



Annual Report

2025/26

Novatti Group Limited Level 3/461
Bourke St, Melbourne VIC 3000

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FY26 in Numbers

\$2.8m

EBITDA +\$7.2m YoY

\$13.8m

Payments AU/NZ Revenue +15% YoY

\$0.6m

Net Profit from Operations +\$7.2m YoY

\$6.3m

Payments AU/NZ Margin +23% YoY

54%

Gross Margin Up from 30% in FY25

\$2.3m

Payments AU/NZ Direct EBITDA +522% YoY

*Payments AU/NZ direct EBITDA excludes corporate costs *EBITDA excludes non-cash entries as represented in Appendix 4E released 31 August 2026.



About **Novatti**

Novatti is a digital payments infrastructure business bridging traditional payments and regulated digital finance by providing the technology, services and products that enables businesses to accept payments, issue cards and connect to digital payment rails across Australia, New Zealand and abroad.

Novatti partners with fintechs, corporates and distribution partners to embed tailored acquiring, issuing, local and international payment solutions. Novatti is building a leading Australasian hybrid payments infrastructure business, to support the next generation of digital commerce.



Corporate **Directory**

Directors	Peter Pawlowitsch (Non-Executive Chairman) Peter Cook (Executive Director) Kenneth Lai (Non-Executive Director) Chris Ryan (Non-Executive Director) Tom Ng (Non-Executive Director)
Company secretary	Steven Stamboultgis
Registered office and principal place of business	Level 3, 461 Bourke Street Melbourne VIC 3000 +61 3 9011 8490
Share register	Automic Registry Services Level 5, 191 St Georges Terrace Perth WA 6000 +61 8 9324 2099
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Bankers	ANZ 388 Collins Street Melbourne VIC 3000
Stock exchange listing	Novatti Group Limited shares are listed on the Australian Securities Exchange (ASX code: NOV)
Website	www.novatti.com
Corporate Governance Statement	https://www.novatti.com/investor-centre/corporate-governance
Australian Financial Services Licence	AFSL No.448066
New Zealand Financial Services Provider	FSP613789



Chairman's Report

Peter Pawlowitsch

CHAIRMAN

For Novatti, FY26 was a year in which the Company's strategic transformation delivered visible results, with improved profitability, a more disciplined revenue base and further progress in positioning the business for sustainable long-term growth.

Under the leadership of CEO Mark Healy, Novatti has undertaken a disciplined strategic transformation to simplify the Group, sharpen its operating focus and improve the quality of earnings. In FY26, the benefits of that work became clearly visible in Novatti's financial performance, with the Company inflecting to positive EBITDA and delivering a significant improvement in operating results.

Our FY26 results reflect a stronger and more focused business model. While Group revenue reduced significantly to \$28.3 million following the strategic exit from non-core revenue streams, Novatti materially improved the quality of that revenue, with Group gross margin increasing to 54%, up from 30% in FY25. This reflects the Board and management team's commitment to building a more resilient and scalable business.

A key feature of FY26 was the continued simplification of the Group. Novatti completed the sale of Emersion Systems and deepened its focus on its core Payments AU/NZ business, which is now Novatti's largest contributor to revenue, gross margin and direct EBITDA. This progress demonstrates that the strategic decisions taken over recent years are creating a stronger foundation for sustainable growth.

The Board was also strengthened during the year through the appointment of experienced non-executive directors Chris Ryan and Tom Ng, enhancing Novatti's financial services expertise and networks. In parallel, Novatti continued to realise value from assets it has incubated, including AUDC, while maintaining a clear focus on capital discipline and balance sheet management. As the Company moves beyond the heavy lifting of restructuring, the Board remains focused on supporting management to accelerate profitable growth while continuing to strengthen Novatti's financial position.

On behalf of the Board, I would like to thank Novatti's management and employees for their commitment and hard work throughout FY26. The turnaround achieved to date is the product of sustained effort across all parts of the business. I also thank our shareholders for their continued support. Novatti enters FY27 with a more focused strategy, a stronger operating platform and increasing confidence in its ability to deliver long-term value.

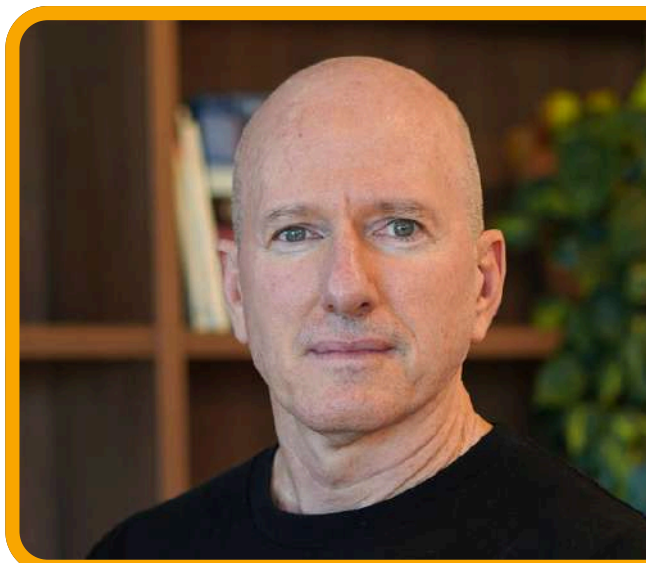


CEO's Report

Mark Healy

CEO

FY26 has been a defining year for Novatti. Since commencing our strategic transformation in FY24, our focus has been clear: simplify the business, improve our financial performance and position Novatti around the parts of the Group that can scale sustainably. In FY26, we demonstrated the earnings benefit of those decisions, most notably through the \$7.2 million improvement in operating performance which improved net profit from operations to \$0.6m. These outcomes show that Novatti is now a fundamentally stronger and more disciplined business.



A major driver of this result was the continued reform of our revenue base. Throughout the year, we completed further simplification initiatives, including the sale of Emersion and the exit of non-core, low-margin revenue streams. While these actions reduced Group revenue to \$28.3 million, they materially improved business quality and profitability. Group gross margin increased to 54%, compared with 30% in FY25, reflecting a more focused portfolio, stronger unit economics and ongoing platform improvements aligned to customer needs.

Our core Payments AU/NZ business was the standout performer in FY26 and is now the Group's largest contributor to revenue, gross margin and direct EBITDA. Revenue from Payments AU/NZ increased 15% year on year to \$13.8 million, gross margin increased 23% to \$6.2m, and direct EBITDA improved 522% to \$2.3 million. This performance reflects both the benefit of simplification and momentum through stronger execution, better customer alignment and a clear value proposition.

We also made meaningful commercial and operating progress across the year. Novatti expanded its work with enterprise customers, including a major global airline and a tier-one telco, while continuing to execute strongly in acquiring and card issuing. The University of New South Wales implementation was a strong example of our payments infrastructure capability in action, and we continued building momentum through new partnerships and broader use cases across education, retail and other sectors. These wins reinforce our view that Novatti's platform is increasingly well positioned to support larger, more scalable customer opportunities.

Importantly, the momentum built across FY26 strengthened as the year progressed and the business delivered positive normalised positive operating cashflow¹ across all quarters. Alongside this, we continued to unlock value from strategic assets such as our stake in AUDC Pty Ltd, while keeping a clear focus on prudent capital management.

As we enter FY27, Novatti does so with a stronger underlying business, a simpler operating model and a clear pathway to growth. Our focus remains on strengthening our payments infrastructure, deepening customer relationships, and converting market opportunities into sustainable earnings growth. I want to thank our team for their dedication and outstanding efforts throughout FY26, and I thank our shareholders for their continued support as we build the next phase of Novatti's growth.

A handwritten signature in dark ink, appearing to read 'M Healy'.

¹ Reflects net cash from/used in operating activities excluding payments made against historic liabilities (including ATO debt).

Review of Operations

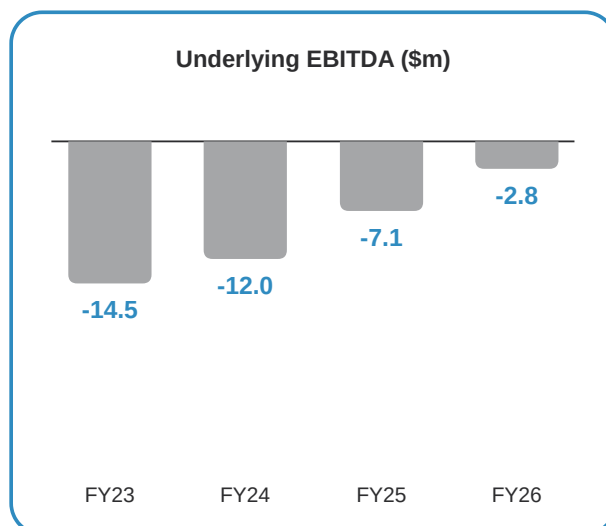
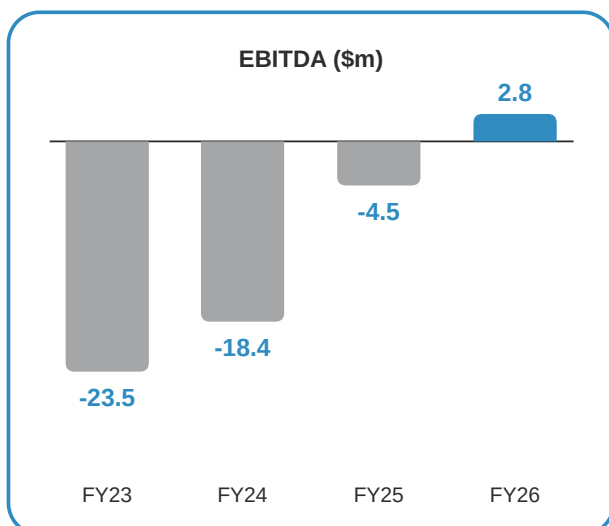
• FINANCIAL UPDATE

Earnings transformation delivered in FY26

Novatti's FY26 result marked a significant step forward in the Company's strategic transformation, with the benefits of simplification and revenue base reform becoming clearly evident in reported earnings. For the 12 months ended 30 June 2026, Group revenue was \$28.3 million. While lower than FY25, this reflected the intentional exit from non-core and low-margin revenue streams that did not align with the Company's long-term financial objectives. Importantly, the quality of the remaining revenue base improved materially, supporting stronger margins and a substantially improved earnings profile.

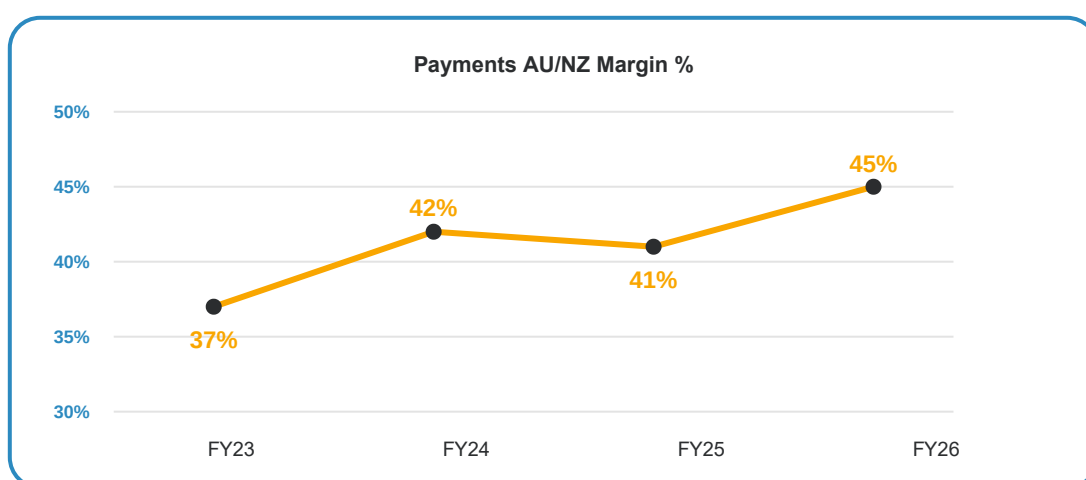
Profitability inflection point

The strongest feature of the FY26 result was the improvement in profitability. Novatti delivered EBITDA of \$2.8 million, representing a \$7.2 million year-on-year improvement and marking an important inflection point for the business. Net profit from operations inflected to \$0.6 million, a \$7.2 million improvement on FY25. Underlying EBITDA also improved significantly to a loss of \$2.8 million, compared with a corrected loss of \$7.1 million in the prior corresponding period. These outcomes reflect the cumulative impact of strategic actions to simplify the Group, reduce operational complexity, improve platform capability and focus resources on higher-quality revenue opportunities.



Margin expansion and revenue quality improvement

Margin expansion was a defining feature of FY26. Group gross margin increased to 54%, up materially from 30% in FY25. This result demonstrates the value of exiting revenue lines that generated insufficient return relative to cost and risk. During the year, Novatti completed the exit of a low-margin overseas service that had historically contributed meaningful revenue but limited earnings benefit. The Company also completed the sale of Emersion Systems in September 2025 as part of its continued effort to simplify the portfolio and strengthen business quality. Together, these actions reduced reported revenue but materially improved the economics of the Group. In FY26, the core Payments AU/NZ business also delivered continued margin expansion, complementing the growth in revenue and profitability across this business line.



Quarter-by-quarter financial progression

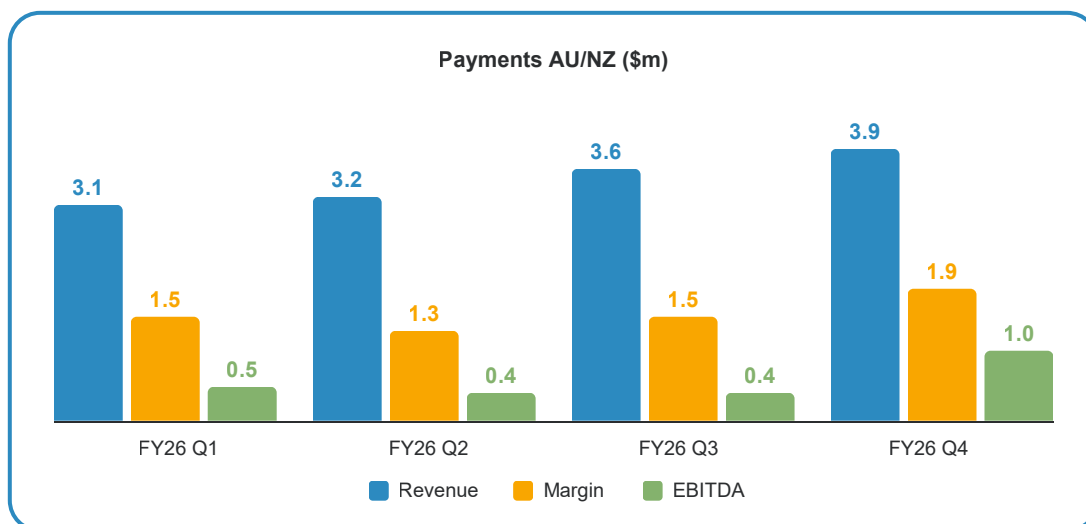
The quarterly progression through FY26 further demonstrated improving financial discipline and operating leverage. In Q1 FY26, Novatti achieved positive quarterly operating cashflow of \$0.2 million and positive cash EBITDA² of \$0.1 million, an important milestone in the turnaround. In Q2, the core Payments AU/NZ business delivered its fourth consecutive EBITDA-positive quarter, contributing \$0.4 million in divisional EBITDA for the quarter. By Q3, the Group had achieved three consecutive quarters of normalised positive operating cashflow³ while maintaining a 54% gross margin. In Q4, Group EBITDA remained positive at \$0.3 million and normalised operating cashflow was also positive at \$0.3 million, excluding the settlement of historic liabilities.

² Excludes non-cash entries and historic liabilities

³ Reflects net cash from/used in operating activities excluding payments made against historic liabilities (including ATO debt)

Core Payments AU/NZ drives earnings

A key contributor to the Group's improved result was the continued development of the core Payments AU/NZ business, which is now Novatti's largest contributor to revenue, gross margin and direct EBITDA⁴. For FY26, this business delivered revenue of \$13.8 million, up 15% year on year, gross margin of \$6.3 million, up 23%, and direct EBITDA of \$2.3 million, up 522%. This performance highlights the effectiveness of Novatti's strategy to focus on scalable payments infrastructure opportunities across Australia and New Zealand.



Capital position and balance sheet management

Novatti ended FY26 with cash available of \$3.1 million at 30 June 2026. This was supplemented shortly after year end by the receipt of \$1.2 million (before costs) from the sale of 1.5 million shares in AUDC Pty Ltd, settled in July 2026. During the year, the Company also raised \$1.0 million through a share placement to Australian Wealth Advisors Group Ltd and raised approximately \$370,000 through the exercise of options. These actions supported working capital and the continued execution of the Company's disciplined capital management.

Investment in AUDC Pty Ltd, issuer of the AUDD stablecoin

Novatti also continued to realise value from strategic assets developed within the Group. Following the deconsolidation of AUDC in September 2025, Novatti retained a substantial shareholding, with the value of its interest increasing following AUDC's Pre-Series A funding round in late 2025. This provided the basis for the partial share sale completed in June 2026 when divesting 1,500,000 shares at \$0.80 per share, while retaining 18,500,000 shares.

⁴ Payments AU/NZ direct EBITDA excludes corporate overheads

• OPERATIONS UPDATE

Core operations gain momentum in FY26

FY26 was a year of strong operational progress, with the Company increasingly benefiting from the strategic work undertaken in prior periods to simplify the business, clarify its market positioning and strengthen its core payments infrastructure. With that transformation now largely embedded, Novatti's operational focus through FY26 was on execution: improving the core Payments AU/NZ business, deepening customer relationships and building commercial momentum. These efforts were reflected in both stronger financial performance and a growing pipeline of higher-quality customer opportunities.

Payments AU/NZ becomes the core growth engine

The core Payments AU/NZ business was the standout operational contributor during FY26 and is now Novatti's largest source of revenue, gross margin and direct EBITDA. The division generated \$13.8 million in revenue, up 15% year on year, and \$6.3 million in gross margin, up 23%, while direct EBITDA rose 522% to \$2.3 million. This performance reflects the increasing effectiveness of Novatti's operating model in its core market, as well as management's deliberate focus on customers and use cases that better align with the Company's long-term objectives.

A major area of execution in FY26 was the continued enhancement of Novatti's payments acceptance (Acquiring) capability. During the year, the Company completed the migration of Acquiring customers onto an upgraded platform and internal API designed to improve customer experience, expand product capability and support larger-scale merchant opportunities. This work established a stronger operational foundation for growth across both in-store and eCommerce payment acceptance and improved Novatti's ability to pursue merchant opportunities in target sectors including education, retail, eCommerce and PropTech.

Issuing capability continues to build

The card issuing (Issuing) business also continued to benefit from Novatti's strong customer engagement and record card activity supporting growth. During the year, the Company secured a partnership with Vivi Money for the issuance of globally accepted Visa debit cards and associated cross-border functionality, further demonstrating Novatti's ability to combine product capability with targeted commercial execution.

UNSW demonstrates speed and scale of execution

One of the most notable operational successes in FY26 was the delivery of the University of New South Wales (UNSW) opportunity. UNSW was signed in August 2025, onboarded to Novatti's Alipay integration by October 2025 and live for payment acceptance by November 2025. By July 2026, this integration had generated more than \$60 million in gross transaction value and over \$0.9 million in revenue. The relationship was subsequently extended to include WeChat Pay services. This outcome was significant not only because of its scale, but because it demonstrated Novatti's ability to execute quickly and deliver a payments infrastructure solution for a large institutional customer in a high-volume vertical.



Commercial wins broaden sector exposure

Novatti also secured a range of commercial wins and contract extensions during FY26 that reinforced growing market momentum. These included a major global airline extending its contract to include the distribution of third-party digital vouchers, a tier-one Australian telco renewing services and awarding a new contract for upgraded prepaid voucher systems, and an airport-based commercial retailer adopting Novatti's payment acceptance services. The Company also signed an Australian subsidiary of a major Asian fintech to distribute Novatti's card-present and eCommerce acquiring solutions, demonstrating the relevance of its platform to both direct customers and channel partners.

Notable commercial deals across FY26 included:



Airline Extension

A major global airline extending its contract to include the distribution of third-party digital vouchers



Telco Renewal

A tier-one Australian telco renewing services and awarding a new contract for upgraded prepaid voucher systems



UNSW Live

Signed August 2025 and live by November 2025; more than \$60 million in gross transaction value by July 2026, extended to WeChat Pay



Airport Retail

An airport-based commercial retailer adopting Novatti's payment acceptance services



Channel Partnership

An Australian subsidiary of a major Asian fintech signed to distribute Novatti's card-present and eCommerce acquiring solutions



Vivi Money

Partnership for the issuance of globally accepted Visa debit cards and associated cross-border functionality

Simpler business, stronger operating focus

Operationally, FY26 reflected the benefits of a simpler and more market-aligned business. By exiting low-margin activities and concentrating on payments infrastructure, Novatti has been able to direct greater attention toward product quality, customer delivery and scalable revenue opportunities. The improved clarity of the Company's value proposition, combined with platform upgrades and stronger sales execution, supported a more targeted commercial approach and better alignment with customer demand.



