

2026

ANNUAL REPORT



SPORTSHERO LIMITED
ACN: 123 423 987

Sportshero

CORPORATE DIRECTORY

Directors

Stratos Karousos (Non-Executive Chair)
Tom Lapping (Director and CEO)
Adele Sim (Executive Director)

Company Secretary

Ross Pearson

Registered Office and Principal Place of Business

Suite 376 / Mezzanine
388 George Street
Sydney NSW 2000

Telephone: +61 (2) 9457 8276

Website: <https://asx.sportshero.live/>

Auditor

Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Share Registry

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone: 1300 288 664

Stock Exchange Listing

Australian Securities Exchange
ASX Code: SHO

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General information

The financial statements cover SportsHero Limited (also referred to as 'Company' or 'SportsHero') as a consolidated entity consisting of SportsHero Limited and its subsidiaries. The financial statements are presented in AUD, which is SportsHero Limited's functional and presentation currency.

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

Suite 376 / Mezzanine,
388 George Street,
Sydney NSW 2000

Telephone: +61 (2) 9457 8276

A description of the nature of the consolidated entity'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 29 September 2026. The Directors have the power to amend and reissue the financial statements.

OPERATIONS REPORT

SportsHero Limited is an integrated digital gaming and e-Sports business, bringing together world class game publishers & distributors, regional South East Asian Telco leaders, gamers and e-Sports fans across South East Asia.

Our goal is to build an integrated Digital Gaming and Engagement Universe, which encapsulates all key revenue components of the international gaming segment.

The global gaming industry is estimated to be worth approximately US\$205 billion, with around 3.6 billion gamers worldwide. Within this market, gaming subscriptions account for an estimated US\$13 billion (approximately 6.3% of global spend), while vouchers and gift cards represent approximately US\$22 billion (10.7%). The largest revenue segments are in-app purchases, estimated at US\$103 billion (50.2%), and in-app advertising, estimated at US\$62 billion (30.2%).

SportsHero launched the HeroPlay mobile casual gaming subscription platform in November 2025 as the first product within the broader HeroPlay Gaming Universe strategy. The launch, in partnership with Indosat, Indonesia's second-largest telco provider with approximately 94 million customers, continues to generate very encouraging subscriber acquisition and engagement metrics.

This initial performance of the mobile casual gaming subscription platform has supported the Company's strategy to accelerate the expansion of the HeroPlay Gaming Universe. While the subscription offering provides exposure to approximately 6.3% of global gaming expenditure as outlined above, the Company's product roadmap is focused on expanding into the significantly larger and more mass-market product segments, including vouchers and gift cards, in-app purchases, in-app advertising and integrated gaming webstores.

The addition of these product categories is intended to progressively increase SportsHero's exposure to a broader proportion of the global gaming market. The Company plans to establish multiple supplier relationships with recognised gaming publishers, brands and aggregators across each of these segments, creating a diversified gaming commerce ecosystem accessible through its telco distribution partners.

The Company is currently in advanced commercial discussions with additional gaming publishers, brands and content providers across multiple product categories. Subject to the successful completion of these negotiations, these agreements are expected to further expand the HeroPlay Gaming Universe and enhance the range of products and services available through the platform.

As SportsHero continues to broaden both its supplier network and telco distribution footprint across Southeast Asia, the Company is executing its strategy of developing HeroPlay into a comprehensive gaming universe addressing all key segments of the global gaming market.

Review of operations

The following is a summary of the activities of SportsHero during the period 1 July 2025 to 30 June 2026. It is recommended that this report be read in conjunction with the financial statements and other information provided in this Annual Report and any public announcements made by the Company during the year. In accordance with the continuous disclosure requirements, readers are referred to the announcements lodged with the Australian Securities Exchange regarding the activities of the Company.

Agreement with PLDT Inc, the Largest Fully Integrated Telco in the Philippines

On 1 July 2025 the Company signed a 2-year agreement (renewable for a further year by mutual agreement) to distribute the iGV Family Game Pass product throughout the Philippines, including offering Direct Carrier Billing (DCB) and comprehensive ongoing marketing support.

The agreement includes a first year minimum contract payment to SportsHero relating to a "premium broadband customer" model, providing SportsHero with cashflow post integration.

PLDT will include a 12-month iGV Game Pass subscription for its premium home broadband customers. Those wishing to renew their subscription for a second year will be offered an exclusive extension option. In parallel, PLDT will directly market the iGV Game Pass to its non-premium home broadband customers and the wider

OPERATIONS REPORT

gaming community, who will be able to subscribe at a mutually agreed price. PLDT will provide ongoing direct marketing and DCB support for the duration of this Agreement.

With an estimated 43 million people classified as PC gamers^[1], the overall video games and consoles market in the Philippines was valued at US\$1.15 billion in 2024 and is projected to reach US\$1.9 billion by 2030^[2], growing at a CAGR of 9.1% during the forecast period^[3]. The e-Sports market in the Philippines, which includes PC gaming, is projected to reach US\$27.7m in 2025^[4].

\$1.65m in Firm Commitments Received for Private Placement

On 30 July 2025, the Company announced that it had received firm commitments to raise \$1.65m through the issuance of ~ 71.8 million new fully paid ordinary shares in the Company ('Shares') at \$0.023 per Share, together with a 1:2 free attaching option to acquire Shares ('Options') ('Placement Options'), via a Share placement ('Placement') to sophisticated and professional investors.

The Shares were issued at an issue price of A\$0.023 per share, which was an 18% discount to the last close price of \$0.028 and 15% discount to the 15 day VWAP.

Mobile gaming product added with web games distribution agreement signed with Yes2Games

On 15 August 2025, the Company entered into an exclusive content distribution agreement with Singapore-based gaming company Yes2Games, which has the global exclusive license to the web versions of Halfbrick Studios' game library.

Under the agreement, SportsHero has secured exclusive rights to distribute Yes2Games' portfolio of popular mobile game titles via SportsHero's telecommunications partner channels across four territories: Indonesia, the Philippines, Thailand and Malaysia.

The addition of the Yes2Games and Halfbrick "mobile gaming" product enables the company to target a significantly larger consumer base, in both existing and future potential distribution channels.

The portfolio includes several global hit titles from Halfbrick Studios, including Fruit Ninja, Jetpack Joyride, Dan The Man and Monster Dash, plus a recently launched original IP from Yes2Games "NSR Street Car Racing", which garnered 1M users in its first week of launching on the web.

Fruit Ninja, first released in 2010 was Halfbrick's breakout global phenomenon, reaching 1 billion + downloads and appearing on 1/3 of all iPhones in the US by 2012.^[5] Fruit Ninja 2 has over 14+ million downloads on Google Play and 62,000+ reviews averaging 4.2 stars as of 2025.^[6]

Since its debut, Jetpack Joyride has achieved over 750 million downloads worldwide^[7], placing it among the most-played mobile titles of all time, while Dan the Man has surpassed 110 million downloads on both Google Play and the Apple App Store, establishing itself as a staple in the arcade platformer genre.^{[8] [9]}

SportsHero Strengthened its Indosat Partnership, expanding to Mobile Casual Gaming Product

On 9 September 2025, the company expanded the terms of their existing agreement with Indosat Ooredoo Hutchison (Indosat), to include the distribution of SportsHero's previously announced mobile casual gaming products, in addition to the PC based iGV.Com Family Game Pass PC.

Under the expanded agreement, Indosat offer their customers the ability to subscribe to the suite of mobile game titles offered in the SportsHero catalogue, using their existing phone account via Direct Carrier Billing (DCB).

The agreement includes full marketing support by Indosat, which has approximately 98.8m total customer accounts and averages 50.9m monthly active users on their self-service apps MyIM3 and Bima+.^[10]

OPERATIONS REPORT

Mobile Gaming Catalogue Grows with V-Hunt Adding ~600 Hyper Casual Mobile Gaming Titles

On 15 October 2025, the company announced that its wholly owned subsidiary, SportsHero Enterprise Pte Ltd, has signed an agreement with V Hunt Digital Media Pvt Ltd (V-Hunt) for the rights to distribute a customised catalogue of instantly playable HTML5 hyper casual mobile games throughout Southeast Asia. The agreement adds approximately 600 games to SportsHero's mobile gaming catalogue, in addition to the premium Yes2Games catalogue announced on 15th August 2025 to enhance the game user's experience.

SportsHero Appoints Grace Clapham as Growth Strategy Advisor

The Company expanded their executive team with the appointment of Grace Clapham as its new Growth Strategy Advisor in November 2025, positioning the company to further accelerate growth and strategic market expansion. Throughout her distinguished career, Grace has partnered with leading global brands including Meta, LinkedIn, BMW, Nestlé, Aesop, Maybank, Dentsu, Bank of America, Canva, and Hootsuite, among others. She has scaled operations and led go-to-market strategies across 35+ markets, navigating diverse regulations and cultures to drive growth, and generated revenue through strategic brand and community partnerships.

HeroPlay Goes Live in Indonesia, with 600 Proven HTML5 Titles

HeroPlay went live on 19 November 2025 via Indosat, a significant milestone for SportsHero, offering subscriptions to a catalogue of 600 HTML5 mobile games supplied by leading game distributors Yes2Games and V-Hunt. HeroPlay is a proprietary mobile casual gaming platform which has been developed in-house by SportsHero, combining a content management system (CMS), customer relationship management (CRM) and integrated access via Telco partners Direct Carrier Billing APIs to a large library of HTML5 based mobile game titles from leading mobile game distribution partners.

Record Cash Receipt following Philippines Launch

Late in December 2025, the Company received a significant cash payment of ~A\$530,000 (US\$350,000) following the successful integration and launch of the iGV.Com Game Pass product in the Philippines. The Company receives regular monthly payments throughout the remainder of the initial 12-month minimum contract agreement, which runs through to September 2026. Beyond that time, there is potential for ongoing revenue from the original agreement, together with potentially increased revenue from any expansion or new customer acquisition.

Indosat/SportsHero Joint Press Release 14 January 2026

On 14 January 2026 Indosat and SportsHero shared a joint Press Release about HeroPlay, with Bilal Kazmi, Director & Chief Commercial Officer of Indosat Ooredoo Hutchison, stating that the collaboration with SportsHero aligns with Indosat's commitment to delivering digital services that are simple, easy to use, and relevant for younger generations.

"Through HeroPlay, we are expanding our digital entertainment ecosystem to reach more customers, supported by Indosat's AI-powered 5G network, Alvolusi5G, to deliver a smoother and more optimal gaming experience," he said.

