

ÜNITH

UNITH LTD

(ASX: UNT / FWB: CM3)

Annual Report 2026



Unith Ltd
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30 June 2026

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Unith Ltd
Corporate directory
30 June 2026

Directors	Sytze Voulon - Chairman Scott Mison - Executive Director Antony Eaton - Non Executive Director	
Company secretary	Scott Mison	
Registered office	202/37 Barrack Street Perth WA 6000 Australia Tel: 1300 034 045 (within Australia) +61 (3) 9020 1468 (outside Australia) Fax: +61 (3) 9923 6507	
Principal place of business	Netherlands Teleportboulevard 120 1043 EJ Amsterdam +61 (3) 9020 1468 (outside Australia)	Spain Carrer de Mallorca, 289 Entresuelo 08037 Barcelona
Share register	Automic Group Limited Level 5 126 Phillip Street Sydney NSW 2000	
Auditor	RSM Australia Level 27 120 Collins Street Melbourne VIC 3000	
Stock exchange listing	Unith Ltd shares are listed on the Australian Securities Exchange (ASX code: UNT) Unith Ltd shares are also dual listed on the Frankfurt Stock Exchange (FWB code: CM3)	
Website	www.unith.ai	
Corporate Governance Statement	The Company's directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (4th Edition) ('Recommendations') to the extent appropriate to the size and nature of the Group's operations. The Company has prepared a Corporate Governance Statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations. The Company's Corporate Governance Statement and policies, which is approved at the same time as the Annual Report, can be found on its website: https://www.unith.ai/investorcentre	

Chairman's Letter

Dear Shareholders,

Artificial intelligence is developing at an extraordinary pace. For many people, AI has become synonymous with applications such as ChatGPT, Gemini and Claude. Yet the more profound change is likely to be what happens as these technologies become embedded in the way people interact with businesses, organisations and information.



Against this rapidly changing landscape, the Board believes that UNITH should not seek to compete on the underlying technology itself. The technology will continue to evolve rapidly. Our objective is instead to develop and own solutions that combine AI, organisational context and human interaction to address problems where communication, learning, decision-making and organisational change have material value.

The financial year under review has been an important bridge year in this development. UNITH continued to build and deploy its Digital Human capabilities, with much of the practical application focused on areas such as recruitment, training and induction. This work has provided valuable commercial experience while also strengthening the underlying interaction, logic and data capabilities of the platform.

At the same time, this experience has helped clarify what is still required to create a scalable and defensible proposition. The Digital Human is an important interface, but should not be regarded as the end product. Its value increases when it is connected to persistent, governed organisational context and data. The Board therefore sees an opportunity to develop UNITH towards a reusable platform in which such context can be established, continuously enriched and made accessible through human interaction. We refer to this persistent layer of organisational context as the Digital Twin.

This strategic thinking also means being selective. UNITH does not need to develop or own every element of the underlying technology. Rather, we need to combine the right technologies, data, capabilities and partnerships into solutions that create meaningful and repeatable value for customers.

This also informs our approach to the two commercial engines of the business. Track Concepts provides an established D2C business, cash generation and a valuable environment in which to learn about consumer engagement, retention and monetisation. At the same time, the enterprise opportunity is being developed around higher-value applications where organisational context, human interaction and change have significant economic consequences.

The coming financial year will therefore be one of focused execution. The Board intends to concentrate the company's resources on building the core capability, developing repeatable commercial applications and establishing the missing elements of the broader architecture. Where capabilities, intellectual property or market access can be acquired more efficiently than built organically, we will consider targeted M&A and strategic investments as part of that process.

The objective is to build on what has already been developed rather than continually starting afresh: each new application should strengthen the underlying capability, improve our understanding of the market and increase the value of what UNITH can offer to future customers.

The Board believes that this sharper focus gives UNITH a clearer path from its existing technology and experience towards a scalable AI-enabled business. The opportunity is substantial, but so is the pace of change in the market. Our task is therefore not simply to move quickly, but to move with focus, discipline and purpose.

None of this happens without the people around UNITH. On behalf of the Board, I would like to thank our employees and partners for their commitment and resilience during a year of considerable change in both the company and the technology landscape. I also want to thank our shareholders for their continued support and patience as we have built the foundations for the next phase of UNITH's development.

Unith Ltd
Chairman's report
30 June 2026

The opportunity ahead is significant, but realising it will require focus, discipline and execution. The Board and management are aligned on that task, and we enter the new financial year with a clearer strategy, a stronger foundation and a determination to turn that opportunity into sustainable value.

Warm Regards,

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right, ending in a small 'x'.

Sytze Voulon
Non-Executive Chairman
Unith Ltd.

Executive Director's Letter

Dear Shareholders,

I am pleased to report on UNITH's performance for the year ended 30 June 2026 (FY26), a year in which we focused on execution: converting investment into a stronger platform and a more scalable go-to-market engine, while managing our cost base carefully in a challenging capital environment.



Group revenue for FY26 was \$4.40 million, a decrease of 13% on FY25's \$5 million. Loss after income tax was \$4.98 million, compared with \$4.95 million in FY25. Our reported EBITDA loss narrowed 18% to \$2.717 million (FY25: \$3.33 million loss). On an underlying basis, EBITDA loss for the year increased to \$2.09 million, from \$1.50 million in FY25.

That increase was a direct result of where we chose to spend. Our selling, general and administration expenses, including marketing, were \$6.221 million for the year, a decrease of 2% on FY25, as we continued to invest in our Subscription business's expansion into new markets and in research and development of our Digital Human technology. That is the trade-off at the heart of FY26: investing where it drives growth, while holding the line elsewhere in our cost base.

Net cash used in operating activities for the year was \$1.745 million, compared with net cash used of \$2.26 million in FY25, consistent with the investment described above. We also drew \$2.0 million in borrowings during the year to support our liquidity position, which increased our finance costs to \$0.32 million from \$0.03 million in FY25. Net cash used in investing activities was \$1.63 million, mainly for additions to our software intangible assets, principally the ongoing development of our Digital Human platform and its underlying intellectual property.

We ended the year with net assets of \$4.30 million (FY25: \$7.37 million) and cash and cash equivalents of \$0.45 million. During FY26 we completed a capital raise, receiving \$1.67 million (net of transaction costs) from the issue of shares and \$0.10 million from the issue of options. Subsequent to year end, in July 2026 we announced a placement and entitlement offer to raise a further \$2.75 million, together with the conversion of \$500,000 of debt into equity, with proceeds earmarked for technology, marketing, business development and working capital.

Operationally, FY26 was a big year for the platform. We launched Streaming Avatars, our proprietary in-house streaming technology, cutting response times by around 90% to 1-2 seconds with conversation accuracy exceeding 90%, and reached general availability in the March 2026 quarter. We also achieved ISO/IEC 27001:2022 certification for information security, an important credential opening doors with regulated-sector clients, and shortly after year end released the alpha version of DEVA-1, our next-generation avatar model, with full commercial rollout targeted for the end of calendar 2026.

On the commercial side, we signed a new agreement with Persona Entertainment in Finland, extended our long-standing partnership with the Alliance for Public Health into new markets, completed due diligence to become a preferred vendor for Takeda Pharmaceutical, delivered a training solution for bioMérieux in Spain, and began integrating our technology into HGS UK's learning management systems. We also sharpened our go-to-market focus around two priority HR use cases, employee training role-plays and candidate pre-screening, and opened a new paid acquisition channel via LinkedIn to reach HR and sales-training decision-makers directly.

Our B2C Subscription division expanded its payments infrastructure to include card and digital wallet payments alongside our existing telecommunications billing model, achieved Google Partner status to scale our advertising agency, and secured new carrier approvals in Slovenia, Romania, Bulgaria and Bahrain. We also launched a new Investor Centre in March 2026, featuring "Digital Scott", a streaming Digital Human built in my own likeness. It is a small detail, but a telling one for what this technology can do.

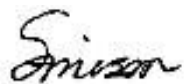
For FY27, my focus as Executive Director is on turning our Digital Human pipeline into a repeatable B2B enterprise sales motion, building on the HR-focused go-to-market work we started this year, and taking DEVA-1 through to full commercial rollout by the end of the calendar year. In B2C, we are evaluating further expansion into Africa and Asia-Pacific, with an initial focus on Kenya, Senegal, Nigeria and Pakistan, while maintaining the cost discipline that shaped FY26.

FY26 asked a lot of this team, and they delivered: a faster platform, a certification that opens doors we could not reach before, and a growing list of enterprise clients willing to put their name behind our technology. I want to thank our engineering, product and commercial teams for that work, our customers and partners for their continued trust, and our

Unith Ltd
Executive Director's letter
30 June 2026

shareholders for backing us through a capital-intensive year. The foundations we built in FY26 are what I am counting on to convert into revenue in FY27.

Sincerely,

A handwritten signature in black ink, appearing to read "Smison".

Scott Mison
Executive Director
Unith Ltd

Unith Ltd
Directors' Report
30 June 2026

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

Directors

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

Sytze Voulon	Non-Executive Chairman
Scott Mison	Executive Director
Antony Eaton	Non-Executive Director

Principal activities

During the 2026 financial year, the principal continuing activities of the Group were the development of AI-driven digital human and conversation design solutions and the sale of these solutions to a growing client list. These activities entailed the design, development, and deployment of interactive, artificial intelligence (AI)-powered, conversational agents that are realistic, multilingual and scalable.

Unith's technology platform, and the products coming out of it, can take the form of AI avatars that interact in a lifelike manner and enhance business clients' customer engagement, education, and entertainment metrics. Unith is now successfully implementing a strategy to monetise its proprietary AI and digital human capabilities embodied in its technology platform.

Unith also operates a growing business-to-consumer (B2C) subscription division, which leverages the value-add created by the Company's digital human and conversation design solutions technology. This division, which utilises literally thousands of Unith-created digital humans, generates recurring revenue from clients through subscription models for their services or platforms. Driven by individual business client's requirements, Unith's subscriptions arm can offer a range of services, including access to specific functionalities, tools, or content related to digital humans and AI technology. These subscription services help Unith clients generate a steady income stream and develop long-lasting relationships with their customers.

Dividends

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

Review of operations

The loss for the Group after providing for income tax amounted to \$4,987,690 (30 June 2025: \$4,950,719).

Digital Human Technology Division

Product & Technology Update

Throughout the 2026 financial year and into the early stages of the new financial year, Unith's Digital Human technology platform underwent substantial evolution. Primary engineering efforts focused on launching Streaming Avatars, initiating a brand-new proprietary generative AI visual synthesis model, and delivering platform upgrades that optimise both administration capabilities and end-user engagement. Additionally, key infrastructure, platform, and organizational adjustments were implemented to secure ISO 27001 certification. Key developments are summarised below.

Streaming Avatars:

Streaming Avatars, powered by proprietary in-house streaming technology that dramatically boosts performance, successfully launched during the first half of FY26 (refer to the ASX announcement on 15 October 2025).

The initial alpha deployment marked a major leap in responsiveness, driving a speed increase of approximately 90%. Unith-developed Digital Humans delivered synchronised audio and video responses within 1 to 2 seconds. Key advantages of this enhanced speed include:

- A more natural, real-time conversational flow
- AI-driven conversation accuracy exceeding 90%.

Alpha testing was conducted with select clients across key sectors—such as customer experience, education, healthcare, and entertainment—confirming the solution's capacity for fast, scalable, and cost-effective deployment.

The solution achieved general availability in the March 2026 quarter, fulfilling the Company's commitment to roll out the offering to all users before the end of FY26.

Streaming Avatars served as the foundation for subsequent enhancements in interaction quality, such as an always-on microphone feature for seamless interruption handling, alongside planned upgrades in gesture control, turn-taking dynamics, and operational efficiency.

General Platform Enhancements:

Backend & Security Upgrades: Continuous backend enhancements, platform stability upgrades, and advancements toward ISO certification, including:

- **Webhook API:** Introduction of a Webhook API to enable real-time event monitoring and smooth integration.
- **Performance Scaling:** Implementation of a revamped data pipeline featuring environment segregation and a major streaming infrastructure upgrade to handle high-load scalability.
- **Data Governance:** Rollout of global and user-specific data retention controls alongside automated inactive account management.
- **Developer Tools:** Publication of a Frontend SDK on npm to support custom developer implementations.

Platform Configuration (Admin & Creator): Key functional updates empowering administrators to craft richer, more sophisticated solutions and deliver superior end-user experiences.

- **Avatar Library Expansion:** Growth and expansion of the visual avatar asset library.
- **Streaming Configuration:** Ability to seamlessly convert legacy digital humans to streaming mode and back without re-creating them.
- **Dashboard & Edit Flow:** Refined interface dashboard featuring distinct views for legacy versus streaming digital humans, along with visible Head Visual IDs within the edit workflow.
- **Integrations Tab:** A consolidated UI for configuring tool calling, managing MCP integrations, and swapping underlying LLM models.
- **Voice Customisation:** Enhanced voice selection interface supporting direct manual entry of private voice IDs.
- **Identity Management:** Independent configuration for head names and aliases.
- **Usage Tracking:** Introduction of custom data tagging for segmented usage logging.
- **Document Processor:** General availability of the Document Processor module, packaged for extended integration opportunities.

User Experience Enhancements:

- **Streaming Mode:** Transitioned streaming mode to the default standard for all digital humans, incorporating expressive dual-loop setups powered by ElevenLabs and Microsoft Azure integrations.
- **Visual Enhancements:** Refined video transitions and early access preview to seamless avatar visual synthesis (cloning without physical recording).
- **Natural Conversation Flow:** Reinstatement of automated browser language detection, idle state behaviour, and high-volume pop-up management.
- **Multilingual Support:** Rollout of native multilingual speech detection capabilities.
- **Response Control:** Implementation of a manual "stop" control for response interruption, followed by real-time voice-driven mid-sentence interruption capabilities.

Avatar Studio

Throughout FY26, Unith developed technology to generate lifelike digital avatars without human models. By eliminating the need to source human subjects for new initiatives, this breakthrough substantially simplifies and accelerates the creation and acquisition of Digital Human assets.

DEVA-1

To significantly improve the visual quality of its Digital Humans, Unith launched a major research initiative in early 2026. The team evaluated more than 100 research papers and conducted code reviews across open-source ecosystems. Driven by market demand and changing client expectations, Unith began developing DEVA-1, a new state-of-the-art AI model for Digital Human avatars.

Engineered specifically to meet client needs across sectors such as HR automation, enterprise LMS, hospitality, and B2B sales, DEVA-1 satisfies the demand for Digital Humans capable of expressing complex emotions through facial cues. Key technological highlights include:

- Avatar generation from single images or videos.
- Real-time streaming driven by speech tone, with enhanced facial and head movements.
- Low latency optimised for high-quality conversational applications.