Corporate

• CAPITAL MANAGEMENT

During FY26, Novatti utilised a range of funding and balance sheet initiatives to support the continued execution of its strategy and the growth of its core Payments AU/NZ business. In November 2025, the Company secured \$1.0 million in growth funding via a share placement to Australian Wealth Advisors Group Ltd and its subsidiary Armytage Private. The funds were allocated toward accelerating Novatti's growth strategy, including increased marketing in targeted verticals, bolstering acquiring sales and product feature enhancements. In addition, during FY26 Novatti raised approximately \$370,000 through the exercise of 13,454,545 options at an exercise price of 2.75 cents per share by Australian Wealth Advisors Group Ltd.

On 11 May 2026 the Company entered into a \$1.0 million debt facility with Morkim Pty Ltd, which was fully drawn on 15 May 2026. The facility provided additional liquidity to support working capital and ongoing growth. Subsequent to year end, Novatti also received \$1.2 million from the sale of 1.5 million shares in AUDC Pty Ltd, with the transaction announced on 26 June 2026 and completed on 13 July 2026. Proceeds from the AUDC share sale were directed toward supporting the Payments AU/NZ business, including expansion initiatives across acquiring and digital payments.

\$1.0m

Growth funding placement to Australian Wealth Advisors Group, November 2025.

\$1.0m

Debt facility with Morkim Pty Ltd, fully drawn 15 May 2026.

\$1.2m

From the sale of 1.5 million AUDC shares, completed 13 July 2026.

• PORTFOLIO SIMPLIFICATION

FY26 also included several important corporate actions aligned to Novatti's strategic transformation and simplification agenda. On 3 September 2025, the Company completed the sale of its wholly owned subsidiary Emersion Systems Pty Ltd for \$0.5 million. In addition, on 12 September 2025, Novatti ceased to control AUDC Pty Ltd following changes to the composition of the AUDC board, resulting in AUDC being deconsolidated from the Group. These actions were consistent with the Company's continued focus on simplifying the Group structure, realising value from non-core assets and increasing focus on the core payments business.

• BOARD CHANGES

The Board was strengthened during FY26 through the appointment of Chris Ryan and Tom Ng as Non-Executive Directors, effective 26 November 2025. Both appointments added significant financial services, payments and international business experience to the Board. At the same time, Killian Murphy resigned as a Non-Executive Director, also effective 26 November 2025. These changes are intended to support the continued growth and evolution of Novatti, including targeted corporate development activity to support the execution of the strategy.

Environmental

Social & Governance

Novatti is committed to environmental and social responsibility. As a Company, we are committed to Environmental, Social and Governance (ESG), which we will continue to strengthen over time. Novatti acknowledges the constantly evolving social and sustainability requirements and its responsibility to provide transparent reporting against these requirements to stakeholders.

Novatti is also committed to running our business in an ethical manner. The Company acknowledges and embraces our regulatory and business responsibilities given the importance of the services it provides to the public. Our business is subject to a complex set of laws, regulations and industry requirements in various jurisdictions globally. These include, but are not limited to, financial services, consumer protection, anti-money laundering and counter-terrorism financing, privacy and data protection, taxation, employment, corporate regulations and corporate governance.

In addition to the regulatory landscape, Novatti has developed a sophisticated ecosystem that brings together Technology, Licences, Partnerships and our people to deliver its services. In all jurisdictions in which Novatti operates, we are focused on operating our business in a responsible, ethical and compliant manner.



Environmental

Sustainability is a journey. It starts with looking inwards at how we can minimise the potential negative impacts of our own operations to reduce our carbon footprint and waste. The adaptation, and reduction, of our office environments has led to reduced energy usage, use of consumables, business travel and office waste. Novatti has formally adopted a hybrid working framework and a minimal office footprint enables lower carbon emissions. The People Experience team plays a pivotal role in championing environmental sustainability initiatives across our global footprint from office recycling programmes to promoting eco-conscious practices among our employees. By integrating sustainability into our daily operations and company culture, we not only aim to reduce our environmental footprint but also inspire change in the communities that we service.

Australia's mandatory climate-related financial disclosure requirements are being introduced on a phased basis according to entity size. Novatti does not currently meet the thresholds that would bring it into scope. We continue to monitor these requirements as they evolve to ensure reporting readiness should we come into future scope.

Social

The Novatti Board acknowledges that our people are at the core of who we are. This is why we place them at the centre of our ecosystem to deliver on our Vision.

Our Values

Novatti places a strong emphasis on recruiting and retaining talent that enhance our values-driven culture. The accumulation of our collective experience, shared values, and individual skills allow Novatti to deliver on our market-led, customer-first focus. This financial year, we updated our organisational values so they better reflect how our teams work together and deliver for our customers and each other. The values that empower our people are:

Momentum Matters

Move with urgency, follow through and keep progress moving.

Embrace Evolution

Try, test and grow, navigating change with creativity and agility.

Own the Outcome

Take accountability, deliver on your word, close the loop.

Cultivate Connection

Back each other, connect the dots and turn shared effort into stronger outcomes.



Our Workforce

Novatti's workforce has diversified as we have matured as a business and will continue to do so. Novatti does not have any enterprise agreements, all team members are employed on above award common law contracts.

Novatti has adopted a Diversity Policy to assist with attracting, developing and retaining people who are highly competent and can contribute to its long-term success and values by bringing a broader range of perspectives, experiences and ideas. Our Diversity Policy includes the provision of Equal Opportunity and Non-Discrimination which is backed up by Novatti's Whistleblower Policy and procedures.

Our Diversity Profile

The Company set a diversity objective to have 30% or greater female representation in the total workforce and in senior roles by 2029. This objective has already been achieved.

The Company has set a diversity objective by 2031 to have 40% or greater female representation in the total workforce, in senior roles and represented on the Board of Directors. When Novatti established these diversity objectives, it was cognisant that achieving them is influenced by many factors including:

The need to hire the best qualified person for the available job as established by the Company's Diversity Policy

Changes in the number of people employed due to expansion or reduction of future business activities

Changes in the composition of the workforce due to resignations, redundancies or terminations

As at 30 June 2026, Novatti's employees in a full-time and part-time capacity included 47% female (2025 - 40%) and 53% male (2025 - 60%).

Novatti considers a senior role as a direct report to the CEO. As at 30 June 2026, two females (2025 - three) held a senior role, representing 40% of the CEO's Australian full time reports.

Team members are also able to identify as non-binary or to choose not to disclose their gender. As at 30 June 2026, no team members had selected either option.



Health and Wellness

The health and safety of our people remains a key priority for Novatti. Over the last six years, there have been no work-related accidents at Novatti, which speaks to the strength of our safe working environment and our dedication to the wellbeing of our team. Our approach to hybrid working continues to empower team members to achieve a work-life balance that suits their individual needs, fostering both personal and professional growth. This approach aligns with our core values and corporate responsibility, ensuring that every team member thrives.

Governance

The Novatti Board acknowledges that it is accountable to shareholders and must ensure that the Company is properly managed and protected to enhance shareholder value by ensuring the long-term strength of Novatti's business. Novatti recognises that its reputation is a valuable asset, which is based largely on the ethical behaviour of the people who represent the Company. Novatti has an established Code of Conduct which outlines how it expects team members to comply with the law and conduct themselves in a manner consistent with community and corporate standards.

Novatti has established various statements and policies to support this Code of Conduct including:

Board Charter	Corporate Governance Statement
Anti-Bribery and Anti-Corruption	Whistleblower Policy
Risk Management & Internal Compliance	Procedures for Selection and Appointment of Directors
Performance Evaluation Practices for Directors and Executives	Director Skills Matrix
Remuneration of Directors and Executives	Continuous Disclosure
Shareholders Communication	Securities dealing by Directors and Employees



In respect to our People, Novatti has also established various policies, including, but not limited to:

Code of Conduct

Diversity Policy

Modern Slavery

Employee Incentive Plan

These policies are all available on Novatti's website novatti.com/investor-centre/corporate-governance

In addition to public facing policies, Novatti has an internal Intranet for staff providing a suite of policies, procedures and templates for use by our teams. These include, but are not limited to the areas of:

Human Resources

Information Technology

Operational Marketing

Risk and Compliance

Information Security

Legal

Anti-Money Laundering

Business Ethics

Acting ethically is critical to Novatti's reputation and business. We have a strong culture of risk and compliance throughout our business. To maximise the protection available to our customers we invest in banking relationships; systems and security; fraud protection; and our processes, people and systems.

Novatti has adopted a Code of Conduct, which details the underlying values to support the integrity of its business. This Code operates alongside Novatti's Anti-Bribery and Anti-Corruption policy, Anti Money Laundering Requirements and Modern Slavery Policy. Novatti has also implemented a Legal and Regulatory Compliance Policy Statement which provides details of the overarching governing principles of Novatti's approach to compliance, along with the underlying principles to support the elements of an effective compliance programme.



Data Protection and Information Security

Novatti places paramount importance on data protection and information security. Our information security management system completed its transition to, and certification of, ISO 27001:2022 (from ISO 27001:2013) in October 2025, and subsequently completed its triennial audit in July 2026. This investment reflects our commitment to global information security standards, proactive risk mitigation and continuous improvement. Additionally, we employ a “Defence in Depth” strategy to safeguard data, creating multiple layers of protection. Our multi-layered cybersecurity defence system includes network security, access controls, data encryption, employee training, incident response plans, penetration testing and 24x7 security monitoring.

In addition, our acquiring platform has again been PCI-DSS certified via an external audit. Data security and information protection are embedded in our operational practices and provide a secure environment for both data and systems.

Moving Money Safely

As a business that moves significant funds for customers around the world every day, it is critical that Novatti manages its risks in a way that maintains the trust of our customers, partners and banks, and meets the expectations of regulators. We have a strong culture of risk and compliance, with particular emphasis on the responsibility that Novatti has as an international and domestic payments services provider to help prevent and detect financial crime.





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Novatti Group Limited

ACN 606 556 183

Annual Report

30 June 2026

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Annual Report

30 June 2026

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Novatti Group Limited

Corporate directory

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Company Secretary	Steven Stamboultgis
Registered office and principal place of business	Level 3 461 Bourke Street Melbourne VIC 3000 +61 3 9011 8490
Share register	Automic Registry Services Level 5, 191 St Georges Terrace Perth WA 6000 +61 8 9324 2099
Auditor	William Buck Level 20 181 William Street Melbourne VIC 3000
Bankers	ANZ 388 Collins Street Melbourne VIC 3000
Stock exchange listing	Novatti Group Limited shares are listed on the Australian Securities Exchange (ASX code: NOV)
Website	www.novatti.com
Corporate Governance Statement	www.novatti.com/investor-centre/corporate-governance
Australian Financial Services Licence	AFSL No.448066
New Zealand Financial Services Provider	FSP613789

Novatti Group Limited

Directors' report

30 June 2026

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "Consolidated Entity" or the "Group") consisting of Novatti Group Limited (referred to hereafter as the "Company", "Novatti" 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 Novatti Group Limited during the whole of the financial year or up to the date of this report, unless otherwise stated:

Peter Pawlowitsch - Non-Executive Chairman

Peter Cook - Executive Director

Kenneth Lai - Non-Executive Director

Killian Murphy – Non-Executive Director (resigned on 26 November 2025)

Tom Ng - Non-Executive Director (appointed on 26 November 2025)

Christopher Ryan - Non-Executive Director (appointed on 26 November 2025)

Principal activities

Novatti Group Limited is a leading payments fintech that enables businesses to pay and be paid. Novatti provides a single destination for all payment needs in a fast-changing, digital world. From fintechs to corporates, Novatti simplifies and supports its customer payment needs through tailored online, in person, international and card solutions.

Dividends

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

Review of operations

Profit for the Group after providing for income tax and non-controlling interest attributable to the owners of the Company amounted to \$646,000 for the year ended 30 June 2026 (30 June 2025: loss of \$6,110,000).

The Group's revenue decreased by 44% to \$28,250,000 for the year ended 30 June 2026 (30 June 2025: \$50,482,000) following the removal of a low-margin service for an overseas customer, a direct result of the strategy to lift margin and drive the Group towards a cashflow positive position. The Group's underlying EBITDA¹ changed from a corrected loss of \$7,061,000 in the prior year to a loss of \$2,780,000, representing an improvement of \$4,281,000.

The Group's financial position strengthened during the year, moving from net deficiency of \$879,000 at 30 June 2025 to net assets of \$1,549,000 at 30 June 2026. At year end, the Group held cash and cash equivalents of \$3,137,000. Following the loss of control over AUDC Pty Ltd ("AUDC") on 12 September 2025, the Group deconsolidated its 57% investment in AUDC from the Consolidated Entity and recognised the investment in the statement of financial position under the equity method at a fair value of \$7,000,000. As at 30 June 2026, the Group's interest in AUDC diluted to a 47% interest following the issue of shares by AUDC to external investors.

During the year ended 30 June 2026, the Group continued to implement its turnaround strategy focused on simplifying operations, strengthening market and customer focus, and improving financial performance, including:

- Rationalisation of low-profitability services, solutions and customers, including the exit of a high revenue, low-margin service to an overseas customer.
- Continued commercial traction within the core Payments AU/NZ business, with growth in Issuing supported by targeted sales campaign conducted in the second half of the 2025 financial year that generated a strong pipeline and several executed contracts.
- Migration of Acquiring customers onto the new omni-channel platform to support improved customer functionality and operational efficiency, supporting the Group's objective of improving long-term margins.
- Securing \$1,000,000 in growth funding through a share placement to Australian Wealth Advisors Group Ltd and its subsidiary Armytage Private to accelerate the Group's growth strategy.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Reconciliation of net profit/(loss) from operations to underlying EBITDA¹

	30 June 2026	30 June 2025 Corrected	30 June 2025 Previously reported	Change against corrected
	\$'000	\$'000	\$'000	\$'000
Net profit/(loss) from operations	552	(6,643)	(6,643)	7,195
Less: Interest income	(758)	(1,060)	(1,060)	302
Add:				
Depreciation and amortisation	1,477	1,393	1,393	84
Finance charges	1,520	1,850	1,850	(330)
Indirect tax expenses	3	5	5	(2)
EBITDA	2,794	(4,455)	(4,455)	7,249
Add back/(less):				
Vesting of share-based payments	2,071	1,822	1,822	249
Share of loss of associate	1,530	-	-	1,530
Fair value movement of embedded derivatives of convertible notes	(337)	(564)	(564)	227
Termination payments	-	290	290	(290)
Loss/(gain) on extinguishment of assets/liabilities	(864)	(2,001)	2,001	1,137
Gain on loss of control over subsidiary	(7,967)	-	-	(7,967)
Gain from discontinued operations	(7)	(2,153)	(2,153)	2,146
Underlying EBITDA¹	(2,780)	(7,061)	(3,059)	4,281
Cash	3,137	2,376	2,376	761
Operating cashflow	(2,222)	(11,307)	(11,307)	9,085

Significant changes in the state of affairs

On 14 August 2025, AUDC Pty Ltd ("AUDC"), successfully closed a seed equity capital raise, securing \$1.2 million in new investment. Following this round, Novatti retained a 20 million shareholding in AUDC, representing a 57% interest, valued at approximately \$7.0 million based on the seed round pricing of \$0.35 per share. On 8 December 2025, AUDC raised \$5.0m million in its Pre-Series A round at \$0.80 per share, valuing Novatti's share at \$16.0 million.

On 12 September 2025, an independent director not related to the Company was appointed to the Board of AUDC. As a result of the change in Board composition, the Group no longer maintains effective control of AUDC and accordingly deconsolidated the entity from that date. The Group's investment in AUDC is now recognised in the statement of financial position under the equity method at fair value. As at 30 June 2026, Novatti held 47% interest in AUDC.

On 3 September 2025, the Company announced the sale of its wholly owned subsidiary, Emersion Systems Pty Ltd ("Emersion"), the operator of the Group's Emersion business, to a wholly owned subsidiary of CGP Equity for a cash consideration of \$500,000. The transaction included customary completion adjustments, including staff retention bonuses and the retention of a minimum net cash balance of \$175,000 in the business for working capital purposes. Post-completion obligations include the novation of certain US customer contracts, as the US-based subsidiary did not form part of the sale and will be wound up in due course. The sale agreement otherwise contains provisions customary for a transaction of this nature, including warranties, representations and indemnities, confidentiality, as well as non-competition and non-solicitation arrangements.

¹ Underlying EBITDA is a non-IFRS measure defined as profit before income tax, excluding depreciation and amortisation, share-based payments, net finance costs, due diligence costs, fair value movements on embedded derivatives, restructuring costs, share of loss of associates, loss/(gain) on extinguishment of assets/liabilities and discontinued operations. The Company considers this non-IFRS and operational measure useful for monitoring and understanding the Group's performance; however, it should not be considered in isolation or as a substitute for IFRS-compliant measures.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Significant changes in the state of affairs (continued)

On 13 November 2025, the Company announced that Australian Wealth Advisors Group Ltd (AWAG), along with its subsidiary Armytage Private, had committed to provide \$1.0 million in growth funding via a share placement to underpin the Company's pivot back to growth strategy. The placement was completed during the year, with \$1.0 million received through the issue of 36,363,636 fully paid ordinary shares at an issue price of 2.75 cents per share. The shares were issued under the Company's existing ASX Listing Rule 7.1A placement capacity and rank equally with existing fully paid ordinary shares on issue.

Recipients of the placement were also issued 18,181,818 free-attaching options to subscribe for shares at an exercise price of 2.75 cents per option, expiring on 31 March 2026, with shareholder approval received on 5 February 2026. On 31 March 2026, the Company issued 13,454,545 shares on exercise of these free-attaching options, raising \$370,000, before costs.

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

Matters subsequent to the end of the financial year

On 30 July 2026, the Company negotiated a revised repayment date for its \$1.0 million debt facility with an unrelated party. The revised terms call for repayment at the earlier of (a) 28 February 2027 and (b) five Business Days after the earlier of (i) the Company completing the sale of any ordinary shares in AUDC Pty Ltd on or after 1 August 2026 (which shall reduce the outstanding principal by the proceeds received on the sale) or (ii) the Company receiving at least \$3.0 million in funds from an equity capital raising.

On 26 June 2026, the Company announced the sale of its 1.5 million shares in AUDC Pty Ltd for a total consideration of \$1.2 million, before costs. The transaction was completed subsequent to the reporting date, with shares transferred on 13 July 2026. Following the sale, the Group continues to hold 18.5 million shares, representing a 43.5% interest in AUDC.

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

Likely developments and expected results of operations

Substantial progress has been made in Novatti's turnaround, with all business units generating positive direct EBITDA. The near-term objective is to accelerate organic growth in the core Payments AU/NZ business, with Issuing and Acceptance the two key focus areas. Targeted investment in product, marketing and sales will be made to strengthen Novatti's underlying business within available constraints.

Opportunities for inorganic growth will also be a key focus for management, using corporate development to improve the core business, generate scale and strengthen the Balance Sheet. Opportunities to streamline the portfolio will also be assessed where they present value for shareholders.

The execution of the company's strategy will continue in a disciplined manner in support of the goals to improve operating cashflow and deliver a market led, customer focussed growth profile.

Environmental regulation

The Consolidated Entity is not subject to any environmental regulation under Australian Commonwealth or State law.

Key business risks

- **Regulatory and licencing risk**

The Company operates in a complex regulatory environment and in jurisdictions that have varying degrees of enactment and implementation of regulations.

The financial services sector in Australia and other markets in which the company operates are subject to stringent and complex regulations. A failure to comply with financial license conditions, or related regulatory requirements including KYC and AML, may adversely affect the Company and its business units.

In addition, changes to the regulations themselves or the way such regulations are interpreted, implemented or enforced may affect the Company's platforms or products in those jurisdictions or the ability of the Company or its partners to conduct business in those jurisdictions.

- **Growth and profitability**

The Company's future growth and profitability is dependent on continuing to increase customer acquisition and usage of its products, particularly in the focus area of Payments AU/NZ. Its key strengths are the strong market and domain knowledge of payments, flexible approaches to value exchange, and the breadth of payments capabilities to drive tailored solutions into new target verticals.

A failure to continue to innovate and add new functionality to its platforms, and to operate its platforms at a standard that will retain clients and attract new clients could lead to customers not renewing their engagement with the Company which could adversely impact the Company's financial performance and/or operations. If the Company is not able to grow revenues and cash receipts, reduce operating costs or obtain additional financing as needed, it may be required to reduce the scope of its operations and may be prevented from progressing the commercialisation of its technology.

- **Reliance on key suppliers and third-party platforms**

The Company relies on a range of third-party vendors and suppliers to deliver services to customers in a range of markets, including white labelled platforms, onboarding, processing, transaction facilitation, distribution and banking facilities.

