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Spenda Limited ABN 67 099 084 143

Annual Report

FY25

spenda

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Corporate directory

Directors	Peter Richards (Non-Executive Chairman) Francis DeSouza (Executive Director) Stephen Dale (Non-Executive Director)
Company secretary	Justyn Stedwell
Registered office	Building B, The Garden Park 355 Scarborough Beach Road Osborne Park, Perth, Western Australia 6017
Principal place of business	Building B, The Garden Park 355 Scarborough Beach Road Osborne Park, Perth, Western Australia 6017
Share registry	Automic Registry Services Level 5, 126 Philip Street Sydney, New South Wales 2000 Phone (local): 1300 288 664 Phone (international): +61 (2) 9698 5414 www.automic.com.au
Auditor	William Buck Level 20, 181 William Street Melbourne, VIC 3000
Lawyers	Kings Park Legal Pty Ltd 25 Richardson Street West Perth, WA 6005
Bankers	Australia & New Zealand Banking Group Limited 833 Collins Street, Melbourne, Victora 3000
Stock exchange listing	Spenda Limited's shares are listed on the Australian Securities Exchange (ASX code: SPX)
Website	www.spenda.co

Corporate governance statement

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support the principles of Corporate Governance. Where deemed appropriate, the Company follows the best practice recommendations as set out by the ASX Corporate Governance Council. Where the Company has not followed best practice for any recommendation, an explanation is given in the Corporate Governance Statement.

The Company's Corporate Governance Statement is available on the Company's website at www.spenda.co

Directors' report

The Directors present their report together with the financial report of the consolidated entity (referred to hereafter as the '**Group**') consisting of Spenda Limited ('**Spenda**' or '**the Company**') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

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

- Peter Richards
- Adrian Floate – resigned 10th September 2025
- Howard Digby – resigned 21st November 2024
- Stephen Dale
- David Laird – resigned 28th April 2025
- Andrew Kearnan – resigned 4th April 2025
- Francis DeSouza – appointed 10th September 2025

Principal activities

The Group offers an integrated platform that enables businesses across the supply chain to sell better and get paid faster. Spenda is both a software solutions provider and a payment processor, delivering the essential infrastructure to streamline processes before and after the payment event.

The payments solution has two components – Software, Payments and Lending – and enables end to end e-invoicing integration, rapid ordering, digital trust and automated reconciliation. Spenda creates an industry standard operating environment ('SoE') that enables the effective and seamless transfer of data from multiple, disparate software systems in one standardised technology solution. Spenda provides the services of five vendors into one solution with end-to-end software and supply integration as well as ledger-to-ledger integration to improve operational efficiency for all trading parties in the supply chain.

Spenda captures transactions and payments through the value chain, generating layered revenue streams from SaaS, both B2B and B2C payments and B2B supply chain finance. Spenda's ability to analyse and understand payment flows throughout these networks enables the Company to offer customised financing solutions to clients, to improve their working capital efficiency and cash utilisation throughout their operations.

Dividends

The Company did not pay any dividends during the 2025 financial year (2024: $nil). The Directors do not recommend the payment of a dividend in respect to the 2025 financial year.

Review of results and operations

Results summary

The below table details key financial information for the year ended 30 June 2025 (FY25), with FY24 comparative:

	30 June 2025 $	30 June 2024 $	Movement $
Revenue – SaaS and Payments	**7,989,053**	2,842,535	5,146,518
Revenue – Loan Interest	**3,094,759**	2,532,475	562,284
Other income	**2,384,716**	163,702	2,221,014
Total income	**13,468,528**	5,538,712	7,929,816
Cost of services rendered	**(6,128,935)**	(2,246,013)	(3,882,922)
Employee and directors' benefits expense	**(5,609,292)**	(5,545,952)	(63,340)
Other expenses	**(4,258,866)**	(2,919,176)	(1,339,690)
Less: non-cash expenses/benefits			
Share-based payment expense	**(2,488,368)**	(1,823,051)	(665,317)
Fair value adjustment on non-current asset	**(300,000)**	(1,725,000)	1,425,000
Depreciation and amortisation expense	**(4,803,194)**	(3,662,728)	(1,140,466)
Borrowing costs	**(318,146)**	(773,652)	455,506
Impairment of assets	**(13,838,599)**	-	(13,838,599)
Income tax expense	**(32,865)**	(48,159)	15,294
Statutory net loss after income tax expense	**(24,309,737)**	(13,205,019)	(11,104,718)

Revenue for FY25 was $11.1m compared to FY24 revenue of $5.4m, representing an increase of $5.7m or 106%. This increase was predominantly driven by the expansion of services provided to key strategic customers, the acquisition of Limepay Pty Ltd and new revenue streams generated through blending Software, Payments and Lending.