Shortly after the end of FY26, Unith launched the alpha release of the DEVA-1 model, which is positioned to meaningfully expand the Company's market share in the Digital Humans segment (refer to the ASX announcement on 3 August 2026).

During initial alpha testing with select clients, feedback was exceptionally positive, with participants praising the model's realism and ease of deployment as a true leap forward.

The alpha phase will run through September 2026, during which Unith will refine model consistency and implement enterprise features such as custom branding and subtitle integration. A full commercial production rollout is scheduled for the end of calendar year 2026.

Commercial Highlights

Over the past 12 months, Unith has further expanded its client roster, highlighting its capability to effectively reach targeted market segments and geographic areas. Key commercial milestones achieved during financial year 2026 include:

- **Persona Entertainment OY (Finland):** Unith signed a new binding agreement with this Finnish business specialising in music, digital avatars, and virtual AI companionship. The arrangement includes an initial delivery phase followed by a 12-month licensing agreement.
- **Alliance for Public Health (APH):** The partnership was renewed and extended through 2026 under a self-service, license-only maintenance structure to support the TWIIN platform across Ukraine, Moldova, and Georgia. During H2 FY26, APH broadened its deployment of TWIIN Digital Humans for social care initiatives into three additional markets.
- **Takeda Pharmaceutical Company:** Unith successfully completed a comprehensive due diligence review to attain preferred vendor status for Takeda Digital Human solutions. Following a successful pilot where Digital Humans provided patient instructions in a controlled environment, UNITH and Takeda are collaborating on role-play training scenarios simulating real-world situations in a controlled environment.
- **bioMérieux:** Delivered an interactive conversational training solution powered by AI avatars to streamline costs and lower the complexity of conventional training programs. Initial rollout took place in Spain, with opportunities to scale into further regions.
- **HGS UK:** Operating under Hinduja Global Solutions, HGS UK began integrating Digital Humans into its Learning Management Systems for interview simulations and role-play training, complete with automated evaluation, scoring, and feedback functions.
- **MeetCaria and MeetAI:** Both platforms continued utilising Unith's Digital Humans to perform automated job interviews, facilitating efficient recruitment and candidate screening at scale.
- **APAC Government Customer:** A multilingual Digital Human project for national government sector training was proposed to an Asia-Pacific government client. While regional hardware supply constraints temporarily paused progress, commercial negotiations remained in advanced stages during the June 2026 quarter, with ongoing dialogue aimed at launching the project in FY27.

Enterprise Readiness and Certification

Receipt of ISO/IEC 27001:2022 accreditation

In the second half of the 2026 financial year, the Company completed all requirements for receipt of the globally recognised ISO/IEC 27001:2022 certification. Unith subsequently received Official Certification for the ISO/IEC 27001:2022 standard for Information Security Management Systems (ISMS) in early June 2026 (see ASX announcement dated 9 June 2026).

For a business to receive this certification they must have robust policies, processes and controls to manage sensitive information securely and mitigate risks related to data breaches.

Unith's ISO/IEC 27001:2022 certification is thus a critical commercial milestone for the Company, as it gives potential customers increased confidence Unith can effectively safeguard their information. It is independent validation that the Company's ISMS protects customers, partners, and corporate data against evolving global cybersecurity threats – which is especially important for potential clients operating in highly regulated sectors like government and banking.

Market and Growth

The Unith leadership team attended multiple tech industry events over the course of the Company's 2026 financial year. These events gave Unith the opportunity to both demonstrate its Digital Humans platform to prospective clients, and, at the same time, get their feedback on ways further enhancements could be incorporated into the Unith platform.

Unith team members attended the Tech Show Madrid held over 28-30 October 2025. This marketing initiative saw Unith initiate multiple conversations with prospective customers across several industry verticals – most notably around HR role-play training and pre-screening interview automation, which represented strong mid-term conversion opportunities.

Following this engagement, the Company further refined its HR ideal customer profile into two priority segments, namely:

- Employee training role-plays
- Candidate pre-screening.

For each segment, Unith developed targeted outreach initiatives and segment-specific demonstration experiences, leveraging its proprietary API to clearly evidence business impact. These demonstrations incorporate end-to-end automation, including conversation summarisation, scoring-based assessment, and real-time visibility for HR decision-makers, improving operational efficiency and accelerating time-to-value. This focused execution is translating into qualified meetings and early validation of market demand.

In parallel, Unith launched a new paid acquisition channel via LinkedIn Ads, targeting decision-makers aligned with the Company's Ideal Customer Profile "ICPs", including HR leaders and sales training stakeholders. This channel supports scalable demand validation, systematic messaging and positioning tests across segments, and the generation of qualified inbound interest to complement outbound efforts and accelerate pipeline formation.

Financial year 2026 also saw the Company progress Search Engine Optimisation "SEO" for its new website through structured keyword research to capture high-intent demand aligned with priority ICPs. In addition, Unith improved visibility within AI/LLM-driven discovery by optimising content structure and technical signals to enhance indexing and relevance in AI-mediated search and recommendation environments. Collectively, these initiatives establish the foundation for sustainable organic growth alongside paid and outbound channels.

UNITH B2C Division

UNITH's B2C division continued to advance its commercial and technology strategy throughout FY2026, with a focus on expanding addressable markets, strengthening its payments and Digital Human infrastructure, diversifying customer acquisition channels, and developing new AI-powered consumer applications.

During the first half of the financial year, the division progressed a number of strategic initiatives designed to strengthen its commercial foundations and establish a more scalable platform for future growth.

Expanding Payment Capabilities and Addressable Markets

A key initiative during FY2026 was the expansion of UNITH's payments infrastructure beyond its established telecommunications billing capability. Development resources were directed towards enabling direct credit and debit card payments, together with digital wallet functionality including Apple Pay and Google Pay.

The addition of card and digital wallet payments represents an important expansion of the division's commercial capabilities. While telecommunications billing remains an effective customer acquisition and monetisation channel, its availability is dependent on individual carrier integrations and is generally suited to lower transaction values.

Card and digital wallet payments provide access to a substantially broader global payments ecosystem, support higher transaction values and align with established e-commerce purchasing behaviour. Over time, these capabilities are expected to provide opportunities to increase average revenue per user (ARPU), access higher-value customer segments and introduce new products and pricing models.

The expanded payments infrastructure is also expected to improve the scalability of the B2C business by enabling the division to enter new jurisdictions with reduced reliance on carrier-specific payment integrations.

Customer Acquisition and Google Ads Agency Expansion

Following the achievement of Google Partner status, the B2C division accelerated client onboarding within its Google Ads agency operations during FY2026.

New clients were onboarded with campaigns planned across multiple regions, including the Middle East, Africa and Asia. This activity broadened the division's customer acquisition operations and provided additional geographic diversification, while building on the digital marketing expertise developed through the operation and optimisation of UNITH's own B2C portfolio.

Digital Human Platform Enhancements

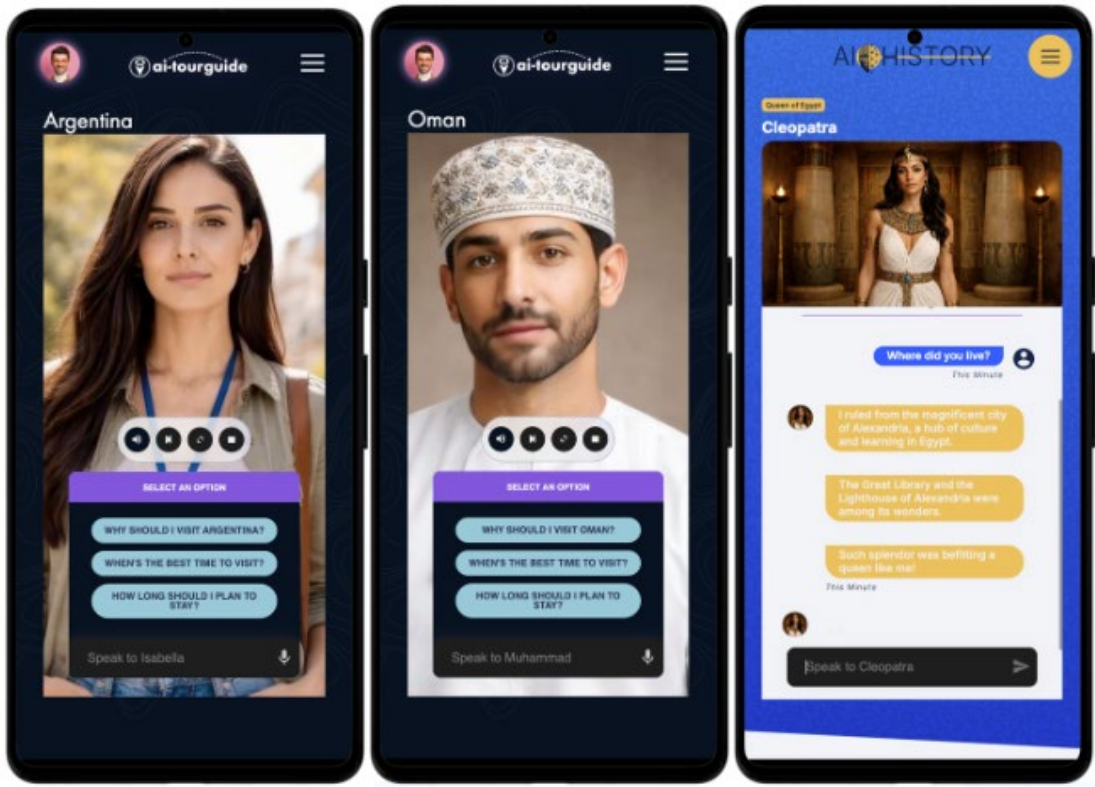
During the March 2026 quarter, a key operational priority was the rollout of new infrastructure supporting streaming avatars across the B2C platform.

The upgraded streaming architecture materially reduced latency and improved conversational responsiveness, establishing a stronger technical foundation for increasingly natural, real-time interactions between users and Digital Humans. These improvements are particularly relevant as the division expands into applications where conversational quality and responsiveness are central to the user experience.

The Company also advanced its core avatar generation capabilities, providing greater flexibility to tailor Digital Humans to specific applications, audiences and use cases. Within the B2C division, these capabilities enabled the development of more targeted consumer experiences and closer alignment between AI personas, application context and user expectations.

The enhanced capabilities were subsequently incorporated into B2C application updates and made available to users. The broader range and improved quality of avatars enable the division to create more diverse and engaging digital personas across its expanding consumer product portfolio.

Figure 3 – New Avatars Across B2C Division Applications



The new generation of avatars also delivered improved performance across larger screen formats. Higher visual fidelity and enhanced rendering quality enable Digital Humans to retain realism and clarity across tablets, desktops and other large-format devices.

This expands the potential application of UNITH's Digital Human technology beyond predominantly mobile experiences and creates opportunities to explore new consumer product categories and more immersive interaction formats across multiple device types.

New Product and Market Launches

The division continued to expand its mobile gaming footprint in South-East Europe, securing telecommunications operator approvals for additional mobile gaming products in Slovenia, Romania and Bulgaria. These approvals further strengthened UNITH's presence in established markets and created additional opportunities to leverage existing carrier relationships and customer acquisition infrastructure across the region.

UNITH also secured telecommunications operator approval in Bahrain for the launch of Article+, a mental wellbeing product offering personal and confidential consultations powered by UNITH's Digital Human technology. The approval represents a further application of the Company's technology within consumer-facing services and supports expansion into the Middle East.

The division launched a new astrology product in Bangladesh and introduced its travel application in Portugal. Marketing activity for the travel product was subsequently refined to focus on affordable travel experiences, incorporating AI-powered Digital Humans as part of the user engagement and conversion journey.

In parallel, the division commenced development of two new Digital Human applications targeting consumer content categories with significant potential addressable audiences.

The first is a **religious e-learning platform** designed to address demand for faith-based educational content, initially targeting the Middle East and North Africa (MENA) region. The application combines Digital Human instructors with interactive educational experiences and builds on customer demand observed through the Company's enterprise engagements. A beta release is targeted by the end of the September 2026 quarter.

Figure 4: Religious e-learning application for the MENA region.



The second is a **next-generation AI dating coach application**, designed to utilise the latest capabilities of the UNITH Digital Human platform. The application is expected to incorporate more natural conversational patterns, stronger personality consistency, emotional responsiveness and richer interactions, with the objective of creating a differentiated experience relative to conventional text-based AI applications. A beta release is targeted for early in the second half of FY2027.

Figure 5: Dating coach application leveraging enhanced UNITH Digital Human Platform capabilities.



Together, these applications demonstrate the ability to deploy the underlying Digital Human platform across distinct consumer verticals while leveraging common technology, infrastructure and AI capabilities.

FY2027 Outlook

As FY2027 commences, the B2C division is focused on converting the technology and commercial foundations established during FY2026 into a broader portfolio of scalable consumer applications and geographic opportunities.

The division is actively evaluating further expansion across Africa and APAC, with an initial focus on Kenya, Senegal, Nigeria and Pakistan. These markets offer attractive demographic characteristics, expanding smartphone penetration and growing adoption of mobile-first digital services, providing potential opportunities for UNITH’s AI-powered consumer applications.

The combination of expanded payment capabilities, improved Digital Human technology, established telecommunications distribution relationships and a growing portfolio of AI-powered applications provides the B2C division with a stronger platform from which to pursue growth during FY2027.

Management will continue to prioritise markets and applications where UNITH can leverage its proprietary Digital Human technology, existing distribution capabilities and digital customer acquisition expertise to build scalable consumer revenue opportunities.

Corporate
July 2025 Placement

Very early in the 2026 financial year, the Company announced it had received binding commitments to raise approximately \$1.85m (before costs) via a Share Placement (“the Placement”) (see ASX announcement dated 7 July 2025).
The Placement resulted in the issue of 264,285,714 new fully paid ordinary shares in UNITH at an issue price of \$0.007 per share (“Placement Shares”). The Placement Shares were issued under the Company’s placement capacity under ASX Listing Rules 7.1 (comprising 141,407,173 shares) and 7.1A (comprising 122,878,541 shares).

Strategic Facility Supports Execution and Growth

Late in the first half of 2026 financial year, Unith secured a \$1.0 million unsecured strategic facility, which enhanced the Company's liquidity position and provided it with additional financial flexibility to support ongoing platform execution, enterprise deployment and growth initiatives (see ASX announcement dated 29 December 2025).