The Company's products and services are intended for use across several internet access platforms, mobile and desktop devices and software operating systems. The Company depends on the ability of its products and services to operate on such platforms, devices and operating systems; however, it cannot control the maintenance, upkeep and continued supply of effective service from external suppliers in these areas. Any changes in such platforms, operating systems or devices that adversely affect the functionality of the Company's products and services or give preferential treatment to competitive products and services could adversely affect usage of the Company's products and services.

- **Reliance on access to and confidence in telecommunications and internet access**

In some instances, the Company will depend on the ability of the end consumer and its customers to access a deployed solution over telecommunications and internet access and to feel confident processing financial transactions online.

- **Ability to run effective and reliable financial and payments systems**

The Company develops, deploys, maintains and operates financial and payments systems technology. There is little tolerance for error or downtime in such systems and the Company must maintain effective and reliable system performance for all customers. Should the Company experience significant and unanticipated errors and downtime, there may be a loss of ongoing confidence in the Company's products that may negatively impact ongoing revenue and sales prospects.

Key business risks (continued)

- **Operational risks**

Operational risk relates to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events which affect our business. Our business is exposed to operational risks such as external and internal fraud, processing errors, system or hardware failure and failure of information security systems. Loss from operational risk events could divert investment from new products into remediation of existing systems and processes, damage client relations or our reputation, adversely affect our financial results or position, as well as divert staff away from their core roles to remediation activity. In addition, losses could include legal or remediation costs and loss of property and/or information.

- **Reliance on key senior staff**

The Company's operational success will depend substantially on the continuing efforts of senior executives. The loss of services of one or more senior executives may have an adverse effect on the Company's operations.

- **Reliance on continual product development**

The Company's ability to grow the use of its products and generate revenue will depend in part on its ability to continue to innovate and develop features for existing products and additional products.

- **Competition**

The Company competes with other businesses and companies. Many of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities.

- **Changes in technology**

The Company's success will depend, in part, on its ability to expand its products and grow its business in response to changing technologies, customer behaviours and third-party service providers' demands and competitive pressures. Further, the cost of responding to changing technologies is unpredictable and may impact the Company's profitability or, if such cost is prohibitive, may reduce the Company's capacity to expand or maintain its business.

- **Data loss, theft or corruption**

The Company, its hosting providers, and networks are required to adhere to their own and customers' security and compliance standards. If adequate safeguards and measures to mitigate breaches are not provided and maintained, it could negatively impact upon the Company's reputation, revenues and profitability. If the Company's security measures are breached, or if its products are subject to cyber-attacks that expose or restrict customer access to the platform or their data, its' solutions may be perceived as less secure than competitors and customers may stop using the Company's products.

- **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its operations, the Company may require further financing in the future. Any additional equity financing will dilute shareholdings and further debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or scale back its product or market development. The Company manages its risk by regularly monitoring and forecasting financial performance, cashflows and capital requirements.

- **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of, or significant investments in, complementary companies or prospects. Any such transactions will be accompanied by risks commonly encountered in making such acquisitions.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Key business risks (continued)

- **International business risks**

The Company has operations internationally. Wherever the Company sets up operations, it is exposed to a range of political and multi-jurisdictional risks such as risks relating to labour practices, environmental matters, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal regime (including in relation to taxation and foreign investment and practices of government and regulatory authorities) and other issues in foreign jurisdictions in which the Company operates. Businesses that operate across multiple jurisdictions face additional complexities from the unique business requirements in each jurisdiction.

- **Sustainability and climate change risk**

Environmental, Social and Governance (ESG) risks are becoming increasingly relevant to all businesses in Australia. The possible effects of climate change may impact the prosperity of economies, environments and societies all around the world. Although our operations are not subject to any particular and significant environmental regulation under any law of the countries in which we operate, this area and associated governmental responses have potential impact on our business in unknown ways.

The Management Risk Committee consisting of the CEO and Head of Corporate Services meet on a regular basis to review the company's risk profile, risk register and risk control posture against open and any new risks. Any significant changes in risk profile or risks are discussed, documented, assessed and then action plans updated or established as required to ensure a suitable level of mitigation relative to the risk appetite of the Company.

Information on directors

Name:	Peter Pawlowitsch
Title:	Non-Executive Chairman
Qualifications:	BCom, CPA, MBA, FGIA
Experience and expertise:	Peter is an accountant by profession, with extensive experience as a director and officer of ASX-listed entities. He brings to the team experience in operational management, business administration and project evaluation in the IT, hospitality and mining sectors gained during the last 16 years
Other current directorships:	Non-Executive Chairman, Fortuna Metals Ltd (ASX: FUN) Non-Executive Director, VRX Silica Ltd (ASX: VRX) Non-Executive Director, Aura Consolidated Group (ASX: AXQ)
Former directorships (last 3 years):	Non-Executive Chairman, Qoria Ltd (ASX: QOR) Resigned 17 July 2026 Executive Director, Dubber Corporation Ltd (ASX: DUB) Resigned 31 December 2024
Special responsibilities:	Member of Audit, Risk and Compliance Committee
Interests in shares:	20,995,877 fully paid ordinary shares
Interest in convertible notes:	500,000 convertible notes
Interests in options:	9,764,693 unlisted options and 16,561,446 listed options

Name:	Peter Cook
Title:	Executive Director
Qualifications:	BSc, Grad Dip Computing, Grad Dip Securities, GAICD
Experience and expertise:	Peter has over 30 years of experience as a director and executive with start-up technology companies, telecommunications and payments companies including multiple successful exits to private and public companies. Peter is the Chairman of AUDC Pty Ltd which issues the AUDD stablecoin. Peter was a non-executive Director and Deputy Chairman of ASX-listed Senetas Corporation from June 1999 to January 2006.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of Audit, Risk and Compliance Committee
Interests in shares:	27,055,291 fully paid ordinary shares
Interest in convertible notes:	125,000 convertible notes
Interests in options:	28,980,652 unlisted options and 10,957,492 listed options

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Information on directors (continued)

Name: Kenneth Lai Title: Non-Executive Director Qualifications: BSc Majoring in Computer Science Experience and expertise: Kenneth is the managing director and owner of Prestige Team Limited, an investment company which, together with its subsidiaries, holds an investment portfolio in Hong Kong and Southeast Asia. Prestige Team Limited has interests in real estate, payment processing, digital marketing and information technology support services. Kenneth has funded and invested in various Silicon Valley technology funds focusing on business opportunities within Asia. He also co-founded Legend World Development Technology Limited, a limited liability company incorporated in Hong Kong, which provides information technology solutions and integrated marketing solutions to business setups, and in which he is a shareholder and advisor. Other current directorships: None Former directorships (last 3 years): None Special responsibilities: None Interests in shares: 13,309,971 fully paid ordinary shares Interest in convertible notes: Nil Interests in options: 7,784,982 unlisted options and nil listed options	
Name: Tom Ng Title: Non-Executive Director (appointed 26 November 2025) Qualifications: MPhil Economics, B.Ec (Hons) Economics Experience and expertise: Tom has over 25 years' experience in financial services across Australia and international markets, with senior roles at Moelis Australia (MA Financial Group) and Credit Suisse. During the 2008 financial crisis he advised HM Treasury before joining the Bank of England to manage a bank-resolution unit. He now focuses on Australia's fintech, payments, and lending ecosystems. Other current directorships: None Former directorships (last 3 years): None Special responsibilities: Member of Audit, Risk and Compliance Committee Interests in shares: Nil Interest in convertible notes: Nil Interests in options: 2,010,036	
Name: Christopher Ryan Title: Non-Executive Director (appointed 26 November 2025) Qualifications: BBus Experience and expertise: Chris has over 30 years' experience in financial services developing, establishing and growing financial and other businesses in APAC as an executive and board member. His professional experience includes senior roles at HSBC, ING, Fidelity, Perpetual and AXA among others. He is currently Chairman & CEO of First Harbour Capital Partners, an investment and consulting business advising financial services firms on growth in APAC markets. He is also the Deputy Chair of AXA for the China region and a member of the investment committee at Armytage Private. Other current directorships: None Former directorships (last 3 years): None Special responsibilities: Member of Audit, Risk and Compliance Committee Interests in shares: Nil Interest in convertible notes: Nil Interests in options: 2,010,036	

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Information on directors (continued)

'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.

Chief Executive Officer

Mark Healy

Mark has held several senior roles in the Payments industry including most recently as Managing Director of Global Payments Oceania, and prior roles as Chief Operating Officer for Ezidebit and eWAY, and Managing Director (UK), EVP and Chief Risk Officer for the Neovia Financial (now Paysafe) Group in the United Kingdom.

Company secretary

Steven Stamboultgis (resigned 30 April 2026, re-appointed on 4 August 2026)

Steven holds a Bachelor of Business Degree and Master in Commercial Law. He is a Certified Practicing Accountant and was the Chief Financial Officer of the Group until 31 March 2023. Steven was appointed Company Secretary on 15 March 2021. Steven's fees are based on a fee for service arrangement.

Ian Hobson (appointed 1 May 2026, resigned on 3 August 2026)

Ian holds a Bachelor of Business degree, is a Chartered Accountant and Chartered Secretary. He provides secretarial services and corporate, management and accounting advice to a number of listed companies. Ian was appointed Company Secretary on 12 October 2015. Ian's fees are based on a fee for service arrangement.

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		Audit, Risk and Compliance Committee	
	Attended	Held ⁽¹⁾	Attended	Held ⁽¹⁾
Peter Pawlowitsch	7	7	3	3
Peter Cook	7	7	3	3
Kenneth Lai	6	7	-	-
Killian Murphy (resigned 26 November 2025)	3	3	2	2
Tom Ng (appointed 26 November 2025)	4	4	1	1
Christopher Ryan (appointed 26 November 2025)	4	4	1	1

⁽¹⁾ Held: Represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, 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:

1. Principles used to determine the nature and amount of remuneration
2. Details of remuneration
3. Service agreements
4. Share-based compensation
5. Additional information
6. Additional disclosures relating to key management personnel

1. Principles used to determine the nature and amount of remuneration

The objective of the Consolidated Entity'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 and alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Consolidated Entity 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 full Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

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 Board. The Board 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. For the year ended 30 June 2026, there was no advice from independent remuneration consultants. The Chairman's fees are determined independently to the fees of other non-executive directors based on similar roles in the external market. The Chairman, nor other non-executive directors are not present at any discussions relating to the determination of their remuneration. Non-executive directors do receive share options.

Remuneration report – audited (continued)

1. Principles used to determine the nature and amount of remuneration (continued)

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The total maximum remuneration of non-executive directors was set by the Constitution and subsequent variation is by ordinary resolution of Shareholders at a general meeting in line with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The maximum remuneration has been set at an amount not to exceed \$500,000. The current level of fees was approved at the Group's 27 November 2018 Annual General Meeting.

Executive remuneration

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

Remuneration policies and arrangements as well as incentive targets for the Key Executive Members of the Group including the Chief Executive Officer ("CEO"), and the Chief Financial Officer are reviewed by the Board, while the CEO does not present at any discussions relating to the determination of his remuneration.

The Group rewards its executives with a level and mix of remuneration based on their position and responsibility, which may have both fixed and variable components.

The executive remuneration and reward framework can have four components:

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

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

Short Term Incentive program (STI)

The STI program may award a cash bonus or equity instrument (shares or options) based on key members achieving targets from a Group, Business Unit and individual perspective.

STI awarded to each executive depends on the extent to which specific targets set at the beginning of the financial year by the Board or the CEO are met. Targets are set by the board for the Key Executive Members and the remaining executives have targets set by the CEO which are approved by the board through the budgeting process.

The targets consist of financial and non-financial Key Performance Indicators ('KPIs'). These may include but are not limited to:

- Revenue
- Earnings before interest, tax, depreciation and amortisation ('EBITDA')
- Operational delivery
- Individual role performance
- Staff engagement

These measures were chosen as they represent the key drivers for the short-term success of the business and provide a framework for delivering long-term value.

Remuneration report – audited (continued)

1. Principles used to determine the nature and amount of remuneration (continued)

Long Term Incentive program (LTI)

LTI awards are reviewed annually by executives and are provided in order to align the remuneration of Key Executive Members with the creation of shareholder value. LTI comprise equity instruments including shares and options, where the incentive involves the time-based vesting of options on the basis that the executive or employee continues to be employed by the Group and are eligible under the Company's Employee Incentive Plan ('EIP').

The vesting of these awards is dependent on the length of time and service of the executive or employee, and alternatively, they can also be awarded at the discretion of the Board.

In FY25, the LTI framework was reviewed and updated to align and reward Key Executive Members exclusively against share price appreciation targets across the FY25-FY27 period. The LTI Framework was also extended to additional members of the leadership team (in addition to the CEO). The LTI plan provides grants of exercise priced options over ordinary shares, with Options granted under the LTI plan subject to a (up to) 3-year performance period.

The achievement of the Group's strategic and financial objectives is the key focus of the efforts of the Group. As indicated above, over the course of each financial year, the Board reviews the Group's executive remuneration policy to ensure that the remuneration framework remains focused on driving and rewarding executive performance, while being closely aligned to the achievement of Group strategic objectives and the creation of shareholder value.

LTIs are based on participation of the EIP. By using the Group's EIP to offer shares and options to employees, the interest of employees is aligned with shareholder wealth. A copy of the EIP can be found via the Group's website.

Consolidated entity performance and link to remuneration

The following table illustrates how the Group's remuneration strategy aligns with the Group's strategic direction and links remuneration outcomes to performance:

Novatti Group business objective

Novatti Group Limited is a leading fintech that enables businesses to pay and be paid, from any device, anywhere. Solutions include issuing, acquiring, processing, and billing.

Align the interest of executives with shareholders	Attract, motivate and retain high performing individuals
• The remuneration strategy incorporates "at-risk" components, with short-term paid in cash or equity and long-term elements delivered in equity	• Remuneration if competitive with companies of a similar size and complexity
• Performance is assessed against a suite of financial and non-financial measures relevant to the success of the Company and generating returns for shareholders	• Deferred and long-term remuneration is designed to encourage long-term consistent performance and employee retention.

Remuneration report – audited (continued)

1. Principles used to determine the nature and amount of remuneration (continued)

Remuneration component

Component	Vehicle	Purpose	Link to performance
Fixed remuneration	Consisting of base salary, superannuation and nonmonetary benefits. 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.	To provide competitive fixed remuneration set with reference to role, market, experience and performance.	Reviewed annually by the Board, based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.
Short Term Incentive	Paid in cash or equity	This is designed to reward executives for their contribution to the achievement of annual Group, business unit and individual outcomes.	Directly linked to pre-agreed KPIs. Reviewed regularly with the relevant executive member. Final performance is determined by the Board.
Long Term Incentive	Equity including options, shares and/or rights.	Reward executives for their contribution to the creation of shareholder value over the longer term.	It aims to align the targets of the business units with the targets of those executives responsible for meeting those targets.

2. Details of remuneration

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

The key management personnel ('KMPs') of the Consolidated Entity are:

- Peter Pawlowitsch (Non-Executive Chairman)
- Peter Cook (Executive Director)
- Kenneth Lai (Non-Executive Director)
- Killian Murphy (Non-Executive Director) – resigned 26 November 2025
- Tom Ng (Non-Executive Director) – appointed 26 November 2025
- Christopher Ryan (Non-Executive Director) - appointed 26 November 2025

Other key management personnel:

- Mark Healy (Chief Executive Officer)
- Hayden Vowell (Chief Financial Officer) – resigned 12 November 2025

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Remuneration report (audited) (continued)

2. Details of remuneration (continued)

Amounts of remuneration

	Short-Term benefits			Long-term benefits	Post-employment benefits	Share-based payments	Total
	Salary and fees	Non-monetary	Annual leave	Long service leave	Super-annuation	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$
2026							
<i>Non-Executive Directors:</i> ^a							
Peter Pawlowitsch	-	-	-	-	18,000	202,941	220,941
Kenneth Lai	-	-	-	-	7,039	88,888	95,927
Killian Murphy ^b	-	-	-	-	3,674	50,735	54,409
Tom Ng ^b	-	-	-	-	5,326	60,301	65,627
Christopher Ryan ^b	-	-	-	-	5,326	60,301	65,627
<i>Executive Director:</i>							
Peter Cook ^c	18,694	-	85,374	34,857	20,217	328,271	487,413
<i>Other KMP:</i>							
Mark Healy	296,227	-	14,679	4,582	34,362	491,758	841,608
Hayden Vowell ^d	100,202	-	(3,077)	-	12,000	-	109,125
	415,123	-	96,976	39,439	105,944	1,283,195	1,940,677

^a All Non-Executive Directors received ZEPOs in lieu of cash.

^b Killian Murphy resigned on 26 November 2025. Tom Ng and Christopher Ryan were appointed on 26 November 2025.

^c Peter Cook received cash salary and ZEPOs in lieu of cash during the year ended 30 June 2026.

^d Hayden Vowell resigned as Chief Financial Officer on 12 November 2025.

	Short-Term benefits			Long-term benefits	Post-employment benefits	Share-based payments	Total
	Salary and fees	Non-monetary	Annual leave	Long service leave	Super-annuation	Equity-settled	
	\$	\$	\$	\$	\$	\$	\$
2025							
<i>Non-Executive Directors:</i> ^a							
Peter Pawlowitsch	-	-	-	-	32,559	123,751	156,310
Kenneth Lai	-	-	-	-	-	54,203	54,203
Killian Murphy	-	-	-	-	15,907	61,876	77,783
<i>Executive Director:</i>							
Peter Cook ^b	224,332	-	5,461	2,632	25,798	187,324	445,547
<i>Other KMP:</i>							
Mark Healy ^c	188,729	178,555	324	3,612	30,000	215,119	616,339
Hayden Vowell	34,281	-	3,077	67	3,937	-	41,362
Dharshini Mendez ^{c d}	303,106	9,968	19,877	1,967	30,000	89,198	454,116
	750,448	188,523	28,739	8,278	138,201	731,471	1,845,660

^a All Non-Executive Directors received ZEPOs in lieu of cash.

^b Peter Cook received cash salary and ZEPOs in lieu of cash during the year ended 30 June 2025.

^c The short-term non-monetary benefits for Mark Healy and Dharshini Mendez are related to settlement of salary payable through ZEPOs.

^d Dharshini Mendez resigned as Chief Financial Officer on 13 May 2025.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Remuneration report – audited (continued)

2. Details of remuneration (continued)

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>						
Peter Pawlowitsch	100%	100%	-	-	-	-
Kenneth Lai	100%	100%	-	-	-	-
Killian Murphy	100%	100%	-	-	-	-
Tom Ng	100%	-	-	-	-	-
Christopher Ryan	100%	-	-	-	-	-
<i>Executive Directors:</i>						
Peter Cook	100%	100%	-	-	-	-
<i>Other KMPs:</i>						
Mark Healy	45%	65%	15%	16%	40%	19%
Hayden Vowell	100%	100%	-	-	-	-
Dharshini Mendez	n/a	84%	n/a	14%	n/a	2%

3. 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: Title: Agreement commenced: Term of agreement: Details:	Mark Healy Chief Executive Officer 15 June 2023 The term is not fixed Base salary of \$322,500 (excluding statutory superannuation).
	Remuneration is subject to an annual review to be conducted by the Board. Factors to be considered include personal competency progression, achievement of personal development targets and KPIs, company remuneration policy, its financial position and current market equivalent positions. KPIs to be agreed each year and may be varied by mutual agreement between the Executive and the Board.
Name: Title: Agreement commenced: Term of agreement: Details:	Hayden Vowell Chief Financial Officer (contract ended 12 November 2025) 13 May 2025 6 months \$300,000 per annum (excluding statutory superannuation)
	The agreement may be terminated, (A) with six months' notice from the Group or six months from the executive, or payment in lieu of notice at the Group's election (subject to the limitation of the Corporations Act and Listing Rules), (B) by Novatti on six months' notice period, if the executive is unable to perform his duties due to illness, accident or incapacitation, for six consecutive months or a period aggregating more than six months in any 12-month period or (C), summarily following material breach or in the case of serious misconduct.

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

Remuneration report – audited (continued)

4. Share-based compensation

Issue of shares

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

Options

The table below sets out the options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2026.