\$4.3m in Firm Commitments Received for Private Placement

On 16 February 2026, the company received firm commitments to raise \$4.3 million through the issuance of approximately 57.3 million new fully paid ordinary shares in the Company ('Shares') at \$0.075 per Share ('Offer Price'), via a Share placement ('Placement') to institutional, sophisticated and professional investors. In a strong endorsement of the Company's strategy and early traction rolling out the HeroPlay product across SE Asia,

OPERATIONS REPORT

SportsHero's CEO Tom Lapping, committed to invest \$300,000 in the placement, subject to shareholder approval, which was approved at a General Meeting on 24 April 2026.

New Mobile Game Content Deal with Playades Adds +400 Games to HeroPlay Catalogue

On 1 April 2026, the company signed an agreement with Playades for the rights to distribute a customised catalogue of HTML5 hyper casual mobile games throughout SE Asia. This agreement adds +400 titles to HeroPlay, increasing SportsHero's total playable mobile casual content catalogue to +1,000. This includes a number of globally recognised HTML5 games, including Temple Run 2, Flappy Bird and Doodle God.

Olahbola Gaming Pass: Football Funnel & Upgrade Pipeline

The Company launched the Olahbola Gaming Pass in May 2026, an entry-level subscription tier purpose-built for Indonesian football fans, giving subscribers access to 30+ football-specific game titles on the HeroPlay platform.

- The Gaming Pass represents a natural bridge between the two brands converting Olahbola's existing football audience into paying HeroPlay subscribers,
- The strategic value of the Olahbola Gaming Pass extends beyond the subscription revenue it generates directly, as each Gaming Pass subscriber enters an active upgrade pathway toward full HeroPlay Premium access, unlocking 1,000+ titles across all sports and gaming categories,
- Originally scheduled to conclude on 28 June, the campaign was extended through to 20 July 2026 aligning with the FIFA World Cup 2026 final,
- Supporting the campaign extension was a coordinated multi-channel activation program to drive sign-ups and brand presence

Subsequent Events

On 30 July 2026, the Company announced an expansion of an existing agreement to now include distribution of its HeroPlay mobile gaming subscription product. See the ASX announcement from that date for more details.

On 13 August 2026, the Company announced a new product agreement to add gaming related digital products and services to HeroPlay. See the ASX announcement from that date for more details.

On 24 August 2026, it announced a distribution agreement with for gaming top-up vouchers and electronic PINs. See the ASX announcement from that date for more details.

On 25 September 2026, the Company announced an agreement with a new voucher supplier for the HeroPlay Global Store. See the ASX announcement from that date for more details.

On 28 September 2026, the Company announced an agreement with a global video game commerce company, which integrates e-commerce, payments and distribution infrastructure into the HeroPlay Gaming Universe, opening new revenue pillars alongside SportsHero's existing subscription and Direct Carrier Billing model. The agreement brings direct-to-consumer webshops and in-game purchase capabilities into the platform and advances HeroPlay's evolution into a full gaming universe spanning subscriptions, vouchers, webstores, in-app purchases and advertising. See the ASX announcement from that date for more details.

Other than these matters outlined above or otherwise referred to in announcements to the ASX after 30 June 2026, 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.

OPERATIONS REPORT

Key risks and uncertainties

The Directors acknowledge that the Group operates in a dynamic and evolving digital technology and gaming environment. The Group's future performance is subject to a range of risks and uncertainties which may have a material impact on the financial position and operating results. Key risks include:

Technology Risk

The Group's products and services rely on emerging digital platforms and third-party partnerships. Rapid technological change, platform integration challenges, cyber-security threats, and reliance on partners' digital infrastructure could affect the continuity, scalability, and security of our offerings. Ongoing investment in product development and information security remains critical to managing this risk.

Funding and Liquidity Risk

As disclosed in the financial statements, the Group has reported operating losses at balance date. The Company has been successful in completing equity capital raising activities throughout the past 12 months and finished the year with an adequate cash balance of \$3.45m. Management have been able to secure strategic commercial agreements to support favourable working capital and growth initiatives. While recent partnerships and equity capital raising activities have strengthened cash flow, there is a risk that future financing may not be available on terms favourable to the Group or within required timeframes.

The Board and management are actively monitoring these risks and have implemented strategies to mitigate them, including diversifying revenue channels, securing long-term partnerships with leading regional Telcos, and maintaining engagement with capital providers. Notwithstanding these measures, there remains inherent uncertainty which may impact the Group's ability to achieve its strategic objectives.

Sources/Footnotes relating to the Review of Operations

^[1] <https://vibox.co.uk/blog/how-many-pc-gamers-are-there-in-the-world> ; <https://ycp.com/insights/whitepaper/the-next-level-the-rise-of-esports-in-the-philippines>

^[2] <https://store.strategyh.com/report/video-games-and-consoles-market-in-philippines/>

^[3] <https://store.strategyh.com/report/video-games-and-consoles-market-in-philippines/>

^[4] <https://www.statista.com/outlook/amo/esports/philippines>

^[5] https://en.wikipedia.org/wiki/Halfbrick_Studios?utm_source=chatgpt.com

^[6] https://www.androidrank.org/application/fruit_ninja_2_fun_action_games/com.halfbrick.fruitninja?utm_source=chatgpt.com

^[7] https://www.prnewswire.com/news-releases/with-over-1-8-billion-downloads-storms-and-halfbrick-studios-bring-instantly-playable-fruit-ninja-and-jetpack-joyride-games-to-the-emerging-markets-301243426.html?utm_source=chatgpt.com

^[8] https://www.androidrank.org/application/dan_the_man_action_platformer/com.halfbrick.dantheman

^[9] https://www.androidrank.org/application/dan_the_man_action_platformer/com.halfbrick.dantheman

^[10] https://www.androidrank.org/application/fruit_ninja_2_fun_action_games/com.halfbrick.fruitninja?utm_source=chatgpt.com

DIRECTORS REPORT

The Directors present their report together with the consolidated financial report for SportsHero Limited ("SportsHero" or the "Company") and its controlled entities (collectively the "Group"), for the year ended 30 June 2026.

Directors

(i) Names, qualifications and experience

The names and details of the Group's Directors in office at any time during the financial period and until the date of this report are as follows:

Stratos Karousos	Non-Executive Chair
Tom Lapping	Director and CEO
Adele Sim	Executive Director

Stratos Karousos - Non-Executive Director and Chair

Mr Karousos is the holder of a Bachelor of Laws (University of Technology, Sydney) and Master of Commerce (University of New South Wales).

Mr Karousos is an experienced director and senior executive with deep corporate and legal experience gained mostly in Australia, Asia, Europe and the United States.

Stratos is currently the Non-Executive Director and Chairman of document automation and Ai company Tensis, Chief Commercial Officer of productivity tool and workflow group espresso Displays and the Chief Strategy Officer of aquaculture and agriculture biotechnology group Genics.

He has previously held positions as non-executive director of ASX listed technology companies (including Nightingale Intelligence Systems (ASX:NGL)), CEO and director of an ASX listed company and has held senior roles in global organisations (including Baker McKenzie).

Tom Lapping – Director and CEO

Mr Lapping is highly experienced across the securities and media sectors. Since 2016, he has played an integral role within SportsHero and was a key member of the team during the transition of the SportsHero business from a Singaporean unlisted entity to an ASX listed public company in February 2017.

Tom is a successful entrepreneur who has accumulated extensive experience leading both established and early-stage ventures in the Asia-Pacific region. Tom has a keen understanding of consumer behaviour and was recognised as a 40under40 business entrepreneur award winner in Western Australia in 2003.

Adele Sim – Executive Director and COO

Adele Sim is an accomplished Chief Operating Officer with extensive experience in operations and business development, currently leading SportsHero across multiple regions. With over 15 years of experience in various leadership roles, she has demonstrated expertise in strategic planning, project management, and team leadership. Adele is known for her ability to align business strategies with operational goals and fostering a culture of transparency and accountability within her teams.

A graduate of the Australian Institute of Company Directors, she is also bilingual in English and Mandarin, enhancing her ability to navigate diverse business environments.

DIRECTORS REPORT

(ii) Interests in the Shares and Options of the Group

As at the date of this report, the interest of the Directors in the shares, options and performance rights of the Group are:

	Number of shares	Number of options	Number of performance rights
Stratos Karousos	7,635,172	2,500,000	-
Tom Lapping	23,782,143	8,000,000	-
Adele Sim	2,654,772	8,000,000	-
TOTAL	34,072,087	18,500,000	-

Company Secretary

Ross Pearson
Qualification: BA Accounting FCPA

Directors' meetings

The number of meetings attended by each of the Directors of the Group during the financial year was:

	Directors' Meetings	
	(a)	(b)
Stratos Karousos	8	8
Tom Lapping	8	8
Adele Sim	8	8

(a) Number of meetings held and entitled to attend

(b) Number of meetings attended

Given the size of the Group and current level of activities, the Board has assumed the duties and responsibilities typically delegated to an audit committee, risk committee, remuneration committee and nomination committee.

Corporate structure

SportsHero Limited is a company limited by shares that is incorporated and domiciled in Australia.

For details of the Company's controlled entities, please refer to note 25

Nature of operations and principal activities

The principal activity of the Group during the year was the development of the Group's sports gamification platforms.

Results of operations

The operating loss after income tax of the Group for the year ended 30 June 2026 was AU\$2,685,175 (2025: AU\$1,995,919).

As set out in the Statement of Comprehensive Income, the three most significant expense categories for the financial year from continuing operations were:

- Employee and consulting expenses, totaling AU\$775,104,
- Compliance and professional fees, totaling \$726,965 and
- Share based payments, totaling \$721,135

The Group's basic loss per share for the year from continuing operation was 0.32 cents (2025: 0.29 cents).

DIRECTORS REPORT

Dividends

No dividend has been paid during or is recommended for the financial year ended 30 June 2026 (2025: nil).

Review of operations

The principal activity of the Group during the financial year was the development of the Group's sports gamification platforms.

An overview of the Group's operations during the financial year is set out in the Operations Report.

Significant changes in state of affairs

SportsHero Limited realised a significant step up in revenue in the year to 30 June 2026, from commercial agreements with major SE Asian telco partners seeing revenue over \$1.0m for the first time. Capital raising activities carried out during the year allowed the company to pay off all outstanding debt and close the year with \$3.45m in cash.

Future developments

Likely future developments in the operations of the Group are referred to in the Operations Report. Other than as referred to in this report, further information as to likely developments in the operations of the Group and expected results of those operations would, in the opinion of the Directors, be speculative and prejudicial to the interests of the Group and its shareholders.

Financial position

The Group's working capital, being current assets, less current liabilities, was positive AU\$2,899,472 as at 30 June 2026 (2025: negative AU\$1,369,803).