This took the total size of this facility, provided by GAM Company Pty Ltd as trustee for the GAM 1 Trust, to \$2.0 million.

The facility will both support Unith's general working capital requirements and near-term operational priorities and provide strategic optionality as the Company continues to scale its AI and Digital Human platform across global enterprise and subscription markets.

Early 2027 Financial Year Placement and Rights Issue

Soon after the end of Unith's 2026 financial year, the Company announced two equity raising initiatives priced at \$0.008 per share (see ASX announcement dated 16 July 2026):

- A successfully completed Share Placement ("the Placement"), which raised \$1 million (gross proceeds)
- A planned 1-for-7 Pro rata Non-renounceable Entitlements Offer ("the Offer") targeting around \$1.75 million (gross proceeds)

The new shares issued in both these raisings come with free attaching to-be-listed Options on a 1:2 basis.

Unith plans to use the proceeds from these raisings to accelerate technology, marketing and business development, strengthen commercial initiatives, continual assessment of potential corporate and strategic acquisitions, and fund general working capital requirements.

The Company has also agreed to convert \$0.5 million of a debt facility into equity on the same terms as the Placement and Offer.

Deep-Technology R&D Recognition in Spain

Financial year 2026 saw Unith's highly innovative software development activities was formally recognised as qualifying Research & Development under Spain's R&D tax incentive framework.

Certification under this framework represents a notably high bar for software-based projects, reflecting the technical sophistication, novelty and defensibility of the Company's proprietary AI and Digital Human platform.

This recognition differentiates Unith from standard technology development programs and provides independent validation of the Company's deep-technology capabilities within a rigorous European regulatory environment.

New Website and Investor Centre

Unith constructed a new corporate website that went live early in the Company's 2026 financial year (see ASX announcement dated 6 August 2025). Its delivery represented a key milestone in Unith's growth strategy.

The revamped website both elevated the Company's digital presence and enhanced user experience for existing and potential clients.

The new website offers:

- Clear communication of the Unith brand, enhanced discoverability and a conversation focused design
- A host of innovative features including targeted messaging, new pricing tiers to enhance conversion rates, and a revamped content management system.

The new website is accessible via clicking on the following link: www.unith.ai

A new Unith Investor Centre was also launched in early March 2026 (see ASX announcement dated 11 March 2026). This Centre provides a centralised destination for current and prospective investors to access Company information and engage directly with management.

It is accessible via the Investor Centre tab on the Company's website and is designed as a one-stop location for ASX announcements, financial and corporate reports, links to the Company's social media channels, videos, presentations and other multimedia content.

This new Investor Centre is powered by the Relait investor relations platform. It features Streaming Avatar 'Digital Scott', a multi-lingual Digital Human based on Unith's Executive Director, Scott Mison

Financial Review

Unith was organised into three operating segments during the financial year: Subscription, Digital Humans and Other Segments.

Comparison of years ended 30 June 2026 to 30 June 2025

The Group earned revenue for the year ended 30 June 2026 of \$4,366,512 versus \$5,014,438 in the prior year ended 30 June 2025 ('pcp' or 'prior year'). This is a decrease of 13%. The Group's earnings before interest, tax, depreciation and amortisation ('EBITDA') was a loss of (\$2,716,990) for the year (pcp: (\$3,326,203) and net profit or loss after tax ('NPAT') for the year was (\$4,987,690) (pcp: (\$4,950,719)). The Group's net asset position at 30 June 2026 was \$4,297,660, a decrease of \$3,071,456 from the prior year balance.

	2026	2025	Change	Change
	\$	\$	\$	%
Revenue	4,366,512	5,014,438	(647,926)	(13%)
Other Revenue	268,982	355,358	(86,376)	(24%)
Net fair value gain/ (loss) on investments	(440)	(1,949,454)	1,949,014	(100%)
FX unrealised gain	(329,861)	418,650	(748,511)	(179%)
Loss on disposal of assets	(16,106)	-	(16,106)	-
Cost of Sales	(755,601)	(774,354)	18,753	(2%)
Selling, general and administration expenses	(6,221,167)	(6,367,661)	146,494	(2%)
Impairment expenses and expected credit losses	(29,309)	(23,180)	(6,129)	26%
EBITDA	(2,716,990)	(3,326,203)	609,213	(18%)
Interest Income	2,826	2,377	449	19%
Depreciation and amortisation	(1,954,381)	(1,594,876)	(359,505)	23%
Finance costs	(319,145)	(32,017)	(287,128)	897%
NPAT	(4,987,690)	(4,950,719)	(36,971)	1%

Notably, the Company's EBITDA and net loss includes non-cash share-based payment charges of \$174,789, \$72,910 options in lieu of fees non-cash doubtful debtors \$29,309 non cash disposal of assets of \$16,106, and a non-cash write off of the investment In The Room of \$440. When adjusting only for these effects, consistent with performance measures reported to shareholders during the year, the underlying EBITDA for the financial year is a loss of (\$2,093,575) (pcp:\$1,498,951), as follows:

	2026	2025	Change	Change
	\$	\$	\$	%
NPAT	(4,987,690)	(4,950,719)	(36,971)	1%
Add back: finance costs	319,145	32,017	287,128	897%
Deduct: interest revenue	(2,826)	(2,377)	(449)	19%
Add back: depreciation and amortisation	1,954,381	1,594,876	359,505	23%
EBITDA	(2,716,990)	(3,326,203)	609,213	(18%)
Add back: impairment expenses (non-cash)	29,309	23,180	6,129	26%
Add back: share-based payments expense (non-cash)	174,789	273,268	(98,479)	(36%)
Add Back: Options in lieu of fees	72,910	-	72,910	-
Add back: Disposal of assets (non-cash)	16,106	-	16,106	-
Deduct: fair value (gain) / loss on investments (non-cash)	440	1,949,454	(1,949,014)	(100%)
Deduct: FX unrealised gain/(loss)	329,861	(418,650)	748,511	(179%)
Underlying EBITDA	(2,093,575)	(1,498,951)	(594,624)	40%

The directors consider Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') to reflect the core earnings of the Group. Underlying EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit/(loss) under AAS adjusted for non-cash and significant items.

Revenue

During the year, revenue from the Group's operations totalled \$4,366,512 (pcp: \$5,014,438). A decrease of 13 %. Revenue was represented by Subscription of \$4,061,628, (pcp: \$4,467,293) a decrease of 9%, and Digital Human of \$304,884 after intersegment revenue (pcp: \$294,361) an increase of 4%.

The Subscription business continues to be EBITDA profitable. Management will continue to expand the product offering, adding new and better-quality third-party content and diversifying revenue in order to lift revenue and profitability. New marketing channels are constantly being explored, particularly social media channels, for the distribution of new products based on the in-house AI-powered Digital Human technology.

The Digital Human division is focused on development and commercialisation of the software, which continues to achieve the goals set in the Company's strategy. Improvements are continually being made to the underlying Digital Human technology. The commercial team has been scaled alongside platform enhancements and enterprise go-to-market has been initiated, establishing a rich customer and partnership pipeline.

Expenses

(i) Cost of sales

During the year, the Group's cost of sales was \$755,601 or 17% of revenue (pcp: \$774,354 at 15%). The cost of sales as a percentage of revenue compared to the prior year remains steady year on year and is expected to decrease slightly in the next financial year.

(ii) Selling, general and administration expense

The Group's selling, general and administration expenses (including marketing) of \$6,221,167 for the year decreased by 2% compared to the prior year.

(iii) Depreciation and amortisation

The consolidated depreciation and amortisation expense for the year was \$1,954,381 (pcp: \$1,594,876). The increase from prior period is mainly due to amortisation on software intangible assets.

(iv) Finance costs

The consolidated finance costs for the year of \$319,145 increased by 897% from \$32,017 for the prior year.

(v) Income tax expense/(benefit)

The consolidated income tax expense for the year was \$nil (pcp: \$nil).

Cash flow

The Company's net cash used by operating activities for the year was (\$1,744,893) (pcp: net cash used by operating activities of \$2,255,006), mainly reflecting higher spend on marketing as the Mobile Subscription division continues to expand into new markets and on research and development of the Digital Humans technology.

The net cash flow used in investing activities for the year was (\$1,627,195), which was mainly used for additions to software intangibles assets (i.e. development of the Digital Humans technology and the related intellectual property).

Net cash flow from financing activities was \$3,359,107. The Group received \$1,673,760 (net of transaction costs) from the issue of shares and \$100,000 (net of transaction costs) from the issue of options during the year. The Group received \$1,680,000 (net of transactions costs) from borrowings.

Liquidity and Financial Position

At the Group's reporting date:

- Cash and cash equivalents ('cash') were \$451,611, a decrease of \$731 from \$452,342 at 30 June 2025.
- Working capital (defined as current assets less current liabilities) was a deficit of \$1,377,393, a decrease of \$1,977,213 from \$599,820 at 30 June 2025.
- Net assets were \$4,297,660, a decrease of \$3,071,456 from \$7,369,116 at 30 June 2025.

The financial statements have been prepared on a going concern basis. Refer to note 2 of the financial statements.

Material business risks

The following is a summary of material business risks that could adversely affect our financial performance and growth potential in future years:

Failure to effectively attract new or retain existing clients

Our business depends on our ability to retain existing clients, attract further business from existing clients and to gain new clients. There is a risk our existing clients reduce their usage of our solution.

Our ability to retain existing clients and attract new clients, as well as our clients' level of usage of our solution, depends on many factors including the adequacy of our solution with respect to matters such as functionality, reliability, cost-effectiveness, pricing and client support. In addition, clients' use of our solution may be affected by external factors such as changes to laws and regulations which affect our clients' business. If our clients do not continue to use our solution or increase their use over time, or if new clients do not choose to use our solution, the growth in our revenue may slow or decline

Disruption to, or failure of, technology systems and software, including security breaches

There is a risk that the Group's systems and software may be adversely affected by damaged or faulty equipment misuse by staff or contractors, disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "worms", malware, ransomware, internal or external misuse by websites, hacking or cyber-attacks, and other disruptions including natural disasters, power surges or outages, terrorist attacks, or other similar events.

There is also a risk that security and technical precaution measures taken by the Group and its third-party operators will not be sufficient to prevent unauthorised access to the Group's networks, systems and databases.

Operational or business delays, and damage to reputation, may result from any disruption or failure of the Group's information systems and product delivery platforms, which may be caused by events outside the Group's control. This could lead to claims against the Group by its customers, reduce the attractiveness of the Group's software and services to its clients, subject the Group to legal action and/or regulatory scrutiny and the potential termination of customer contracts.

Technology and software

Long term development of software can lead to dependency on dated technology that restricts maintainability, speed of development, security and The Group's competitiveness in the market. Rapid growth can incur technical debt in service of speed to market. As with all information technology and software products, there is a risk of technological obsolescence. New technology may be perceived by customers to have advantages over the Group's current products.

Talent retention and acquisition

The Group's success depends to some extent on its ability to attract and retain key personnel; specifically technology talent, implementation and customer success roles, payroll specialists and senior management with extensive experience in, and knowledge of, the education, government, justice and employment industries in which the Group operates

The loss of key personnel may adversely affect the Group's ability to develop its products, or implement its business strategies and may adversely affect its future financial performance. This continues to be an elevated risk due to a tight labour market, wage inflation driven by an increased demand for this talent by acceleration of digital strategies, lack of migration and skills shortages.

Regulatory

The Group's products are significantly influenced and affected by government policy and regulations which apply to the education, employment and government related entities industries in which the Group operates. There is a risk that the Group may fail to keep abreast of such policy and regulations and potential changes to the same, which may have an adverse impact on its business, operations and financial performance.

Any material new or altered law, regulation or policy which impacts the Group's products could require the Group to increase spending and employee resources on regulatory compliance and/or change its business practices, which would adversely affect the Group's operations and profitability. Further, there is a risk that customers may reduce their usage of the Group's products, or that the Group may fail to attract new customers, if the Group fails to offer solutions with appropriate coverage of compliance or regulatory requirements as sought by its customers.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

On 16 July 2026 the Company announced the following:

Binding commitments received to raise \$1,000,000 via a Placement. The placement was finalised on 4 August 2026.

Pro rata non-renounceable Entitlements Offer of shares on a 1 for 7 basis to raise a further \$1,751,500. The closing date of the rights issue was 28 August 2026.

Placement and Entitlement Offer new shares to be issued at \$0.008 per share, issue date 4 September.

Placement and Entitlement Offer to receive a 1 for 2 free-attaching to-be-listed Option exercisable at \$0.013 expiring 31 December 2028.

The Company has converted \$500,000 of the debt facility into equity on the same terms as the placement and rights issue.

The funds will be used to accelerate technology, marketing and business development, strengthen commercial initiatives, continual assessment of potential corporate and strategic acquisitions and general working capital.

On 21 September 2026, the Company announced that it had extended the existing \$1.5m secured debt facility from 31 October 2026 to 30 April 2027.

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

Likely developments and expected results of operations

The Directors and management of the Group will focus on targeting growth in the combined business operations.

Environmental regulation

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

Information on directors

Name: **Sytze Voulon**
Title: Non-Executive Director and Chairman
Qualifications: Bachelor of Science in Marine Engineering from the Maritime Institute Willem Barentsz, Terschelling and Bachelor of Science in Maritime Business Studies from Rotterdam University.
Experience and expertise: Sytze Voulon is an experienced international executive and board director with a background in industrial services, Testing, Inspection & Certification (TIC), and life sciences. He has held senior leadership positions with companies including Rolls-Royce, Applus+ and SYNLAB, with extensive experience in international growth, transformation and M&A.

His current activities focus on board and strategic advisory roles, including M&A and value creation advisory to private equity firms and businesses. His focus is on identifying and developing commercially valuable solutions, with technology viewed as an enabler rather than an end in itself.