Name	Service/ Market conditions	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Peter Pawlowitsch	Market	1,000,000	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Peter Pawlowitsch	Market	1,000,000	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Peter Pawlowitsch	Market	1,000,000	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Peter Cook	Market	2,000,000	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Peter Cook	Market	2,000,000	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Peter Cook	Market	2,000,000	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Kenneth Lai	Market	666,667	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Kenneth Lai	Market	666,667	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Kenneth Lai	Market	666,666	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Killian Murphy	Market	666,667	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Killian Murphy	Market	666,667	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Killian Murphy	Market	666,666	23/11/2022	23/11/2022	30/11/2026	\$0.20	\$0.14
Mark Healy	Service	3,000,000	13/06/2023	30/06/2024	30/06/2027	\$0.20	\$0.06
Peter Cook	Market / Service	3,409,091	28/11/2023	30/06/2026	30/06/2027	\$0.00	\$0.08
Peter Cook	Market / Service	900,000	28/11/2023	30/06/2026	30/06/2027	\$0.20	\$0.03
Peter Cook	Market / Service	900,000	28/11/2023	30/06/2026	30/06/2027	\$0.20	\$0.02
Peter Cook	Market / Service	900,000	28/11/2023	30/06/2026	30/06/2027	\$0.20	\$0.01
Kenneth Lai	None	930,682	28/11/2023	28/11/2023	30/06/2027	\$0.00	\$0.08
Kenneth Lai	Service	124,432	28/11/2023	31/03/2024	30/06/2027	\$0.00	\$0.08
Kenneth Lai	Service	124,432	28/11/2023	30/06/2024	30/06/2027	\$0.00	\$0.08
Killian Murphy	None	342,801	28/11/2023	28/11/2023	30/06/2027	\$0.00	\$0.08
Killian Murphy	Service	155,540	28/11/2023	31/03/2024	30/06/2027	\$0.00	\$0.08
Killian Murphy	Service	155,540	28/11/2023	30/06/2024	30/06/2027	\$0.00	\$0.08
Kenneth Lai	Service	821,250	16/12/2024	16/12/2024	30/06/2028	\$0.00	\$0.03
Kenneth Lai	Service	410,625	16/12/2024	31/03/2025	30/06/2028	\$0.00	\$0.03
Kenneth Lai	Service	410,625	16/12/2024	30/06/2025	30/06/2028	\$0.00	\$0.03
Killian Murphy	Service	937,500	16/12/2024	16/12/2024	30/06/2028	\$0.00	\$0.03
Killian Murphy	Service	468,750	16/12/2024	31/03/2025	30/06/2028	\$0.00	\$0.03
Killian Murphy	Service	468,750	16/12/2024	30/06/2025	30/06/2028	\$0.00	\$0.03
Mark Healy	Market / Service	20,710,928	25/02/2025	30/06/2027	30/06/2028	\$0.04	\$0.01
Mark Healy	Market / Service	20,710,928	25/02/2025	30/06/2027	30/06/2028	\$0.04	\$0.01
Mark Healy	Market / Service	20,710,928	25/02/2025	30/06/2027	30/06/2028	\$0.04	\$0.01
Mark Healy	Service	1,676,230	14/03/2025	30/06/2025	30/06/2028	\$0.00	\$0.03
Peter Pawlowitsch	Service	3,382,347	25/11/2025	25/11/2025	30/06/2029	\$0.00	\$0.03
Peter Pawlowitsch	Service	1,691,173	25/11/2025	31/03/2026	30/06/2029	\$0.00	\$0.03

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Remuneration report – audited (continued)

4. Share-based compensation (continued)

Name	Service/ Market conditions	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Peter Pawlowitsch	Service	1,691,173	25/11/2025	30/06/2026	30/06/2029	\$0.00	\$0.03
Peter Cook	Service	13,494,236	25/11/2025	25/11/2025	30/06/2029	\$0.00	\$0.03
Peter Cook	Service	1,688,663	25/11/2025	31/03/2026	30/06/2029	\$0.00	\$0.03
Peter Cook	Service	1,688,662	25/11/2025	30/06/2026	30/06/2029	\$0.00	\$0.03
Kenneth Lai	Service	1,481,468	25/11/2025	25/11/2025	30/06/2029	\$0.00	\$0.03
Kenneth Lai	Service	740,734	25/11/2025	31/03/2026	30/06/2029	\$0.00	\$0.03
Kenneth Lai	Service	740,734	25/11/2025	30/06/2026	30/06/2029	\$0.00	\$0.03
Killian Murphy	None	1,691,173	25/11/2025	25/11/2025	30/06/2029	\$0.00	\$0.03
Christopher Ryan	Service	1,164,449	27/11/2025	31/03/2026	30/06/2029	\$0.00	\$0.03
Christopher Ryan	Service	845,587	27/11/2025	30/06/2026	30/06/2029	\$0.00	\$0.03
Tom Ng	Service	1,164,449	27/11/2025	31/03/2026	30/06/2029	\$0.00	\$0.03
Tom Ng	Service	845,587	27/11/2025	30/06/2026	30/06/2029	\$0.00	\$0.03
Mark Healy	Service	4,774,266	02/02/2026	30/06/2026	30/06/2029	\$0.00	\$0.03
		128,353,734					

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026 are set out below:

Name	Number of options granted during the year		Number of options vested during the year	
	2026	2025	2026	2025
Peter Pawlowitsch	6,764,693	3,750,000	6,764,693	3,750,000
Peter Cook	16,871,561	1,869,432	22,980,652	1,869,432
Kenneth Lai	2,962,936	1,642,500	2,962,936	1,642,500
Killian Murphy	1,691,173	1,875,000	1,691,173	1,875,000
Mark Healy	4,774,266	70,635,953	5,689,944	7,587,490
Tom Ng	2,010,036	-	2,010,036	-
Christopher Ryan	2,010,036	-	2,010,036	-

5. Additional information

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 (\$)	0.014	0.019	0.041	0.120	0.155
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings/(loss) per share (cents per share)	0.109	(1.303)	(5.859)	(7.800)	(5.115)

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Remuneration report – audited (continued)

6. 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 Consolidated Entity, including their personally related parties, is set out below.

<i>Ordinary shares</i>	Balance at the start of the year	Received from Entitlement Offer and Placement	Exercise of options ^(a)	Other	Balance at the end of the year
Peter Pawlowitsch	15,884,296	-	5,111,581	-	20,995,877
Peter Cook	23,128,174	-	3,927,117	-	27,055,291
Kenneth Lai	13,309,971	-	-	-	13,309,971
Tom Ng	-	-	-	-	-
Christopher Ryan	-	-	-	-	-
Killian Murphy	-	-	-	-	-
Mark Healy	2,048,157	-	5,812,220	-	7,860,377
	54,370,598	-	14,850,918	-	69,221,516

- (a) Number of shares issued represented the cashless exercise of options (refer to "option holding" section) at the intrinsic economic value of the option derived between exercise price and VWAP on ASX over 5 trading day period immediately preceding the exercise date.

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 Consolidated Entity, including their personally related parties, is set out below.

<i>Options over ordinary shares</i>	Balance at the start of the year	Granted	Exercised ^(a)	Lapsed/ expired	Ceased as KMP	Balance at the end of the year
Peter Pawlowitsch	26,673,027	6,764,693	(5,111,581)	(2,000,000)	-	26,326,139
Peter Cook	29,993,700	16,871,561	(3,927,117)	(3,000,000)	-	39,938,144
Kenneth Lai	5,822,046	2,962,936	-	(1,000,000)	-	7,784,982
Killian Murphy	4,528,881	1,691,173	-	-	(6,220,054)	-
Tom Ng	-	2,010,036	-	-	-	2,010,036
Christopher Ryan	-	2,010,036	-	-	-	2,010,036
Mark Healy ^(b)	78,130,702	4,774,266	(5,812,220)	(3,832,900)	-	73,259,848
	145,148,357	37,084,701	(14,850,919)	(9,832,900)	(6,220,054)	151,329,185

- (a) The exercises of options were cashless, and the number of shares issued were according to the intrinsic economic value of the option derived between exercise price and VWAP on ASX over 5 trading day period immediately preceding the exercise date.

- (b) The opening balance of options held by Mark Healy as of 1 July 2025 has been adjusted to 78,130,702 options to reconcile with the company's underlying option register. This represents an increase of 9,900 options against the closing balance reported in the 30 June 2025 Remuneration Report. This adjustment is a correction of a disclosure balance only; it does not represent a new grant of options, nor does it impact the director's total remuneration or the financial statements for the current or prior periods.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Remuneration report – audited (continued)

6. Additional disclosures relating to key management personnel (continued)

Other transactions with key management personnel and their related parties

Services

No other payments were made to Directors outside of their normal duties as Directors for Novatti Group Limited.

Loans

Loans payable to related parties as at 30 June 2026 were \$838,532 (30 June 2025: \$220,000), including accrued interest of \$68,532.

Current liabilities to key management personnel and related parties

Unpaid directors' fees are set out in the table below:

	30 June 2026 \$	30 June 2025 \$
Peter Cook	-	205,638
	-	205,638

This concludes the audited remuneration report.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Shares under options

Unissued ordinary shares of Novatti Group Limited under option at the date of this report are as follows.

Grant date	Expiry date	Exercise price	Number under option
23-Nov-2022	30-Nov-2026	\$0.200	13,000,000
13-Jun-2023	30-Jun-2027	\$0.200	3,000,000
28-Nov-2023	30-Jun-2027	\$0.000	5,242,518
28-Nov-2023	30-Jun-2027	\$0.200	2,700,000
22-Feb-2024	31-Jan-2027	\$0.095	29,166,667
04-Mar-2024	31-Jan-2027	\$0.095	6,854,194
18-Jul-2024	31-Jan-2027	\$0.100	2,750,000
26-Nov-2024	31-Dec-2027	\$0.064	7,110,404
26-Nov-2024	31-Dec-2027	\$0.064	68,077,096
06-Dec-2024	31-Dec-2027	\$0.060	55,240,020
06-Dec-2024	31-Dec-2027	\$0.064	100,612,567
11-Dec-2024	31-Dec-2027	\$0.064	9,295,492
16-Dec-2024	30-Jun-2028	\$0.000	3,517,500
11-Feb-2025	31-Jan-2028	\$0.000	163,544
25-Feb-2025	30-Jun-2028	\$0.040	20,710,928
25-Feb-2025	30-Jun-2028	\$0.040	20,710,928
25-Feb-2025	30-Jun-2028	\$0.040	20,710,928
14-Mar-2025	30-Jun-2028	\$0.040	23,455,448
14-Mar-2025	30-Jun-2028	\$0.000	5,937,883
01-Apr-2025	31-Dec-2027	\$0.040	14,465,950
18-Jul-2025	30-Jun-2028	\$0.000	353,538
25-Nov-2025	30-Jun-2029	\$0.000	28,290,363
27-Nov-2025	30-Jun-2029	\$0.000	4,020,072
12-Feb-2026	30-Jun-2028	\$0.040	12,375,167
12-Feb-2026	30-Jun-2029	\$0.000	14,271,740
			472,032,947

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 issued on the exercise of options

There were 30,917,018 ordinary shares of Novatti Group Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

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.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the Company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 26 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 26 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

Officers of the Company who are former partners of William Buck

There are no officers of the Company who are former partners of William Buck.

Rounding of amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*. In accordance with that legislative instrument, amounts in the financial report and Directors' Report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

Novatti Group Limited

Directors' report

For the year ended 30 June 2026

Lead Auditor's independence Declaration under Section 307C of the Corporations Act 2001

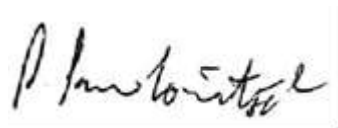
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

William Buck 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



Peter Pawlowitsch
Chairman

30 September 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Novatti Group Limited

As lead auditor for the audit of the financial report of Novatti Group Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Novatti Group Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis

A. A. Finnis

Director

Melbourne, 30 September 2026

Novatti Group Limited

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	Consolidated	
		30 June 2026 \$'000	30 June 2025 \$'000
Revenue from continuing operations	5	28,250	50,482
Other income	6	1,889	3,689
Gain on loss of control over subsidiary	9(b)	7,967	-
Expenses			
Administrative and corporate costs		(3,297)	(4,834)
Client hosting fees and other direct services	7	(12,768)	(36,782)
Employee benefits		(10,201)	(12,416)
Foreign currency translation (losses)/gains		(965)	133
Marketing and selling expenses		(98)	(130)
Data management expenses and scheme fees		(3,968)	(4,432)
Share of loss of associates	10	(1,530)	-
Vesting charge for share-based payments		(2,071)	(1,822)
Gain on fair value adjustment of embedded derivative	19	337	564
Depreciation and amortisation expense		(1,477)	(1,393)
Finance costs		(1,520)	(1,850)
Profit/(loss) before income tax expense from continuing operations		548	(8,791)
Income tax expense		(3)	(5)
Profit/(loss) after income tax expense from continuing operations		545	(8,796)
Profit after income tax expense from discontinued operations	8(d)	7	2,153
Profit/(loss) after income tax expense for the year		552	(6,643)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(744)	399
Other comprehensive (loss)/income for the year, net of tax		(744)	399
Total comprehensive loss for the year		(192)	(6,244)
Profit for the year is attributable to:			
Non-controlling interest		(94)	(533)
Owners of Novatti Group Limited		646	(6,110)
		552	(6,643)
Total comprehensive loss for the year is attributable to:			
Continuing operations		(94)	(459)
Discontinued operations		-	(74)
Non-controlling interest		(94)	(533)
Continuing operations		(105)	(7,938)
Discontinued operations		7	2,227
Owners of Novatti Group Limited		(98)	(5,711)
Total comprehensive loss for the year		(192)	(6,244)

Novatti Group Limited

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	Consolidated	
		30 June 2026	30 June 2025
		Cents	Cents
Earnings/(loss) per share for profit/(loss) from continuing operations attributable to the owners of Novatti Group Limited			
Basic earnings/(loss) per share	33	0.108	(1.778)
Diluted earnings/(loss) per share	33	0.100	(1.778)
Earnings per share for profit from discontinued operations attributable to the owners of Novatti Group Limited			
Basic earnings per share	33	0.001	0.475
Diluted earnings per share	33	0.001	0.307
Earnings/(loss) per share for profit/(loss) attributable to the owners of Novatti Group Limited			
Basic earnings/(loss) per share	33	0.109	(1.303)
Diluted earnings/(loss) per share	33	0.101	(1.303)

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

Novatti Group Limited

Consolidated statement of financial position

As at 30 June 2026

	Note	Consolidated	
		30 June 2026 \$'000	30 June 2025 \$'000
Assets			
Current assets			
Cash and cash equivalents	11	3,137	2,376
Trade and other receivables	12	11,346	8,254
Financial assets - funds in trust	13	65,661	56,790
Other current assets		429	502
		80,573	67,922
Assets of disposal groups classified as held for sale	15	-	587
Total current assets		80,573	68,509
Non-current assets			
Other investments at fair value through profit and loss		166	166
Investment in associates	10	5,470	-
Plant and equipment		152	216
Right-of-use assets		268	455
Intangible assets	14	4,257	5,146
Security deposits	27	4,209	4,612
Total non-current assets		14,522	10,595
Total assets		95,095	79,104
Liabilities			
Current liabilities			
Trade and other payables	16	19,627	16,133
Settlement, remittance and visa funds payable	17	65,639	56,560
Borrowings	18	1,727	220
Convertible note facilities	19	2,571	2,042
Lease liabilities		220	530
Contract liabilities		516	910
Employee benefits	20	3,118	3,098
		93,418	79,493
Liabilities directly associated with assets classified as held for sale	21	-	422
Total current liabilities		93,418	79,915
Non-current liabilities			
Lease liabilities		60	10
Employee benefits	20	68	58
Total non-current liabilities		128	68
Total liabilities		93,546	79,983
Net assets/(liabilities)		1,549	(879)

Novatti Group Limited

Consolidated statement of financial position (continued)

As at 30 June 2026

	Note	Consolidated	
		30 June 2026 \$'000	30 June 2025 \$'000
Equity			
Issued capital	22	100,270	97,993
Reserves	23	6,641	7,840
Accumulated losses		(105,362)	(107,537)
Equity/(deficiency) attributable to the owners of Novatti Group Limited		1,549	(1,704)
Non-controlling interest		-	825
Total equity/(deficiency)		1,549	(879)

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

Novatti Group Limited

Consolidated statement of changes in equity

For the year ended 30 June 2026

Consolidated	Note	Issued capital \$'000	Equity settled share-based payments reserve \$'000	Foreign currency translation reserve \$'000	Convertible notes reserve \$'000	Accumulated losses \$'000	Total equity attributable to owners of the Company \$'000	Non- controlling interest \$'000	Total equity/ (deficiency) \$'000
Balance at 1 July 2025		97,993	6,192	967	681	(107,537)	(1,704)	825	(879)
Profit/(loss) after income tax expense for the year		-	-	-	-	646	646	(94)	552
Other comprehensive loss for the year, net of tax		-	-	(744)	-	-	(744)	-	(744)
Total comprehensive loss for the year		-	-	(744)	-	646	(98)	(94)	(192)
<i>Transactions with owners in their capacity as owners:</i>									
Shares issued under placement, net of transaction costs		950	-	-	-	-	950	-	950
Shares issued for professional services		245	-	-	-	-	245	-	245
Shares issued on exercise of share-based payments options		1,082	(730)	-	-	-	352	-	352
Lapsed and expired share options		-	(1,529)	-	-	1,529	-	-	-
Vesting of share-based payments arrangements		-	2,014	-	-	-	2,014	-	2,014
Contribution to non-controlling interest by external investor		-	-	-	-	-	-	1,001	1,001
Derecognition of AUDC share-based payments reserve		-	(210)	-	-	-	(210)	-	(210)
Derecognition of non-controlling interest		-	-	-	-	-	-	(1,732)	(1,732)
Balance at 30 June 2026		100,270	5,737	223	681	(105,362)	1,549	-	1,549

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

Novatti Group Limited

Consolidated statement of changes in equity

For the year ended 30 June 2026

Consolidated	Note	Issued capital \$'000	Equity settled share-based payments reserve \$'000	Foreign currency translation reserve \$'000	Convertible notes reserve \$'000	Accumulated losses \$'000	Total equity attributable to owners of the Company \$'000	Non- controlling interest \$'000	Total equity/ (deficiency) \$'000
Balance at 1 July 2024		91,806	4,723	568	681	(102,345)	(4,567)	4,808	241
Loss after income tax expense for the year		-	-	-	-	(6,110)	(6,110)	(533)	(6,643)
Other comprehensive income for the year, net of tax		-	-	399	-	-	399	-	399
Total comprehensive loss for the year		-	-	399	-	(6,110)	(5,711)	(533)	(6,244)
<i>Transactions with owners in their capacity as owners:</i>									
Shares issued under placement, net of transaction costs		3,043	688	-	-	-	3,731	-	3,731
Shares issued on exercise of options		123	(123)	-	-	-	-	-	-
Shares issued to underwriter and sub-underwriters		2,723	-	-	-	-	2,723	-	2,723
Shares issued on conversion of convertible notes		298	-	-	-	-	298	-	298
Vesting of share-based payment arrangements		-	1,822	-	-	-	1,822	-	1,822
Lapsed and expired share options		-	(918)	-	-	918	-	-	-
Shares issued by subsidiary to external investor		-	-	-	-	-	-	1,769	1,769
Derecognition of non-controlling interest		-	-	-	-	-	-	(5,219)	(5,219)
Balance at 30 June 2025		97,993	6,192	967	681	(107,537)	(1,704)	825	(879)

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

Novatti Group Limited

Consolidated statement of cash flows

For the year ended 30 June 2026

	Note	Consolidated	
		30 June 2026 \$'000	30 June 2025 \$'000
Cash flows from operating activities			
Receipts from customers		109,976	116,449
Payments to suppliers and employees		(112,820)	(129,134)
Interest received		871	1,152
Receipt of government grants		154	536
Interest and other finance costs paid		(400)	(305)
Income taxes paid		(3)	(5)
Net cash used in operating activities	32	(2,222)	(11,307)
Cash flows from investing activities			
Payments for plant and equipment		(3)	(13)
Payments for intangible assets		(287)	(127)
Cash reduction from disposal of subsidiaries		(233)	(4,877)
Proceeds from disposal of subsidiaries		500	2,869
Cash reduction from deconsolidation of subsidiary	9	(658)	-
Net cash used in investing activities		(681)	(2,148)
Cash flows from financing activities			
Proceeds from issue of shares	22	1,000	7,082
Share issue transaction costs	22	(68)	(579)
Proceeds from the issue of shares into IBOA		-	1,103
Proceeds from issue of shares of AUDC		927	584
Proceeds from borrowings		1,550	220
Repayment of borrowings		-	(880)
Proceeds from exercise of options	22	370	-
Repayment of lease liabilities		(337)	(303)
Net cash from financing activities		3,442	7,227
Net increase/(decrease) in cash and cash equivalents		539	(6,228)
Cash and cash equivalents at the beginning of the financial year ^(a)		2,543	9,469
Effects of exchange rate changes on cash and cash equivalents		55	(698)
Cash and cash equivalents at the end of the financial year	11	3,137	2,543

^(a) For the previous year, cash and cash equivalents at the beginning of the year reconcile to the cash and cash equivalents reported in the statement of financial position at 30 June 2025, adjusted for amounts classified as held for sale relating to Emersion (refer to Note 15).

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

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 1. General information

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

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

Level 3
461 Bourke Street
Melbourne VIC 3000

Novatti Group Limited is a leading payments fintech that enables businesses to pay and be paid. Novatti provides a single destination for all payment needs in a fast-changing, digital world. From fintechs to corporates, Novatti simplifies and supports its customer payment needs through tailored online, in person, international and card solutions.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2026. The directors do not have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the Consolidated Entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

a) New or amended Accounting Standards and Interpretations adopted

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

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

b) Going concern

The financial statements for the year ended 30 June 2026 have been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year, the Group recorded a net cash outflow from operating activities of \$2,222,000 (30 June 2025: \$11,307,000). The reduction in outflows reflects progress in implementing the Group's operational and financial initiatives.