In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Proceedings on behalf of the Group

No person has applied for leave of court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

Additional information

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

	2026 AU\$	2025 AU\$	2024 AU\$	2023 AU\$	2022 AU\$
Income	1,049,285	45,894	608,408	24,840	57,912
EBITDA	(2,683,943)	(1,992,301)	(992,049)	(3,223,289)	(2,359,213)
EBIT	(2,685,146)	(1,994,182)	(993,850)	(3,240,400)	(2,362,325)
Loss after income tax	(2,685,175)	(1,995,919)	(993,850)	(3,241,943)	(2,362,325)

DIRECTORS REPORT

The factors that are considered to affect total shareholders return are summarised below:

	2026 AU	2025 AU	2024 AU	2023 AU	2022 AU
Share price at financial year end (AU cents)	6.6	2.5	3.0	2.6	2.4
Total dividends declared (AU cents per share)	-	-	-	-	-
Basic loss per share (AU cents per share)	(0.32)	(0.29)	(0.17)	(0.57)	(0.46)

DIRECTORS REPORT

Remuneration report (Audited)

Details of Remuneration for the Year Ended 30 June 2026

Details of the remuneration for each Director and the key management personnel of the Group during the year are set out in the following tables.

The Board's policy for determining the nature and amount of remuneration for Directors and senior executives of the Group is as follows:

- All executives receive a base salary (which is based on factors such as length of service and experience).
- The Board reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.
- All remuneration paid to Directors and executives is valued at the cost to the Group and expensed. Options are valued using the Black-Scholes methodology.
- Remuneration of non-executive Directors at market rates for time, commitment and responsibilities.

The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought if required.

During the financial year ended 30 June 2026, the consolidated entity did not engage any external parties for a review of remuneration practices.

On 27 November 2025 Annual General Meeting, 100% of the eligible votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Group did not receive any specific feedback at the Annual General Meeting regarding its remuneration practices.

The key management personnel of the Group include the Directors. There were no other persons considered key management personnel as defined in AASB 124 Related Party Disclosures.

The tables below show the 2026 and 2025 remuneration of the Directors:

2026	Short-term	Post-employment	Share-based payments	Long-term Benefits		
	Salary & fees AU\$	Superannuation AU\$	Shares AU\$	Annual/Long service leave AU\$	Total AU\$	Value of share-based payments as a %
<i>Chair</i>						
Stratos Karousos	100,000	-	28,332	-	128,332	22%
<i>Directors</i>						
Tom Lapping	252,550	-	90,664	-	343,214	26%
Adele Sim	205,000	21,600	90,664	13,900	331,164	27%
Total key management personnel compensation	557,550	21,600	209,660	13,900	802,710	26%

DIRECTORS REPORT

Remuneration report (Audited)

2025	Short-term	Post-employment	Share-based payments	Long-term Benefits		
	Salary & fees AU\$	Superannuation AU\$	Shares AU\$	Annual/Long service leave AU\$	Total AU\$	Value of share-based payments as a %
<i>Chair</i>						
Stratos Karousos	100,000	-	-	-	100,000	0%
<i>Directors</i>						
Tom Lapping	256,153	-	-	-	256,153	0%
Adele Sim ⁽ⁱ⁾	205,000	20,700	-	13,846	239,546	0%
Total key management personnel compensation	561,153	20,700	-	13,846	595,699	0%

(i) Amount included remunerations from 16 February 2024 to 30 June 2024.

Related party transactions and balances

Payables to key management personnel

	Consolidated	
	2026 AU\$	2025 AU\$
Amounts payable to Directors and Director related entities at the end of the financial year, included in current liabilities	40,000	92,500

Other transactions with key management personnel

There were no transactions between the Group and key management personnel during the year ended 30 June 2026 (2025: nil).

Other transactions with related parties

Following the receipt of shareholder approval on 27 November 2025, on 5 December 2025 the Company issued 2,998,051 shares to Mr Karousos in lieu of cash fees for the 2025 financial year totaling AU\$40,000.

There were no other transactions with related parties throughout the year.

Performance Rights as a Proportion of Total Remuneration

No performance rights were issued during the year ended 30 June 2026 and included as a proportion of total remuneration (2025: nil).

Ordinary Shares held by Directors

2026	Balance at beginning of year	Allotted during the year	Purchased during the year	Sold during the year	As appointment (resignation)	Balance at end of year
Directors						
S Karousos	4,637,121	2,998,051	-	-	-	7,635,172
T Lapping	13,782,143	-	10,000,000	-	-	23,782,143
A Sim	2,654,772	-	-	-	-	2,654,772
	21,074,036	2,998,051	10,000,000	-	-	34,072,087

DIRECTORS REPORT

Remuneration report (Audited)

2025	<i>Balance at beginning of year</i>	<i>Allotted during the year</i>	<i>Purchased during the year</i>	<i>Sold during the year</i>	<i>As appointment (resignation)</i>	<i>Balance at end of year</i>
Directors						
S Karousos	1,478,664	3,158,457	-	-	-	4,637,121
T.Lapping	13,782,143	-	-	-	-	13,782,143
A.Sim	1,100,000	1,554,772	-	-	-	2,654,772
	16,360,807	4,713,229	-	-	-	21,074,036

Group Performance, Shareholder Wealth and Director and Executive Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, Directors and executives. The achievement of this aim has been through the issue of options or performance rights to Directors and executives to encourage the alignment of personal and shareholder interests.

Executive and non-executive Directors and other key management personnel may be granted options or performance rights over ordinary shares.

The recipients of options or performance rights are responsible for growing the Group and increasing shareholder value. If they achieve this goal the value of the options or performance rights granted to them will also increase. Therefore, the options or performance provide an incentive to the recipients to remain with the Group and to continue to work to enhance the Group's value.

Options granted for the Year Ended 30 June 2026

During the year 18,500,000 options were granted to key management personnel (2025: Nil).

2026	<i>Balance at beginning of year</i>	<i>Granted during the year</i>	<i>Exercised during the year</i>	<i>Expired during the year</i>	<i>Closing balances at 30 June 2026</i>	<i>Total vested and exercisable at 30 June 2026</i>
Directors						
S Karousos	-	2,500,000	-	-	2,500,000	-
T Lapping	-	8,000,000	-	-	8,000,000	-
A Sim	-	8,000,000	-	-	8,000,000	-
	-	18,500,000	-	-	18,500,000	-

Employment Contracts of Directors and Senior Executives

On 7 October 2022, the Company entered into an agreement with Mr Karousos that set out the terms and conditions of his appointment as a Non-Executive Director and Chair of the Company.

In consideration for the appointment of Mr Karousos, the Company agreed to pay Mr Karousos the following:

- cash fee of AU\$5,000 per month; and
- share fee of AU\$40,000 per annum (at an issue price equal to the VWAP of the Company's Shares for the year).

If following any financial year end shareholders do not approve the issue of the shares the subject of the share fee, then the Company will pay Mr Karousos the share fee in cash.

DIRECTORS REPORT

Remuneration report (Audited)

Mr Lapping is paid fees at the rate of SG\$18,333 per month. Total fees paid or payable during the year were SG\$219,996, equivalent to AU\$252,550 as recognised in the remuneration table.

On 16 February 2024, the Company entered into an agreement with Ms A Sim to pay director fees at the rate of AU\$25,000 per annum. On 24 January 2022, the Company entered into an agreement with Ms A Sim as Chief Operating Officer. On 12 July 2022, the Board agreed to revise Ms Sim's salary to AU\$180,000 plus superannuation per annum. Total salary and superannuation paid or payable during the year was AU\$226,600.

As of 30 June 2026, there were no other formal contracts for Non-Executive Directors.

Share-based compensation

The issue of options and/or performance rights to Directors and executives is to encourage the alignment of personal and shareholder returns. The intention is to align the objectives of Directors and executives with that of the business and shareholders. In addition, all Directors and executives are encouraged to hold shares in the Group.

Loans to key management personnel and their related parties

There are no loans to Directors or executives at 30 June 2026 (2025: nil).

End of remuneration report

DIRECTORS REPORT

Share options

At the date of this report, the unissued ordinary shares of the Group under option are as follows:

Grant date	Date of Expiry	Exercise Price	Number Under Option
21 October 2024	21 October 2027	\$0.02	5,000,000
21 October 2024	21 October 2027	\$0.04	2,500,000
5 August 2025	31 October 2027	\$0.02	7,500,000
5 August 2025	31 October 2027	\$0.04	3,500,000
5 August 2025	31 July 2028	\$0.03	12,666,667
4 March 2026	4 March 2030	\$0.05	20,500,000
			51,666,667

During the financial year ended 30 June 2026, 2,500,000 listed options each exercisable at AU\$0.05 expired on 30 April 2026, 2,500,000 options each exercisable at AU\$0.10 expired on 30 April 2026, 5,000,000 options each exercisable at AU\$0.15 expired on 30 April 2026. . During the year, 22,591,304 options exercisable at \$0.03 and expiring on 31 July 2026 were exercised. Subsequent to year-end, a further 11,000,001 options were exercised and the remaining 2,282,652 options expired unexercised on 31 July 2026.

On 11 August 2026 an additional 2,282,652 ordinary shares were issued under an underwriting agreement.

No other SportsHero shares were issued following the exercise of options.

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

Performance rights

During the year the Company granted no performance rights (2025: 36,000,000) and 11,000,000 performance rights were converted to ordinary shares (2025: 5,000,000).

Indemnification

During the financial year, the Group did not pay premiums to insure the Directors and Company Secretary of the Group.

Non-audit services

No fees for non-audit services were paid/payable to the Group's auditors during the year (2025: nil).

Auditor's independence declaration

The auditor's independence declaration for the year ended 30 June 2026 has been received and immediately follows the Directors' Report.

Officers of the Group who are former partners of Hall Chadwick

There are no officers of the Group who are former partners of Hall Chadwick.

Corporate Governance

In recognising the need for the highest standards of corporate behavior and accountability, the Directors of the Group support and have adhered to the principles of sound corporate governance. The Board recognises the recent recommendations of the Australian Securities Exchange Corporate Governance Council, and considers that SportsHero is in compliance with those guidelines which are of importance to the commercial operation of a small cap company. The Group's corporate governance statement and disclosures are contained on the Group's website at: <http://sportshero.live/>

DIRECTORS REPORT

This report is made in accordance with a resolution of the Directors.

A handwritten signature in black ink, appearing to read 'Stratos Karousos', with a large, stylized initial 'S'.