The statutory net loss after income tax expense for FY25 was $24.3m (FY24: loss of $13.2m). The FY24 results included the following non-cash items:

- $13.8m impairment on goodwill and intangible assets;
- $2.4m share-based payments expense;
- $0.3m fair value adjustment through profit or loss;
- $4.8m depreciation and amortisation expense; and
- $0.3m borrowing costs.

Excluding the impact of accounting adjustments, the Company achieved substantial revenue growth with minimal increase in overhead expenses and intends to replicate this outcome in FY26.

Review of results and operations (continued)

Operations summary

In FY25, Spenda built on the foundations from the previous year to achieve long-term, sustainable revenue and earnings. In the past year, Spenda acquired Limepay Pty Ltd ('**Limepay**'), sold it's invoice finance book to Grapple Fund Pty Ltd ('**Grapple**') and entered into a technology services agreement with APG Pay Pty Ltd ("**APG**") to develop and commercialise a closed loop corporate credit and payments platform. Additionally, the company continued to scale all product lines and increased payments volumes across the platform.

Limepay

During the first quarter of the financial year, the Company acquired Limepay as a key strategic acquisition to provide the Company with a B2B payments ready technology platform, ready to deploy within the existing Spenda ecosystem.

The acquisition provided a number of strategic advantaged by maximising the impact of a consolidated product road map, additional highly skilled and qualified product and development workforce and significantly increased capability and capacity in payments.

Limepay provides a robust and scalable cloud-based platform comprising a portfolio of software tools to enable corporates and financial institutions to provide white-labelled embedded finance solutions to their customers. These include encompassing payment acceptance, instalment options, lending, working capital and market-place solutions.

Prior to acquisition, Limepay had a robust pipeline of enterprise level clients at various stages in the sales cycle that the Company has been contracting over the financial year to use Limepay and Spenda's products suite.

Grapple

During the third quarter, the Company announced the execution of an asset sale agreement with Grapple Invoice Finance Fund Pty Ltd ("**Grapple**"), for the sale of the Company's invoice finance loan book via its subsidiary Spenda Cash Flow Pty Ltd ("**SCF**"), the entity servicing the Company's invoice finance loan book.

The sale of the loan book was done in order to restructure the balance sheet and release capital, and builds on the Company's software capability in managing financing flows, credit processes, risk management, payment reconciliation and enables a shift in focus to third party lending products to be onboarded via the platform rather than being an on balance sheet lender.

APG

During the final quarter, the Company executed a technology services agreement with APG to develop and commercialise a closed loop corporate credit and payments platform.

Under the terms of this agreement, the Company's have formed a strategic collaboration to develop and deliver the technology and services underpinning the launch and operation of the platform, which will embed finance solutions directly into Spenda's existing payments and software infrastructure.

The platform was designed to support corporate customers and travel partners across Australia and the Asia-Pacific region. The partnership will launch the fist phase of capability of supporting corporate travel customers in Australia, New Zealand, Hong Kong and Singapore as well as the Carpet Court Channel.

With this agreement, both Company's have committed to a 10-year exclusivity agreement with an option to extend for another 10 years.

The first build of this product generated $1.4M in software development fees for the Company, with more evisaged in FY25.

Review of results and operations (continued)

Key Strategic Partnerships

Carpet Court

Carpet Court is the largest retail floor covering specialist in Australia, with a growing network of 205 franchised stores, with a presence in every State and Territory.

Spenda and Carpet Court commenced working together in late 2022 to transform the network's payments infrastructure, from end-consumer right through to suppliers, by digitizing the store invoice-to-payment processes and improving data integration and analysis throughout the network.