Despite this improvement, the Group reported a net current liability of \$12,845,000 as at 30 June 2026 (30 June 2025: \$11,406,000). These factors indicate a material uncertainty that may cast significant doubt on the appropriateness of the going concern basis of preparation.

Note 2. Material accounting policy information (continued)

b) Going concern (continued)

The financial statements have been prepared on a going concern basis for the following reasons:

i) Net current liabilities position

The following non-operating balances are classified as current liabilities on the Statement of Financial Position.

- Related party borrowings of \$0.8m maturing on 31 October 2026. The maturity date can be extended by mutual consent. The related parties have indicated they are willing to defer repayment and have done so previously when requested.
- Convertible note facilities of \$2.6m (with a repayable face value of \$3.1m) maturing on 22 December 2026. Arrangements to enable an extension or conversion at a lower price than the current conversion price of \$0.04 (subject to shareholder approval) of this facility are underway.
- Trade and other payables include a legacy commercial liability of \$3.2m carried by one of the subsidiaries of the consolidated entity (Flexe Payments (AUS) Pty Ltd) following the termination and replacement of a commercial agreement with a third party. In the previous financial year, a gain on extinguishment of liability of \$2.0m was reported in the Statement of profit and loss, with the remaining balance of this legacy liability (\$3.2m) under negotiation for conversion into equity (subject to shareholders' approval).
- Current employee benefits include a \$2.0m earn-out provision relating to the January 2022 acquisition of ATX Malaysia, with an additional \$0.6m of provision presented as part of trade and other payables. During FY26, the Company was served with a Writ of Summons in the Kuala Lumpur High Court by the ATX vendors, claiming approximately MYR 7.38m (~AUD 2.67m) plus interest and costs, relating to deferred and earn-out consideration linked to ATX's post-acquisition financial performance, which the Company is defending. The matter is ongoing, with the court proceedings not expected until the second half of the financial year 2027. In the event the judgement in Malaysia is unfavourable, the vendors are then required to pursue enforcement proceedings in the Australian jurisdiction. On this basis, the legal process is not expected to reach completion until early in calendar 2028 at the earliest.

ii) Asset realisation

On 26 June 2026, the Company announced the sale of its 1.5 million shares in AUDC Pty Ltd for a total consideration of \$1.2m, before costs. The transaction was completed subsequent to the year end, with shares transferred on 13 July 2026. Following the sale, the Group continues to hold 18.5 million shares, representing a 43.5% interest in AUDC. The Group can potentially dispose of additional shares as required for working capital funding.

iii) Capital raising

The Company has historically been successful in undertaking capital raisings and can potentially do so.

iv) Corporate Development

Corporate development activities are ongoing as part of Novatti's strategy to accelerate inorganic growth which may also provide potential access to additional funding sources.

v) Commercial traction

The Group's core Payments AU/NZ operating segment continued to build momentum throughout the financial year ended 30 June 2026, with the targeted sales strategy initiated in the prior year now translating into sustained growth in revenue, gross margin and direct Earnings before interest, tax, depreciation and amortisation. The Payments AU/NZ segment delivered \$14.7m in revenue, \$6.3m in gross margin (+23% on last year).

Note 2. Material accounting policy information (continued)

b) Going concern (continued)

v) Commercial traction (continued)

Several commercial wins secured during the financial year ended 30 June 2026 progressed through implementation and are expected to contribute further to Payments AU/NZ performance in the financial year ended 30 June 2027, including:

- A Visa issuing agreement with an AI-powered spend platform, for the issuance of globally accepted Visa debit cards.
- Extension of Asian wallet acceptance to a commercial retailer operating across airport locations throughout Australia.
- A distribution agreement with the Australian subsidiary of a major Asian fintech to distribute Novatti's card-present and eCommerce payment acceptance solutions.
- Extension of the University of New South Wales relationship to add WeChat Pay alongside the live Alipay integration, building on a customer that has generated more than \$60m in Gross Transaction Value and over \$0.9m in revenue since going live in November 2025.
- Launch of a prepaid rewards-card issuance program for a digital payment platform rewarding customer with cashback and redeemable products, run end-to-end on Novatti's issuing stack as sponsor, processor, ledger and settlement provider.
- Embedding of real-time Account-to-Account and NPP payment rails within a subscription-based merchant platform, extending Novatti's Acquiring product suite in response to customer demand for surcharge-free alternatives to card payments.

vi) Cost control

The Group progressed with its simplification strategy aimed at extracting greater value from existing resources and reducing discretionary expenditure, with the flexibility to scale back non-essential activities. The Group's underlying EBITDA was -\$2.8m during the financial year (2025: -\$7.1m), reflecting a \$4.3m improvement during the year achieved through higher margin and a lower cost base.

vii) Board support

The Directors have indicated a willingness to defer or settle amounts owed to them in equity instruments (subject to shareholder approval where required) to preserve cash resources.

Based on the above, the Directors are of the opinion that the Group will be able to continue as a going concern and that it is appropriate to prepare the financial statements on this basis. Accordingly, no adjustments have been made to the financial statements relating to the recoverability or classification of recorded assets or liabilities that might be necessary should the Group not continue as a going concern.

c) Basis of preparation

Historical cost convention

The financial statements have been prepared on an accruals basis and under the historical cost convention, except for, other investments at fair value through profit and loss, share-based payments and embedded derivatives to convertible note facility, which are recorded at fair value basis; and non-current assets subject to impairment testing, which incorporate fair value measurements in determining recoverable amounts.

Note 2. Material accounting policy information (continued)

c) Basis of preparation (continued)

Critical accounting estimates

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

d) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the legal parent entity is disclosed in note 29.

e) Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

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.

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

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and noncontrolling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity 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.

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

Note 2. Material accounting policy information (continued)

f) Revenue recognition

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Consolidated Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated Entity: 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 of the goods or services promised to the customer.

The Group determines whether it acts as principal or agent for each revenue stream based on whether it is responsible for delivering the payment service to the customer, rather than merely arranging for another party to do so, in accordance with AASB 15. Revenue is recognised gross where the Group holds that responsibility, as with payment processing, card issuing and cross-border payments, and net (as a retained fee or commission) where another party, such as a card scheme, sponsor bank or wallet operator, delivers the service.

• **Payments Australia and New Zealand ("Payments AU/NZ")**

<i>Acquiring</i>	A service that enables merchants to get paid. Fees are charged at a transactional, integration and monthly level. Fees for setting up and deploying the service are charged and recognised when the service is provided.
<i>Issuing</i>	Issuing of prepaid and debit Visa cards under licence of Visa. Monthly program fees are charged alongside transactional fees. Fees for settling up and deploying the service are charged and recognised when the service is provided.
<i>Cross border</i>	Service provision of cross border payments and global currency accounts to manage foreign exchange. Fees for settling up and deploying the service and subsequent transactions are charged and recognised when the service is provided.
<i>Novatti Billpay</i>	Enabling payment of Australian invoices directly from a range of Asian digital wallets. Fees for settling up and deploying the service and subsequent transactions are charged and recognised when the service is provided.

• **Payments International**

<i>Alternative Payments</i>	Revenue from Alternative Payments is a mixture of: • Fees for software as a service; • Fees for the facilitation of top up vouchers; • Settlement services of financial transactions; and • Fees from 'Prepaid' reloadable cards. The revenue charges for alternative payment services are based on transactional value. Revenue is therefore recognised when the service is provided.
<i>ATX Payments</i>	ATX provides digital payment services, such as third-party bill and product payments. Fees for settling up and deploying the service and subsequent transactions are charged and recognised when the service is provided.

• **Other**

- develops, deploys and supports specialised mobile and alternate payment technologies, whereby licence fees are amortised over the relevant period of contract and professional service revenue is recognised as the service rendered to the customer; and
- provisions customer engagement, payment, provisioning, and subscription billing solutions. Monthly fees are charged at a transactional level. Fees for settling up and deploying the service are charged and recognised when the service is provided.

Note 2. Material accounting policy information (continued)

f) Revenue recognition (continued)

- **Interest income**

Interest revenue is recognised on a time proportional basis that takes into account the effective yield on the financial asset.

- **Other revenue**

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

- **Government grants**

Government grants, including Research and Development revenues, are recognised at the point in time where there is reasonable assurance that the grant will be received and all attached conditions will be fulfilled.

g) Discontinued operations

A discontinued operation is a component of the Consolidated Entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

h) Funds in trust and settlement, remittance and visa funds payable

Funds in trust and settlement, remittance and visa funds payable represent funds received from customers for transactions that have been contracted for but not yet completed. Respective receivables and payables are offset upon completion of the transactions according to terms agreed between the Group and customers.

i) Contract assets

Contract assets include revenue from the sales of services unbilled as at 30 June 2026.

j) Contract liabilities

Contract liabilities includes revenue from clients whereby services are billed in advance of their anniversary dates and have outstanding services owing for the financial year ended 30 June 2026.

k) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Note 2. Material accounting policy information (continued)

l) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful lives for intangibles for the current period are:

Product development (technology)	5 years
Customer lists	5 – 10 years
Intellectual property (Technology – Billing software)	10 years
Brands	10 years

Intangible assets acquired in a business combination

Intangible assets, including customer lists, intellectual property and brand acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

m) Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

n) Borrowings and convertible notes

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

The face value of the convertible notes is deemed to be the value of the conversion right (the derivative liability) and residual debt liability component. The debt liability component of the convertible notes is amortised at each reporting period using the effective interest method. The derivative liability component is revalued at each reporting date over the life of the convertible notes.

Note 2. Material accounting policy information (continued)

o) Share-based payments

Equity-settled transactions

The Group provides benefits to employees via equity-settled share-based payments, recognising the cost of services received alongside a corresponding increase in equity. The total cost is determined by reference to the fair value of the equity instruments at grant date.

For awards with vesting conditions, the cost is recognized as an expense in profit or loss over the vesting period. For awards with nil conditions, the expense is recognized immediately at grant date.

Impact of Vesting Conditions

The Group applies the following treatments depending on the nature of the award conditions:

- Service and non-market performance conditions: These are not factored into the grant-date fair value. Instead, the cumulative expense is adjusted at each reporting date to reflect the Group's current best estimate of the number of awards that will ultimately vest. On a cumulative basis, no expense is recognized for awards that do not vest due to a failure to meet these conditions.
- Market performance conditions: These are incorporated directly into the estimation of the grant-date fair value. The expense is recognized over the vesting period irrespective of whether the market condition is ultimately satisfied, provided all other service or non-market conditions are met.

Refer to Note 3 for details on the valuation models, key assumptions, and management estimates used to determine fair value at grant date.

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.

i) 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 Black-Scholes or Binomial models 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.

ii) 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.

iii) Revenue from contracts with customers involving performance milestones

When recognising revenue, the key performance obligation of the consolidated entity is considered to be performance milestones detailed under each contract. Management estimates the progress against these performance milestones at each reporting date and recognise revenue and work in progress accounts accordingly. Determining whether the Group acts as principal or agent in its payment revenue arrangements requires significant judgement, particularly in assessing which party is responsible for delivering the service and bears the associated risk, and this judgement affects whether revenue is recognised on a gross or net basis.

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

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

The Consolidated Entity 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 consolidated entity 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.

v) Estimation of useful lives of finite life intangible assets

The Group determines the valuation, estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The 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.

vi) Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and carry-forward losses only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The directors have determined that the losses to date do not validate the requirement to book any DTA for carry forward losses and will consider the recognition of DTAs in future periods.

vii) Assessment of the conversion features of the convertible notes

During the year ended 30 June 2025, the Group issued convertible notes with conversion clauses that were both fixed and variable. For the convertible note tranches with variable conversion terms, at initial recognition an embedded derivative is recognised on the statement of financial position at fair value and that embedded derivative is subsequently recorded at its fair value thereafter, with changes in fair value going through to the statement of profit or loss and other comprehensive income. The difference between the consideration received (net of costs) and the embedded derivative is reflected in the principal value of the convertible note liability.

The fixed component of the convertible note tranches in accordance with AASB 132 Financial instruments, are classified as equity.

viii) Research and Development Rebate

The consolidated entity is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claim lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and clawback those prior claims, potentially with penalties. Such a finding may only occur in the event that those expenditures do not appropriately qualify for the grant program. In their estimation, considering also the independent external expertise they have contracted to draft and claim such expenditures, the Directors of the consolidated entity consider that such a negative review has a remote likelihood of occurring.

Note 4. Operating segments

a) *Identification of reportable operating segments*

The Group is organised into three operating business segments:

- 1) Payments AU/NZ incorporating Payments Acquiring, Card Issuing, Cross Border Payments and Novatti Billpay
- 2) Payments International incorporating ATX Payments (Malaysia) and Flexepin Payments (Europe)
- 3) Other, incorporating enterprise, automation and billing software

During the year, the Group reassessed its operating and reportable segments following the disposal of Emersion, which was previously reported within the Technology Solutions segment, and the loss of control of AUDC, previously reported within the Investments segment. As a result of these changes, the relative size and nature of the remaining activities within Technology Solutions and Investments are such that the Group considers it appropriate to present these activities as a single reportable segment within 'Other'. This change better reflects the way management makes operating decisions, assesses performance and allocates resources. Comparative segment information has been re-presented to reflect the revised segment structure.

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 4. Operating segments (continued)

a) Identification of reportable operating segments (continued)

These operating business segments are based on the internal reports that are reviewed and used by the Board of Directors and Management in assessing financial and operating performance and in determining the allocation of resources.

The accounting policies adopted for internal reporting are consistent with those adopted in the financial statements. The information reported to the Board and management is on at least a monthly basis.

b) Types of products and services

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

Payments AU/NZ	Acquiring: Enables businesses to accept a wide range of payments online and offline with a focus on card and digital wallet acceptance. Issuing: Provides a payment system centred around digital and physical prepaid, gift and debit cards for a variety of fintechs and commercial enterprises. Cross Border: provision of cross border payments and global currency accounts to manage foreign exchange. Novatti Billpay: enables payment of Australian invoices directly from a range of Asian digital wallets.
Payments International	Offers customers; (1) an alternative payment method in the form of a prepaid cash voucher. Vouchers can be used for a multitude of payment methods such as prepaid account top-ups and for secure online payment of goods and services. Vouchers are available in a variety of currencies and locations globally; and (2) Provision of large, established payments network across Malaysia enabling prepaid top ups and bill payments.
Other	Basis2: provides a technologically advanced billing and CIS solution to service providers in the utilities industry. Enterprise software provides general purpose technology supporting implementation of enterprise specific payment and billing solutions. After the full divestment of shareholdings in Bank of Australia, the key remaining product investment is AUDC which is an Australian Dollar (A\$) backed stablecoin for facilitating payments, transactions and remittances between businesses and their customers. AUDC results are presented within the Investments segment up to the date of loss of control.

c) Intersegment transactions

Intersegment transactions are recognised at market rates. Intersegment transactions are eliminated on consolidation.

d) Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received or paid. Intersegment loans are eliminated on consolidation.

e) Major customers

During the year ended 30 June 2026, the consolidated entity did not transact with any single customer that individually represented more than 10% of revenues (30 June 2025: nil).

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 4. Operating segments (continued)

f) Operating segment information

30 June 2026	Payments AU/NZ \$'000	Payments International \$'000	Other \$'000	Consolidated \$'000
Revenue				
Revenue from ordinary activities	14,651	9,744	3,855	28,250
Other income				
Total revenue	14,651	9,744	3,855	28,250
Profit before interest, tax, depreciation and amortisation	1,868	2,133	2,088	6,089
Corporate costs				(7,905)
Interest income				758
Foreign currency translation losses				(964)
Depreciation and amortisation				(1,477)
Finance costs				(1,520)
Vesting charge for share-based payments				(2,071)
Share of loss of associate				(1,530)
Gain on loss of control over AUDC				7,967
Gain on extinguishment of liabilities				864
Gain on fair value movement on embedded derivatives – convertible note facility				337
Profit before income tax expense	1,868	2,133	2,088	548
Income tax expense	-	-	-	(3)
Profit after income tax expense from continuing operations	1,868	2,133	2,088	545
Profit from discontinued operations	-	-	-	7
Profit after income tax expense for the year	1,868	2,133	2,088	552

For the disaggregation of operating segment revenue, refer to Note 5.

30 June 2026	Payments AU/NZ \$'000	Payments International \$'000	Other \$'000	Consolidated \$'000
Assets				
Segment assets	32,642	19,824	237	52,703
Corporate assets	-	-	-	42,392
Total assets	32,642	19,824	237	95,095
Liabilities				
Segment liabilities	28,268	21,768	256	50,292
Corporate liabilities	-	-	-	43,254
Total liabilities	28,268	21,768	256	93,546

For the disaggregation of operating segment revenue, refer to Note 5.

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 4. Operating segments (continued)

f) Operating segment information (continued)

30 June 2025	Payments AU/NZ \$'000	Payments International \$'000	Other \$'000	Consolidated \$'000
			<i>Restated</i>	<i>Restated</i>
Revenue				
Revenue from ordinary activities	11,784	33,975	4,723	50,482
Other income	536	-	-	536
Total revenue	12,320	33,975	4,723	51,018
Profit before interest, tax, depreciation and amortisation	(1,137)	2,374	2,862	4,099
Corporate costs				(9,674)
Interest income				1,060
Gain on modification of lease				92
Loss on investment at fair value through profit or loss				133
Foreign currency translation gains				-
Depreciation and amortisation				(1,393)
Finance costs				(1,850)
Vesting charge for share-based payments				(1,822)
Gain on fair value movement on embedded derivatives – convertible note facility				564
Profit/(loss) before income tax expense	(1,137)	2,374	2,862	(8,791)
Income tax expense	-	-	-	(5)
Profit/(loss) after income tax expense from continuing operations	(1,137)	2,374	2,862	(8,796)
Profit from discontinued operations	-	-	-	2,153
Profit/(loss) after income tax expense for the year	(1,137)	2,374	2,862	(6,643)

30 June 2025	Payments AU/NZ \$'000	Payments International \$'000	Other \$'000	Consolidated \$'000
			<i>Restated</i>	<i>Restated</i>
Assets				
Segment assets	24,961	26,083	2,575	53,619
Assets held for sale	-	-	-	586
Corporate assets	-	-	-	24,899
Total assets	24,961	26,083	2,575	79,104
Liabilities				
Segment liabilities	22,216	30,976	2,164	55,356
Liabilities held for sale	-	-	-	423
Corporate liabilities	-	-	-	24,136
Total liabilities	22,216	30,976	2,164	79,915

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 4. Operating segments (continued)

f) Operating segment information (continued)

Revenue by Geographical segment

	Sales to external customers		Geographical non-current assets	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	\$'000	\$'000	\$'000	\$'000
Australia and New Zealand	16,019	12,711	6,468	2,449
Malta	585	23,843	-	-
Malaysia	3,374	4,767	8,054	8,146
United States	3,890	5,504	-	-
Brazil	39	459	-	-
Others	4,343	3,198	-	-
	28,250	50,482	14,522	10,595

Note 5. Revenue from continuing operations

Revenue information has been restated based on the reassessment of operating segments. Refer to note 4(a) for details.

30 June 2026	Timing of revenue recognition		Consolidated
	Services provided at a point in time \$'000	Services provided over time \$'000	
Sales revenue			
Payments AU/NZ	14,651	-	14,651
Payments International	9,744	-	9,744
Other	2,571	1,284	3,855
	26,966	1,284	28,250

30 June 2025	Timing of revenue recognition		Consolidated
	Services provided at a point in time \$'000	Services provided over time \$'000	
Sales revenue			
Payments AU/NZ	11,784	-	11,784
Payments International	33,975	-	33,975
Other	2,958	1,765	4,723
	48,717	1,765	50,482

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 6. Other income

	Consolidated	
	30 June 2026 \$'000	30 June 2025 \$'000
Government grants	154	536
Gain on modification of lease	113	92
Interest income	758	1,060
Gain on extinguishment of liability ⁽ⁱ⁾	864	2,001
Other income	1,889	3,689

⁽ⁱ⁾ Current year gain on extinguishment of liabilities relates to legacy liabilities carried by one of the subsidiaries of the Consolidated Entity (ATX Fintech Holding Sdn Bhd) extinguished during the year. In the prior year ended 30 June 2025, one of the subsidiaries of the Consolidated Entity (Flexe Payments (AUS) Pty Ltd) partially derecognised a financial liability following the termination and replacement of a commercial agreement with a third party. The gain was recognised in accordance with the requirements of AASB 9 Financial Instruments. The arrangement forms part of broader commercial negotiations.

Note 7. Client hosting fees and other direct services

	Consolidated	
	30 June 2026 \$'000	30 June 2025 \$'000
Settlement services	3	3,940
Issuing costs related to program management and Visa	2,845	2,204
Voucher top up, payment and distribution costs associated with the Malaysian subsidiary	1,967	3,837
Cross border settlement costs	1,210	731
Hosting and other direct services	6,743	26,070
	12,768	36,782

Note 8. Discontinued operations

On 3 September 2025, the Group disposed of its wholly owned subsidiary Emersion Systems Pty Ltd ("Emersion"), operating within the technology solutions segment. Accordingly, the results of Emersion up to the date of disposal are presented as a discontinued operation.