Stratos Karousos
Chair

SPORTSHERO LIMITED
(ABN 98 123 423 987)

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

To the directors of SportsHero Limited

As the lead audit partner for the audit of the financial report of SportsHero 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:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



STEWART THOMPSON
Partner
Dated: 29 September 2026

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9	Level 4	Level 1	Level 14	Level 11	Level 40
50 Pirie Street	240 Queen Street	48-50 Smith Street	440 Collins Street	77 St Georges Tce	2 Park Street
Adelaide SA 5000	Brisbane QLD 4000	Darwin NT 0800	Melbourne VIC 3000	Perth WA 6000	Sydney NSW 2000
+61 8 7093 8283	+61 7 2111 7000	+61 8 8943 0645	+61 3 9820 6400	+61 8 6557 6200	+61 2 9263 2600

Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352

www.hallchadwick.com.au

STATEMENT OF FINANCIAL POSITION

		Consolidated	
		30 June	30 June
		2026	2025
	Note	AU\$	AU\$
Current assets			
Cash and cash equivalents	8	3,446,184	118,144
Trade and other receivables	9	297,015	4,645
Prepayments		22,749	2,248
Total current assets		<u>3,765,948</u>	<u>125,037</u>
Non-current assets			
Plant and equipment	10	1,060	2,107
Total non-current assets		<u>1,060</u>	<u>2,107</u>
Total assets		<u>3,767,008</u>	<u>127,144</u>
Current liabilities			
Trade payables	11	460,955	530,343
Contract liabilities	12	354,246	-
Employee benefits		51,275	44,497
Borrowing	13	-	920,000
Total current liabilities		<u>866,476</u>	<u>1,494,840</u>
Non-current liabilities			
Total non-current liabilities		<u>-</u>	<u>-</u>
Total Liabilities		<u>866,476</u>	<u>1,494,840</u>
Net assets / (liabilities)		<u>2,900,532</u>	<u>(1,367,696)</u>
Equity			
Issued capital	14	29,498,438	23,078,839
Share based payments reserve	15	1,074,650	623,555
Foreign currency translation reserve	15	2,860,289	2,913,092
Accumulated losses		(30,532,845)	(27,983,182)
Total equity		<u>2,900,532</u>	<u>(1,367,696)</u>

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

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

		Consolidated	
		2026	2025
		AU\$	AU\$
	Note		
Continuing operations			
Income			
Revenue	3	1,046,044	37,666
Other revenue	3	3,241	8,228
Expenses			
Administration expenses		(216,918)	(122,734)
Employee and consulting expenses	5	(775,104)	(762,994)
Compliance and professional expenses		(726,965)	(496,304)
Marketing and investor relations expenses		(515,648)	(11,398)
Platform and operating cost		(334,829)	(75,279)
Software development		(434,365)	(68,393)
Depreciation expense	4 & 10	(1,203)	(1,881)
Interest expense	4	(8,293)	-
Finance cost		-	(139,700)
Share based payments	19	(721,135)	(363,130)
Loss before income tax expense from operations		(2,685,175)	(1,995,919)
Income tax expense	7	-	-
Loss after income tax expense for the year		(2,685,175)	(1,995,919)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(52,803)	53,602
Total other comprehensive loss for the year		(52,803)	53,602
Total comprehensive loss attributable to:			
Members of the entity		(2,737,978)	(1,942,317)
Total comprehensive income for the year attributed to:			
Continuing operations		(2,737,978)	(1,942,317)
Total comprehensive loss for the year		(2,737,978)	(1,942,317)
Basic and Diluted loss per share from continuing operations	6	(0.32)	(0.29)
Basic and diluted earnings (loss) per share (cents per share)	6	(0.32)	(0.29)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Issued Capital	Share Based Payments Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	AU\$	AU\$	AU\$	AU\$	AU\$
Consolidated					
Balance at 1 July 2025	23,078,839	623,555	2,913,092	(27,983,182)	(1,367,696)
Total comprehensive loss for the year	-	-	(52,803)	(2,685,175)	(2,737,978)
Performance rights issued during the year	297,000	(297,000)	-	-	-
Share based payments	-	652,520	-	68,615	721,135
Share based payments for settlement of director fees	40,000	-	-	-	40,000
Transfer of expired options (prior year)	-	(66,897)	-	66,897	-
Options exercised	896,177	(218,437)	-	-	677,740
Shares issued during the year	5,950,202	-	-	-	5,950,202
Share issue costs	(763,780)	380,909	-	-	(382,871)
Balance at 30 June 2026	29,498,438	1,074,650	2,860,289	(30,532,845)	2,900,532
Balance at 1 July 2024	22,013,791	301,031	2,859,490	(26,022,448)	(848,136)
Total comprehensive loss for the year	-	-	53,602	(1,995,919)	(1,942,317)
Performance rights issued during the year	35,000	(35,000)	-	-	-
Share based payments	-	363,130	-	-	363,130
Share based payments for settlement of liability	49,267	-	-	-	49,267
Transfer of expired options (prior year)	-	(35,185)	-	35,185	-
Shares issued during the year	1,039,000	-	-	-	1,039,000
Share issue costs	(58,219)	29,579	-	-	(28,640)
Balance at 30 June 2025	23,078,839	623,555	2,913,092	(27,983,182)	(1,367,696)

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

		Consolidated	
		2026	2025
	Note	AU\$	AU\$
Cash Flows from Operating Activities			
Receipts from customers		1,402,389	43,630
Payments to suppliers		(2,533,448)	(681,327)
Payments to employees		(768,326)	(729,392)
Interest received		29	1,737
Net cash flows (used in) operating activities	16	(1,899,356)	(1,365,352)
Cash Flows from Investing Activities			
Payments for plant and equipment		(295)	(340)
Net cash flows (used in) investing activities		(295)	(340)
Cash Flows from Financing Activities			
Proceeds from issues of shares		6,630,208	500,000
Share issue transaction costs		(426,333)	(28,640)
Proceeds from borrowings		-	1,097,000
Repayment of borrowings		(920,000)	(100,000)
Finance cost paid		(92,000)	(40,000)
Net cash provided by financing activities		5,191,875	1,428,360
Net increase in cash and cash equivalents held		3,292,224	62,668
Cash and cash equivalents at the beginning of the financial year		118,144	40,339
Effect of exchange rate changes on cash and cash equivalents		35,816	15,137
Cash and cash equivalents at the end of the financial year	8	3,446,184	118,144

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

1. CORPORATE INFORMATION

The financial report of SportsHero Limited and its controlled entities (the “Group” or “consolidated entity”) for the year ended 30 June 2026 was authorised for issue in accordance with a resolution of the directors on 29 September 2026.

SportsHero Limited (“SportsHero” or the “Company”) is a company limited by shares, incorporated in Australia, and whose securities are publicly traded on the Australian Securities Exchange.

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies that are material to the consolidated entity are set out 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 consolidated entity 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.

The directors of the Group do not anticipate that the application of the new or amended Accounting Standards and Interpretations in the future will have an impact on the Group’s financial statements.

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 consolidated entity for the annual reporting period ended 30 June 2026.

(a) 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 and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Historical cost convention

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

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 consolidated entity'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 2(u).

Functional and presentation currency

The financial report is presented in Australian dollars, which is the Group's functional and presentation currency.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 17.

(b) 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.

As disclosed in the financial statements, the consolidated entity incurred a net loss of AU\$2,685,175 and had net cash outflows from operating activities of AU\$1,899,356 for the year ended 30 June 2026. As at that date the Group had net current assets of AU\$2,899,472 and net assets of AU\$2,900,532. This compares to negative net assets of \$1,367,696 an improvement of 312% year on year.

Since year end, the Group has continued to incur losses due to continued investment in product development to support its HeroPlay product but is utilising its cash resources to meet current liabilities and fund working capital needs.

The net loss and negative operating cash flow incurred in the 2026 financial year may indicate a material uncertainty 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 the Group's prospects have significantly improved and 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:

- **Cash resources and funding received during FY26.** The Group held cash of approximately A\$3.45 million at 30 June 2026. During the year, it completed equity raisings totalling \$6.6million, including the placement announced in July 2025 and the placement announced in February 2026.
- **Post year-end option exercises.** Following 30 June 2026, the Company received approximately A\$398,480 from option exercises and the related underwriting arrangement.
- **Expansion of HeroPlay distribution.** Following year end, the Company announced an expanded agreement for the distribution of gaming products. The Directors have considered the potential revenue from these arrangements in their forecasts, taking account of the timing of implementation, subscriber activity and sales volumes. Future receipts under these arrangements remain dependent on commercial performance.

Internal management cash flow projections considered by the Directors support the Group's ability to continue as a going concern. The Directors consider that these projections are reasonable, and it is anticipated further significant revenue will be generated from the commercialisation of its business model and the major contracts it has secured. Additionally, the Company has, and will continue, to engage with its stakeholders to ensure it retains its capital flexibility and strength to execute on its strategy. Accordingly, the Directors believe that the Company will be able to continue as a going

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the above measures and events not generate the expected cash flows, the Company and the Group may not be able to pay its debts as and when they become due and payable and it may be required to realise assets and extinguish liabilities other than in the ordinary course of business and at amounts different from those stated in the consolidated financial statements. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company and the Group not continue as going concerns.

(c) Statement of Compliance

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of SportsHero as at 30 June 2026 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity 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 consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity 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 consolidated entity.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, It derecognizes the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognized in equity. The consolidated entity recognizes the fair value of any investment retained together with any gain or loss in profit or loss.

(d) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of any operating segments.

(f) Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Advertising revenue

Advertising revenue is recognised over the term of the advertising contract as services are rendered over time.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

(g) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and short-term deposits with an original maturity 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.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above. The Group does not have any bank overdraft facilities.

(h) 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 90 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.

(i) Impairment of assets

At each reporting date, the consolidated entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the statement of comprehensive income.

Where it is not possible to estimate the recoverable amount of an individual asset, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(j) Trade and other payables

Trade payables and other payables are carried at the transaction price minus principal repayments. They represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(k) Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

(l) Employee entitlements

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an appropriate 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 consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(m) Income tax

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

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

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

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

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

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

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

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

Tax consolidation

SportsHero Limited and its wholly-owned subsidiaries have not formed an income tax consolidated group under tax consolidation legislation.

(n) Equity based payments

The Group provides benefits to its Directors and employees in the form of share-based payments, whereby Directors and employees render services in exchange for share, options to acquire shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions is measured by reference to the fair value to the Group of the equity instruments at the date at which they were granted. The fair value of options is determined using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted.

The cost of equity-settled transactions is recognised as an expense, together with a corresponding increase in equity, on a straight-line basis, over the period in which the vesting and/or service conditions are fulfilled (the vesting period), ending on the date on which the relevant Directors and employees become fully entitled to the options (the vesting date).

At each subsequent reporting date until vesting, the cumulative charge to the statement of comprehensive income reflects:

- a. the grant date fair value of the options;
- b. the current best estimate of the number of options that will ultimately vest, taking into account such factors as the likelihood of employee turnover during the vesting period and the likelihood of vesting conditions being met, based on best available information at balance date; and
- c. the extent to which the vesting period has expired.