Spenda's Pay-Statement-By-Link ("**Spenda PSBL**") payments infrastructure continues to be used across the Carpet Court franchise network, where 100% of the payments flow from the 205 stores to Carpet Court's National Support Centre ("NCS") is processed through the Spenda platform. Spenda's two core products, SpendaAR and Spenda PSBL solutions now deliver e-Invoicing, dispute management and B2B payments to the Carpet Court network.

Additionally, Standard Operating Environment ("**SoE**") is in the final stages of it's pilot phase with an anticipated roll out to the member network over the next financial year. This product will replace the existing environment that Carpet Court operates in, providing efficiencies and cost savings across the board.

With the rollout of SoE, the Company then intends to continue rollout of B2C payments, including digital payment options and Spenda Point of Sale ("**POS**") terminals in-store.

Capricorn

Capricorn is a member-based organisation established in 1974 to primarily support businesses in the automotive industry. Its current network consists of over 28,000 members and more than 2,000 preferred Suppliers in every State and Territory in Australia and New Zealand. Capricorn's members purchase ~$270 million per month in parts from the approved Supplier network.

In December 2023, Spenda signed a 10-year MSLA with Capricorn for the provision of software and ecommerce payments infrastructure, following the successful completion of the Foundation Stage of the Digital Services Delivery ("**DSD**") initiative.

The DSD initiative is a significant and strategic project that upgrades the payments infrastructure to Capricorn's Member and preferred Supplier network to increase productivity and create efficiencies for Members, preferred Suppliers and Capricorn. The new payments solutions will enable all Capricorn Members to access eCommerce payment solutions, that are powered by Spenda. The project itself is now nearing completion and is expected to conclude in Q1 FY26.

In 2H FY24, Spenda worked closely with Capricorn to customise its payments infrastructure for use by Capricorn's Members and preferred Supplier network, with the onboarding of the network expected in 1H FY25.

The parties have also agreed to a 5+5 year option, which if exercised, would extend the agreement to a 20-year term. The MSLA lays a foundation for both parties to build further joint initiatives that can improve the digitisation of the automotive industry over a decades long horizon.

In April 2025, Capricorn continued it's investment in Spenda by providing a working capital facility of $3M in addition to its cornerstone investment in 2024 of $7.2m via a private placement, reflecting Capricorn's confidence in Spenda's unique payments software and the Company's earnings potential over time.

Review of results and operations (continued)

Spenda's One Platform Strategy

Across all partnerships, Spenda is focused on a '**One Platform'** strategy whereby Spenda's goal is to deliver a single integrated platform that streamlines business across the entire supply chain drivind liquidity and payment. We do this by transforming the way businesses trade and get paid by automating workflow processes between and within a business, and improving the organisational visibility, efficiency and cash flow.