Sytze completed the Supervisory Board Programme at TIAS School for Business and Society and a subsequent programme focused on supervisory boards of start-ups and scale-ups.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 2,000,000 fully paid shares
Interests in options: None
Interests in rights: None
Contractual rights to shares: None

Name: **Scott Mison**
Title: Executive Director and Company Secretary
Qualifications: Bachelor of Business degree majoring in Accounting and Member of Chartered Accountants Australia and New Zealand and Governance Institute of Australia.
Experience and expertise: Scott has more than 28 years of corporate and operation experience in Australia, UK, Central Asia, Africa and the US. He has held many Director and Company Secretary roles with ASX or LSE companies in the technology and mining industry.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: Overseeing all company functions and Company Secretary
Interests in shares: 39,420,059 fully paid shares
Interests in options: 15,338,773 options over ordinary shares
Interests in rights: None
Contractual rights to shares: None

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Name:	Antony Eaton
Title:	Non-Executive Director
Experience and expertise:	Anton is a specialist corporate and commercial lawyer, with particular expertise in mergers and acquisitions. Anton specialises in advising incisive and sophisticated corporates, founders, private investors and private equity participants on complex private M&A transactions. This includes guiding clients through private treaty sales and acquisitions of shares and assets, management buyouts, minority investments, restructures, and presale readiness matters, with a particular focus on the technology, agribusiness, and energy and resources sectors. Anton has been recognised in a list of Australia's top 109 lawyers in 2010 as voted by members of the Australian Corporate Lawyers Association and the Corporate Lawyers Association of New Zealand. Anton was admitted as a barrister and solicitor of the Supreme Court of Western Australia in 2004.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	3,265,306 fully paid shares
Interests in options:	1,632,653 options over ordinary shares
Contractual rights to shares:	None

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

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

Company secretary

Scott Mison is the Company Secretary. Refer to 'Information on directors' section above for experience and expertise.

Meetings of directors

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

	Full Board Attended	Full board Held
Sytze Voulon	9	9
Scott Mison	9	9
Antony Eaton	9	9

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

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

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

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

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

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 9 December 2015, where the shareholders approved a maximum annual aggregate remuneration of \$500,000.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

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The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') may include equity based payments in the form of shares, performance rights or options. On 28 November 2024, shareholders approved a Performance Rights Plan ('PR Plan'). Under the PR Plan, selected employees, consultants and Directors may be granted performance rights which will entitle them to receive ordinary shares in the Company, subject to the Company meeting performance objectives.

Performance rights may be issued to all employees and Directors of the Company and any Subsidiary. The number of performance rights (if any) to be offered from time to time to each person shall be determined by the Board in its discretion. The performance rights in respect of an employee will vest no earlier than on meeting the relevant Performance Condition(s). Unissued performance rights will be issued pro-rata at the time the relevant Performance Condition is met. The employee must still be employed by the Company at the time of vesting, unless otherwise agreed by the Board in limited circumstances. Any performance rights that have been earned but remain unvested will vest in the event of a takeover or similar event occurring. Should the holder of performance rights resign, all rights not yet vested will be forfeited.

All LTI incentives are designed and used specifically to align management and shareholders' interests and to assist the Company in the attraction, motivation and retention of appropriately skilled staff. In particular, the plans are designed to provide relevant executives with an incentive for future performance and typically include vesting conditions under the plans.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Group. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee. Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

Use of remuneration consultants

During the financial year ended 30 June 2026, the Company did not engage remuneration consultants to review its existing remuneration policies or provide recommendations on how to improve incentive programs.

At the 28 November 2025 AGM, 91.12% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

The key management personnel of the Group consisted of the following Directors of Unith Ltd:

- Sytze Voulon - Non-Executive Director and Chairman
- Scott Mison – Non - Executive Director (until 4 October 2024) Moved to Executive Director from 4 October 2024. Chief Executive Officer (appointed 1 July 2025)
- Antony Eaton - Non-Executive Director

And the following key management personnel:

- George Hannagan - Chief Financial Officer (Appointed 1 July 2025)

Details of remuneration

Amounts of remuneration

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

	Short-term benefits			Post-employment benefits	Termination	Share-based payments	Total
	Cash salary and fees	Cash bonus	Consulting fees	Super-annuation		Equity-settled	
2026	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
S Voulon	80,418	-	-	9,625	-	-	90,043
A Eaton	60,000	-	-	7,200	-	-	67,200
<i>Executive Directors:</i>							
S Mison*	60,000	-	166,000	27,120	-	-	253,120
<i>Other Key Management Personnel:</i>							
G Hannagan	148,918	-	-	-	-	5,100	154,018
	<u>349,336</u>	<u>-</u>	<u>166,000</u>	<u>43,945</u>	<u>-</u>	<u>5,100</u>	<u>564,381</u>

* Includes remuneration for Director's fees (\$60,000), Chief Executive Officer (\$130,000) and Company Secretary fees (\$36,000) plus superannuation.

	Short-term benefits			Post-employment benefits	Termination	Share-based payments	Total
	Cash salary and fees	Cash bonus	Consulting fees	Super-annuation		Equity-settled	
2025	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
S Voulon	80,173	-	-	8,987	-	-	89,160
A Eaton*	25,000	-	-	2,875	-	-	27,875
J Baird ***	48,545	-	20,465	-	-	-	69,010
<i>Executive Directors:</i>							
S Mison*	60,000	-	155,167	24,704	-	-	239,871
<i>Other Key Management Personnel:</i>							
I Schmorak***	145,698	-	-	-	100,546	7,000	253,244
	<u>359,416</u>	<u>-</u>	<u>175,632</u>	<u>36,566</u>	<u>100,546</u>	<u>7,000</u>	<u>679,160</u>

* Includes remuneration for Director's fees (\$60,000), Chief Financial Officer (\$119,167) and Company Secretary fees (\$36,000) plus superannuation.

** Remuneration is for the period from date of appointment as a Director to or key management personnel to 30 June 2025

*** Remuneration is for the period from date of appointment as a Director to or key management personnel to 30 June 2025

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The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2026	2025	2026	2025	2026	2025
<i>Non-Executive Directors:</i>						
S Voulon	100%	100%	-	-	-	-
A Eaton	100%	100%	-	-	-	-
<i>Executive Directors:</i>						
S Mison	100%	100%	-	-	-	-
<i>Other Key Management Personnel:</i>						
G Hannagan	97%	100%	3%	-	-	-

No bonuses paid /(payable) to directors and other KMPs for both FY26 and FY25

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Scott Mison
Title:	Executive Director / Company Secretary
Agreement commenced:	1 July 2025
Term of agreement:	Ongoing
Details:	3 months termination by employer, 3 months by executive. The Company may terminate the agreement with cause in certain circumstances such as gross misconduct. \$190,000 (plus superannuation) Executive Director \$36,000 (plus superannuation) Company Secretary
Name:	George Hannagan
Title:	Chief Financial Officer
Agreement commenced:	1 July 2025
Term of agreement:	Ongoing
Details:	Base annual package*, performance based, 'at-risk' STI and discretionary share based LTI remuneration, subject to annual performance review. 3 months termination by employer, 3 months by executive. The Company may terminate the agreement with cause in certain circumstances such as gross misconduct. * Base annual package – EUR €83,200 plus statutory social security

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were 850,000 shares that have been vested for key management personnel as part of compensation during the year ended 30 June 2026.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

Additional information

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

	2026 \$	2025 \$	2024 \$	2023 \$	2022 \$
Sales revenue	4,366,512	5,014,438	4,519,095	4,023,177	5,371,326
Underlying EBITDA	(2,093,575)	(1,498,951)	(2,295,922)	(2,018,491)	(53,348)
Loss after income tax	(4,987,690)	(4,950,719)	(1,973,567)	(644,015)	(3,220,390)

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

	2026	2025	2024	2023	2022
Share price at financial year end (\$)	0.010	0.008	0.010	0.030	0.020
Basic loss per share (cents per share)	(0.332)	(0.404)	(0.190)	(0.090)	(0.490)
Diluted loss per share (cents per share)	(0.332)	(0.404)	(0.190)	(0.090)	(0.490)

Additional disclosures relating to key management personnel

Shareholding

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
S Voulon	2,000,000	-	-	-	2,000,000
S Mison	4,864,504	-	29,878,426	-	34,742,930
A Eaton	-	-	2,857,142	-	2,857,142
G Hannagan	-	400,000	-	-	400,000
	<u>6,864,504</u>	<u>400,000</u>	<u>32,735,568</u>	<u>-</u>	<u>40,000,072</u>

Option holding

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

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
S Voulon	-	-	-	-	-
S Mison	286,148	25,714,266	(12,857,133)	(286,148)	12,857,133
A Eaton	-	2,857,142	(1,428,571)	-	1,428,571
G Hannagan	-	-	-	-	-
	<u>286,148</u>	<u>28,571,408</u>	<u>(14,285,704)</u>	<u>(286,148)</u>	<u>14,285,704</u>

Performance Rights Holding

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

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	Balance at the start of the year	Granted	Vested / exercised	Expired / forfeited / Other	Balance at end of year
Performance rights over ordinary shares					
S Voulon	-	-	-	-	-
S Mison	-	-	-	-	-
A Eaton	-	-	-	-	-
G Hannagan	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Unith Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
	31 December 2028	\$0.013	108,982,840
	1 March 2027	\$0.007	26,428,571
	1 September 2028	\$0.015	40,714,275
			<u>176,125,686</u>

During the year, 14,285,704 shares were issued on conversion of options.

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

Shares under performance rights

Unissued ordinary shares of Unith Ltd under performance rights at the date of this report are as follows

Grant date	Expiry date	Number under rights
19/07/2023	30/06/2026	2,477,500
26/06/2024	30/06/2026	4,500,000
28/08/2025	30/06/2026	4,380,000
28/08/2025	30/06/2027	5,840,000
30/06/2026	30/06/2026	3,000,000
30/06/2026	30/06/2027	3,000,000
30/06/2026	30/06/2028	4,000,000
		<u>27,197,500</u>

During the year, 12,701,887 shares were issued on conversion of performance rights to employees.

Shares issued on the exercise of performance rights

The following ordinary shares of Unith Ltd were issued during the year ended 30 June 2026 and up to the date of this report on the exercise of performance rights granted.

Date performance rights granted	Number of shares issued
16 July 2025	11,751,887
13 January 2026	950,000
	<u>12,701,887</u>

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the company

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

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of RSM Australia

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

Auditor's independence declaration

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

Auditor

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

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

On behalf of the directors



Sytze Voulon
Non-Executive Chairman
30 September 2026

AUDITOR'S INDEPENDENCE DECLARATION

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

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

**RSM AUSTRALIA PARTNERS**

R J MORILLO MALDONADO
Partner

Dated: 30 September 2026
Melbourne, Victoria

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

	Note	Group 2026 \$	2025 \$
Revenue			
Revenue	5	4,366,512	5,014,438
Cost of Sales		(755,601)	(774,354)
Gross profit		3,610,911	4,240,084
Other income	6	268,982	355,358
Interest revenue calculated using the effective interest method		2,826	2,377
Net fair value (loss) on investments	12	(440)	(1,949,454)
FX unrealised gain/(loss)		(329,861)	418,650
Expenses			
Loss on disposal of assets		(16,106)	-
Marketing		(1,862,608)	(1,716,454)
Administration and other expenses		(790,046)	(792,337)
Consultants		(1,071,815)	(954,929)
Depreciation and amortisation expense	7	(1,954,381)	(1,594,876)
Employee benefits expense		(2,217,441)	(2,506,233)
Travel and accommodation		(104,468)	(124,440)
Share-based payments Expense	7	(174,789)	(273,268)
Doubtful Debtors Expense	10	(29,309)	(23,180)
Finance costs	7	(319,145)	(32,017)
Loss before income tax expense		(4,987,690)	(4,950,719)
Income tax expense	8	-	-
Loss after income tax expense for the year	22	(4,987,690)	(4,950,719)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(259,949)	349,123
Other comprehensive loss for the year, net of tax		(259,949)	349,123
Total comprehensive loss for the year		<u>(5,247,639)</u>	<u>(4,601,596)</u>
		Cents	Cents
Basic loss per share	34	(0.332)	(0.404)
Diluted loss per share	34	(0.332)	(0.404)

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

Unith Ltd
Consolidated statement of financial position
As at 30 June 2026

	Note	Group 2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	9	451,611	452,342
Trade and other receivables	10	710,065	1,038,436
Accrued Income	11	567,699	502,459
Prepayments		405,916	219,034
Total current assets		<u>2,135,291</u>	<u>2,212,271</u>
Non-current assets			
Other financial assets	12	3,662,227	3,989,345
Property, plant and equipment	13	81,066	106,079
Right-of-use assets	14	-	382,114
Intangibles	15	1,931,760	2,291,758
Total non-current assets		<u>5,675,053</u>	<u>6,769,296</u>
Total assets		<u>7,810,344</u>	<u>8,981,567</u>
Liabilities			
Current liabilities			
Trade and other payables	16	1,138,729	1,220,884
Deferred revenue	17	26,032	59,735
Borrowings	18	2,337,285	-
Lease liabilities	19	-	320,315
Employee benefits		10,638	11,517
Total current liabilities		<u>3,512,684</u>	<u>1,612,451</u>
Total liabilities		<u>3,512,684</u>	<u>1,612,451</u>
Net assets		<u>4,297,660</u>	<u>7,369,116</u>
Equity			
Issued capital	20	54,182,233	52,153,084
Reserves	21	6,608,965	6,721,880
Accumulated losses	22	(56,493,538)	(51,505,848)
Total equity		<u>4,297,660</u>	<u>7,369,116</u>

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

Unith Ltd
Consolidated statement of changes in equity
For the year ended 30 June 2026

Group	Issued capital \$	Foreign Currency Reserve \$	Share based payments Reserves \$	Accumulated losses \$	Non controlling interest \$	Total equity \$
Balance at 1 July 2024	52,063,588	377,822	5,786,251	(46,321,701)	(32,002)	11,873,958
Adjustment for correction of error	-	-	-	(233,428)	32,002	(201,426)
Balance at 1 July 2024 - restated	52,063,588	377,822	5,786,251	(46,555,129)	-	11,672,532
Loss after income tax expense for the year	-	-	-	(4,950,719)	-	(4,950,719)
Other comprehensive income for the year, net of tax	-	349,123	-	-	-	349,123
Total comprehensive income for the year	-	349,123	-	(4,950,719)	-	(4,601,596)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 20)	24,912	-	-	-	-	24,912
Share-based payments (note 35)	-	-	273,268	-	-	273,268
Issue of shares on vesting of performance rights	64,584	-	(64,584)	-	-	-
Balance at 30 June 2025	<u>52,153,084</u>	<u>726,945</u>	<u>5,994,935</u>	<u>(51,505,848)</u>	<u>-</u>	<u>7,369,116</u>