The charge to the statement of comprehensive income for the period is the cumulative amount as calculated above less the amounts already charged in previous periods. There is a corresponding entry to equity.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it has vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(o) Issued capital

Ordinary shares are classified as equity.

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

(p) Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Group.

(q) Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(r) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financial activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(s) Foreign currency transactions and balances

The financial statements are presented in AU dollars, which is SportsHero's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into AU 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 AU dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into AU dollars using the average exchange rates, which approximate the rate at the date of the transaction, 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.

(t) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a current liability until extinguished on conversion or redemption as the maturity date is within 12 months. The corresponding interest on convertible notes is expensed to profit or loss.

(u) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management take 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.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees and suppliers 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. Probabilities have been assigned to non-market vesting conditions for the performance rights issued. The accounting estimates and

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

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.

3. Revenue

	Consolidated	
	2026	2025
	AU\$	AU\$
<i>Revenue from customers</i>		
Contractor and partnership revenue	982,243	-
Subscription revenue	42,754	-
Advertising revenue	21,047	37,666
	<u>1,046,044</u>	<u>37,666</u>
<i>Other revenue</i>		
Interest revenue	29	1,737
Other income	3,212	6,491
	<u>3,241</u>	<u>8,228</u>

Commission on advertising revenue is recognized at point of invoicing based on confirmation of sales completed by third party.

4. Expenses

Loss before income tax includes the following specific expenses:

	Consolidated	
	2026	2025
	AU\$	AU\$
<i>Depreciation</i>		
Plant and equipment	1,203	1,881
	<u>1,203</u>	<u>1,881</u>
<i>Finance cost</i>		
Interest and finance charges	8,293	139,700
	<u>8,293</u>	<u>139,700</u>

5. Employee and consulting expenses

	Consolidated	
	2026	2025
	AU\$	AU\$
Salary and wages	711,609	679,635
Others	63,495	83,359
	<u>775,104</u>	<u>762,994</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

6. Loss per share

The following reflects the loss used in the basic and diluted loss per share computations.

	Consolidated	
	2026	2025
	Cents AU\$	Cents AU\$
Basic and diluted loss per share	(0.32)	(0.29)
<i>Loss used in calculating loss per share for</i>		
<i>For basic and diluted earnings per share:</i>		
Loss for the year attributable to ordinary shareholders	(2,685,175)	(1,995,919)
	No. of shares	No. of shares
Weighted average number of ordinary shares for basic and diluted loss per share	832,654,906	688,696,434

- (i) Anti-dilutive options on issue are excluded from the dilutive earnings per share calculation.
- (ii) Other than the issue of the securities disclosed in note 14, there has been no other transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

7. Income taxes -

	Consolidated	
	2026	2025
	AU\$	AU\$
Income tax recognised in profit or loss		
Prima facie tax benefit on operating loss from continuing operations before income tax at 25% (2025: 25%)	(671,294)	(498,980)
Tax effect on different tax rate	(670,930)	(71,816)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Other non-deductible items	-	-
Unrecognised deferred tax asset attributable to tax losses and temporary differences	1,342,224	570,796
Income tax attributable to operating loss	-	-

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

The Group's unrecognised tax losses and unutilised capital allowance in Australia of \$16,869,612 (tax effect of \$4,217,403) and Singapore of \$5,925,701 (tax effect of \$1,007,369) are available for offset against future profits subject to continuing to meet the relevant statutory tests.

Unrecognised tax losses in the Indonesia of \$677,610 (tax effect of \$149,074) can be used for up to 5 years.

The potential deferred tax asset of \$5,075,698 (2025: \$4,737,046), arising from tax losses and temporary differences (as disclosed above), has not been recognised as an asset because recovery of tax losses and temporary differences is not considered probable given the development stage of the Company's apps.

The potential deferred tax asset will only be obtained if:

- the Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the related deduction for the losses.
-

8. Cash and cash equivalents	Consolidated	
	2026 AU\$	2025 AU\$
Cash at bank	3,446,184	118,144
	<u>3,446,184</u>	<u>118,144</u>

9. Trade and other receivables	Consolidated	
	2026 AU\$	2025 AU\$
Trade receivables	289,011	1,662
Less: allowance for expected credit losses	-	-
Other receivables, including security deposits	8,004	2,983
	<u>297,015</u>	<u>4,645</u>

Allowance for expected credit losses

The consolidated entity has recognised a loss of nil (2025: nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2026.

Credit Risk

The maximum exposure to credit risk at balance date is the carrying amount (net of allowance for expected credit losses) of those assets as disclosed in the statement of financial position and notes to the financial statements. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded are spread amongst approved counterparties.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

10. Property, plant and equipment	Consolidated	
	2026 AU\$	2025 AU\$
Equipment – at cost	29,799	30,876
Less: Accumulated depreciation	(28,739)	(28,769)
Foreign exchange differences	-	-
	<u>1,060</u>	<u>2,107</u>

Consolidated	Equipment AU\$
Balance as at 1 July 2024	3,647
Additions	121
Depreciation expense	(1,881)
Foreign exchange differences	220
Balance as 30 June 2025	<u>2,107</u>
Balance at 1 July 2025	2,107
Additions	173
Depreciation expense	(1,203)
Foreign exchange differences	(17)
Balance as 30 June 2026	<u>1,060</u>

11. Trade and other payables	Consolidated	
	2026 AU\$	2025 AU\$
Current Payables		
Trade payables	279,683	249,317
Accrued expenses and other payables	181,272	281,026
	<u>460,955</u>	<u>530,343</u>

- (i) Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.
- (ii) Trade payables are non-interest bearing.

12. Contract liability	Consolidated	
	2026 AU\$	2025 AU\$
Opening contract liability	-	-
Cash received in advance	1,316,021	-
Revenue recognized during period	(961,775)	-
Closing contract liability	<u>354,246</u>	

Performance obligations

The Group provides access to its gaming platform over a fixed contractual period and recognises revenue over time as customers simultaneously receive and consume the benefits of access.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

12. Contract liability (continued)

Significant judgements

The Group assessed whether it controls the specified service before transfer to customers and concluded it acts as principal for fixed platform access arrangements and as agent for transaction-based revenue share arrangements.

13. Borrowings

	Consolidated	
	2026	2025
	AU\$	AU\$
Loans from shareholders	-	100,000
Drawdown facilities	-	820,000
Total current borrowings	-	920,000
	2026	2025
	AU\$	AU\$
Total Facilities		
Drawdown facilities	1,000,000	1,500,000
	<u>1,000,000</u>	<u>1,500,000</u>
Used at the reporting date		
Drawdown Facilities	-	820,000
	<u>-</u>	<u>820,000</u>
Unused at the reporting date		
Drawdown Facilities	1,000,000	680,000
	<u>1,000,000</u>	<u>680,000</u>

Drawdown Facility

During the year the following unsecured Drawdown Facilities were obtained from major shareholders.

- The Group has an unsecured \$1,000,000 drawdown facility bearing interest at 10% on amounts drawn. Amounts drawn are repayable within 12 months of borrowing or within 14 days after the Group successfully completes an equity capital raising, whichever occurs earlier. The lender may elect to convert the amount drawn and the relevant interest charged into shares on the same terms as the equity capital raising. Drawdowns under the facility must not exceed \$200,000 per month.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Contributed Equity	2026 Number	2026 AU\$	2025 Number	2025 AU\$
(a) Share capital				
Ordinary fully paid shares	897,116,677	29,498,438	731,446,066	23,078,839
(b) Movements in ordinary shares				
Opening balance	731,446,066	23,078,839	617,832,837	22,013,791
Share issued at \$0.01 per share ¹			50,000,000	500,000
Shares issued in lieu of payment \$0.01 per share (loan conversion) ²			53,900,000	539,000
Shares issued at \$0.01266 per share ³			3,158,457	40,000
Shares issued at \$0.0059 per share ⁴			1,554,772	9,268
Shares issued on conversion of Performance rights \$0.007 ⁵			5,000,000	35,000
Transaction cost			-	(58,220)
Placement at \$0.023 per share ⁶	71,747,921	1,650,203		
Shares issued on exercise of \$0.03 options ⁷	22,591,304	896,176		
Shares issued on conversion of Performance rights \$0.027 ⁸	11,000,000	297,000		
Shares issued following shareholder approval at \$0.0113 ⁹	2,998,051	40,000		
Placement at \$0.075 per share ¹⁰	53,333,335	4,000,000		
Share issued at \$0.075 per share ¹¹	4,000,000	300,000		
Transaction cost		- (763,780)		
	897,116,677	29,498,438	731,446,066	23,078,839

- On 8 October 2024. The Company issued 50,000,000 shares at an issue price of AU\$0.01 per share to raise AU\$500,000 working capital
- On 13 December 2024. The Company issued 53,900,000 shares at an issue price of AU\$0.01 per share in lieu of payments AU\$539,000 (loan conversion).
- On 17 December 2024. The Company issued 3,158,457 shares to Mr Stratos Karousos at an issue price of AU\$0.012664 per share in relation to AU\$40,000 in Director fees.
- On 17 December 2024. The Company issued 1,554,772 shares to Ms Adele Sim at an issue price of AU\$0.005961 per share in relation to AU\$9,267 in Director fees.
- On 18 December 2024. The Company issued 5,000,000 being for the conversion of performance rights met at an issue price of AU\$0.007 per share for the total value of \$35,000.
- On 5 August 2025 the Company issued 71,747,921 shares at an issue price of A\$0.023 per share to raise \$1,650,203 working capital.
- The Company issued at total 22,591,304 ordinary shares on exercise of placement options. Options were valued using Black and Scholes valuation at \$0.0097 per option with an exercise price of \$0.03 per option

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Contributed Equity (continued)

Issue date	Number of shares	Exercise price
23 September 2025	1,086,956	\$0.03
1 October 2025	1,086,956	\$0.03
27 October 2025	750,000	\$0.03
28 January 2026	7,608,699	\$0.03
10 February 2026	7,934,781	\$0.03
26 February 2026	1,586,956	\$0.03
3 March 2026	1,000,000	\$0.03
10 March 2026	1,086,956	\$0.03
30 June 2026	450,000	\$0.03
Total	22,591,304	

8. The Company issued 11,000,000 ordinary shares to Crispin Tristram on conversion of performance rights valued at \$0.027 per right, with a total recognised value of \$297,000, as follows:
- On 31 October 2025, the Company issued 3,000,000 shares upon securing on esports commercial partnership with PSSI. Indonesia's Football Association, with any of the Company's esports digital products and
 - On 31 October 2025, the Company issued 5,000,000 shares upon securing a partnership with one of the major telecommunications services providers in Southeast Asia (excluding Indonesia) for any of the Company's digital product
 - On 26 February 2026, the Company issued 1,000,000 shares upon achieving 10,000 monthly subscribers to the IGV Family Pass Product
 - On 1 May 2026, the Company issued 2,000,000 upon achieving 30,000 monthly subscribers to the IGV Family Pass Product
9. On 5 December 2025 the Company issued 2,998,051 ordinary shares to Mr Stratos Karousos at an issue price of \$0.0113 per share in lieu of the payment of \$40,000 in fees, which was accrued as a liability as at 30 June 2025.
10. On 23 February 2026, the Company issued 53,333,335 shares at an issue price of AU\$0.075 per share to raise AU\$4,000,000 working capital.
11. On 30 June 2026, the Company issued 4,000,000 shares at an issue price of AU\$0.075 per share.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group 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

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

In order to maintain or adjust the capital structure, the entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, enter into joint ventures or sell assets.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

14. Contributed Equity (continued)

The entity does not have a defined share buy-back plan.