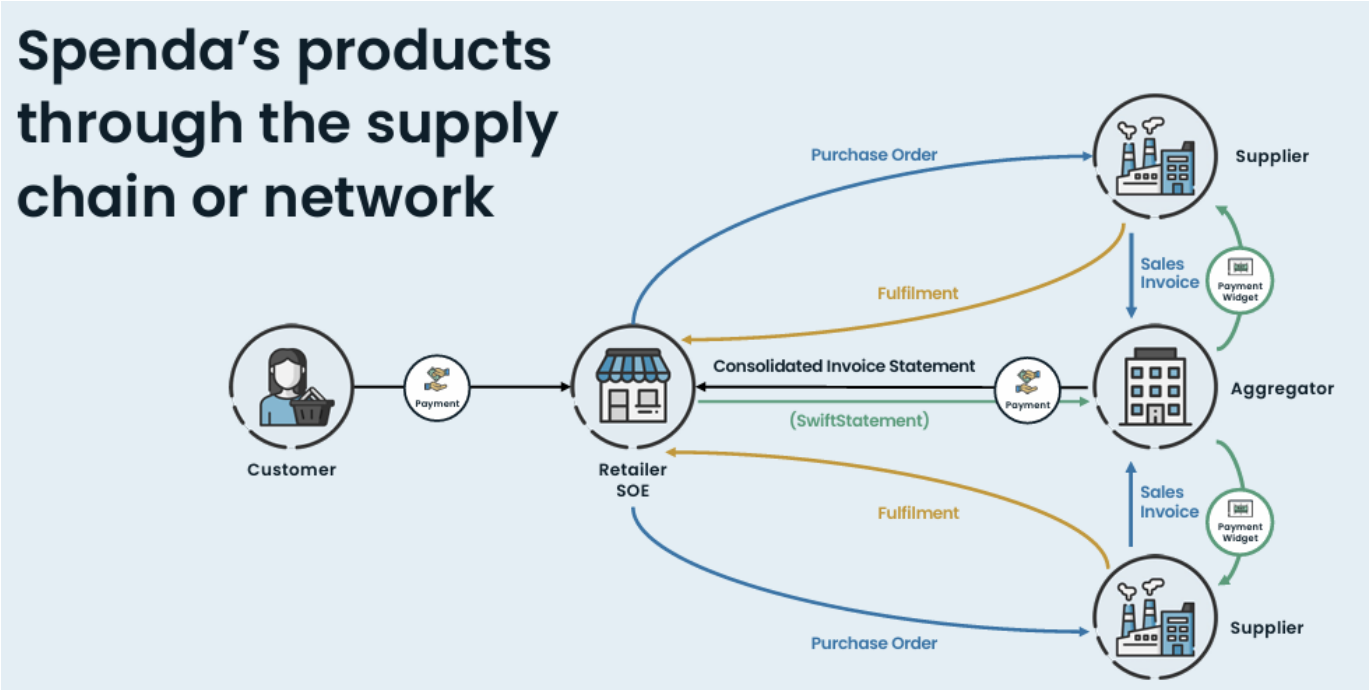

Figure 1. Spenda's One Platform Model

Spenda's strategy is to disintermediate supply chains and aggregator networks with an ecosystem that solves problems throughout the whole supply chain or network.

We do this by end to end digital workflow, with the system providing the quote, invoice payment and reconciliation. Additionally, all data is sync'd seamlessly through real time ledger to ledger integration. It also provides choice, with flexible finance options via embedded payment and credit choices. Finally, it provides a consolidated invoice statement (Swift Statement), which delivers the invoice, full reconciliation and payment all in one.

What this model does is provide business with faster payment flows, reduced operation and administrative costs, automates invoicing and reconciliation and provides enhanced financial insights.

Review of results and operations (continued)