Group	Issued capital \$	Foreign Currency Reserve \$	Share based payments Reserves \$	Accumulated losses \$	Non controlling interest \$	Total equity \$
Balance at 1 July 2025	52,153,084	726,945	5,994,935	(51,505,848)	-	7,369,116
Loss after income tax expense for the year	-	-	-	(4,987,690)	-	(4,987,690)
Other comprehensive income for the year, net of tax	-	(259,949)	-	-	-	(259,949)
Total comprehensive income for the year	-	(259,949)	-	(4,987,690)	-	(5,247,639)
<i>Transactions with owners in their capacity as owners:</i>						
Contributions of equity, net of transaction costs (note 20)	1,928,484	-	-	-	-	1,928,484
Share-based payments (note 35)	-	-	174,789	-	-	174,789
Issue of shares on vesting of performance rights	100,665	-	(100,665)	-	-	-
Share based payments - options granted (Loan)	-	-	72,910	-	-	72,910
Balance at 30 June 2026	<u>54,182,233</u>	<u>466,996</u>	<u>6,141,969</u>	<u>(56,493,538)</u>	<u>-</u>	<u>4,297,660</u>

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

Unith Ltd
Consolidated statement of cash flows
For the year ended 30 June 2026

	Note	Group 2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		5,279,285	5,349,447
Payments to suppliers and employees (inclusive of GST)		(7,307,692)	(7,579,000)
		(2,028,407)	(2,229,553)
Interest received		2,826	-
Interest and other finance costs paid		(7,823)	(25,453)
Proceeds from government grants		288,511	-
Net cash used in operating activities	33	(1,744,893)	(2,255,006)
Cash flows from investing activities			
Payments for property, plant and equipment	13	(27,359)	(67,391)
Payments for intangibles	15	(1,599,836)	(1,481,843)
Proceeds from disposal of investments		-	797,937
Net cash used in investing activities		(1,627,195)	(751,297)
Cash flows from financing activities			
Proceeds from issue of shares	20	1,673,760	-
Proceeds from exercise of options		100,000	27,170
Tax leasing funding		337,285	-
Proceeds from borrowings		1,680,000	-
Share issue transaction costs		(111,623)	-
Repayment of lease liabilities		(320,315)	(327,983)
Net cash from/(used in) financing activities		3,359,107	(300,813)
Net decrease in cash and cash equivalents		(12,981)	(3,307,116)
Cash and cash equivalents at the beginning of the financial year		452,342	3,805,685
Effects of exchange rate changes on cash and cash equivalents		12,250	(46,227)
Cash and cash equivalents at the end of the financial year	9	451,611	452,342

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

Note 1. General Information

The financial statements cover Unith Ltd as a consolidated entity consisting of Unith Ltd (referred to as 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year (referred to as the 'Group'). The financial statements are presented in Australian dollars, which is Unith Ltd's functional and presentation currency.

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

Registered Office

202/37 Barrack Street
Perth WA 6000
Australia

Principal place of business

Teleportboulevard 120
1043 EJ Amsterdam
Netherlands

Carrer de Mallorca 289
Entresuelo 08037
Barcelona Spain

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 September 2026. The Directors have the power to amend and reissue the financial statement.

Note 2. Material accounting policy information

The accounting policies that are material to the Group 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 Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

Going concern

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

During the year ended 30 June 2026, the Group incurred a net loss \$4,987,690 and had cash outflows from operating and investing activities of \$1,744,893 and \$1,627,195, respectively. As at 30 June 2026, the Group's total current liabilities exceeded its current assets by \$1,377,393. These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

After reviewing the cash flow forecast for the forthcoming period until 30 September 2027, the Directors have concluded that there are reasonable grounds to believe that the Group will continue as a going concern, and therefore it is appropriate to adopt the going concern basis in the preparation of the financial report. The Directors' assessment considered the following factors:

- As disclosed in note 36:
- In July 2026, the Company has also agreed to convert \$500,000 of the debt facility into equity on the same terms as the placement and rights issue;
- Also, in July 2026 the Group announced a pro rata non-renounceable entitlements offer of shares on a 1 for 7 basis to raise a further \$1,751,500;
- In August 2026, the Group completed a successful capital raise of \$1,000,000, before transaction cost; which strengthen the net current asset position of the Group;
- In September 2026, the Group extended the maturity of \$1.5 million of debt facility (refer to note 18) to 30 April 2027; and
- The Directors are confident in their funding strategies, which includes the potential sale of non-operational assets.

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

Note 2. Material accounting policy information (continued)

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

Basis of preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention except for financial instruments measured at fair value through profit or loss.

Critical accounting estimates

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

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in Note 31.

Principles of consolidation

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

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

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

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

Note 2. Material accounting policy information (continued)

Foreign currency transactions

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

Foreign operations

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

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

Revenue recognition

The Group recognises revenue as follows:

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 recognised as a refund liability.

Sale of product (Digital Human)

Revenue from Digital Human and other product arrangements is recognised at a point in time when the relevant performance obligation is satisfied and control of the product or service is transferred to the customer. This is generally upon completion of the agreed contractual milestone and, where applicable, customer acceptance.

Subscriptions and Licences

Revenue from subscriptions and licences is recognised over time over the contractual subscription or licence period as the customer receives and consumes the benefits of access to the Group's platform or services. Amounts invoiced or received in advance of the related service period are recognised as contract liabilities and released to revenue over the relevant period

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.

Other revenue

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

Income tax

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

Note 2. Material accounting policy information (continued)

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

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

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

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

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

Current and non-current classification

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

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 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 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

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

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the consolidated statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the consolidated statement of financial position.

Trade and other receivables

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

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

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

Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

Note 2. Material accounting policy information (continued)

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	1.5-5 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 2. Material accounting policy information (continued)

Right-of-use assets

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

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

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

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Intellectual property

Significant costs associated with intellectual property deemed to have an indefinite life are capitalised as an asset and are not amortised. Instead, intellectual property assets are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on intellectual property are taken to profit or loss and are not subsequently reversed. Management considers that the useful life of intellectual property is indefinite because there is no foreseeable limit to the cash flows this asset can generate

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Websites and other intangible assets

Costs in relation to websites and other intangible assets are capitalised as an asset and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 - 6 years.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

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

Contract liabilities

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

Note 2. Material accounting policy information (continued)

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.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave are expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

Liabilities for long service leave not expected to be settled within 12 months of the reporting date are measured at 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 high quality corporate 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 and cash-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 either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 2. Material accounting policy information (continued)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

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.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

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.

Note 2. Material accounting policy information (continued)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Unith Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

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

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. The standard replaces AASB 101 'Presentation of Financial Statements', although many of the requirements have been carried forward unchanged and is accompanied by limited amendments to the requirements in AASB 107 'Statement of Cash Flows'. The standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Note 3. Critical accounting judgements, estimates and assumptions

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

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Share-based payment transactions

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

Capitalisation of intangible assets

The Group capitalises certain development and software costs as intangible assets when the criteria under accounting standards are met. The assessment of whether costs meet these criteria requires judgement, particularly around the technical feasibility of projects, the intention and ability to complete them, and the likelihood of generating future economic benefits. Costs that do not meet the recognition criteria are expensed as incurred. Capitalised balances are amortised over their estimated useful lives. The carrying value of these assets could change significantly if future benefits are not achieved as expected, projects are discontinued, or assumptions regarding commercial viability or useful life are revised.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Fair value measurement hierarchy

The Group is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 4. Operating segments

Identification of reportable operating segments

The Group has three operating segments during the financial year: Subscription, Digital Humans and Other Segments. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. The Digital Humans business unit is presented separately as of this reporting period, as the CODM has identified its business and resource usage or cashflows separately from Subscription. There is no aggregation of operating segments.

For operating segment performance, the CODM reviews earnings before interest, tax, depreciation and amortisation, adjusted for non-cash items ('Underlying EBITDA'). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

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

Types of products and services

The principal products and services of each of these operating segments are as follows:

Subscription	Subscription-based, broad content offering of products such as mobile security, games and video portals via a mobile payments network and the underlying AI-driven technology platform.
Digital Humans	The Digital Humans B2B SaaS division creates and licenses engaging, user-centric conversations in real time with AI-powered digital humans.
Other Segments	Information about Group Corporate and other business activities that are not related to the Subscription and Digital Humans operating segments are reported in Other Segments.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

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Note 4. Operating segments (continued)

Operating segment information

	Subscriptions \$	Digital Human \$	Other segments \$	Total \$
Group - 2026				
Revenue				
Sales to external customers	4,061,628	846,998	-	4,908,626
Intersegment sales	-	(542,114)	-	(542,114)
Total sales revenue	4,061,628	304,884	-	4,366,512
Interest Income	-	-	2,826	2,826
Other income	228,902	40,080	-	268,982
Total revenue	4,290,530	344,964	2,826	4,638,320
EBITDA	(20,024)	(780,518)	(1,916,448)	(2,716,990)
Depreciation and amortisation	(497,161)	(1,457,220)	-	(1,954,381)
Fair Value adjustment	-	-	7,662	7,662
Finance costs	(5,505)	-	(313,640)	(319,145)
Other non-cash expenses	-	-	(4,836)	(4,836)
Loss before income tax expense	(522,690)	(2,237,738)	(2,227,262)	(4,987,690)
Income tax expense				-
Loss after income tax expense				(4,987,690)
Assets				
Segment assets	1,259,005	2,255,515	4,295,824	7,810,344
Total assets				7,810,344
Liabilities				
Segment liabilities	726,599	513,282	2,272,803	3,512,684
Total liabilities				3,512,684

Note 4. Operating segments (continued)

Group - 2025	Subscriptions \$	Digital Human \$	Other segments \$	Total \$
Revenue				
Sales to external customers	4,467,293	781,994	-	5,249,287
Intersegment sales	-	(529,574)	-	(529,574)
Total sales revenue	4,467,293	252,420	-	4,719,713
Other income	355,358	-	-	355,358
R&D Grant	-	294,725	-	294,725
Total revenue	4,822,651	547,145	-	5,369,796
EBITDA	764,528	(696,641)	(1,442,890)	(1,375,003)
Depreciation and amortisation	(427,761)	(1,158,290)	(8,194)	(1,594,245)
Fair Value adjustment	-	-	(1,949,454)	(1,949,454)
Finance costs	(25,642)	-	(6,375)	(32,017)
Profit/(loss) before income tax expense	311,125	(1,854,931)	(3,406,913)	(4,950,719)
Income tax expense				-
Loss after income tax expense				(4,950,719)
Assets				
Segment assets	2,128,342	2,525,148	4,328,077	8,981,567
Total assets				8,981,567
Liabilities				
Segment liabilities	1,067,114	239,869	305,468	1,612,451
Total liabilities				1,612,451

Geographical information

	Sales to external customers		Geographical non-current assets	
	2026	2025	2026	2025
	\$	\$	\$	\$
Australasia	1,498,545	1,018,901	3,662,227	4,021,507
Europe	2,338,229	3,050,568	2,012,826	2,747,789
Latin America	223,210	212,513	-	-
Middle East and Africa	287,238	684,592	-	-
US	10,668	-	-	-
Other	8,622	47,864	-	-
	4,366,512	5,014,438	5,675,053	6,769,296

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 5. Revenue

Disaggregation of revenue

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

	Subscription \$	Digital Human \$	Intersegmental transaction \$	Total \$
Group - 2026				
<i>Major product lines</i>				
Entertainment and Content	4,061,628	-	-	4,061,628
Software licensing	-	755,608	(542,114)	213,494
Digital Human	-	91,390	-	91,390
	<u>4,061,628</u>	<u>846,998</u>	<u>(542,114)</u>	<u>4,366,512</u>
<i>Geographical regions</i>				
Europe	2,076,207	804,136	(542,114)	2,338,229
Australasia	1,474,612	23,933	-	1,498,545
Middle East and Africa	287,238	-	-	287,238
Latin America	214,949	8,261	-	223,210
US	-	10,668	-	10,668
Other	8,622	-	-	8,622
	<u>4,061,628</u>	<u>846,998</u>	<u>(542,114)</u>	<u>4,366,512</u>
<i>Timing of revenue recognition</i>				
Services transferred over time	4,061,628	755,608	(542,114)	4,275,122
Product transferred at point in time	-	91,390	-	91,390
	<u>4,061,628</u>	<u>846,998</u>	<u>(542,114)</u>	<u>4,366,512</u>
	Subscription \$	Digital Human \$	Intersegmental transaction \$	Total \$
Group - 2025				
<i>Major product lines</i>				
Entertainment and Content	4,467,293	-	-	4,467,293
Software licensing	-	1,029,400	(529,574)	501,826
Digital Human	-	45,319	-	45,319
	<u>4,467,293</u>	<u>1,076,719</u>	<u>(529,574)</u>	<u>5,014,438</u>
<i>Geographical regions</i>				
Europe	2,503,423	1,076,719	(529,574)	3,050,568
Australasia	1,018,901	-	-	1,018,901
Middle East and Africa	684,592	-	-	684,592
Latin America	212,513	-	-	212,513
Other	47,864	-	-	47,864
	<u>4,467,293</u>	<u>1,076,719</u>	<u>(529,574)</u>	<u>5,014,438</u>
<i>Timing of revenue recognition</i>				
Services transferred over time	4,467,293	1,029,400	(529,574)	4,967,119
Product transferred at point in time	-	47,319	-	47,319
	<u>4,467,293</u>	<u>1,076,719</u>	<u>(529,574)</u>	<u>5,014,438</u>

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Note 6. Other income

	Group	
	2026	2025
	\$	\$
Net foreign exchange gain	891	-
Government grants	39,189	-
Rental Income	228,902	355,358
Other income	268,982	355,358

Note 7. Expenses

	Group	
	2026	2025
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	31,057	26,376
Buildings right-of-use assets	366,304	308,707
Total depreciation	397,361	335,083
<i>Amortisation</i>		
Intangibles	1,557,020	1,259,793
Total depreciation and amortisation	1,954,381	1,594,876
<i>Finance costs</i>		
Interest and finance charges paid	319,145	27,839
Interest and finance charges paid/payable on lease liabilities	-	4,178
Finance costs expensed	319,145	32,017
<i>Share-based payments expense</i>		
Employee Benefits	174,789	273,268

Note 8. Income tax expense

	Group 2026 \$	2025 \$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(4,987,690)	(4,950,719)
Tax at the statutory tax rate of 30% (2025: 25%)	(1,496,307)	(1,237,680)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	1,171	907
Share-based payments	74,130	68,317
Blackhole Expenditure	(2,004)	(1,670)
Tax losses not recognised as recoupable	152,820	110,812
Other Items (Net)	-	100
Gain on disposal of investment	-	(104,406)
Employee Entitlement Accrual	-	541
	(1,270,190)	(1,163,079)
Difference in overseas tax rates	150,669	(9,765)
Unrecognised tax losses	1,119,521	1,172,844
Income tax expense	-	-

Tax losses

The Australian entities of the Group have recognised a deferred tax asset of \$310,598 within the Australian tax group because this amount was deemed probable. The Australian entities have unused tax losses remaining of \$4.5 million, for which no deferred tax has been recognised in the statement of financial position.