No dividends were paid in 2026 (2025: nil) and no dividends are expected to be paid in 2026.

There is no current intention to incur debt funding on behalf of the Group

The Group is not subject to any externally imposed capital requirements.

15. Reserves	Consolidated	
	2026 AU\$	2025 AU\$
Reserves		
<i>Share-based payments reserve</i>		
As at 1 July	623,555	301,030
Share based payments	652,520	357,710
Expiry of Options and Performance rights	(66,897)	(35,185)
Options exercised	(218,437)	-
Conversion of performance rights	(297,000)	-
Capital raising cost	380,909	-
As at 30 June	<u>1,074,650</u>	<u>623,555</u>
 <i>Foreign currency reserve</i>		
As at 1 July	2,913,092	2,859,490
Foreign currency translation	(52,803)	53,602
As at 30 June	<u>2,860,289</u>	<u>2,913,092</u>

Nature and purpose of reserves

Share-based payment reserve

The share-based payments reserve records the value of share options and performance rights issued by the Group.

Foreign currency reserve

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

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

16. Notes to Statement of Cash Flows

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

	Consolidated	
	2026	2025
	AU\$	AU\$
Operating loss after tax	(2,685,175)	(1,995,919)
<i>Add non-cash items:</i>		
Depreciation and amortisation	1,203	1,881
Write off of bad debt	(932)	
Share-based payments expense	721,135	363,130
Finance cost	-	139,700
Interest expense on lease liability	-	-
<i>Changes in net assets and liabilities:</i>		
Movement in receivables	(289,833)	(1,115)
Movement in payables	354,246	126,971
Lease liabilities	-	-
Net cash flow used in operating activities	<u>(1,899,356)</u>	<u>(1,365,352)</u>

(b) Non-cash financing and investing activities

	Consolidated	
	2026	2025
	AU\$	AU\$
Shares issued for provision of services	40,000	49,267
	<u>40,000</u>	<u>49,267</u>

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

17. Parent Information	Parent	
	2026 AU\$	2025 AU\$
Current assets	3,277,165	38,677
Non-current assets	-	-
TOTAL ASSETS	3,277,165	38,677
LIABILITIES		
Current liabilities	(241,345)	(1,300,641)
TOTAL LIABILITIES	(241,345)	(1,300,641)
NET (LIABILITIES)/ASSETS	3,035,819	(1,261,964)
EQUITY		
Contributed equity	26,991,178	20,578,839
Reserves	(1,081,910)	(623,555)
Accumulated losses	(22,873,449)	(21,217,248)
TOTAL EQUITY	3,035,819	(1,261,964)
Loss for the year	(1,656,201)	(730,090)
Total comprehensive loss	(1,656,201)	(730,090)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 (2025: nil)

Capital commitments - Property, plant and equipment

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

Significant accounting policies

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

- Investment 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 impairment of the investment.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

18. Related Party Transactions

(a) Directors and Specified Executives

The names and positions held by key management personnel in office at any time during the year are:

S Karousos	Non-Executive Director and Chair
T Lapping	Director and CEO
A Sim	Executive Director

All of the above persons were key management personnel during the year ended 30 June 2026.

	Consolidated	
	2026	2025
	AU\$	AU\$
(b) Key management personnel remuneration		
Short-term employee benefits	557,550	561,153
Post employment benefit (superannuation guarantee)	21,600	20,700
Share based payments (Option expense)	209,660	-
Long-term benefits (Annual leave)	13,900	13,846
	<u>802,710</u>	<u>595,699</u>

(c) Payables to key management personnel

Amounts payable to Directors and Director related entities at the end of the financial year, included in current liabilities

	<u>40,000</u>	<u>92,500</u>
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(d) Other transactions with key management personnel

There were no other sale or purchase related transactions between the Group and key management personnel during the year ended 30 June 2026 (2025: nil).

(e) Other transactions with related parties

There were no other transactions with related parties throughout the year.

(f) Other Entities

There were no other transaction with other entities.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

19. Share based payments	Consolidated	
	2026 AU\$	2025 AU\$
Recognised share-based payment expenses		
Performance options issued	232,326	-
Performance rights vesting over period	141,941	363,130
Placement options issued	346,868	-
	721,135	363,130

During the year ended 30 June 2026, 10,000,000 options and 13,000,000 performance rights expired and have been reversed and recognised through accumulated losses (refer to the statement of changes in equity on page 22).

Employee Securities Incentive Plan

On 15 January 2021, the Group established an Employee Securities Incentive Plan that allows for securities to be granted to eligible employees and officers of the Group. The number of securities that can be issued under the plan cannot exceed 19,833,383. The terms and conditions of the securities issued under the plan are at the discretion of the Board.

(a) Performance rights issued to contractor

No performance rights were granted during the 12 months ending 30 June 2026 (2025:36,000,000).

A summary of the movements of all unlisted performance rights granted is as follows:

	Number	AU\$
Opening 1 July 2024	-	-
Performance rights issued	36,000,000	363,128
Converted to shares	(5,000,000)	(35,000)
	31,000,000	328,128
Performance rights issued	-	-
Performance rights expired	(13,000,000)	(2,342)
Converted to shares	(11,000,000)	(297,000)
Closing 30 June 2026	7,000,000	28,786

On the 11 September 2024 the Company granted 18,000,000 performance rights to contractor. The following vesting conditions for each tranche of performance rights is as follows:

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

19. Share based payments (continued)

Tranche A - 1,000,000 Upon achieving 10,000 monthly subscribers to the IGV Family PassProduct
Tranche B - 2,000,000 Upon achieving 30,000 monthly subscribers to the IGV Family PassProduct
Tranche C - 2,000,000 Upon achieving 50,000 monthly subscribers to the IGV Family PassProduct
Tranche D - 5,000,000 Upon achieving 100,000 monthly subscribers to the IGV Family PassProduct
Tranche E - 5,000,000 Upon securing a partnership with one of the major telecommunications services providers in Indonesia (including, but not limited to Telkom, Telkomsel, XL or Indosat) for any of the Company's digital products¹
Tranche F - 3,000,000 Upon securing an esports commercial partnership with PSSI. Indonesia's Football Association, with any of the Company's esports digital products.

Fair values of these performance rights were determined using the following inputs:

Input	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E	Tranche F
Number of Performance rights	1,000,000	2,000,000	2,000,000	5,000,000	5,000,000	3,000,000
Value per performance rights	0.007	0.007	0.007	0.007	0.007	0.007
Grant date	30/8/2024	30/8/2024	30/8/2024	30/8/2024	30/8/2024	30/8/2024
Vesting date	28/8/2025	28/8/2025	28/8/2025	28/8/2025	31/12/2024	28/8/2025

¹ On the 18 December 2024 5,000,000 performance rights were converted to ordinary shares post vesting conditions being met.

On 12 February 2025 the Company granted 18,000,000 performance rights to contractor. The following vesting conditions for each tranche of performance rights is as follows

Tranche A - 1,000,000 Upon achieving 10,000 monthly subscribers to the IGV Family PassProduct
Tranche B - 2,000,000 Upon achieving 30,000 monthly subscribers to the IGV Family PassProduct
Tranche C - 2,000,000 Upon achieving 50,000 monthly subscribers to the IGV Family PassProduct
Tranche D - 5,000,000 Upon achieving 100,000 monthly subscribers to the IGV Family PassProduct
Tranche E - 3,000,000 Upon security on esports commercial partnership with PSSI. Indonesia's Football Association, with any of the Company's esports digital products.
Tranche F - 5,000,000 Upon securing a partnership with one of the major telecommunications services providers in Southeast Asia (excluding Indonesia) for any of the Company's digital products

Fair values of these performance rights were determined using the following inputs:

Input	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E	Tranche F
Number of Performance rights	1,000,000	2,000,000	2,000,000	5,000,000	3,000,000	5,000,000
Value per performance rights	0.027	0.027	0.027	0.027	0.027	0.027
Grant date	10/2/2025	10/2/2025	10/2/2025	10/2/2025	10/2/2025	10/2/2025
Vesting date	11/2/2027	11/2/2027	11/2/2027	11/2/2027	28/4/2025	01/7/2025

¹ On the 31 October 2025 8,000,000 performance rights were converted into ordinary shares post vesting conditions being met for Tranche E & F.

On the 26 February 2026 1,000,000 performance rights were converted into ordinary shares post vesting conditions being met for Tranche A.