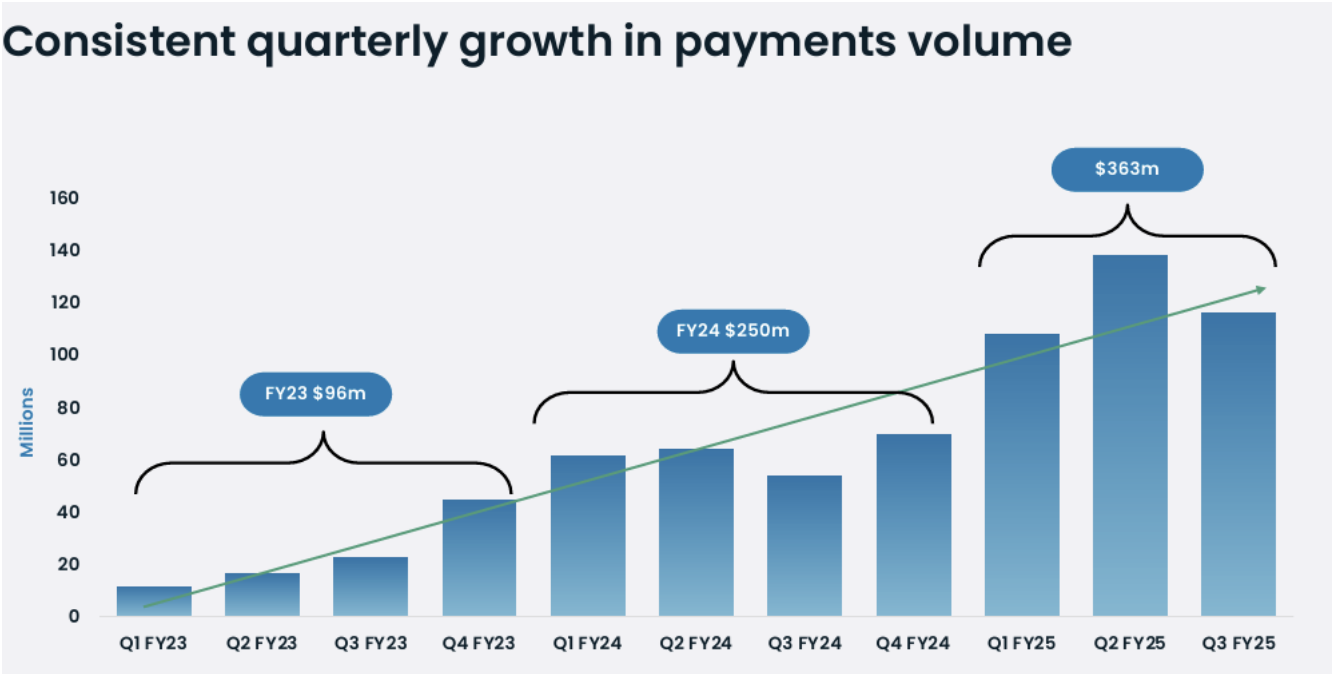

Figure 2: Payments volumes on Spenda platform over past three financial years

Total payment volume on Spenda's platform was up 101% on pcp, from $96m in FY23, $250m in FY24 and $363m in FY25 primarily due to increased volumes through the Carpet Court network and the acquisition of Limepay.

Significant changes in the state of affairs

During the financial year, the Company made a number of strategic initiatives to further refine it's focus on key revenue drivers and bolster its service offerings to its customers.

As announced on July 2024, the Company signed a binding Share Sale Agreement ("**SSA**") to acquire 100% of the issued capital of Limepay Pty Ltd ("**Limepay**"), for up to $8m, in an all-script transaction. The acquisition was completed on the 20th September 2024.

Additionally, the Company executed an asset sale agreement to sell its invoice financing portfolio to Grapple Fund Pty Ltd ('**Grapple'**) for a consideration of $2m, of which $1.5m is deferred in 10 equal instalments to be paid no later than 1 year from completion date.

Lastly, the company entered into a working capital facility of $3m with Capricorn Society Limited ('**Capricorn'**), repayable in quarterly equal instalments commencing April 2027.

Other than as referred to elsewhere in this report, there have been no other significant changes in the state of affairs.

Matters subsequent to the end of the financial year

On August 19th 2025, the Company entered into and drew down funding of a convertible note from Obsidian Global GP, LLC for a total of $1.25M of a total facility limit of $3.5M.

The terms of the note are as follows : -

- Maturity date of 2 years
- Face value of $1.20 per note
- Issue of 100,000,000 placement shares with the investor given the right to buy these shares at a price equal to 90% of the average of the lowest 3 daily VWAP during 15 actual trading days prior.

On the 10th September 2025, Mr Adrian Floate (Managing Director) resigned from his position in the Company. Additionally, Mr Francis DeSouza was appointed as an Executive Director in the Company on the 10th September 2025.

Apart from the above, no material matters occurred subsequent to the end of the financial year.

Likely developments and expected results

The likely developments in the economic entity's operations, to the extent that such matters can be commented upon are covered in the Review and Results of Operations.

Environmental regulation

The Group is currently not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Key Business Risks & Challenges

The Group effectively manages risks and will continue to strengthen and invest in risk resources and capability to proactively identify and manage risks as operations expand. The principal risks and business challenges for the Group include:

1) Loss or failure to attract or retain key management personnel.

   - Risks associated with a challenging employment market and the Group's ability to attract new talent and retain existing talent with a tightening labour market.

2) Ability for the Group to continue to drive customer and merchant growth.

   - Ability to increase transaction volume, merchant and customer numbers;
   - Increased competition and new sector entrants;
   - Ability for the Group's technology to integrate with third party platform's; and
   - Risks associated with macro-economic factors.

3) Risks related to technology infrastructure and intellectual property.

   - Failures or disruptions to technology systems;
   - Third party banking or processing performance;
   - Exposure to security breaches and data protection issues; and
   - Risks of superseded technology by market competitors.

4) Credit risk, fraud and other related risks.

   - Risk of fraud, both internal and external;
   - Risk of merchants unable to fulfil delivery of goods; and
   - Risk of merchants/customers business failures resultant projected revenue shortfall.