In addition, the European entities of the group has unused tax losses of \$17,719,263 for which no deferred tax asset has been recognised in the statement of financial position. These tax losses can only be utilised in the future if the company satisfies the relevant tax loss rules in the relevant jurisdictions and the company earns sufficient taxable profit to absorb these losses.

Deferred tax

Deferred tax asset and liabilities comprises temporary differences attributable to:

	Group 2026 \$	2025 \$
<i>Amounts recognised in profit or loss</i>		
Tax losses	310,598	555,392
Financial assets at fair value through profit or loss	(310,598)	(555,392)
Deferred tax	-	-
<i>Movements</i>		
Opening Balance		
Deferred tax asset (charged)/ credited to profit or loss	(310,598)	(555,392)
Deferred tax liability charged/ (credited) to profit or loss	310,598	555,392
Closing Balance	-	-

Note 9. Cash and cash equivalents

	Group	
	2026	2025
	\$	\$
<i>Current assets</i>		
Cash at bank	451,611	452,342

Note 10. Trade and other receivables

	Group	
	2026	2025
	\$	\$
<i>Current assets</i>		
Trade receivables	447,758	780,036
Less: Allowance for expected credit losses	(41,512)	(35,660)
	406,246	744,376
Other receivables	303,819	294,060
	710,065	1,038,436

Allowance for expected credit losses

The Group has recognised an additional provision of \$29,309 (30 June 2025: provision of \$23,180) in profit or loss in respect of the expected credit losses for the year ended 30 June 2026.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Group	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2026	2025	2026	2025	2026	2025
	%	%				
Not overdue	3%	3%	209,033	451,265	7,113	9,375
0 to 3 months overdue	5%	4%	177,298	307,975	9,610	12,343
3 to 6 months overdue	34%	34%	55,405	4,081	19,005	1,379
6 to 9 months overdue	96%	64%	5,923	9,953	5,685	6,391
Over 9 months overdue	100%	100%	99	6,762	99	6,172
			447,758	780,036	41,512	35,660

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

	Group	
	2026	2025
	\$	\$
Opening balance	35,660	18,198
Additional provisions recognised	29,309	23,180
Receivables written off against the provision	(23,457)	(5,718)
Closing balance	41,512	35,660

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Note 11. Accrued Income

	Group	
	2026	2025
	\$	\$
<i>Current assets</i>		
Accrued income	567,699	502,459

Note 12. Other financial assets

	Group	
	2026	2025
	\$	\$
<i>Non-current assets</i>		
Investment in AudioStack	3,183,675	3,489,654
Investment in Uneeq Ltd	478,552	499,691
	<u>3,662,227</u>	<u>3,989,345</u>

Reconciliation

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

Opening carrying amount	3,989,345	6,301,016
Disposal through sale of investment	-	(797,937)
Impairment loss	-	(1,949,454)
Exchange differences	(327,118)	435,720
Closing carrying amount	<u>3,662,227</u>	<u>3,989,345</u>

Note 12. Other financial assets (continued)

Audiostack

Audiostack is an artificial intelligence ('AI') company that has developed an application programming interface ('API') first Audio-as-a-Service platform to power the next generation of audio creation. On 27 January 2021, the Group announced that it would invest GBP£1 million in Aflorithmic Labs over three investment tranches. The first tranche of GBP£500,000 (circa AUD\$891,490) was completed in April 2021 with the issue of 8,451,740 Company shares at \$0.053 and the payment of GBP£250,000 in cash. The second and third tranches were completed in July 2021 and November 2021, respectively, with payments totaling GBP£500,000 in cash. An additional cash investment of GBP£31,000 was made in December 2021 to keep the Group's investment at 10% ownership.

During the previous financial year, the Company divested a partial stake in Audiostack for circa US\$500,000 (A\$797,937). The Company also cancelled the 10% ownership held by Audiostack in Unith Research Labs B.V. The Company currently holds 26,731 shares in Audiostack.

In the Room Global Ltd (in Administration)

A board meeting of the company was held on 10 July 2025 at which the directors were satisfied that the company is insolvent. The directors resolved to recommend to shareholders that steps be taken to place the company into creditors' voluntary liquidation. A general meeting was held on 30 July 2025 and the shareholders voted to place the company into voluntary liquidation.

During the previous financial year, Unith wrote off the investment in In the Room, resulting in a fair value loss of \$1,949,454.

UneeQ Ltd

UneeQ Ltd is an artificial intelligence company creating digital humans. On 26 January 2022, the Group received 24,536 shares in UneeQ upon conversion of the US\$250,000 convertible note receivable from UneeQ. The shares were issued at a conversion price of US\$10.73, a discount of 20% to the fair value price at the time of conversion.

Note 13. Property, plant and equipment

	Group	
	2026	2025
	\$	\$
<i>Non-current assets</i>		
Plant and equipment - at cost	497,155	996,707
Less: Accumulated depreciation	(416,089)	(890,628)
	<u>81,066</u>	<u>106,079</u>

Note 13. Property, plant and equipment (continued)

Reconciliations

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

Group	Plant and Equipment \$
Balance at 1 July 2024	59,901
Additions	67,391
Exchange differences	5,163
Depreciation expense	(26,376)
Balance at 30 June 2025	106,079
Additions	27,359
Disposals	(16,106)
Exchange differences	(5,209)
Depreciation expense	(31,057)
Balance at 30 June 2026	81,066

Note 14. Right-of-use assets

	Group	
	2026 \$	2025 \$
<i>Non-current assets</i>		
Land and buildings - right-of-use	2,170,652	2,360,046
Less: Accumulated depreciation	(2,170,652)	(1,977,932)
	-	382,114

Reconciliations

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

Group	Buildings- right-of-use \$
Balance at 1 July 2024	637,729
Exchange differences	53,092
Depreciation expense	(308,707)
Balance at 30 June 2025	382,114
Exchange differences	(15,810)
Depreciation expense	(366,304)
Balance at 30 June 2026	-

For other lease disclosures, refer to:

- note 7 for depreciation on right-of-use assets and interest on lease liabilities;
- note 19 for lease liabilities at the reporting date;
- note 25 for maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities

Note 15. Intangibles

	Group 2026 \$	2025 \$
<i>Non-current assets</i>		
Intellectual property - at cost	9,695	10,369
Software - at cost	6,176,477	5,590,518
Less: Accumulated amortisation	(4,289,431)	(3,342,750)
	<u>1,887,046</u>	<u>2,247,768</u>
Website and other intangibles - at cost	74,923	77,007
Less: Accumulated amortisation	(39,904)	(43,386)
	<u>35,019</u>	<u>33,621</u>
	<u><u>1,931,760</u></u>	<u><u>2,291,758</u></u>

Reconciliations

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

Group	Intellectual Property \$	Software \$	Website and other intangibles \$	Total \$
Balance at 1 July 2024	9,496	1,755,149	37,491	1,802,136
Additions	-	1,481,843	-	1,481,843
Revaluation increments	-	-	(5,648)	(5,648)
Exchange differences	873	363,080	1,778	365,731
Amortisation expense	-	(1,352,304)	-	(1,352,304)
Balance at 30 June 2025	10,369	2,247,768	33,621	2,291,758
Additions	-	1,599,836	-	1,599,836
R&D incentives	-	(572,486)	-	(572,486)
Revaluation decrements	-	-	(3,718)	(3,718)
Exchange differences	(674)	(177,134)	5,556	(172,252)
Amortisation expense	-	(1,210,938)	(440)	(1,211,378)
Balance at 30 June 2026	<u><u>9,695</u></u>	<u><u>1,887,046</u></u>	<u><u>35,019</u></u>	<u><u>1,931,760</u></u>

Impairment testing

Management undertook an impairment testing for the cash generating unit that Intangible assets belong to.

The recoverable amount of the cash generating unit has been determined by a value-in-use calculation using a discounted cash flow model, based on a 5 year projection approved by management, together with a terminal value.

Sensitivity

As disclosed in note 2, the directors have made judgements and estimates in respect of impairment testing of non-financial assets. Should these judgements and estimates not occur the resulting carrying amount of intangible assets may decrease. The sensitivities are as follows:

- The compound growth revenue has been estimated at 13.7%. A decrease in growth rate of more than 4.4% every year would result in an impairment in the carrying value of intangible assets, assuming other assumptions remaining constant.
- The discount rate used of 14.6% would be required to increase more than 17.1% for the intangible assets would need to be impaired, with all other assumptions remaining constant.

Note 16. Trade and other payables

	Group	
	2026	2025
	\$	\$
<i>Current liabilities</i>		
Trade payables	431,508	468,889
Accrued expenses and other payables	707,221	751,995
	<u>1,138,729</u>	<u>1,220,884</u>

Refer to note 24 for further information on financial instruments.

Note 17. Deferred revenue

	Group	
	2026	2025
	\$	\$
<i>Current liabilities</i>		
Deferred revenue	26,032	59,735

Reconciliation

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

Opening balance	59,735	28,829
Payments received in advance	26,032	59,735
Transfer to revenue - included in the opening balance	(59,735)	(28,829)
Closing balance	<u>26,032</u>	<u>59,735</u>

AASB 15 uses the term 'contract assets' and 'contract liabilities'. To maintain consistency in presentation with prior periods, the Group has retained the use of 'accrued income' and 'deferred revenue', respectively

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$26,032 as at 30 June 2026 (\$59,735 as at 30 June 2025) and is expected to be recognised as revenue in future periods as follows:

	Group	
	2026	2025
	\$	\$
Within 6 months	23,390	59,735
6 to 12 months	2,642	-
	<u>26,032</u>	<u>59,735</u>

Note 18. Borrowings

	Group
	2026 2025
	\$ \$
<i>Current liabilities</i>	
Loan	2,000,000 -
Tax leasing	337,285 -
	<u>2,337,285 -</u>

Refer to note 24 for further information on financial instruments.

Secured financing facility

The Company entered into a \$2.0 million secured loan facility with GAM Company Pty Ltd as trustee for the GAM 1 Trust. The facility is provided as a single advance and amounts repaid or prepaid cannot be redrawn.

The facility bears interest at 14% per annum and matures six months from the Advance Date. The contractual interest payment is \$110,000, representing \$140,000 of interest less a \$30,000 interest refund relating to the existing loan, and is withheld from the loan proceeds on the Advance Date. Default interest of 30% per annum applies to overdue amounts.

The facility is secured pursuant to a General Security Deed by a fixed and floating charge over substantially all present and after-acquired property of Unith Ltd, excluding the Company's shareholdings in Uneeq Inc. and Audiostack. Revolving Assets are subject to a floating charge and other Collateral is subject to a fixed charge. The secured obligations extend to all amounts owing under or in relation to the Finance Documents, including principal, interest, fees, charges, taxes, damages, losses, costs and expenses.

The financing arrangements contain restrictions on the creation of additional security interests, disposal of secured assets, incurrence of additional financial indebtedness, payment of dividends and other distributions, repayment of related-party loans and redemption or repurchase of equity or subordinated debt. The arrangements also contain events of default including non-payment, insolvency, breach of obligations, misrepresentation, cross-default and material adverse change.

At 30 June 2026 \$2.0 million of the \$2.0 million facility was drawn. The carrying amount of liabilities secured under the financing arrangements was \$2.0 million. Subsequent to year end, \$500,000 was converted from debt to equity, with the outstanding balance outstanding being \$1.5m. The Company also agreed with the lenders to extend the loan to 30 April 2027.

Tax leasing

There is no interest with no repayment due until R&D certification confirmed in December 2026

Option

During the current year 28,000,000 options were granted and nil were exercised.

Set out below are summaries of options granted under the plan:

2026							
Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
07/01/2026	31/12/2028	\$0.013	-	12,000,000	-	-	12,000,000
20/05/2026	31/12/2028	\$0.013	-	16,000,000	-	-	16,000,000
				<u>28,000,000</u>			<u>28,000,000</u>

Note 18. Borrowings (continued)

Valuation model

2026

For the options granted during the 2026, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
09/01/2026	31/12/2028	\$0.008	\$0.013	100.00%	-	3.85%	\$0.004
22/05/2026	31/12/2028	\$0.008	\$0.013	100.00%	-	3.85%	\$0.004

Note 19. Lease liabilities

	Group	
	2026 \$	2025 \$
Current liabilities		
Lease liability	-	320,315

Refer to note 24 for further information on financial instruments.

Note 20. Issued capital

	Group			
	2026 Shares	2025 Shares	2026 \$	2025 \$
Ordinary shares - fully paid	1,532,562,290	1,228,785,414	54,182,233	52,153,084

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Note 20. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	1,223,437,371		52,063,588
Issue of shares on vesting of performance rights to employees (excluding directors)	02 August 2024	4,166,725	\$0.015	64,584
Issue of shares on exercise of options	09 September 2024	254,321	\$0.007	5,849
Issue of shares on exercise of options	27 September 2024	874,572	\$0.007	20,115
Issue of shares on exercise of options	07 October 2024	52,425	\$0.030	1,206
Less: share issue transaction costs		-		(2,258)
Balance	30 June 2025	1,228,785,414		52,153,084
Issue of Shares	16 July 2025	224,822,867	\$0.007	1,573,760
Issue of shares in lieu of IR fees	16 July 2025	15,714,286	\$0.007	110,000
Issue of shares in GBA mandate	16 July 2025	9,462,857	\$0.007	66,240
Issue of shares on vesting of performance rights to employees (excluding directors)	15 August 2025	11,751,887	\$0.008	94,015
Issue of shares - Directors	19 September 2025	14,285,704	\$0.007	100,000
Issue of shares on exercise of options - Directors	23 September 2025	14,285,704	\$0.007	100,000
Issue of shares on vesting of performance rights to employees (excluding directors)	9 January 2026	950,000	\$0.007	6,650
Issue of shares - loan facility	9 January 2026	2,500,000	\$0.008	20,000
Issue of shares on exercise of options	26 March 2026	3,571	\$0.030	107
Issue of shares - loan facility	22 May 2026	10,000,000	\$0.007	70,000
Less: share issue transaction costs		-	\$0.000	(111,623)
Balance	30 June 2026	<u>1,532,562,290</u>		<u>54,182,233</u>

Ordinary shares

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

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

Options

During the current year 81,428,550 options were granted and 14,289,275 were exercised.