On the 1 May 2026 2,000,000 performance rights were converted into ordinary shares post vesting conditions being met for Tranche B.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

19. Share based payments (continued)

(b) Options

During the year a total of 80,040,624 options (2025: 7,500,000) were issued as follows:

2025				Number Under
Grant date	Date of Expiry	Exercise Price		Option
21/10/2024	21/10/2027	0.02		5,000,000
21/10/2024	21/10/2027	0.04		2,500,000
2026				
05/08/2025	31/10/2027	0.02		7,500,000
05/08/2025	31/10/2027	0.04		3,500,000
05/08/2025	31/07/2028	0.03		12,666,667
05/08/2025	31/07/2026	0.03		35,873,957
04/03/2026	04/03/2030	0.05		20,500,000

(c) Underwriter Options

The following options were granted in the 12 months ending 30 June:

2026

Grant date	05/08/2025	05/08/2025	05/08/2025
Exercise price	0.02	0.04	0.03
Expected volatility	100%	100%	100%
Expiry date (years)	2.23	2.23	2.98
Expected dividends	0	0	0
Risk free rate	3.31%	3.31%	3.35%
Share price at grant date	\$0.027	\$0.027	\$0.027
Number of options granted	7,500,000	3,500,000	12,666,667
FV at grant date	\$127,210	\$44,626	\$209,073

2025

Grant date	8/10/2024	8/10/2024
Exercise price	0.02	0.04
Expected volatility	100%	100%
Expiry date (years)	3	3
Expected dividends	0	0
Risk free rate	3.73%	3.73%
Share price at grant date	\$0.010	\$0.010
Number of options granted	5,000,000	2,500,000
FV at grant date	\$21,500	\$8,000

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

19. Share based payments (continued)

The following table sets out the movements in the number of options throughout the year:

2026

Grant date	Expiry date	Balance at start of year	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
27-Apr-23	30-Apr-26	10,000,000	-	-	(10,000,000)	-	-
21-Oct-24	21-Oct-27	7,500,000	-	-	-	7,500,000	7,500,000
5-Aug-25	31-Oct-27	-	11,000,000	-	-	11,000,000	11,000,000
5-Aug-25	31-Jul-28	-	12,666,667	-	-	12,666,667	12,666,667
5-Aug-25	31-Jul-26	-	35,873,957	(22,591,304)	-	13,282,653	13,282,653
4-Mar-26	4-Mar-30	-	20,500,000	-	-	20,500,000	-
Total		17,500,000	80,040,624	(22,591,304)	(10,000,000)	64,949,320	44,449,320

2025

Grant date	Expiry date	Balance at start of year	Number issued during year	Number exercised during year	Number expired during year	Balance at end of year	Number exercisable at end of year
29-Nov-22	31-Dec-24	14,000,000	-	-	(14,000,000)	-	-
27-Apr-23	30-Apr-26	10,000,000	-	-	-	10,000,000	10,000,000
21-Oct-24	21-Oct-27	-	7,500,000	-	-	7,500,000	7,500,000
Total		24,000,000	7,500,000	-	(14,000,000)	17,500,000	17,500,000

	Consolidated			
	2026		2025	
	Number of Options	Weighted Average Exercise Price AU\$	Number of Options	Weighted Average Exercise Price AU\$
At beginning of reporting year	17,500,000		24,000,000	
Granted during the year	80,040,624	0.03	7,500,000	0.008
- Lapsed	(10,000,000)	0.11	(14,000,000)	0.002
- Exercised	(22,591,304)	0.03	-	-
Balance the end of reporting year	64,949,320		17,500,000	
Exercisable at end of reporting year	44,449,320		17,500,000	

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

19. Share based payments (continued)

(d) Shares issued for services rendered

On 05 December 2025, the following shares were issued:

- 2,998,051 shares were issued to Stratos Karousos in connection with financial year 2025 Director fees of AU\$40,000.

20. Auditors' Remuneration

	Consolidated	
	2026	2025
	AU\$	AU\$
<u>Audit of the financial statements</u>		
Audit or review of financial reports - RSM Australia Partners	-	23,683
Audit or review of financial reports – Hall Chadwick (NSW)	135,000	86,000
	<u>135,000</u>	<u>109,683</u>
<u>Audit services - Network firms</u>		
Audit or review of the financial statements - RSM SG Assurance LLP	-	-
	<u>-</u>	<u>-</u>
	<u>135,000</u>	<u>109,683</u>

21. Commitments

There are no outstanding commitments as at 30 June 2026 (2025: Nil).

22. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and short-term deposits.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. It is, and has been throughout the entire year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are cash flow interest rate risk and equity price risk. Other minor risks are either summarised below or disclosed at note 9 in the case of credit risk and note 14 in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

Cash Flow Interest Rate Risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. The Group's borrowings which are fixed rate convertible notes expose the Group to fair value risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The following tables set out the carrying amount by maturity of the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments.

The Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group does not have a formal policy in place to mitigate such risks.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

22. Financial Risk Management Objectives and Policies (continued)

Consolidated 2026	Notes	Interest Rate	1 year or less AU\$	Over 1-5 years AU\$	Total AU\$
Financial assets					
Cash and cash equivalents	8	0%	3,446,184	-	3,446,184
Trade and other receivables	9	0%	297,015	-	297,015
Total financial assets			3,743,199	-	3,743,199
Financial liabilities					
Trade and other payables	11	0%	460,955	-	460,955
Borrowings (interest bearing)	13	10%	-	-	-
Total financial liabilities			460,955	-	460,955
Net financial assets			3,282,244	-	3,282,244

Consolidated 2025	Notes	Interest Rate	1 year or less AU\$	Over 1-5 years AU\$	Total AU\$
Financial assets					
Cash and cash equivalents	8	0%	118,144	-	118,144
Trade and other receivables	9	0%	4,645	-	4,645
Total financial assets			122,789	-	122,789
Financial liabilities					
Trade and other payables	11	0%	530,343	-	530,343
Borrowings (interest bearing)	13	10%	920,000	-	920,000
Total financial liabilities			1,450,343	-	1,450,343
Net financial liabilities			(1,327,554)	-	(1,327,554)

Interest rate sensitivity

The Group has considered its exposure to interest rate risk. All borrowings are subject to fixed interest rates over the term of the loans. As a result, the Group is not exposed to changes in market interest rates, and no sensitivity analysis has been presented.

Liquidity risk

The Group manages liquidity risk by maintaining sufficient cash reserves and marketable securities, and through the continuous monitoring of budgeted and actual cash flows.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

22. Financial Risk Management Objectives and Policies (continued)

			Consolidated		Consolidated
	Note	Weighted average interest rate	2026 AU\$	Weighted average interest rate	2025 AU\$
Contracted maturities of payables at 30 June					
Borrowings	13	10%	-	10%	920,000
Trade and other payables -less than 6 months	11	-	460,955	-	530,343
			460,955		1,450,343

Foreign exchange risk

The Group has cash and cash equivalents denominated in SG\$ of AU\$161,813 (2025: \$79,468) and IDR\$ of AU\$7,206. At 30 June 2026, if AUD/SGD and IDR/AUD rates had changed by 15% with all other variables held constant, loss for the year and equity would have been AU\$22,046 lower/higher (30 June 2025: \$8,293), as a result of the change in fair value of cash and cash equivalents.

A sensitivity of 15% (2025: 15%) has been selected as this is considered reasonable given the current level of volatility in the AUD/SGD and IDR/AUD rate.

Net fair values

For financial assets and liabilities, the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form, other than listed investments. The consolidated entity has no financial assets where carrying amount exceeds net fair values at balance date.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

23. Segment Information

For management purposes the Group is organised into the following units:

- corporate head office in **Australia**
- technology development, operations and marketing based in **Singapore**
- operations in **Indonesia**

Such structural organisation is determined by the nature of risks and returns associated with each business segment and define the management structure as well as the internal reporting system. It represents the basis on which the Group reports its primary segment information to the Board.

The operating segment analysis presented in these financial statements reflects operations analysis by business. It best describes the way the Group is managed and provides a meaningful insight into the business activities of the Group.

The following table presents details of revenue and operating loss by business segment as well as reconciliation between the information disclosed for reportable segments and the aggregated information in the financial statements. The information disclosed in the table below is derived directly from the internal financial reporting system used by the Board of Directors to monitor and evaluate the performance of our operating segments separately.

Consolidated - 2026	Australia AU\$	Singapore AU\$	Indonesia AU\$	Total AU\$
Reportable segment loss before tax				
Income	-	985,471	63,814	1,049,285
Total segment income	-	985,471	63,814	1,049,285
Intersegment eliminations	-	-	-	-
Total revenue				1,049,285
EBITDA	(1,603,421)	(656,170)	(424,352)	(2,683,943)
Loss before income tax expense	(1,603,421)	(656,954)	(424,800)	(2,685,175)
Income tax expense	-	-	-	-
Loss after income tax expense				(2,685,175)
Assets				
Segment assets	13,879,423	1,285,201	237,871	15,402,495
Intersegment eliminations				(11,635,487)
Total assets				3,767,008
Liabilities				
Segment liabilities	378,932	10,575,165	942,920	11,897,017
Intersegment eliminations				(11,030,541)
Total liabilities				866,476

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

23. Segment Information (continued)

Consolidated - 2025	Australia AU\$	Singapore AU\$	Indonesia AU\$	Total AU\$
Revenue				
Intersegment sales	4	6,562	39,328	45,894
Income				
Total segment income	4	6,562	39,328	45,894
Intersegment eliminations	-	-	-	-
Total revenue				45,894
EBITDA	(1,201,565)	(605,250)	(181,389)	(1,988,204)
Loss before income tax expense	(1,207,399)	(606,758)	(181,762)	(1,995,919)
Income tax expense	-	-	-	-
Loss after income tax expense				(1,995,919)
Assets				
Segment assets	9,533,434	504,141	281,041	10,318,616
Intersegment eliminations				(10,191,472)
Total assets				127,144
Liabilities				
Segment liabilities	1,435,727	9,706,688	597,926	11,740,341
Intersegment eliminations				(10,245,501)
Total liabilities				1,494,840

24. Matters subsequent to the end of the financial year

Exercise of options and issue of shares

Following 30 June 2026, the Company received approximately A\$398,480 from option exercises and the related underwriting arrangement.

On 14 July 2026 and 30 July 2026, the Company issued 869,566 and 10,130,435 fully paid ordinary shares, respectively, following the exercise of options at \$0.03 per share. The options were due to expire on 31 July 2026, the 2,282,652 remaining unexercised options expired on that date.

On 11 August 2026, it issued further 2,282,652 fully paid ordinary shares pursuant to that underwriting arrangement.

Commercial agreements

On 30 July 2026, the Company announced an expansion of an existing agreement to now include distribution of its HeroPlay mobile gaming subscription product.

On 13 August 2026, the Company announced a new product agreement to add gaming related digital products and services to HeroPlay.

On 24 August 2026, the Company announced a distribution agreement for gaming top-up vouchers and electronic PINs.

On 25 September 2026 the Company announced an agreement with a new voucher supplier for the HeroPlay Global Store.

NOTES TO THE FINANCIAL STATEMENTS AS AT 30 JUNE 2026

24. Matters subsequent to the end of the financial year (continued)

On 28 September 2026, the Company announced an agreement with a global video game commerce company, which integrates e-commerce, payments and distribution infrastructure into the HeroPlay

Gaming Universe, opening new revenue pillars alongside SportsHero's existing subscription and Direct Carrier Billing model. The agreement brings direct-to-consumer webshops and in-game purchase capabilities into the platform and advances HeroPlay's evolution into a full gaming universe spanning subscriptions, vouchers, webstores, in-app purchases and advertising.

These events arose after 30 June 2026 and have not been recognised in the financial statements for the year then ended.

25. Contingent Liabilities and Contingent Assets

The Group does not have any contingent liabilities or contingent assets as at 30 June 2026 (2025: Nil).