5) Access to funding to support growth.

   - Access to sufficient equity funding sources; and
   - Access to sufficient debt funding sources.

6) Risks associated with compliance and changes to regulatory environment that may impact the Group's operations.

   - Changes to payment system regulations;
   - Anti-Money Laundering/Know Your Customer ("AML/KYC") laws;
   - Privacy laws; and
   - Financial product regulations.

Information on directors

Name:	**Peter Richards**
Title:	Non-Executive Chairman
Qualifications:	B Com from University of Western Australia
Experience and expertise:	Peter is an experienced independent director with over 40 years of international business experience with global companies including British Petroleum, Wesfarmers Limited, Dyno Nobel Limited and Norfolk Holdings Limited. During his time at Dyno Nobel, he held several senior positions within the North American and Asia Pacific businesses, before being appointed as Chief Executive Officer based in Australia (2005 to 2008).
Other current directorships:	Chairman of GrainCorp Limited (ASX: GNC)
Former directorships (last 3 years):	Emeco Limited (retired 31 May 2024) (ASX: EHL)
Special responsibilities:	Chairman of the Board and Member of the Remuneration Committee
Interests in shares:	61,375,721
Interests in options:	74,333,333

Name:	**Francis DeSouza**
Title:	Executive Director (appointed 10th September, 2025).
Qualifications:	B Com from Curtin University
Experience and expertise:	Francis is a seasoned executive with over 20 years of experience in capital markets and investment banking, specialising in the resources and technology sectors. He has held Non-Executive Director roles across multiple ASX-listed companies, where he led strategic initiatives including asset identification, acquisition, and corporate recapitalisation. He was also a co-founder of Appstablishment Software Group Ltd which was acquired by Spenda in 2021. In his current role as Executive Director, he oversees the company's commercial strategy, driving growth through strategic partnerships, market expansion, and customer engagement.
Other current directorships:	My Foodie Box Limited (to be renamed Tarrina Resouces Limited)
Former directorships (last 3 years):	None
Special responsibilities:	Executive Director
Interests in shares:	37,000,000
Interests in options:	NIL

Information on directors (continued)

Name:	**Stephen Dale**
Title:	Non-Executive Director
Experience and expertise:	Stephen has successfully started, developed, managed and sold businesses across diverse sectors including telecommunications, logistics, retail furniture and equestrian ventures. Since 2003 he was a Board member of Saddleworld Australia, a franchised retail group, having served as chairman or deputy chairman for 15 years. He also served as a founding member of the Assumption College Kilmore advisory board for 14 years. His current activities include paddock to plate retail of heritage beef and pork and development of a beef cattle breeding stud.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Remuneration Committee
Interests in shares:	1,694,444
Interests in options:	25,000,000

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

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

Company secretary

Justyn Stedwell has a Bachelor of Business & Commerce (Management and Economics) from Monash University, a Graduate Diploma of Accounting at Deakin University, a Graduate Diploma in Applied Corporate Governance with the Governance Institute of Australia and a Graduate Certificate of Applied Finance with Kaplan Professional.

Justyn has over eighteen years experience acting as a Company Secretary of ASX listed companies in a wide range of industries. He has also acted as a director of several ASX listed companies.

Meetings of directors

The number of meetings of the Company's Board of Directors ('**the Board**') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board		Remuneration Committee	
	Attended	Held	Attended	Held
Peter Richards [1]	19	19	2	2
Stephen Dale [1]	19	19	2	2
Adrian Floate [1]	19	14	2	2
Howard Digby [1,2]	3	4	2	2
David Laird [1,2]	14	14	1	2
Andrew Kearnan [1,2]	13	13	2	2

[1] Members of the Remuneration Committee

[2] Mr Digby, Mr Kearnan, Mr Laird and Mr Floate resigned on 21st November 2024, 4th April 2025, 28th April 2025 and 10th September 2025 respectively.

Remuneration Report (Audited)

The Directors present the Group's Remuneration Report for the financial year ended 30 June 2025 ('**FY25 Report**').

The FY25 Report has been prepared in accordance with the disclosure requirement of the *Corporations Act 2001 (Cth),* the regulations made under the Act and Australian Accounting Standard AASB 124: *Related Party Disclosures* and outlines the remuneration arrangements for the Key Management Personnel ('**KMP**') of the Group during FY25. KMP are those persons who directly or indirectly had authority and responsibility for planning, directing and controlling the Group's activities during the reporting period.

