placement of ordinary shares completed in May 2026. The issue of the options was approved by shareholders at the General Meeting held on 20 May 2026. The options are exercisable at $0.085 per option and expire three years from the settlement date of the placement. In accordance with AASB 132, the total fair value of the options granted to the lead manager, amounting to $1,276,444 has been recognised as capital-raising expenses and deducted from equity. These expenses were directly offset against the equity proceeds from the capital raise and were not included in the statement of profit of loss.

The options do not confer any voting or dividend rights on the holders. Voting and dividend rights will only arise if and when the options are exercised and ordinary shares are issued.

Set out below are summaries of options granted:

	Number of options 2026	Number of options 2025
Outstanding at the beginning of the financial year	19,165,688	119,682,018
Granted	-	71,973,747
Outstanding before consolidation	19,165,688	191,655,765
Consolidation of options	-	(172,490,188)
Rounding due to consolidation	-	111
Granted	33,221,147	-
Forfeited/lapsed	(23,284,715)	-
Outstanding at the end of the financial year	29,102,120	19,165,688
Exercisable at the end of the financial year	25,000,000	-

The exercise price for the 25,000,000 options is $0.085 per option, while the exercise price for the balance of 4,102,120 options is $0.22 per option.

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.1 years.

(b) Performance rights

During the year ended 30 June 2026, the Company granted employee performance rights for nil consideration in accordance with the performance guidelines established by the Remuneration Committee. A total of 450,000 performance rights were granted and vested on 26 September 2025. A further 363,708 performance rights were granted and vested on 28 November 2025.

The vesting of these performance rights is contingent on achieving specific performance targets relevant to the role. Key targets include:

- Annual Recurring Revenue (ARR) targets
- Free cash flow targets
- Volume-Weighted Average Price (VWAP) targets

Set out below are summaries of performance rights granted:

	Number of rights 2026	Number of rights 2025
Outstanding at the beginning of the financial year	1,433,959	45,648,242
Granted	-	13,088,550
Forfeited/lapsed	-	(27,580,421)
Exercised	-	(19,219,875)
Outstanding before consolidation	1,433,959	11,936,496
Consolidation of rights	-	(10,742,846)
Rounding due to consolidation	-	2
Granted	813,708	543,914
Forfeited/lapsed	(813,214)	(203,001)
Exercised	(1,249,219)	(100,606)
Outstanding at the end of the financial year	185,234	1,433,959
Exercisable at the end of the financial year	185,234	-

(c) Valuation of options and performance rights granted

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
03/09/2025	03/09/2029	$0.150	$0.220	124.89%	-	3.60%	$0.1100
20/05/2026	20/05/2029	$0.077	$0.085	109.39%	-	4.52%	$0.0511

Performance rights issued during the year were measured at fair value based on the prevailing share market price at the grant date.

(d) Shares issued

During the year, the Company issued 5,000,000 fully paid ordinary shares to S3 Consortium Pty Ltd in consideration for Investor Relations services provided to the Company. The shares were valued at $375,000 based on the market price of the Company's shares at the date the services were received, and the corresponding amount was recognised as an expense.

Accounting policy for share-based payments

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of tax residency

Section 295 (3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

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

(a) Australian tax residency

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

(b) Foreign tax residency

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

Consolidated Entity Disclosure Statement

For the year ended 30 June 2026

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Spacetalk Limited	Body corporate	Australia	-	Australia*
Spacetalk Digital Pty Ltd	Body corporate	Australia	100%	Australia*
Message You LLC1	Body corporate	USA	100%	USA
Spacetalk (NZ) Pty Ltd	Body corporate	Australia	100%	Australia*
Spacetalkwatch UK Ltd	Body corporate	United Kingdom	100%	United Kingdom
Spacetalk Holdings Pty Ltd	Body corporate	Australia	100%	Australia*
Spacetalk USA Pty Ltd	Body corporate	Australia	100%	Australia*
Spacetalk LLC	Body corporate	USA	100%	USA
Spacetalk Inc	Body corporate	USA	100%	USA

* Spacetalk Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the income tax consolidation regime. There are no partners in a partnership relationship, trustees in a trust relationship or participants in a joint venture relationship.

Shareholder Information

The shareholder information set out below was applicable as at 16 September 2026.

Distribution of equitable securities

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

	Ordinary shares		Options over ordinary shares		Performance rights over ordinary shares	
	Number of holders	**% of total shares issued**	**Number of holders**	**% of total shares issued**	**Number of holders**	**% of total shares issued**
1 to 1,000	505	0.07	-	-	-	-
1,001 to 5,000	430	0.39	-	-	-	-
5,001 to 10,000	243	0.63	-	-	-	-
10,001 to 100,000	440	5.49	-	-	-	-
100,001 and over	255	93.42	6	100.00	1	100.00
	1,873	100.00	6	100.00	1	100.00
Holding less than a marketable parcel	935	0.50	-	-	-	-

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares	% of total
	Number held	Shares issued
UBS Nominees Pty Ltd	62,063,733	20.42
Pure Asset Management Pty Ltd <Income And Growth Fund A/C>	15,117,695	4.97
Ossum Holdings Pty Ltd <Tanton Super Fund A/C>	10,233,347	3.37
Walden Nominees Pty Ltd <Goldman Family A/C>	9,100,000	2.99
A22 Pty Ltd	8,904,684	2.93
Non Correlated Capital Pty Ltd <Investius Pb Micro Cap A/C>	7,096,114	2.33
Mr Christopher James Cameron	5,000,000	1.65
S3 Consortium Pty Ltd	5,000,000	1.65
Berne No 132 Nominees Pty Ltd <791994 A/C>	4,396,065	1.45
S3 Consortium Holdings Pty Ltd <Nextinvestors Dot Com A/C>	4,100,000	1.35
R Pizzato Aus Pty Ltd <Pizzato Perosa Family A/C>	3,951,424	1.30
Mr Siddhartha Kantichand Dhadha	3,745,686	1.23
Trinetra Capital Pty Ltd	3,623,920	1.19
Mr Anthony Parasiliti <The Lilben Family A/C>	3,515,193	1.16
Xeryus International Pty Ltd	3,500,630	1.15
Wisebuddha Investments Pty Ltd <Wisebuddha Super Fund A/C>	3,459,482	1.14
KLI Pty Ltd <The T Teh's Family A/C>	3,415,068	1.12
Carago Nominees Pty Ltd <G Pezzano Family A/C>	3,207,808	1.06
Mr Miten Shah	2,900,000	0.95
MGL Corp Pty Ltd	2,899,037	0.95
	165,229,886	54.36

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	29,102,120	6
Performance rights over ordinary shares issued	185,234	1

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares Number held	% of total shares issued
UBS Nominees Pty Ltd	62,063,733	20.42

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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.

There are no other classes of equity securities.

Restricted securities

There are no restricted securities.

On-Market Buy-Back

Currently there is no on-market buyback of the Company's securities.

SPACETALK

Family Safety at Every Stage