26. Investment in Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policies described in note 2:

	Country of Incorporation	Principal Activities	Functional Currency	Ownership 2026	Ownership 2025
Parent entity					
SportsHero Limited	Australia	Parent	Australian Dollars (AUD)		
Name of Controlled Entity					
Sportz Hero Pty Limited	Australia	Investment holding	Australian Dollars (AUD)	100%	100%
SportsHero Enterprise Pte Ltd	Singapore	Technology development, marketing and Operations	Singapore Dollars (SGD)	100%	100%
PT Sport Hero Indonesia	Indonesia	Operations	Indonesian Rupiah (IDR)	99%	99%
EsportsHero Pty Ltd	Australia	Operations	Australian Dollars (AUD)	100%	100%

27. Company Details

The registered office and principal place of business of the Group is:

Suite 376 / Mezzanine
388 George Street
Sydney NSW 2000

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Entity name	Entity type	Place formed/ Country of incorporation	Ownership Interest %	Trustee, Partner or Joint Venture	Tax residency
SportsHero Limited	Body Corporate	Australia	N/A	No	Australia
Sportz Hero Pty Limited	Body Corporate	Australia	100%	No	Australia
SportsHero Enterprise Pte Ltd	Body Corporate	Singapore	100%	No	Singapore
PT Sport Hero Indonesia	Body Corporate	Indonesia	99%	No	Indonesia
EsportsHero Pty Ltd	Body Corporate	Australia	100%	No	Australia

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of SportsHero Limited, I state that:

In the opinion of the Directors:

- (a) the financial statements and notes of the consolidated entity are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
 - (ii) complying with the Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and
 - (iii) the information disclosed in the attached consolidated entity disclosure statements is true and correct; and
- (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 2; and
- (c) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2026.

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

On behalf of the Board



Stratos Karousos
Chair

Dated this 29 September 2026

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
SPORTSHERO LIMITED
(ABN 98 123 423 987)**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of SportsHero Limited (the Company) and its controlled entities (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, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

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

- (a) 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
- (b) 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of financial reports of public interest entities 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(b) in the financial report, which indicates that the Group incurred a net loss of \$2,685,175 and had net cash outflows from operating activities of AU\$1,899,356 for the year ended 30 June 2026. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b) indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9 50 Pirie Street Adelaide SA 5000 +61 8 7093 8283	Level 4 240 Queen Street Brisbane QLD 4000 +61 7 2111 7000	Level 1 48-50 Smith Street Darwin NT 0800 +61 8 8943 0645	Level 14 440 Collins Street Melbourne VIC 3000 +61 3 9820 6400	Level 11 77 St Georges Tce Perth WA 6000 +61 8 6557 6200	Level 40 2 Park Street Sydney NSW 2000 +61 2 9263 2600

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INDEPENDENT AUDITOR'S REPORT (page 2)
TO THE MEMBERS OF
SPORTSHERO LIMITED
(ABN 98 123 423 987)

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 for the year ended 30 June 2026. 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. In addition to the matter described in the **Material Uncertainty Related to Going Concern** section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Revenue Recognition The Group, through its Singaporean subsidiary, entered into an agreement with PLDT Inc. in the Philippines, which generated the majority of the Group's revenue for the year ended 30 June 2026. Under the agreement, the iGV Game Pass is included in PLDT's bundled product offering, with SportsHero acting as the authorised distributor of the iGV Game Pass in the Philippines. The initial term of the agreement is two years. The Singaporean subsidiary separately entered into an agreement with iGVault HK Limited, the owner and operator of iGV.com, under which 30% of the revenue earned from the promotion and distribution of the iGV Game Pass is shared with iGVault HK Limited. Refer to Notes 2(f), 3 and 12 of the financial report for the related accounting policy and disclosures. This is a key audit matter because of the material magnitude of the revenue recognised and the significant judgement applied in assessing the contractual arrangements under AASB 15 Revenue from Contracts with Customers, including the identification of performance obligations, determination of the transaction price, timing of revenue recognition, and whether SportsHero acts as principal or agent in providing the service offering.	Our audit procedures included, among others: • Obtaining and inspecting the PLDT agreement and related agreements governing the game offerings. • Assessing the contractual arrangements against the requirements of AASB 15: Revenue from Contracts with Customers, including the identification of the contract, performance obligations, transaction price and the timing of revenue recognition. • Assessing whether SportsHero acts as principal or agent in providing the service offering. • Recalculating revenue recognised in accordance with the performance obligations set out in the PLDT agreement. • Recalculating the accruals and contract liabilities arising from the 30% revenue-sharing agreement with iGVault HK Limited.

**INDEPENDENT AUDITOR'S REPORT (page 3)
TO THE MEMBERS OF
SPORTSHERO LIMITED
(ABN 98 123 423 987)**

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Share Based Payments During the year ended 30 June 2026, the Company issued share options, which were accounted for as share based payments under AASB 2 Share Based Payments. Share-based payments are a complex accounting area including assumptions utilised in the fair value calculations and judgements regarding options issued during the year and performance rights granted in prior periods. There is a risk in the financial report that amounts are incorrectly recognised and/or inappropriately disclosed. Refer to Note 2(n) of the financial report for the description of the accounting policy, to Note 2(u) for the significant estimates and judgements applied to these transactions, and to Note 19 for the related disclosures. This is a key audit matter because of the material magnitude and complexity of the share-based payment transactions and the significant judgement and estimation uncertainty involved in determining the fair value, vesting conditions and appropriate recognition of the performance rights and share options under AASB 2 Share-based Payment.	Our audit procedures included but were not limited to: • Obtaining an understanding of the key terms and conditions of the performance rights and options by holding discussions with management and inspecting relevant agreements. • Evaluating management's assessment of the valuation and recognition of the options and performance rights. • Assessing the inputs used in the Black-Scholes option pricing model. In addition, engaging our corporate finance specialist to assess the assumptions and methodology used. • Reviewing the adequacy of the Company's disclosures in respect of the accounting treatment of share-based payments in the financial statements, including the significant judgements involved, and the accounting policy adopted.

**INDEPENDENT AUDITOR'S REPORT (page 4)
TO THE MEMBERS OF
SPORTSHERO LIMITED
(ABN 98 123 423 987)**

Information Other than the Financial Report and Auditor's Report Thereon

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 our 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 the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (page 5)
TO THE MEMBERS OF
SPORTSHERO LIMITED
(ABN 98 123 423 987)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and these are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT (page 6)
TO THE MEMBERS OF
SPORTSHERO LIMITED
(ABN 98 123 423 987)

Report on the Remuneration Report

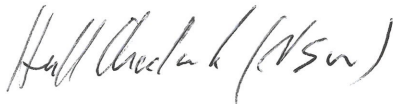
Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of SportsHero 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.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



STEWART THOMPSON
Partner

Dated: 29 September 2026

SHAREHOLDER INFORMATION

Additional information required by Australian Securities Exchange Limited and not shown elsewhere in this Annual Report is as follows. The information is made up to 23 September 2026.

Distribution schedules of security holders

Category (size of holding)	Number of holders	Unit	Percentage
1 -1,000	155	52,929	0.01%
1,001 - 5,000	160	488,427	0.05%
5,001 - 10,000	119	912,142	0.10%
10,001 - 100,000	432	16,782,925	1.84%
100,001 and over	398	892,162,907	98.00%
	1,264	910,399,330	100.00%

Holders of non-marketable parcels

There was 467 fully paid ordinary shareholders who hold less than a marketable parcel of shares.

Twenty largest holders

The names of the twenty largest shareholders are:

		Number of shares	% Held
1	BNP PARIBAS NOMS (NZ) LTD	43,412,066	4.77%
2	THITIRAT CHOTPONGNAN LOW	36,898,000	4.05%
3	MR COLIN JEE FAI LOW <NO 2 A/C>	34,778,709	3.82%
4	J & TW DEKKER PTY LTD <J & TW DEKKER FAMILY A/C>	26,919,955	2.96%
5	LEO BARRY PTY LTD	21,534,474	2.37%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,990,351	2.31%
7	MR JOHN DEKKER & MRS TANYA WILMA DEKKER <REZELICO SUPER FUND A/C>	20,976,650	2.30%
8	BNP PARIBAS NOMS PTY LTD	19,001,162	2.09%
9	MR COLIN JEE FAI LOW <NO 2 A/C>	17,908,837	1.97%
10	CITICORP NOMINEES PTY LIMITED	17,046,273	1.87%
11	ZERRIN INVESTMENTS PTY LTD	17,000,000	1.87%
12	MRS KELLY MELISSA LAPPING	15,425,000	1.69%
13	KAUAI CAPITAL PTY LTD	14,000,000	1.54%
14	MR ZENON DEKKER	13,074,285	1.44%
15	MR PAOLO D'ANGELO	13,073,134	1.44%
16	MR JOHN LEONARD WOODWARD <THE WOODWARD INVESTMENT A/C>	12,615,204	1.39%
17	MR DANIEL TROY HARRISON	12,484,313	1.37%
18	MR COLIN JEE FAI LOW	11,400,000	1.25%
19	THE COFFEE SOURCE PTY LTD	11,252,314	1.24%

SHAREHOLDER INFORMATION

20	REZELICO PTY LIMITED <REZELICO A/C>	11,000,000	1.21%
	Total	390,790,727	42.95%
	Total issued capital- selected security class(es)	910,399,330	100.00%

Restricted securities

The Group has 4,000,000 Restricted Securities on issue.

Unquoted equity securities

	Number on issue	Number of holders
Options exercisable at AU\$0.02 and expiring 21 October 2027	12,500,000	1
Options exercisable at AU\$0.04 and expiring 21 October 2027	6,000,000	1
Options exercisable at AU\$0.03 and expiring 31 July 2028	12,666,667	1
Options exercisable at AU\$0.10 and expiring 24 February 2029	15,000,000	9
Options exercisable at AU\$0.05 and expiring 3 March 2030	20,500,000	4
Performance rights	7,000,000	1

Names of persons holding more than 20% of a given class of unquoted securities (other than incentive securities)

Walibi Group Pty Ltd (or its nominees) holds 100% of the options expiring 31 July 2028.

Activ8 Capital Advisors Pty Ltd holds 100% of the 2 classes of options expiring 21 October 2027.

Substantial shareholder

There are no substantial shareholders in the Company.

On-market buy-back

There is no current on-market buy-back.

Acquisition of voting shares

No issues of securities have been approved for the purposes of Item 7 of section 611 of the Corporations Act 2001.

Voting Rights

Ordinary fully paid shares – on a show of hands, every member present in person or by proxy shall have one vote and upon a poll, each member shall have one vote per share.

Tax status

The Group is treated as a public company for taxation purposes.

Franking credits

The Group has nil franking credits.