In the prior year, the Group's operations of Emersion were classified as held for sale, and the Group's banking segment, comprising IBOA Group Holdings Pty Ltd and International Bank of Australia Pty Limited (together, "IBOA"), was disposed of and presented as a discontinued operation for the year ended 30 June 2025.

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 8. Discontinued operations (continued)

(a) Financial performance information for Emersion

	30 June 2026 \$'000	30 June 2025 \$'000
Revenue	302	2,087
Expenses		
Administrative and corporate costs	(19)	(235)
Employee benefits	(264)	(1,789)
Client hosting fees and other direct services	(37)	(342)
Data management expenses	(9)	(88)
Foreign currency translation gains/(losses)	(3)	20
Marketing and selling expenses	-	(19)
Depreciation and amortisation expense	-	(505)
Total expenses	(332)	(2,958)
Loss before income tax expense	(30)	(871)
Income tax expense	-	-
Loss after income tax expense	(30)	(871)

(b) Carrying amount of assets and liabilities disposed

	30 June 2026 \$'000	30 June 2025 \$'000
	<i>Emersion</i>	<i>I BOA</i>
Cash and cash equivalents	233	4,877
Trade and other receivables	262	115
Financial assets - Funds in trust	-	1
Intangible assets	43	-
Total assets	538	4,993
Trade and other payables	221	136
Employee benefits	241	140
Total liabilities	462	276
Net assets	76	4,717

(c) Details of disposal

	30 June 2026 \$'000	30 June 2025 \$'000
	<i>Emersion</i>	<i>I BOA</i>
Total sales consideration	500	2,869
Carrying amount of net assets disposed	(76)	(4,717)
Derecognition of non-controlling interest	-	5,219
Costs associated with disposal	(387)	-
Gain on disposal before income tax	37	3,371
Income tax expense	-	-
Gain on disposal after income tax	37	3,371

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 8. Discontinued operations (continued)

(d) Reconciliation of loss after income tax expense from discontinued operations

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Loss after income tax expense from discontinued operations (refer to Note 8(a))	(30)	(871)
Gain on disposal of Emersion (refer to Note 8(c))	37	-
Gain on disposal of IBOA (refer to Note 8(c))	-	3,371
IBOA loss after income tax	-	(347)
Profit after income tax expense from discontinued operations	7	2,153

Note 9. Loss of control over subsidiary

On 12 September 2025, an independent director was appointed to the board of AUDC Pty Ltd ("AUDC"). As a result of the change in board composition, the Group no longer had the power to direct the relevant activities of AUDC and therefore ceased to control the entity in accordance with AASB 10 'Consolidated Financial Statements'. AUDC was deconsolidated from that date and the Group's retained interest was measured at fair value and recognised as an investment in associate, and subsequently accounted for using the equity method in accordance with AASB 128 'Investments in Associates and Joint Ventures' (refer to Note 10).

(a) Carrying amounts of assets and liabilities deconsolidated

	12 September 2025 \$'000
Cash and cash equivalents	658
Trade and other receivables	778
Financial assets - Funds in trust	3,370
Other current assets	76
Total assets	4,882
Trade and other payables	501
Settlement, remittance and visa funds payable	3,367
Employee benefits	39
Total liabilities	3,907
Net assets	975

(b) Gain recognised on loss of control over subsidiary

	12 September 2025 \$'000
Fair value of interest in associate	7,000
Carrying amount of net assets deconsolidated	(975)
Derecognition of share-based payments reserve	210
Derecognition of non-controlling interest	1,732
Gain on derecognition before income tax	7,967
Income tax expense	-
Gain recognised on loss of control of subsidiary, net of income tax	7,967

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 9. Loss of control over subsidiary (continued)

Fair value measurement of retained interest

The retained interest was measured at fair value on the date control was lost, based on the price per share from a recent seed equity capital raise. On 14 August 2025, AUDC completed a seed round raising A\$1.2 million, and the total equity raised by AUDC now exceeds A\$2 million at increasing valuations. Based on the seed round pricing of A\$0.35 per share, the Group's retained interest was valued at A\$7 million, which is considered a level 3 in the fair value hierarchy (unobservable inputs) per AASB 13 'Fair Value Measurement', and forms the initial carrying amount of the investment (refer to note 10).

Note 10. Investment in associate

On 12 September 2025, the Group's 57% shareholding in AUDC was classified as an investment in associate in accordance with AASB 128 'Investments in Associates and Joint Ventures'.

The investment was initially recognised at fair value and subsequently accounted for using the equity method, whereby the carrying amount of the investment is adjusted for the Group's share of AUDC's post-deconsolidation profits or losses, dividends received, and any impairment indicators. This treatment reflects the Group's significant influence over AUDC despite no longer having control.

During the year ended 30 June 2026, the Group recognised a share of loss from its associate of \$1,530,000. As at 30 June 2026, the Group held 47% of the shareholding in AUDC.

	30 June 2026 \$'000
Carrying amount at 1 July 2025	-
Fair value of investment recognised during the year (refer to note 9(b))	7,000
Share of loss, net of income tax	(1,530)
Carrying amount at 30 June 2026	5,470

Note 11. Cash and cash equivalents

	Consolidated	
	30 June 2026 \$'000	30 June 2025 \$'000
Current assets		
Cash and cash equivalents	3,137	2,376
<i>Reconciliation to cash and cash equivalents at the end of the financial year</i>		
Cash and cash equivalents presented above is reconciled to the cashflow statements as follows:		
Cash and cash equivalents	3,137	2,376
Cash and cash equivalents classified as held for sale (refer to Note 15)	-	167
Balance as per statement of cashflows	3,137	2,543

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 12. Trade and other receivables

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Current assets		
Trade and other receivables	10,476	8,224
Less: Allowance for expected credit losses	(361)	(310)
	10,115	7,914
Contract assets	1,231	340
	11,346	8,254

Allowance for expected credit losses

The Consolidated Entity has recognised additional provision of \$292,000 (30 June 2025: \$953,000) in the statement of profit or loss and other comprehensive income in respect of the expected credit losses for the year ended 30 June 2026.

Other than the provision noted above, management are of the opinion that these receivables are reflective of fair value and should not be impaired.

The ageing of trade and other receivables, including past due but not impaired trade and other receivables are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	%	%	\$'000	\$'000	\$'000	\$'000
Not overdue	-	-	6,748	1,967	-	-
0 to 3 months overdue	-	-	2,799	5,068	-	-
Over 3 months overdue	39%	26%	929	1,189	(361)	(310)
			10,476	8,224	(361)	(310)

Reconciliation of trade and other receivables at the end of the financial year

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Total trade and other receivables at the end of the financial year	11,346	8,630
Less: Transfer to assets of disposal groups classified as held for sale (refer to Note 15)	-	(376)
Balance as per consolidated statement of financial position	11,346	8,254

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 13. Financial assets – funds in trust

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Current assets		
Settlement funds ^(a)	5,450	13,477
Remittance funds ^(a)	661	751
Client visa funds ^(a)	59,550	42,562
	65,661	56,790

^(a) Refer to Note 17 for settlement and remittance funds payable.

Note 14. Intangible assets

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Brand Asset	4,971	4,971
Less: Accumulated amortisation	(2,415)	(1,923)
	2,556	3,048
Intellectual property	3,718	3,652
Less: Accumulated amortisation	(2,207)	(1,991)
	1,511	1,661
Customer Lists	2,057	3,897
Less: Accumulated amortisation	(1,873)	(3,486)
	184	411
Licences	479	475
Less: Accumulated amortisation	(475)	(451)
	4	24
Other intellectual property	2	2
Total intangible assets	4,257	5,146

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 14. Intangible assets (continued)

Reconciliations

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

	Brand Asset	Intellectual Property	Customer Lists	Licences	Other Intangible Assets	Product Development	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	3,540	1,558	874	119	53	246	6,390
Additions	-	164	-	-	-	-	164
Transfer to assets of disposal group classified as held for sale	-	-	-	-	(44)	-	(44)
Exchange differences	-	185	15	-	(7)	-	193
Amortisation expense	(492)	(246)	(478)	(95)	-	(246)	(1,557)
Balance at 30 June 2025	3,048	1,661	411	24	2	-	5,146
Balance at 1 July 2025	3,048	1,661	411	24	2	-	5,146
Additions	-	219	-	4	-	-	223
Exchange differences	-	(19)	(21)	-	-	-	(40)
Disposal of assets ¹	-	-	-	-	-	-	-
Amortisation expense	(492)	(350)	(206)	(24)	-	-	(1,072)
Balance at 30 June 2026	2,556	1,511	184	4	2	-	4,257

Disposal of assets

With the disposal of Emersion, its fully amortised Customer Lists asset, with a gross cost and accumulated amortisation of \$1.7 million, and Product Development asset, with a gross cost and accumulated amortisation of \$1.6 million, were removed from the asset register.

Note 15. Assets of disposal groups classified as held for sale

In the previous year ended 30 June 2025, the Group committed to a plan to dispose of its wholly owned subsidiary, Emersion Systems Pty Ltd. As a result, the assets and liabilities of Emersion were classified as held for sale in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations. The sale of Emersion was announced on 3 September 2025.

Assets and liabilities of any disposal groups classified as held for sale are presented separately in the statement of financial position.

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Current assets		
Cash and cash equivalents	-	167
Trade and other receivables	-	376
Prepayment	-	-
Intangible assets	-	44
	-	587

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 16. Trade and other payables

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Trade payables	9,876	6,826
Other creditors and accrued expenses	9,751	9,307
	19,627	16,133

Reconciliation of trade and other payables at the end of the financial year

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Total trade and other payables at the end of the financial year	19,627	16,322
Less: Transfer to liabilities of disposal groups classified as held for sale (refer to Note 21)	-	(189)
Balance as per consolidated statement of financial position	19,627	16,133

Note 17. Settlement and remittance funds payable

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Current liabilities		
Settlement funds payable ^(a)	5,428	13,247
Remittance funds payable ^(a)	661	751
Client visa funds payable ^(a)	59,550	42,562
	65,639	56,560

^(b) Refer to Note 13 for client funds held in trust for settlement, remittance and visa funds payable.

Note 18. Borrowings

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Loans from related parties	770	220
Loan from unrelated party	957	-
	1,727	220

Loan from related party

As at 30 June 2026, four related parties have provided unsecured loans of \$0.77 million at 12% interest per annum on the principal amount which accrues daily. These loans have a maturity date of 31 October 2026.

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 18. Borrowings (continued)

Loan from unrelated party

On 11 May 2026, the Company entered into an agreement with Morkim Pty Ltd for a \$1.0 million debt facility which was fully drawn on 15 May 2026. The loan bears interest at 15% per annum accruing daily on the outstanding principal balance.

The agreement required the Company to issue 4.0 million shares, with a fair value of \$80,000, to the lender as a debt establishment fee. This transaction cost was deducted from the loan principal at initial recognition and is amortised over the loan term using the effective interest method.

Following 30 June 2026, the Company renegotiated a revised repayment date of the earlier of (a) 28 February 2027 and (b) five Business Days after the earlier of (i) the Company completing the sale of any ordinary shares in AUDC Pty Ltd on or after 1 August 2026 (which shall reduce the outstanding principal by the proceeds received on the sale) or (ii) the Company receiving at least \$3.0 million in funds from an equity capital raising.

Note 19. Convertible note facilities

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Loan payable - host debt liability at amortised cost	2,554	1,688
Embedded derivative - Convertible note facility	17	354
	2,571	2,042

Novatti Group Ltd, the parent entity, issued convertible notes with a \$1.00 face value per note, a coupon rate of 10% per annum and a maturity date of 22 December 2026. They are convertible into ordinary shares at a conversion price of the lower of \$0.06 and the next equity capital raising price, subject to a floor price of \$0.04.

The fair value of the embedded derivative is measured at the reporting date using significant unobservable inputs and is classified within the Level 3 fair value hierarchy.

Reconciliation of movement in convertible note facility

	Consolidated			
	30 June 2026		30 June 2025	
	No.	\$'000	No.	\$'000
Opening balance	3,118,000	2,042	3,488,000	2,146
Amortisations and accrued interest charged on convertible notes over the period	-	866	-	758
Fair value movement on embedded derivative	-	(337)	-	(564)
Conversion of convertible notes into shares during the year	-	-	(370,000)	(298)
Closing balance	3,118,000	2,571	3,118,000	2,042

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 19. Convertible note facilities (continued)

Recognition of movement in fair values of embedded derivatives

	Consolidated	
	30 June 2026 \$'000	30 June 2025 \$'000
Opening balance	354	918
Movement in fair value	(337)	(564)
Closing balance	17	354

As at 30 June 2026, the fair value of the embedded derivative is measured using significant unobservable inputs (Level 3 hierarchy). There were no change in the Group's valuation process, valuation techniques and types of inputs used in the fair value measurement at the end of the reporting period in comparison to the methodology upon inception. There were no transfers between levels of fair value hierarchy during the period ended 30 June 2026 (refer to Note 24).

Sensitivity analysis

Sensitivity analysis of the significant unobservable inputs indicated that reasonably possible changes in those inputs would not have a material impact on the valuation of the embedded derivatives at 30 June 2026. The embedded derivatives is classified as a Level 3 fair value measurement and incorporates unobservable inputs including expected future volatility and risk-free rate. Expected future volatility was estimated at 85%, and a risk-free rate of 4.41% was applied.

Note 20. Employee benefits

	Consolidated	
	30 June 2026 \$'000	30 June 2025 \$'000
<i>Current liabilities</i>		
Annual leave	622	731
Long service leave	474	319
Provision for employee-related costs *	2,022	2,048
	3,118	3,098
<i>Non-current liabilities</i>		
Long service leave	68	58
	68	58

* The provision for employee-related costs relates to the deferred earn-out milestone payments to the selling shareholders of ATX on the business achieving agreed performance targets for the two-year period ending 31 December 2023. While these payments are yet to be made, Directors have determined to make a provision for the full liability as recognised at the time of acquisition.

Reconciliation of employee benefits at the end of the financial year

	Consolidated	
	30 June 2026 \$'000	30 June 2025 \$'000
Total employee benefits at the end of the financial year	3,186	3,389
Less: Transfer to liabilities of disposal groups classified as held for sale (refer to Note 21)	-	(233)
Balance as per consolidated statement of financial position	3,186	3,156

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 21. Liabilities directly associated with assets classified as held for sale

During the previous financial year, the Group committed to a plan to dispose of Emersion, a wholly owned subsidiary operating within the technology solutions segment. As a result, the assets and liabilities of Emersion have been classified as held for sale in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations.

The disposal group is measured at the lower of its carrying amount and fair value less costs to sell. Assets and liabilities of the disposal group classified as held for sale are presented separately in the statement of financial position (refer to note 15 for assets of disposal groups classified as held for sale).

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
<i>Current liabilities</i>		
Trade payables	-	189
Other payables	-	-
Employee benefits	-	233
	-	422

Note 22. Issued capital

	Consolidated			
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	Shares	Shares	\$'000	\$'000
Ordinary shares - fully paid	623,144,455	544,567,108	100,270	97,993

Movements in ordinary share capital

	Date	Shares	Price	\$'000
Balance	1 July 2024	355,750,444		91,806
Placement	23 October 2024	50,612,567	\$0.040	2,025
Entitlement offer	26 November 2024	7,110,404	\$0.040	285
Shares issued for professional services	26 November 2024	68,077,096	\$0.040	2,723
Share placement	06 December 2024	50,000,000	\$0.040	2,000
Share issue costs		-		(1,267)
Conversion of convertible notes (refer to note 19)	11 December 2024	9,295,492	\$0.032	298
Shares issued on exercise of options	21 March 2025	143,098	\$0.033	5
Shares issued on exercise of options	04 April 2025	877,297	\$0.033	29
Shares issued on exercise of options	10 April 2025	1,014,456	\$0.033	33
Shares issued on exercise of options	02 May 2025	308,062	\$0.033	10
Shares issued on exercise of options	29 May 2025	74,957	\$0.033	2
Shares issued on exercise of options	26 June 2025	1,303,235	\$0.033	44
Balance	30 June 2025	544,567,108		97,993

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 22. Issued capital (continued)

Movements in ordinary share capital (continued)

	Consolidated			
	Date	Shares	Price	\$'000
Balance	30 June 2025	544,567,108		97,993
Shares issued on exercise of options	4 July 2025	9,038,698	\$0.0000	456
Shares issued on exercise of options	24 July 2025	6,392,579	\$0.0000	216
Shares issued on exercise of options	4 September 2025	318,897	\$0.0000	10
Shares issued for professional services	11 September 2025	1,978,793	\$0.0227	45
Shares issued for professional services	7 October 2025	5,317,900	\$0.0226	120
Share placement	14 November 2025	36,363,636	\$0.0275	1,000
Shares issued on exercise of options	12 December 2025	1,326,498	\$0.0000	39
Share issue costs		-		(68)
Shares issued on exercise of options	8 January 2026	344,915	\$0.0000	8
Shares issued on exercise of options	17 March 2026	40,886	\$0.0000	1
Shares issued on exercise of options	31 March 2026	13,454,545	\$0.0275	370
Shares issued on exercise of options	12 May 2026	4,000,000	\$0.0000	80
Balance	30 June 2026	623,144,455		100,270

Ordinary shares

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

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

Share buy-back

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

Capital risk management

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

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.

Note 23. Reserves

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Foreign currency reserve	223	967
Share-based payments reserve	5,737	6,192
Convertible notes option reserve	681	681
	6,641	7,840

Note 24. Financial instruments

Financial risk management objectives

The Group is exposed to risks that arise from the use of its financial instruments. This note describes Novatti Group's objectives, policies and processes for managing those risks and the methods used to measure them. There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this Note.

The Group's Audit, Risk & Compliance Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Cash at bank and on deposit
- Trade receivables
- Financial assets at fair value through profit or loss
- Trade and other payables
- Lease liabilities
- Borrowings
- Convertible loan facilities

Client funds held for settlement and remittance are not recognised as financial instruments as the net value of the two net off in total.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and whilst retaining ultimate responsibility for them, has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular reports from the Chief Executive Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Group's exposure to credit risk arises from potential default by the counterparty, with maximum exposure equal to the carrying amount of these instruments. Exposure at the reporting date is addressed in each applicable note.

Clients of the Group range from financial service providers, telecommunication operators to airline companies. New client contracts may require customers to pay fees based on 'project milestone arrangements' in accordance with agreed upon contract terms. Moving from milestone to milestone requires the payment of each to move onto the next. In addition, companies may be charged for on-going service and maintenance contracts on a monthly or quarterly basis based on the initial contract value and last up to 5 - 10 years.

Transactional sales obligations are settled generally on 21-day terms and after receipt from distributors.

The Group undertakes transactions with a large number of customers and regularly monitors payments in accordance with credit terms, the financial assets that are neither past due nor impaired, are expected to be received in accordance with the credit terms. Refer to note 12 trade and other receivable for the ageing analysis.

The Group does not have any material credit risk exposure for other receivables or other financial instruments.

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 24. Financial instruments (continued)

Market risk

Foreign currency risk

The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

In order to monitor the continuing effectiveness of this policy, the Board receives a monthly forecast, analysed by the geographical region's cash balances, commitments and receipts, converted to the Group's main functional currency, Australian Dollars (AUD).

The Group is exposed to currency risk on cash at bank, accounts receivable and payable accounts and on its financial assets in Canadian Dollars (CAD) to fund its Canadian operations, Euro (EUR) and Great British Pounds (GBP) to service its European Operations in the UK, also US Dollars (USD) and New Zealand Dollars (NZD).

The foreign currency exposure analysis below incorporates only those foreign currencies where the Group holds gross financial assets or liabilities exceeding AUD1 million at the reporting date. Currencies falling below this risk threshold are excluded from quantitative presentation on the basis of operational materiality.

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

	Assets		Liabilities	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	\$'000	\$'000	\$'000	\$'000
EUR	1,940	2,124	(2,420)	(2,792)
NZD	743	1,155	(33)	(44)
MYR	5,493	1,150	(6,800)	(3,230)
	8,176	4,429	(9,253)	(6,066)

The following tables illustrate the sensitivity of the net result for the year and equity in regard to the Group's financial assets and financial liabilities compared with the currency on deposit and AUD exchange rate. It assumes a +/- 5% change in the exchange rate for the year ended at 30 June 2026. This percentage has been determined based on average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date. This assumes that other variables, in particular interest rates, remain constant.

	AUD strengthened			AUD weakened		
	% change	Effect on profit before tax \$'000	Effect on equity \$'000	% change	Effect on profit before tax \$'000	Effect on equity \$'000
2026						
EUR	5%	22	-	(5%)	(25)	-
NZD	5%	(34)	-	(5%)	37	-
MYR	5%	62	-	(5%)	(69)	-
		50	-		(57)	-

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 24. Financial instruments (continued)

2025	AUD strengthened			AUD weakened		
	% change	Effect on profit before tax \$'000	Effect on equity \$'000	% change	Effect on profit before tax \$'000	Effect on equity \$'000
EUR	5%	32	-	(5%)	(35)	-
NZD	5%	(50)	-	(5%)	55	-
MYR	5%	97	-	(5%)	(108)	-
		79	-		(88)	-

Price risk

The Group is exposed to other price risk on its investments in listed and unlisted entities. These investments are classified on the statement of financial position as investment assets initially recorded at cost and are subsequently measured at fair value through the statement of profit or loss. The assets and liabilities within these investments indirectly expose the Group to equity price risks. It is not considered practicable to 'look through' the investments to analyse these risks in detail.