Set out below are summaries of options granted under the plan:

2026

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
03/04/2024	31/03/2026	\$0.030	10,000,000	-	(3,571)	(9,996,429)	-
19/09/2025	01/03/2027	\$0.007	-	40,714,275	(14,285,704)	-	26,428,571
19/09/2025	01/09/2028	\$0.015	-	40,714,275	-	-	40,714,275
			<u>10,000,000</u>	<u>81,428,550</u>	<u>(14,289,275)</u>	<u>(9,996,429)</u>	<u>67,142,846</u>

Note 20. Issued capital (continued)

2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/10/2022	06/06/2025	\$0.050	1,500,000	-	-	(1,500,000)	-
18/10/2022	25/07/2024	\$0.060	750,000	-	-	(750,000)	-
10/02/2023	01/03/2025	\$0.040	1,740,000	-	-	(1,740,000)	-
10/02/2023	01/03/2026	\$0.050	1,740,000	-	-	(1,740,000)	-
10/02/2023	01/03/2027	\$0.060	2,200,000	-	-	(2,200,000)	-
30/06/2023	25/07/2024	\$0.060	8,000,000	-	-	(8,000,000)	-
03/04/2024	31/03/2026	\$0.030	10,000,000	-	-	-	10,000,000
03/04/2024	30/09/2024	\$0.020	10,000,000	-	(1,181,318)	(8,818,682)	-
			35,930,000	-	(1,181,318)	(24,748,682)	10,000,000

Share buy-back

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

Capital risk management

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

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

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

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report, view here <https://investors.unith.ai/corporate>

Note 21. Reserves

	Group	
	2026	2025
	\$	\$
Foreign currency reserve	466,996	726,945
Share-based payments reserve	6,141,969	5,994,935
	<u>6,608,965</u>	<u>6,721,880</u>

Foreign currency reserve

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

Note 21. Reserves (continued)

Share-based payments reserve

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

Note 22. Accumulated losses

	Group	
	2026 \$	2025 \$
Accumulated losses at the beginning of the financial year	(51,505,848)	(46,321,701)
Adjustment for reclassification	-	(201,426)
Accumulated losses at the beginning of the financial year - restated	(51,505,848)	(46,523,127)
Loss after income tax expense for the year	(4,987,690)	(4,950,719)
Transfer from other reserves	-	(32,002)
Accumulated losses at the end of the financial year	<u>(56,493,538)</u>	<u>(51,505,848)</u>

Note 23. Dividends

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

Note 24. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Due to our smaller size and less complex business and including the natural revenue and expense cash flow hedges in the Australian and European operations, whilst we maintain an active dialogue with foreign exchange providers, as yet the Group, to date, has not required the use of derivative financial instruments such as forward foreign exchange contracts to hedge risk. This may change in the future as our operations and related treasury needs develop. The Group uses different methods to measure different types of risk to which it is exposed. These methods may include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, as well as ageing analysis for credit risk.

Risk management is carried out between the Executive Director and key management personnel under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. The Executive Director and CFO identify, evaluate and hedge financial risks within the Group's operating units (where appropriate) and report to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

Note 24. Financial instruments (continued)

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rates		Reporting date exchange rates	
	2026	2025	2026	2025
Australian Dollars				
United Kingdom Sterling	0.5057	0.5011	0.5215	0.4771
European Union Euros	0.5815	0.5963	0.6055	0.5586
United States Dollars	0.6786	0.6482	0.6912	0.6550

The carrying amount of the Group's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Group	Assets		Liabilities	
	2026	2025	2026	2025
Euro	€507,116	€34,02,545	€211,357	€373,403
Pound Sterling	£1,655,718	£1,667,838		
United States Dollar	USD 339,552	USD 403,642		

Other price risk

The Group holds investments in unlisted entities, subject to valuations influenced by current market prices. Price risk emerges from uncertain future market prices, driving fluctuations in fair value and possible gains or losses. This dynamic is accentuated in unlisted investments, especially in the technology sector due to the sector's rapid advancement and dynamic market changes, resulting in notable shifts in value and associated gains or losses. The following sensitivity analysis of the Groups exposure to other price risk as an increase or decrease of 5% would result in an impact to the profit or loss of \$194,965 / (\$194,965) and equity of \$194,965 / (\$194,965).

Interest rate risk

The Group's main interest rate risk arises from borrowings. Borrowings issued at variable rates expose the Group to interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The policy is to maintain borrowings at fixed rates and to monitor fair value interest rate risk in Australia and Europe to ensure borrowings remain competitively priced. If deemed necessary, the Group may seek to utilise interest rate swaps or re-financing to achieve this when necessary.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's exposure to credit risk relates to the carrying value of the financial instruments in the statement of financial position, which amount to \$1,161,676 (30 June 2025: \$1,490,778). To date, the significant portion of credit risk relates to the telecommunications aggregator companies from which the Group receives its cash flows after 7 to 180 days post month end. The Group tries to ensure that it transacts with the largest aggregator companies available in the various countries in which it conducts business and makes regular industry reference checks and sets credit limits to mitigate credit risk. If a risk concentration is deemed too great in a particular country then the Group seeks to utilise multiple aggregators.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The Group has no significant credit risk at 30 June 2026 or 30 June 2025.

Note 24. Financial instruments (continued)

Liquidity risk

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

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

Remaining contractual maturities

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

Group - 2026	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	431,508	-	-	-	431,508
Accrued Expenses and other payables	-	707,221	-	-	-	707,221
Tax lease liability	-	337,285	-	-	-	337,285
<i>Interest-bearing - fixed</i>						
Other loans	14.00%	2,000,000	-	-	-	2,000,000
Total non-derivatives		3,476,014	-	-	-	3,476,014

Group - 2025	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	468,889	-	-	-	468,889
Accrued Expenses and other payables	-	751,995	-	-	-	751,995
<i>Interest-bearing - variable</i>						
Lease liability	5.58%	320,315	-	-	-	320,315
Total non-derivatives		1,541,199	-	-	-	1,541,199

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

Note 25. Fair value measurement

Fair value hierarchy

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

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

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

Level 3: Unobservable inputs for the asset or liability

Group - 2026	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Other financial assets	-	-	3,662,227	3,662,227
Total assets	-	-	3,662,227	3,662,227

Group - 2025	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Other financial assets	-	-	3,989,345	3,989,345
Total assets	-	-	3,989,345	3,989,345

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

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

Unquoted investments and investments in convertible notes have first been valued with reference to recent equity transactions. In the absence of reliable and recent equity transactions, investments have been valued using a "market approach". Under this valuation technique, the Group has used market multiples derived from a set of comparable transactions, considering qualitative and quantitative factors specific to the measurement.

Level 3 assets and liabilities

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

Group	AudioStack \$	In the Room Global Ltd \$	UneeQ Ltd \$	Total \$
Balance at 1 July 2024	3,945,389	1,862,043	493,584	6,301,016
Disposals	(797,937)	-	-	(797,937)
Exchange differences	342,202	100,407	6,107	448,716
Fair Value adjustments	-	(1,962,450)	-	(1,962,450)
Balance at 30 June 2025	3,489,654	-	499,691	3,989,345
Exchange differences	(305,979)	-	(21,139)	(327,118)
Balance at 30 June 2026	<u>3,183,675</u>	<u>-</u>	<u>478,552</u>	<u>3,662,227</u>

Note 26. Key management personnel disclosures

Compensation

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

	Group	
	2026	2025
	\$	\$
Short-term employee benefits	515,336	535,048
Post-employment benefits	43,945	36,566
Termination benefits	-	100,546
Share-based payments	5,100	7,000
	<u>564,381</u>	<u>679,160</u>

Detailed remuneration disclosures can be found in the remuneration report and equity interests in the directors' report.

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia, the auditor of the company and its network firms:

	Group	
	2026	2025
	\$	\$
<i>Audit services - RSM Australia</i>		
Audit and review of the financial statements	<u>117,000</u>	<u>96,000</u>

Note 28. Contingent liabilities

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

Note 29. Commitments

There were no capital commitments as at 30 June 2026 and 30 June 2025.

Note 30. Related party transactions

Parent entity

Unith Ltd is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 32.

Associates

There are no associates.

Key management personnel

Disclosures relating to key management personnel are set out in note 26 and the remuneration report included in the Directors' report.

Note 30. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	Group	
	2026	2025
	\$	\$
Payment for legal services: Eaton Hall	21,431	4,949

Receivable from and payable to related parties

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

Loans to/from related parties

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

Terms and conditions

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

Note 31. Parent entity information

Parent entity statement of profit or loss and other comprehensive income

	Parent	
	2026	2025
	\$	\$
(Loss) before income tax	(1,489,512)	(5,845,473)
Total Comprehensive (loss)	(1,489,512)	(5,845,473)

Parent entity statement of financial position

	Parent	
	2026	2025
	\$	\$
Total current assets	618,576	283,049
Total assets	4,304,865	4,304,557
Total current liabilities	2,275,106	298,538
Total liabilities	2,275,106	298,538
Issued capital	54,182,233	52,153,084
Foreign currency reserve	-	-
Share-based payments reserve	6,141,969	5,994,935
Accumulated losses	(58,294,443)	(54,142,000)
Total equity	2,029,759	4,006,019

The comparative figures related to the financial position of the Parent entity have been reclassified for presentation purposes. The reclassification relates solely to the parent entity balances and has not impacted the consolidated financial statements. The reclassification has neither impact on the total assets, nor in the total liabilities, of the parent entity.

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

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

Contingent liabilities

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

Capital commitments - Property, plant and equipment

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

Note 31. Parent entity information (continued)

Material accounting policy information

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

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

Note 32. Interests in subsidiaries

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		2026 %	2025 %
Digital Global Marketing Pty Ltd	Australia	100.00%	100.00%
Crowd Mobile Co-Operatief U.A. *	The Netherlands	100.00%	100.00%
Track Holdings B.V.	The Netherlands	100.00%	100.00%
Track Online B.V.	The Netherlands	100.00%	100.00%
Track Concepts B.V.	The Netherlands	100.00%	100.00%
Be Tracked Media B.V.	The Netherlands	100.00%	100.00%
Vivazz Mobile B.V.	The Netherlands	100.00%	100.00%
Track Mobile B.V.	The Netherlands	100.00%	100.00%
Immediato B.V.	The Netherlands	100.00%	100.00%
Mobilizo B.V.	The Netherlands	100.00%	100.00%
Yulara B.V.	The Netherlands	100.00%	100.00%
Unith Research Labs B.V.	The Netherlands	100.00%	100.00%
Unith Research Labs SLU *	Spain	100.00%	100.00%

* Crowd Mobile Co-Operatief U.A. owns 100% of Unith Research Labs SLU

Unith Ltd
Notes to the financial statements
30 June 2026

Note 33. Cash flow information

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

	Group	
	2026	2025
	\$	\$
Loss after income tax expense for the year	(4,987,690)	(4,950,719)
Adjustments for:		
Depreciation and amortisation	1,954,381	1,594,876
Write off of property, plant and equipment	16,106	-
Net Fair Value Gain on investments	440	1,949,454
Share-based payments	174,789	273,268
Non-operating interest	(2,826)	(2,377)
Other	532,739	(547,815)
Interest and other finance costs	319,145	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	328,371	(610,629)
Decrease in Government grants and tax leasing due	288,511	-
Increase in accrued revenue	(65,240)	(9,667)
Increase in prepayments	(186,882)	(56,031)
Increase/(decrease) in trade and other payables	(82,155)	72,443
Increase/(decrease) in deferred revenue	(33,703)	30,906
Increase/(decrease) in employee benefits	(879)	1,285
Net cash used in operating activities	<u>(1,744,893)</u>	<u>(2,255,006)</u>

Changes in liabilities arising from financing activities

Group	Lease Liabilities \$
Balance at 1 July 2024	647,943
Net cash used in financing activities	(327,983)
Other Changes	355
Balance at 30 June 2025	320,315
Net cash used in financing activities	(320,315)
Balance at 30 June 2026	<u>-</u>

Note 34. Loss per share

	Group	
	2026	2025
	\$	\$
<i>Loss per share from continuing operations</i>		
Loss after income tax	<u>(4,987,690)</u>	<u>(4,950,719)</u>

95,142,846(2025: 10,000,000) options and 27,197,500 (2025: 17,620,000) performance rights are not included in the calculation of diluted earnings per share because they are anti-dilutive for the year ended 30 June 2026. These options could potentially dilute basic earnings per share in the future.

Note 34. Loss per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	1,504,306,665	1,224,779,871
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>1,504,306,665</u>	<u>1,224,779,871</u>
	Cents	Cents
Basic loss per share	(0.332)	(0.404)
Diluted loss per share	(0.332)	(0.404)

Note 35. Share-based payments

2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/10/2022	06/06/2025	\$0.050	1,500,000	-	-	(1,500,000)	-
18/10/2022	25/07/2024	\$0.060	750,000	-	-	(750,000)	-
10/02/2023	01/03/2025	\$0.040	1,740,000	-	-	(1,740,000)	-
10/02/2023	01/03/2026	\$0.050	1,740,000	-	-	(1,740,000)	-
10/02/2023	01/03/2027	\$0.060	2,200,000	-	-	(2,200,000)	-
30/06/2023	25/07/2024	\$0.060	8,000,000	-	-	(8,000,000)	-
03/04/2024	31/03/2026	\$0.030	10,000,000	-	-	-	10,000,000
03/04/2024	30/09/2024	\$0.020	10,000,000	-	(1,181,318)	(8,818,682)	-
			<u>35,930,000</u>	<u>-</u>	<u>(1,181,318)</u>	<u>(24,748,682)</u>	<u>10,000,000</u>

Performance rights

On 28 November 2024, shareholders approved a Performance Rights Plan ('PR Plan'). Under the PR Plan, selected employees and Directors may be granted performance rights ('PRs') which will entitle them to receive ordinary shares in the Company, subject to the Company meeting performance objectives.