Fair value measurement of financial instruments

Financial instruments are measured at fair value in the statement of financial position and are grouped into three levels of fair value hierarchy:

- Level 1 - The instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - A valuation technique is applied using inputs other than quoted prices within Level 1 that are observable for the financial instrument, either directly (that is as process), or indirectly (that is derived from prices)
- Level 3 - A valuation technique is applied using inputs that are not based on observable market data (unobservable inputs)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2026				
Assets				
Shares in unlisted entities	-	166	-	166
Investment in associates (AUDC)	-	-	5,470	5,470
	-	166	5,470	5,636
Liabilities				
Embedded derivatives – convertible note facility	-	-	(17)	(17)
	-	-	(17)	(17)

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
30 June 2025				
Assets				
Shares in unlisted entities	-	166	-	166
	-	166	-	166
Liabilities				
Embedded derivatives – convertible note facility	-	-	(354)	(354)
	-	-	(354)	(354)

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 24. Financial instruments (continued)

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

	Level 1		Level 2		Level 3	
	30 June 2026	30 June 2025	30 June 2026	30 June 2025	30 June 2026	30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening fair value	-	-	166	166	(354)	(918)
Addition from deconsolidation of AUDC (refer to Note 10)	-	-	-	-	5,470	-
Movement in fair value	-	-	-	-	337	564
Closing fair value	-	-	166	166	5,453	(354)

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

The investments in shares in unlisted entities are categorized within Level 2 and Level 3 of the fair value hierarchy. Level 2 valuation is derived from the last available public information for arm's-length trading in the shares of those investments, while Level 3 valuation incorporates unobservable inputs where little to no market activity exists.

Unobservable inputs used in calculating the embedded derivative classified as level 3 were expected future volatility and the risk-free rate. The expected future volatility was calculated at 85% and the risk-free rate used was 4.41%.

Embedded derivatives of convertible note

Derivative liability relates to convertible note facility issued on 3 January 2024 (refer Note 19 for further details). The conversion feature on this arrangement has a capped conversion price, the variable price also contains a floor. The existence of these caps and floors, means that this conversion feature is not considered to be an equity instrument in accordance with AASB 132, as it will not result in a fixed number of shares for fixed consideration. This conversion feature is a derivative and as a result changes in fair value are recognised through the profit and loss (FVTPL) in accordance with AASB 9. At initial recognition and subsequent reporting close, the derivative is required to be fair valued. The Black Scholes option pricing model assumes the option holder will exercise at expiry (i.e. the note will be converted on maturity) to predict the Group's possible future share prices to determine the Variable Conversion Price.

Sensitivity analysis

The Group's investment in AUDC (refer to Note 10) has a carrying value of \$5,470,000 as at reporting date. This carrying value is assessed for impairment by reference to unobservable inputs specifically referencing the share transaction price established at the time of AUDC was deconsolidated.

A sensitivity analysis has been performed on this unobservable valuation baseline. A 10% upward or downward movement in this initial transaction proxy price, with all other variables held constant, would alter the carrying value and impact the profit or loss statement as follows:

Valuation Input	Baseline input value	Baseline carrying value \$'000	% change	Effect on carrying value of asset/ profit before tax \$'000	% change	Effect on carrying value of asset/ profit before tax \$'000
Initial transaction price proxy	\$0.35 per share	5,470	10%	547	(10%)	(547)

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 24. Financial instruments (continued)

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of at least three months.

The Group also seeks to reduce liquidity risk by ensuring that its cash deposits are earning interest at the best rates. At balance date, these reports indicate that the Group is expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

As at 30 June 2026, the financial liabilities of the Group include:

- Trade and other payables (refer to trade and other payables in Note 16 for a breakdown of account balances)
- Lease liabilities
- Borrowings (refer to Note 18 for details of loan from related parties)
- Convertible note facility (refer to Note 19 for details)

The contractual amounts of financial liabilities are equal to their carrying values.

Remaining contractual maturities

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

	Consolidated						Remaining contractual maturities
	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years		
2026	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivatives							
<i>Non-interest bearing</i>							
Trade payables and other payables	-	19,627	-	-	-	-	19,627
<i>Interest-bearing - fixed rate</i>							
Borrowings	13.7%	1,996	-	-	-	-	1,996
Convertible note facilities	10%	3,650	-	-	-	-	3,650
Lease liabilities	-	220	60	-	-	-	280
Total non-derivatives		25,493	60				25,553
Derivatives							
Embedded derivatives of convertible note	-	17	-	-	-	-	17
Total derivatives	-	17	-	-	-	-	17

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 24. Financial instruments (continued)

	Consolidated					
	Weighted average interest rate %	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
2025						
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables and other payables	-	16,133	-	-	-	16,133
<i>Interest-bearing - fixed rate</i>						
Loan from related parties	-	220	-	-	-	220
Convertible note facilities	10%	1,688	-	-	-	1,688
Lease liabilities	-	530	10	-	-	540
Total non-derivatives		18,571	10	-	-	18,581
Derivatives						
Embedded derivatives of convertible note	-	354	-	-	-	354
Total derivatives	-	354	-	-	-	354

Fair value of financial instruments

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

Note 25. Key management personnel disclosures

Directors

The following persons were directors of Novatti Group Limited during the financial year:

Peter Pawlowitsch	Non-Executive Chairman
Peter Cook	Executive Director
Kenneth Lai	Non-Executive Director
Killian Murphy	Non-Executive Director (resigned 26 November 2025)
Tom Ng	Non-Executive Director (appointed 26 November 2025)
Christopher Ryan	Non-Executive Director (appointed 26 November 2025)

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Mark Healy	Chief Executive Officer
Hayden Vowell	Chief Financial Officer (resigned 12 November 2025)

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 25. Key management personnel disclosures (continued)

Compensation

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

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Short-term employee benefits	512	968
Post-employment benefits	106	138
Long-term benefits	39	8
Share-based payments	1,283	732
	1,940	1,846

Note 26. Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by William Buck, the auditor of the Company, its network firms and unrelated firms:

	Consolidated	
	30 June 2026	30 June 2025
	\$	\$
<i>Audit services – William Buck</i>		
Audit or review of the financial statements	201,355	199,152
<i>Other services – William Buck</i>		
Taxation and compliance services	34,400	59,832
Other assurance services	23,376	8,900
	57,776	68,732
	259,131	267,884

Note 27. Contingent liabilities

Deposits under non-current assets are refundable collateral held on application of the Visa issuing licence and Currency Cloud float. The conditions in place for the deposits are relating to a) the Visa partnership Principal License; b) the Currency Cloud float; and c) Visa Collateral.

As a Principal License holder for Visa Prepaid/Debit Issuing, Novatti can provide services to clients for both Visa BIN Sponsorship and Visa Program Management. Visa requires the member to maintain a Collateral account which is held in trust at a Visa nominated to settle all debts to merchants and any monies owed to issuers and their Visa Prepaid cardholders.

In addition, Novatti requires BIN Sponsors and/or Program Manager mandates, as part of the client contract, that the client maintains a minimum of their 6 days Visa Settlement total in a bank account (held in Trust For the client) with the Visa Settlement Bank (Australia ANZ and NZ ASB). This assures that the Visa daily settlement process is and can be funded by the client directly.

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 27. Contingent liabilities (continued)

Alternatively, if a client does not agree to maintaining a float account, Novatti will Direct Debit from the client's nominated corporate bank account to directly fund settlement daily. If this method is agreed, the client is required to deposit a Security Deposit to an In-Trust-For (ITF) account with Novatti.

The Consolidated Entity had no other contingent liabilities as at 30 June 2026 and 30 June 2025.

Note 28. Related party transactions

Parent entity

Novatti Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 30.

Key management personnel

Disclosures relating to key management personnel are set out in Note 25 and the remuneration report included in the directors' report.

Transactions with related parties

There were no operational transactions with related parties during the current and previous financial year.

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

As at 30 June 2026 and 30 June 2025, loans from related parties are set out in the below table:

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Coolbawn Crispen Pty Ltd (associated with CEO Mark Healy)	240	120
Naley Pty Ltd (associated with Director Peter Pawlowitsch)	400	100
Aldinga Place Pty Ltd (associated with Director Peter Cook)	50	-
Longwall Capital Pty Ltd (associated with Director Tom Ng)	80	-
	770	220

Total interest payable on these loans at 30 June 2026 amounted to \$68,532 (30 June 2025: \$2,499). Additional disclosures relating to loans from related parties are set out in note 18.

Terms and conditions

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

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 29. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2026	30 June 2025
	\$'000	\$'000
Loss after income tax	(2,407)	(1,156)
Total comprehensive income	(2,407)	(1,156)

Statement of financial position

	Parent	
	30 June 2026	30 June 2025
	\$'000	\$'000
Total current assets	133,227	110,219
Total assets	164,768	142,272
Total current liabilities	80,841	57,760
Total liabilities	80,841	57,760
Net assets	83,927	84,512
Issued capital	100,270	97,993
Share-based payments reserve	5,737	6,192
Convertible note option reserve	681	681
Accumulated losses	(22,761)	(20,354)
Total equity	83,927	84,512

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

There exists a prepaid deposit for offices leased in Melbourne and Adelaide. As at 30 June 2026, this totalled \$83,010 (30 June 2025: \$83,010) for the Melbourne office and \$5,940 (30 June 2025: \$5,940) for the Adelaide office. No other prepaid deposit exists.

Contingent liabilities

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

Capital commitments - Property, plant and equipment

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

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, 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.

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 30. 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:

Entity Name	Principal place of business/ Country of incorporation	Ownership interest	
		30 June 2026 %	30 June 2025 %
Novatti Pty Ltd	Australia	100.0%	100.0%
Flexe Payments Pty Ltd	South Africa	100.0%	100.0%
Flexe Payments (AUS) Pty Ltd	Australia	100.0%	100.0%
Flexe Payments (MLT) Ltd	Malta	100.0%	100.0%
Flexe Payments (UK) Ltd	United Kingdom	100.0%	100.0%
Novatti Commerce Solutions Inc.	Canada	100.0%	100.0%
Novatti Commerce Solutions (MLT) Ltd	Malta	100.0%	100.0%
Novatti Technologies Ltd	United Kingdom	100.0%	100.0%
Novatti Inc.	United States of America	100.0%	100.0%
Vasco Pay Pty Ltd	Australia	100.0%	100.0%
Intella Payments Pty Ltd	Australia	49.0%	49.0%
Novatti Acquiring Holdings Pty Ltd	Australia	100.0%	100.0%
Novatti Acquiring Services (AUS) Pty Ltd	Australia	100.0%	100.0%
Novatti Acquiring Services (NZ) Pty Ltd	New Zealand	100.0%	100.0%
Novatti Tech Europe Ltd	Cyprus	100.0%	100.0%
Novatti Emersion Inc.	United States of America	100.0%	100.0%
ATX Fintech Holding Sdn Bhd	Malaysia	100.0%	100.0%
ATX (M) Sdn Bhd ^a	Malaysia	100.0%	100.0%
Webs and Apps Sdn Bhd ^a	Malaysia	100.0%	100.0%
Wira Runcit Sdn Bhd ^a	Malaysia	100.0%	100.0%
GoPay Sdn Bhd ^a	Malaysia	100.0%	100.0%
Novatti Global Services Pty Ltd	Australia	100.0%	100.0%
Emavilis Holdings Limited	Cyprus	100.0%	100.0%
Nisaki Holding Limited	Cyprus	100.0%	100.0%
China Payments Services Pty Ltd	Australia	100.0%	100.0%
Novatti Transactions and Technology International Ltd	Cyprus	65.0%	65.0%
Flexewallet Pty Ltd	Australia	100.0%	100.0%
Flexewallet (NZ) Ltd	New Zealand	100.0%	100.0%
Novatti (Malaysia) Sdn Bhd ^b	Malaysia	100.0%	100.0%
AUDC Pty Ltd ^c	Australia	-	70.2%

^a These entities are held indirectly by the Group through its 100% ownership of ATX Fintech Holding Sdn Bhd

^b Novatti (Malaysia) Sdn Bhd is owned 50% directly by the Parent Entity and 50% indirectly via ATX Fintech Holding Sdn Bhd, resulting in a 100% total controlled interest by the Group.

^c On 12 September 2025, an independent director was appointed to the board of AUDC Pty Ltd ("AUDC"). As a result of the change in board composition, the Group no longer had the power to direct the relevant activities of AUDC and therefore ceased to control the entity. AUDC was deconsolidated from that date and the Group's retained interest was measured at fair value and recognised as an investment in associate. At 30 June 2026, The Group held a 47% interest in AUDC.

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 31. Events after the reporting period

On 30 July 2026, the Company negotiated a revised repayment date on the unrelated party loan agreement extending the repayment date for its \$1.0 million debt facility (refer to Note 18). The revised terms call for repayment at the earlier of (a) 28 February 2027 and (b) five Business Days after the earlier of (i) the Company completing the sale of any ordinary shares in AUDC Pty Ltd on or after 1 August 2026 (which shall reduce the outstanding principal by the proceeds received on the sale) or (ii) the Company receiving at least \$3.0 million in funds from an equity capital raising.

On 26 June 2026, the Company announced the sale of its 1.5 million shares in AUDC Pty Ltd for a total consideration of \$1.2 million, before costs. The transaction was completed subsequent to the reporting date, with shares transferred on 13 July 2026. Following the sale, the Group continues to hold 18.5 million shares, representing a 43.5% interest in AUDC.

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

Note 32. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Profit/(loss) after income tax expense for the year	552	(6,643)
Adjustments for:		
Depreciation and amortisation	1,477	1,393
Vesting charge for share-based payments	2,071	1,822
Modification of lease	-	(92)
Unrealised foreign exchange (gain)/loss	965	(133)
Gains on embedded derivative – convertible notes	(337)	(564)
Movement of allowance for expected credit losses	292	310
Non-cash finance charges	869	679
Payments for IP written off	(135)	-
Share of loss of associates	1,530	-
Gain from discontinued operations	(7)	-
Gain on loss of control over subsidiary (AUDC)	(7,967)	-
Gain on extinguishment of liabilities	(864)	(2,001)
	(1,554)	(5,229)
Change in operating assets and liabilities:		
(Increase)/decrease in trade and other receivables	(3,008)	88
Decrease in prepayments	72	24
Increase/(decrease) in trade and other payables	2,865	(6,746)
(Decrease)/increase in employee benefits	(203)	118
(Decrease)/increase in contract liabilities	(394)	438
Net cash used in operating activities	(2,222)	(11,307)

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 33. Profit/(loss) per share

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Earnings per share for profit/(loss) from continuing operations		
Profit/(loss) after income tax	545	(8,796)
Non-controlling interest	94	459
Profit/(loss) after income tax attributable to the owners of Novatti Group Limited	639	(8,337)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	592,922,372	468,793,654
<i>Adjustments for calculation of diluted earnings per share:</i>		
Options over ordinary shares	43,504,615	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	636,426,987	468,793,654
	Cents	Cents
Basic earnings/(loss) per share	0.108	(1.778)
Diluted earnings/(loss) per share	0.100	(1.778)

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Earnings per share for profit from discontinued operations		
Profit after income tax	7	2,153
Non-controlling interest	-	74
Profit after income tax attributable to the owners of Novatti Group Limited	7	2,227
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	592,922,372	468,793,654
<i>Adjustments for calculation of diluted earnings per share:</i>		
Options over ordinary shares	43,504,615	257,252,911
Weighted average number of ordinary shares used in calculating diluted earnings per share	636,426,987	726,046,565
	Cents	Cents
Basic earnings per share	0.001	0.475
Diluted earnings per share	0.001	0.307

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 33. Loss per share (continued)

	Consolidated	
	30 June 2026	30 June 2025
	\$'000	\$'000
Earnings per share for profit/(loss)		
Profit/(loss) after income tax	552	(6,643)
Non-controlling interest	94	533
Profit/(loss) after income tax attributable to the owners of Novatti Group Limited	646	(6,110)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	592,922,372	468,793,654
<i>Adjustments for calculation of diluted earnings per share:</i>		
Options over ordinary shares	43,504,615	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	636,426,987	468,793,654
	Cents	Cents
Basic earnings/(loss) per share	0.109	(1.303)
Diluted earnings/(loss) per share	0.101	(1.303)

As at 30 June 2026, the Group has 178,460,557 unlisted options on issue (30 June 2025: 153,163,765) and 293,572,390 listed options (30 June 2025: 293,572,390). These options are considered to be non-dilutive when the Group is in a loss position.

Note 34. Share-based payments

Options issued under employee share option plan

A share option plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel and staff of the Group.

The Employee Share Option Plan is designed to provide long-term incentives for Senior Management (including Directors) and staff to deliver long-term shareholder returns. Options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

At the Group's annual general meeting on 25 November 2025, the shareholders approved the issue of 28,643,901 unlisted zero exercise price options ("ZEPOs") to directors of the Company under the Plan. The options issued expire on 30 June 2029.

On 27 November 2025, the Company issued another 4,020,072 unlisted ZEPOs under the Plan to its newly appointed directors as payment for their director fees. These options also expire on 30 June 2029.

On 12 February 2026, the Company issued 14,271,740 unlisted ZEPOs, expiring on 30 June 2029, and a further 12,375,167 options, exercisable at 4 cents each and expiring on 30 June 2028, under the Plan to senior management.

The options granted during the year were calculated based on the Black-Scholes model of calculation for share-based payments.

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 34. Share-based payments (continued)

The following share-based payment arrangements were in existence during the current financial year:

Grant date	Expiry date	Service/ Market conditions	Exercise price (\$)	Balance at the start of the period	Granted	Exercised	Expired/ Forfeited/ other	Balance at the end of the period
20-Dec-21	30-Nov-25	Market	\$0.450	7,000,000	-	-	(7,000,000)	-
6-Jul-22	6-Jul-25	Service	\$0.250	833,333	-	-	(833,333)	-
6-Jul-22	6-Jul-25	Service	\$0.160	1,666,667	-	-	(1,666,667)	-
30-Sep-22	30-Jun-26	None	\$0.250	1,000,000	-	-	(1,000,000)	-
23-Nov-22	30-Nov-26	Market	\$0.200	13,000,000	-	-	-	13,000,000
13-Dec-22	30-Jun-26	None	\$0.250	250,000	-	-	(250,000)	-
17-Apr-23	17-Apr-26	Service	\$0.180	1,500,000	-	-	(1,500,000)	-
		Market /						
13-Jun-23	30-Jun-27	Service	\$0.200	3,000,000	-	-	-	3,000,000
13-Jun-23	30-Jun-27	Service	\$0.000	318,182	-	(318,182)	-	-
28-Nov-23	30-Jun-27	Service	\$0.000	4,761,650	-	(792,615)	-	3,969,035
28-Nov-23	30-Jun-27	None	\$0.000	3,900,134	-	(2,626,651)	-	1,273,483
		Market /						
28-Nov-23	30-Jun-27	Service	\$0.200	2,700,000	-	-	-	2,700,000
16-Dec-24	30-Jun-28	Service	\$0.000	9,136,932	-	(5,619,432)	-	3,517,500
		Market /						
11-Feb-25	31-Jan-28	Service	\$0.000	7,379,057	-	(7,215,515)	-	163,542
		Market /						
25-Feb-25	30-Jun-28	Service	\$0.040	20,710,928	-	-	-	20,710,928
		Market /						
25-Feb-25	30-Jun-28	Service	\$0.040	20,710,928	-	-	-	20,710,928
		Market /						
25-Feb-25	30-Jun-28	Service	\$0.040	20,710,928	-	-	-	20,710,928
14-Mar-25	30-Jun-28	Service	\$0.000	3,009,130	-	-	(1,332,900)	1,676,230
14-Mar-25	30-Jun-28	Service	\$0.000	2,109,511	-	-	-	2,109,511
		Market /						
14-Mar-25	30-Jun-28	Service	\$0.040	23,455,448	-	-	-	23,455,448
14-Mar-25	30-Jun-28	Service	\$0.000	6,010,937	-	(890,080)	(2,968,715)	2,152,142
18-Jul-25	30-Jun-28	None	\$0.000	-	353,538	-	-	353,538
25-Nov-25	30-Jun-29	Service	\$0.000	-	28,290,363	-	-	28,290,363
27-Nov-25	30-Jun-29	Service	\$0.000	-	4,020,072	-	-	4,020,072
		Market /						
12-Feb-26	30-Jun-28	Service	\$0.040	-	6,580,494	-	-	6,580,494
12-Feb-26	30-Jun-28	Service	\$0.040	-	5,794,673	-	-	5,794,673
12-Feb-26	30-Jun-29	Service	\$0.000	-	11,874,449	-	-	11,874,449
12-Feb-26	30-Jun-29	None	\$0.000	-	2,397,291	-	-	2,397,291
				153,163,765	59,310,880	(17,462,475)	(16,551,615)	178,460,555
Weighted average exercise price				\$0.074	\$0.083	\$0.000	\$0.254	\$0.043

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.09 years (2025: 2.55 years).

These options have different tranches with different vesting periods.

Novatti Group Limited

Notes to the financial statements For the year ended 30 June 2026

Note 34. Share-based payments (continued)

Set out below are the options exercisable at 30 June 2026:

Grant date	Expiry date	30 June 2026
23-Nov-22	30-Nov-26	13,000,000
13-Jun-23	30-Jun-27	3,000,000
28-Nov-23	30-Jun-27	3,969,035
28-Nov-23	30-Jun-27	1,273,483
28-Nov-23	30-Jun-27	2,700,000
16-Dec-24	30-Jun-28	3,517,500
11-Feb-25	31-Jan-28	163,542
14-Mar-25	30-Jun-28	3,828,372
14-Mar-25	30-Jun-28	2,109,511
18-Jul-25	30-Jun-28	353,538
25-Nov-25	30-Jun-29	26,599,190
25-Nov-25	30-Jun-29	1,691,173
27-Nov-25	30-Jun-29	4,020,072
12-Feb-26	30-Jun-29	11,874,449
12-Feb-26	30-Jun-29	1,381,490
		79,481,355

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

Grant date	Expiry date	Share price at grant date \$	Exercise price \$	Expected volatility %	Dividend yield %	Risk-free interest rate %	Fair value at grant date \$
18-Jul-25 *	30-Jun-28	0.03	-	n/a	n/a	n/a	0.03
25-Nov-25 *	30-Jun-29	0.03	-	n/a	n/a	n/a	0.03
27-Nov-25 *	30-Jun-29	0.03	-	n/a	n/a	n/a	0.03
12-Feb-26 *	30-Jun-29	0.03	-	n/a	n/a	n/a	0.03
12-Feb-26	30-Jun-29	0.03	0.04	80%	Nil	4.08%	0.01

* These are Zero Exercise Price Options (ZEPOs) granted during the period. Their fair value was determined by direct reference to the closing market price of the company's ordinary shares on the Australian Securities Exchange (ASX) at the grant date. Because the options have a \$0.00 exercise price and feature no market-based performance hurdles, option-pricing models (such as Black-Scholes) converge to the underlying share price. Consequently, traditional option inputs such as expected volatility and risk-free interest rates are not applicable to the valuation.

These options have different tranches with different vesting periods.

Options issued for professional services rendered

Set out below is a summary of the options granted in lieu of professional services rendered:

Grant date	Expiry date	Exercise price (\$)	Balance at the start of the period	Granted	Exercised	Expired/ Forfeited/ other	Balance at the end of the period	Vested and exercisable
18-Jul-24	31-Jan-27	\$0.095	2,750,000	-	-	-	2,750,000	2,750,000
6-Dec-24	31-Dec-27	\$0.064	55,240,020	-	-	-	55,240,020	55,240,020
1-Apr-25	31-Dec-27	\$0.064	14,465,950	-	-	-	14,465,950	14,465,950
			72,455,970	-	-	-	72,455,970	72,455,970
Weighted average exercise price			\$0.060	\$0.000	\$0.000	\$0.000	\$0.060	

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.47 years (2025: 2.47 years).

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 34. Share-based payments (continued)

Options issued not accounted for under AASB 2 share-based payments

Other options on issue at 30 June 2026 are as follows:

Grant date	Expiry date	Exercise price (\$)	Balance at the start of the period	Granted	Exercised	Expired/ Forfeited/ other	Balance at the end of the period	Vested and exercisable
4-Jan-24	31-Jan-27	\$0.095	12,166,667	-	-	-	12,166,667	12,166,667
13-Feb-24	31-Jan-27	\$0.095	17,000,000	-	-	-	17,000,000	17,000,000
4-Mar-24	31-Jan-27	\$0.095	6,854,194	-	-	-	6,854,194	6,854,194
26-Nov-24	31-Dec-27	\$0.064	7,110,404	-	-	-	7,110,404	7,110,404
26-Nov-24	31-Dec-27	\$0.064	68,077,096	-	-	-	68,077,096	68,077,096
6-Dec-24	31-Dec-27	\$0.064		-	-	-		100,612,567
			100,612,567				100,612,567	
11-Dec-24	31-Dec-27	\$0.064	9,295,492	-	-	-	9,295,492	9,295,492
5-Feb-26	31-Mar-26	\$0.028	-	18,181,818	(13,454,545)	(4,727,273)	-	-
			221,116,420	18,181,818	(13,454,545)	(4,727,273)	221,116,420	221,116,420

These options were issued by the Group to participants in connection with capital raisings (including "free-attaching" options) or to investors and lenders in connection with convertible note facilities (including incentive options to encourage facility participation or conversion) and are outside the scope of AASB 2 Share-based Payment. These instruments are not granted in exchange for goods or services provided to the Group but are instead issued to holders in their capacity as equity participants or financial investors.

Reconciliation of movements for options under issue

	Employees		Service Providers		Non-AASB 2 options	
	30 June 2026 Number	30 June 2025 Number	30 June 2026 Number	30 June 2025 Number	30 June 2026 Number	30 June 2025 Number
Opening balance	153,163,765	55,927,693	72,455,970	-	221,116,420	36,020,861
Granted during the year	59,310,880	116,954,904	-	72,455,970	18,181,818	185,095,559
Exercised during the year	(17,462,475)	(3,721,105)	-	-	(13,454,545)	-
Expired/forfeited/other	(16,551,615)	(15,997,727)	-	-	(4,727,273)	-
Closing balance	178,460,555	153,163,765	72,455,970	72,455,970	221,116,420	221,116,420

Novatti Group Limited

Notes to the financial statements

For the year ended 30 June 2026

Note 35. Reconciliation to Appendix 4E Preliminary Final Report

Following finalisation of the audit of the Consolidated Entity, a change to the results and the composition of the revenue reported in the Preliminary Financial Report (Appendix 4E) lodged with ASX on 31 August 2026, was identified. These financial statements have been amended accordingly.

The change arises primarily from revenue recognition previously attributed to ATX Fintech Holding SB Malaysia (ATX), a wholly owned subsidiary which was acquired by Novatti in January 2022 but is not currently a core business within the Company. An additional adjustment was made to recognise a gain on extinguishment of assets/liabilities, presented under other income. The table below outlines the material changes between the Preliminary Financial Report and the final audited financial statements.

	Appendix 4E amount \$'000	Audited Annual Report amount \$'000	Variance \$'000
Consolidated statement of profit or loss and other comprehensive income			
Revenue from continuing operations	29,938	28,250	(1,688)
Other income	1,025	1,889	864
Client hosting fees and other direct services	(14,373)	(12,768)	1,605
Profit/(loss) after income tax expense for the year	(228)	552	780
Consolidated statement of financial position			
Trade and other receivables	9,482	11,346	1,864
Total assets	93,231	95,095	1,864
Trade and other payables	18,566	19,627	1,061
Total liabilities	92,485	93,546	1,061
Net assets	746	1,549	803
Reserves	6,618	6,641	23
Accumulated losses	(106,142)	(105,362)	780
Total equity	746	1,549	803

Novatti Group Limited

Consolidated entity disclosure statement

As at 30 June 2026

Entity Name	Entity Type	Place formed/ Country of incorporation	Ownership interest	Tax Residency
Novatti Pty Ltd	Body corporate	Australia	100.0%	Australia
Flexe Payments Pty Ltd	Body corporate	South Africa	100.0%	South Africa
Flexe Payments (AUS) Pty Ltd	Body corporate	Australia	100.0%	Australia
Flexe Payments (MLT) Ltd	Body corporate	Malta	100.0%	Malta
Flexe Payments (UK) Ltd	Body corporate	United Kingdom	100.0%	United Kingdom
Novatti Commerce Solutions Inc.	Body corporate	Canada	100.0%	Canada
Novatti Commerce Solutions (MLT) Ltd	Body corporate	Malta	100.0%	Malta
Novatti Technologies Ltd	Body corporate	United Kingdom	100.0%	United Kingdom
Novatti Inc.	Body corporate	United States of America	100.0%	United States of America
Vasco Pay Pty Ltd	Body corporate	Australia	100.0%	Australia
Intella Payments Pty Ltd	Body corporate	Australia	49.0%	Australia
Novatti Acquiring Holdings Pty Ltd	Body corporate	Australia	100.0%	Australia
Novatti Acquiring Services (AUS) Pty Ltd	Body corporate	Australia	100.0%	Australia
Novatti Acquiring Services (NZ) Pty Ltd	Body corporate	New Zealand	100.0%	New Zealand
Novatti Tech Europe Ltd	Body corporate	Cyprus	100.0%	Cyprus
Novatti Emersion Inc.	Body corporate	United States of America	100.0%	United States of America
ATX Fintech Holding Sdn Bhd	Body corporate	Malaysia	100.0%	Malaysia
ATX (M) Sdn Bhd ^a	Body corporate	Malaysia	100.0%	Malaysia
Webs and Apps Sdn Bhd ^a	Body corporate	Malaysia	100.0%	Malaysia
Wira Runcit Sdn Bhd ^a	Body corporate	Malaysia	100.0%	Malaysia
GoPay Sdn Bhd ^a	Body corporate	Malaysia	100.0%	Malaysia
Novatti Global Services Pty Ltd	Body corporate	Australia	100.0%	Australia
Emavilis Holdings Limited	Body corporate	Cyprus	100.0%	Cyprus
Nisaki Holding Limited	Body corporate	Cyprus	100.0%	Cyprus
China Payments Services Pty Ltd	Body corporate	Australia	100.0%	Australia
Novatti Transactions and Technology International Ltd	Body corporate	Cyprus	65.0%	Cyprus
Flexewallet Pty Ltd	Body corporate	Australia	100.0%	Australia
Flexewallet (NZ) Ltd	Body corporate	New Zealand	100.0%	New Zealand
Novatti (Malaysia) Sdn Bhd ^b	Body corporate	Malaysia	100.0%	Malaysia
AUDC Pty Ltd ^c	Body corporate	Australia	-	Australia

^a These entities are held indirectly by the Group through its 100% ownership of ATX Fintech Holding Sdn Bhd

^b Novatti (Malaysia) Sdn Bhd is owned 50% directly by the Parent Entity and 50% indirectly via ATX Fintech Holding Sdn Bhd, resulting in a 100% total controlled interest by the Group.

^c On 12 September 2025, an independent director was appointed to the board of AUDC Pty Ltd ("AUDC"). As a result of the change in board composition, the Group no longer had the power to direct the relevant activities of AUDC and therefore ceased to control the entity. AUDC was deconsolidated from that date and the Group's retained interest was measured at fair value and recognised as an investment in associate. At 30 June 2026, The Group held a 47% interest in AUDC.

Novatti Group Limited

Consolidated entity disclosure statement

As at 30 June 2026

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295(3B)(a) of the Corporation Act 2001 defines Australian tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

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

Australian tax residency

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

Foreign tax residency

Where necessary, the Consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the Consolidated entity, partners in a partnership within the Consolidated entity or participants in a joint venture within the Consolidated entity.

Novatti Group Limited

Directors' declaration

For the year ended 30 June 2026

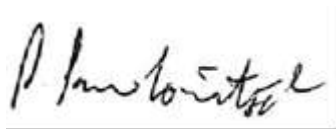
In the directors' opinion:

- 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 International Financial Reporting 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 consolidated entity'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



Peter Pawlowitsch
Chairman

30 September 2026

Independent auditor's report to the members of Novatti Group Limited

Report on the audit of the financial report

Opinion

In our opinion, the accompanying financial report of Novatti Group Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- 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
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of 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 for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the 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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net cash outflow from operations of \$2,222,000 during the year ended 30 June 2026 and, as of that date, the Group's current liabilities exceeded its current assets by \$12,845,000. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to 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 *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition	Area of focus (refer also to notes 2, 3 & 5)	How our audit addressed the key audit matter
	The Group continues to enter into agreements with new trading partners for generating new sources of revenue within the following operating segments: — Payments AU/NZ — Payments international (including ATX); and — Other Each revenue stream requires a bespoke revenue recognition model to ensure that revenue is only recognised: a) when a performance milestone is achieved; b) can be reliably measured; and c) there is a low likelihood for dispute by the customer for revenues that are recognised which are beyond that originally scoped at the inception of the engagement. This matter was considered a Key Audit Matter due to the complexity of revenue arrangements, the treatment of discontinued operations by the Group during the year and judgement involved when estimating the progress towards milestones.	Our audit procedures included: — Determining whether revenue recognised is in-compliance with the Group's accounting policies and <i>AASB 15 Revenue from Contracts with Customers</i>; — Analysing whether management's determination of operating segments was in accordance with <i>AASB 8 – Operating Segments</i>, including the impact of discontinued operations and changes made to operating segments during the year; — Identifying and verifying the achievement of performance milestones and recognition of revenue relative to the accretion of that achievement; — Agreeing revenue streams to a sample of underlying contracts with third parties; — Examining the existence of revenue, both by testing to contract, invoicing and to subsequent receipt of the revenue from the customer; and

		Analytically reviewing the reasonableness of accrued revenue and billings-in-advance accounts. We also assessed the adequacy of disclosures attached to revenue, particularly those mandatorily required by the Australian Accounting Standard, <i>AASB 15 Revenue from Contracts with Customers</i>.
Share based payments	Area of focus (refer also to notes 2, 3, 23 & 34) The Group currently has options issued to employees, key management personnel and other contracting parties through share-based payment arrangements in accordance with <i>AASB 2 Share-based Payment</i>. These options include both market and non-market vesting criteria, including: - Service (employment) conditions; - Market-based performance conditions; and - Other non-market performance conditions. The valuation of such options requires significant judgement and expertise, particularly in determining the likelihood of achieving the market-based conditions and satisfying all non-market conditions. The Group engages independent specialists to appraise the fair value of its share-based payment arrangements that involve market-based conditions and assessment of satisfying non-market conditions. This matter was considered a Key Audit Matter due to the complexity of arrangements and judgement applied in valuing the share-based payments.	How our audit addressed the key audit matter Our audit procedures included: - Agreeing the material terms and conditions of any new share-based payment arrangement to plan documentation; - Examining the share-based payment arrangements to determine the appropriateness of identifying each share-based payment arrangement, including assessment of the grant date; - Examining the appropriateness of the amortisation model for accreting share-based payment expense to the profit or loss over the vesting period; - Assessing support for likely outcome of vesting conditions used to value share-based payments; - Assessing support for satisfaction of achieving vesting conditions which are not market conditions; and - Assessing the competence and qualification of management's specialist. We also assessed the adequacy of disclosures in relation to share based payments in the Remuneration Report and notes to the financial report.

Loss of control of subsidiaries and discontinued operations	Area of focus (refer also to notes 2, 8, 9, and 10)	How our audit addressed the key audit matter
	On 3 September 2025, the Group completed the divestment of its wholly owned subsidiary, Emersion Systems Pty Ltd ("Emersion"). On that date, Emersion's net assets were disposed of and derecognised from the Group's consolidated statement of financial position. Emersion's results up to the disposal date are presented as a discontinued operation in the consolidated statement of profit or loss and other comprehensive income. On 12 September 2025, the Group ceased to control AUDC Pty Ltd ("AUDC") in accordance with <i>AASB 10 Consolidated Financial Statements</i> due to a change in the AUDC's board composition. Accordingly, AUDC's net assets were derecognised from the Group's consolidated statement of financial position, and the Group's retained interest was subsequently accounted for using the equity method in accordance with <i>AASB 128 Investments in Associates and Joint Ventures</i>. Due to the significance of these transactions to the Group's financial position and performance, this matter was considered a key audit matter.	Our audit procedures included: — Verifying that the Emersion sale transaction was completed on 3 September 2025 and was accounted for appropriately through review of the sale agreement and vouching of supporting documentation; — Verifying the AUDC board composition and performing an assessment of control of the entity to confirm the timing of loss of control; — Performing audit procedures over the balances relating to the disposal of net assets as at the dates of disposal/loss of control in order to calculate the respective gains on disposal for Emersion; and — Performing audit procedures over the resulting investment in associate recognised on the statement of financial position, including procedures over the Group's share of AUDC's losses. We also assessed the adequacy of disclosures in the notes to the financial report.

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 our auditor's report thereon.

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

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

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

Responsibilities of the directors for the financial report

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

- the financial report (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
- 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:

- 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
- 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



Our opinion on the Remuneration Report

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

What was audited?

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

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.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis

Director

Melbourne, 30 September 2026

Novatti Group Limited

Shareholder information

30 June 2026

The shareholder information set out below was applicable as at 8 September 2026.

Ordinary shares	Number of holders of ordinary shares	Number of ordinary shares	% of ordinary shares
1 to 1,000	179	91,981	0.01
1,001 to 5,000	813	2,305,119	0.37
5,001 to 10,000	405	3,262,323	0.52
10,001 to 100,000	1,069	40,418,103	6.48
100,001 and over	519	577,292,663	92.61
	2,985	623,370,189	100.00
Holding less than a marketable parcel	1,982	16,785,113	2.69

Unquoted options	Number of holders of unquoted options	Number of unquoted options	% of unquoted options
10,001 to 100,000	1	61,329	0.03
100,001 and over	20	178,173,494	99.97
	21	178,234,823	100.00

Convertible notes	Number of holders of convertible notes	Number of convertible notes	% of convertible notes
5,001 to 10,000	1	9,191	0.29
10,001 to 100,000	11	670,809	21.51
100,001 and over	8	2,438,000	78.19
	20	3,118,000	100.00

Quoted options	Number of holders of quoted options	Number of quoted options	% of quoted options
1 to 1,000	11	5,885	-
1,001 to 5,000	10	33,793	0.01
5,001 to 10,000	9	67,731	0.02
10,001 to 100,000	104	4,436,794	1.51
100,001 and over	152	289,028,187	98.45
	286	293,572,390	100.00

Novatti Group Limited

Shareholder information

30 June 2026

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities as at 8 September 2026 are listed below:

	8 September 2026	Number of ordinary shares held	% of total shares issued
1	BRAYTER LIMITED	69,729,074	11.19%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	37,665,515	6.04%
3	CORANGAMITE PTY LTD (LAKE CORANGAMITE A/C)	26,555,291	4.26%
4	XIADI CHEN	22,907,452	3.67%
5	VAULT (WA) PTY LTD (VAULT A/C)	18,642,752	2.99%
6	CITICORP NOMINEES PTY LIMITED	14,546,253	2.33%
7	ZELTNER PTY LTD (JL & MV WINTER FAMILY A/C)	11,317,888	1.82%
8	HOBBLETON INVESTMENTS PTY LTD (STAPLETON S/F A/C)	9,595,601	1.54%
9	KONGS WEALTH MANAGEMENT PTY LTD (KONGS EQUITY A/C)	9,150,000	1.47%
10	ROUND ETERNAL INVESTMENTS PTY LTD (VISION SPLENDID A/C)	7,705,323	1.24%
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,668,862	1.23%
12	MS MARA LABBROZZI	7,500,000	1.20%
13	REMCOR PTY LTD	7,332,356	1.18%
14	MR ANDREW JONATHAN HEENEY	6,752,046	1.08%
15	MS SHUWEN SHAN & MR FENG GAO	6,500,000	1.04%
16	NETWEALTH INVESTMENTS LIMITED (WRAP SERVICES A/C)	6,499,678	1.04%
17	MARK HEALY	5,812,220	0.93%
18	SEALEX PTY LTD (THE SEAL A/C)	5,273,866	0.85%
19	MR MICHAEL CORNIPS & MRS JUDI CORNIPS & MR KARO CORNIPS (SPINROC SUPERANNUATION A/C)	4,700,000	0.75%
19	SEAFIELD SUPERANNUATION PTY LTD (GRAYS SUPERANNUATION FND A/C)	4,700,000	0.75%
20	MR PEI LI	4,600,000	0.74%
20	MR CHIANG HAO WONG	4,600,000	0.74%
	Total	299,754,177	48.09%
	Total issued capital	623,370,189	100.00%

Unquoted equity securities

There are 178,234,823 unquoted options on issue held by 21 holders and 3,118,000 unquoted convertible notes on issue held by 20 holders.

There is one holder of unquoted equity securities holding 20% or greater of the number of unquoted equity securities on issue.

Substantial holders

Substantial holders in the Company are set out below:

	Number of ordinary shares held	% of total shares issued
BRAYTER LIMITED	69,729,074	11.19%
THE AUSTRALIAN WEALTH ADVISORS GROUP LIMITED	36,363,636	5.83%

Novatti Group Limited

Shareholder information

30 June 2026

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities.

Options and convertible notes

There are no voting rights attached to options or convertible notes.

Securities subject to voluntary escrow

There are no securities subject to voluntary escrow.

Use of funds

Since admission, the Company has used its cash in a way consistent with business objectives.