2026

Grant Date	Expiry Date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
18/10/2022	30/06/2024	75,000	-	-	(75,000)	-
18/10/2022	30/06/2025	3,125,000	-	(1,064,075)	(2,060,925)	-
19/07/2023	30/06/2025	2,280,000	-	(938,445)	(1,341,555)	-
19/07/2023	30/06/2026	3,740,000	-	-	(1,262,500)	2,477,500
26/06/2024	30/06/2025	3,150,000	-	(2,850,000)	(300,000)	-
26/06/2024	30/06/2026	5,250,000	-	(250,000)	(500,000)	4,500,000
28/08/2025	30/06/2025	-	5,880,000	(5,411,880)	(468,120)	-
28/08/2025	30/06/2026	-	6,480,000	(500,000)	(1,600,000)	4,380,000
28/08/2025	30/06/2027	-	8,440,000	-	(2,600,000)	5,840,000
30/06/2026	30/06/2026	-	3,000,000	-	-	3,000,000
30/06/2026	30/06/2027	-	3,000,000	-	-	3,000,000
30/06/2026	30/06/2028	-	4,000,000	-	-	4,000,000
		<u>17,620,000</u>	<u>30,800,000</u>	<u>(11,014,400)</u>	<u>(10,208,100)</u>	<u>27,197,500</u>

Note 35. Share-based payments (continued)

2025					Expired/ forfeited/ other	Balance at end of year
Grant date	Expiry date	Balance at start of year	Granted	Exercised		
20/09/2021	20/09/2024	1,500,000	-	(1,500,000)	-	-
18/10/2022	30/06/2024	1,875,000	-	(982,335)	(817,665)	75,000
18/10/2022	30/06/2025	3,125,000	-	-	-	3,125,000
19/07/2023	30/06/2024	1,580,000	-	(1,084,390)	(495,610)	-
19/07/2023	30/06/2025	2,280,000	-	-	-	2,280,000
19/07/2023	30/06/2026	3,740,000	-	-	-	3,740,000
26/06/2024	30/06/2025	3,150,000	-	-	-	3,150,000
26/06/2024	30/06/2026	5,250,000	-	-	-	5,250,000
26/06/2024	30/06/2024	2,100,000	-	(2,100,000)	-	-
		<u>24,600,000</u>	<u>-</u>	<u>(5,666,725)</u>	<u>(1,313,275)</u>	<u>17,620,000</u>

2025

There were no options granted during the current year.

Grant date	Expiry Date	share price at grant date	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
30/06/2026	30/06/2026	\$0.011	\$0.000	\$0.000	\$0.000	\$0.0110
30/06/2026	30/06/2027	\$0.011	\$0.000	\$0.000	\$0.000	\$0.0110
30/06/2026	30/06/2028	\$0.011	\$0.000	\$0.000	\$0.000	\$0.0110

The total valuation for the performance rights granted during the current financial year is \$110,000. The expense for the year was \$174,789 .

Note 36. Events after the reporting period

On 16 July 2026 the Company announced the following:

Binding commitments received to raise \$1,000,000 via a Placement. The placement was finalized on 4 August 2026.

Pro rata non-renounceable Entitlements Offer of shares on a 1 for 7 basis to raise a further \$1,751,500. The closing date of the rights issue was 28 August 2026.

Placement and Entitlement Offer new shares to be issued at \$0.008 per share, issue date 4 September.

Placement and Entitlement Offer to receive a 1 for 2 free-attaching to-be-listed Option exercisable at \$0.013 expiring 31 December 2028.

The Company has also agreed to convert \$500,000 of the debt facility into equity on the same terms as the placement and rights issue.

The funds will be used to accelerate technology, marketing and business development, strengthen commercial initiatives, continual assessment of potential corporate and strategic acquisitions and general working capital.

On 21 September 2026, the Company announced that it had extended the existing \$1.5m secured debt facility from 31 October 2026 to 30 April 2027.

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.

Unith Ltd
Consolidated entity disclosure statement
As at 30 June 2026

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest	
			%	Tax residency
Digital Global Marketing Pty Ltd	Body Corporate	Australia	100.00%	Australia
Crowd Mobile Co-Operatief U.A. *	Body Corporate	The Netherlands	100.00%	The Netherlands
Track Holdings B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Track Online B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Track Concepts B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Be Tracked Media B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Vivazz Mobile B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Track Mobile B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Immediato B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Mobilizo B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Yulara B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Unith Research Labs B.V.	Body Corporate	The Netherlands	100.00%	The Netherlands
Unith Research Labs SLU *	Body Corporate	The Netherlands	100.00%	Spain

* Crowd Mobile Co-Operatief U.A. owns 100% of Unith Research Labs SLU

Unith Ltd
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the directors



Sytze Voulon
Non-Executive Chairman

30 September 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Unith Ltd

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Qualified Opinion

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

In our opinion, except for the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

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

Basis for Qualified Opinion

As of 30 June 2026, the Group's Other financial assets included investments *UneeQ Ltd*, an entity domiciliated in the United States of America, with carrying amounts of \$0.5 million (refer to note 12). The equity instruments of *UneeQ Ltd* are not traded in an active market. The Group was unable to obtain sufficient information to support the fair value of these investments as of 30 June 2026. Consequently, we were unable to obtain sufficient appropriate audit evidence regarding the carrying amount of it and were unable to determine whether any adjustments to this amount were necessary.

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 APES 110 *Code of Ethics for Professional Accountants* (including independence standards) issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to our audit of the financial report 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 qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that during the financial year ended 30 June 2026, the Group incurred losses of \$4,987,690 and had net cash outflows from operating and investing activities of \$1,744,893 and \$1,627,195, respectively. Also, as at 30 June 2026, the Group's current liabilities exceeded its current assets by \$1,377,393. These factors indicate a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* and *Material Uncertainty Related to Going Concern* sections, 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 this matter
Revenue recognition Refer to Note 5 in the financial statements	
The Group's revenue from contracts with customers was \$4.6 million for the year ended 30 June 2026. Revenue recognition was identified as a key audit matter due to the judgment involved in applying the Group's accounting policies, particularly in identifying the performance obligations and timing of revenue recognition. The Group's revenue is derived from subscriptions to content on educational, entertainment, gaming, etc. through personal mobiles. This revenue is recognised over time based on the period these services are provided. Revenue also derives from the provision of self-services platform to create and manage digital human solutions. A significant This involves management judgement in estimating total contract costs and assessing project progress.	Our audit procedures in relation to the recognition of revenue included: - Evaluating whether the Group's revenue recognition policies are in accordance with Australian Accounting Standard 15 <i>Revenue from contracts with customers</i> ('AASB 15'); - Reviewing a sample of contracts with customers, including reviewing management's assessment of revenue recognition in line with AASB 15; - Assessing design and appropriateness of the controls surrounding revenue transactions, including conducting walkthrough testing; - Performing substantive analytical procedures over revenue from subscriptions; - For a sample of revenue transactions, substantiating transactions by agreeing to supporting documentation, including contracts with customers; - Reviewing revenue transactions before and after year-end to ensure that revenue was recognised in the correct period; and - Reviewing appropriateness of disclosure of revenue in the financial statements.

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Fair value of Other financial assets Refer to Note 12 in the financial statements	
As of 30 June 2026, the Group's Other financial assets included investments in <i>Audiostack</i>, an entity domiciliated in United Kingdom, with carrying amounts of \$3.2 million (40% of the total assets). The equity instruments of <i>Audiostack</i> are not traded in an active market. In accordance with the accounting standard AASB 9 <i>Financial Instruments</i>, these investments should be stated at their fair value at reporting date. The valuation of these investments is dependent on assumptions which require significant management's judgement.	Our audit procedures included the following: • Holding discussions with senior management to gather an understanding of the status of the operations of <i>Audiostack</i>; • In conjunction with our valuation specialists, assessing the reasonable of management's approach for the determination of the fair value of this financial asset. This included a review of the appropriate and accurate of the information used in this process; • Reviewing the accounting journals posted by management to record the changes in fair value; and • Assessing the adequacy of disclosures against the requirements of accounting standards.
Carrying value of Intangibles Refer to Note 15 in the financial statements	
As at 30 June 2026, the Group had Intangible assets amounting to \$1.9 million, related mainly to the development of software technology. In accordance with the requirement of AASB 136 <i>Impairment of Assets</i>, management conducted an impairment test over the Cash Generating Unit ('CGU') to which Intangible assets is determined to belong. The impairment test was performed by the estimating the present value of the future cash flows ('the value in use') expected to be derived from the CGU. We considered the carrying value of Intangibles to be a Key Audit Matter due to the judgements required in determining whether these costs are capital in nature. Also, due to the significant judgments involved in estimating the value in use of the CGU, particularly in relation to forecasting future cash flows, determining discount rates, and applying terminal growth assumptions.	Our audit procedures around carrying value of intangible assets included, among others: • Discussing with senior management the Group's accounting policy for capitalising software development costs, and assessing its appropriateness against the capitalisation criteria of Australian Accounting Standard AASB 138 <i>Intangible Assets</i>; • Conducting testing over a sample of additions, by obtaining documentation support, gathering an understanding of the nature of the cost and assessing the adequacy of them to be capitalised costs; • Assessing the appropriateness and mathematical accuracy of the amortisation of Intangible assets; • Regarding the impairment test, assessing the reasonableness of management's determination that Intangible assets should be allocated to a single CGU;

Key Audit Matters (continued)

Key Audit Matter	How our audit addressed this matter
Carrying value of Intangibles Refer to Note 15 in the financial statements	
	- Evaluating the valuation methodology used for the determination of the value in use of the CGU, including testing the mathematical accuracy of the model used; - Assessing the key assumptions used by management, including: - Comparing cash flow forecasts to board-approved budgets and historical performance, - Reviewing the appropriateness of the terminal growth rate applied; - Performing sensitivity analysis over key assumptions to evaluate the impact of potential changes in those assumptions; and - Considering whether the related disclosures in the financial statements regarding were appropriate and adequately reflected the underlying estimation uncertainty.

Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate evidence about the carrying amount of other financial assets as at 30 June 2026. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of the Directors for the Financial Report

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

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

for such internal control as the directors determine is necessary to enable the preparation of:

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included on page 21 to 26 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Unith Ltd 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.

**RSM AUSTRALIA PARTNERS****R J MORILLO MALDONADO**

Partner

Dated: 30 September 2026
Melbourne, Victoria

Unith Ltd
Shareholder Information
30 June 2026

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in this Annual Report. The information provided is current as at 18 September 2026 ('Reporting Date').

Corporate Governance Statement

The Company's Directors and management are committed to conducting the Group's business in an ethical manner and in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations ('Corporate Governance Statement').

In accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement will be available for review on Unith Ltd's website, unith.ai/investorcentre, and will be lodged together with an Appendix 4G with ASX at the same time that this Annual Report is lodged with ASX.

The Appendix 4G will particularise each Recommendation that needs to be reported against by Unith Ltd and will provide shareholders with information as to where relevant governance disclosures can be found.

The Company's corporate governance policies and charters are all available on Unith Ltd's Website, <https://investors.unith.ai/>.

Substantial shareholders

At the date of this report, Aslan Equities Pty Ltd held 11.20%

Distribution of equitable securities

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

	Number of holders No.
Fully paid ordinary shares	2,323
Unlisted options exercisable at \$0.007 each on or before 1 March 2027	4
Unlisted options exercisable at \$0.013 each on or before 31 December 2028	128
Unlisted options exercisable at \$0.015 each on or before 1 September 2028	6
Performance rights vesting yearly from 30 June 2026 to 30 June 2028	27

Distribution of shareholders

			%
Holding Ranges:			
1 to 1,000	101	7,786	-
1,001 to 5,000	61	196,455	0.01%
5,001 to 10,000	156	1,402,873	0.08%
10,001 to 100,000	1,054	46,943,666	2.62%
100,001 and over	951	1,743,477,147	97.29%
	<u>2,323</u>	<u>1,792,027,927</u>	

Less than marketable parcels of ordinary shares ('UMP Shares')

The number of holders of less than a marketable parcel of ordinary shares based on the closing market price at the Reporting Date is as follows:

Total Shares No.	UMP Shares No.	UMP Holders No.	Percentage of issued shares held by UMP holders %
1,792,027,927	39,750,780	1,281	2.22%

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Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary shares Number held	Ordinary shares % of total shares issued
ASLAN EQUITIES PTY LTD <ASLAN EQUITIES A/C>	200,648,123	11.20%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	48,986,169	2.73%
818 CORPORATE PTY LTD <818 A/C>	47,000,000	2.62%
MR CZESLAW CZAPLA & MR ZDZISLAW CZAPLA	45,000,000	2.51%
NAH SUPERANNUATION PTY LTD <NAH SUPERANNUATION FUND A/C>	41,619,619	2.32%
MR SCOTT ADRIAN MISON <THE SCOTT MISON SUPER A/C>	35,361,863	1.97%
MR NICOLA LUCANO	31,550,000	1.76%
JACKVIE PTY LIMITED <JACKVIE FAMILY A/C>	29,193,751	1.63%
MR RICHARD JOHN SHARP	27,000,000	1.51%
MS ELIZABETH NEDELA-CAMPBELL	25,000,000	1.40%
MAESTRO CAPITAL PTY LTD <MAESTRO CAPITAL SUPER A/C>	24,476,000	1.37%
NEAVERSON SUPER FUND PTY LIMITED <NEAVERSON SUPER FUND A/C>	19,519,999	1.09%
D S A H HOLDINGS PTY LTD	18,484,045	1.03%
10 BOLIVIANOS PTY LTD	18,000,001	1.00%
SIMNER PTY LTD <SIMON MCDONNELL FAMILY A/C>	18,000,000	1.00%
AUSTRALIAN EXPORTS & INDUSTRIALISATION SUPER PTY LTD <BUCK FAMILY SUPER FUND A/C>	15,000,000	0.84%
MR GREGORY PETER WILSON	15,000,000	0.84%
SABA NOMINEES PTY LTD <SABA A/C>	14,346,001	0.80%
MR JOSEPH MITCHELL NEWBERY	14,000,000	0.78%
OTTA INTERNATIONAL PTY LTD <OTTA INTL P/L S/F A/C>	13,500,000	0.75%
	701,685,571	39.16%

Unquoted equity securities

	Number on issue	Number of holders
Class of Equity securities	-	-
Unlisted options exercisable at \$0.007 each on or before 1 March 2027	26,428,571	4
Unlisted options exercisable at \$0.013 each on or before 31 December 2028	108,982,840	128
Unlisted options exercisable at \$0.015 each on or before 1 September 2028	40,714,275	6
Performance rights expiring 30 June 2026	14,357,500	27
Performance rights expiring 30 June 2027	8,840,000	23
Performance rights expiring 30 June 2028	4,000,000	9

Voting rights

The only class of equity securities on issue in the Company which carry voting rights is ordinary shares.

At a general meeting of the Company, every holder of ordinary shares is entitled to vote in person or by proxy or attorney; and on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share he holds.

Voluntary escrow

There are no shares on issue in the Company that are subject to voluntary escrow.

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Stock Exchange Listing

The Company's ordinary shares are quoted on the Australian Securities Exchange ('ASX') (ASX issuer code: UNT) and on the Frankfurt Stock Exchange (European stock code: CM3).

Buybacks

No securities were purchased on-market during the reporting period under or for the purposes of an employee incentive scheme or to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme.

The Company is not currently conducting an on-market buy-back

Item 7 issues of securities

There are no issues of securities approved for the purposes of item 7 of section 611 of the Corporations Act which have not yet been completed.