The Report contains the following sections:

a) KMP covered in this report
b) Remuneration policy and link to performance
c) Elements of executive remuneration
d) Link between executive remuneration and performance
e) Overview of non-executive director remuneration
f) Remuneration expenses for KMP
g) Contractual arrangement with KMP
h) Use of remuneration consultants
i) Voting and comments made at the Company's 2024 Annual General Meeting

a) KMP covered in this report

Name	Position	Term as KMP
Non-Executive Directors		
Peter Richards	Non-Executive Chairman	Full financial year
Howard Digby	Non-Executive Director	From 1 July to 21st November 2024
Stephen Dale	Non-Executive Director	Full financial year
David Laird	Non-Executive Director	From 1 July to 28th April 2025
Andrew Kearnan	Non-Executive Director	From 1 July to 4th April 2025
Executive Directors		
Adrian Floate	Chief Executive Officer and Managing Director	Full financial year (resigned 10th September 2025)
Francis DeSouza	Executive Director	From 30th November 2024 (appointed as Executive director from 10th September 2025)
Executives		
Richard Jarvis	Chief Financial Officer	From 1 July to 29th November 2024
David Wood	Chief Product Officer	Full financial year
Andy Hilton	Chief Commercial Officer	From 1 July to 14th March 2025
Olivia Johnson	Chief People Officer [1]	Full financial year
Corrie Hassan	Chief Operations Officer	Full financial year
Andrew Britz	Chief Technical Officer	From 20th September 2024

[1] During the financial year, Ms Johnson transitioned from her former role as Chief Revenue Officer to Chief People Officer.

b) Remuneration policy and link to performance

Remuneration Policy

The remuneration of all Executives and Non-Executive Directors, Officers and Employees of the Group is determined by the Board.

The Group is committed to remunerating Senior Executives and Executive Directors in a manner that is market-competitive and consistent with best practice, including in the interests of shareholders. From time to time, the Board may engage external remuneration consultants to assist with this review.

Remuneration Report (Audited) (continued)

Executive Remuneration policies and framework

The Group rewards Executives with a level and mix of remuneration appropriate to their position, responsibilities and performance, in a way that aligns with the business strategy. Executives receive fixed remuneration and variable remuneration consisting of short-term incentive ('**STI**') and long-term incentive ('**LTI**') opportunities.

The chart below provides a summary of the structure of executive remuneration in FY25:

Structure of Executive Remuneration FY25

Fixed Remuneration	
Base salary + superannuation + benefits	
Variable 'At-risk' Remuneration	
STI	LTI
Cash + Securities	Securities
Cash portion equates to a maximum 25% of Base salary. All STIs are subject to the achievement of performance conditions	Vest upon achievement of performance conditions

c) Elements of executive remuneration

Fixed remuneration

Executives may receive their fixed remuneration as cash. Fixed remuneration is reviewed annually or on promotion. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The Board aims to position Executives at or near the median, with flexibility to take into account capability, experience, and value to the Group and performance of the individual. Superannuation is included in fixed remuneration.

Short-term incentives

The purpose of a short-term performance-based incentives are to reward individuals and teams based on performance in line with Group's objectives. Consequently, performance-based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the Group. This is regularly measured by Key Performance Indicators ('**KPIs**').

Long-term incentives

Similarly, the purpose of a long-term performance-based incentives are to reward individuals and teams based on performance in line with Group's vision. Consequently, performance-based remuneration is paid to an individual where the individual's performance clearly contributes to a successful trend for the Group.

Remuneration Report (Audited) (continued)

The Group uses several KPIs to determine achievement, depending on the role of the Executive being assessed. These include activities relating to:

- successful acquisitions of synergistic businesses;
- successful contract negotiation and execution;
- growth in revenue;
- successful achievement of project milestones within budget and on time; and
- successful achievement of software launch milestones.

Incentive Plans

The Company established an Employee Securities Incentive Plan ('**ESIP**'), that was approved by shareholders at the Company's general meeting held on 20 May 2021. The ESIP is designed to assist the Group to attract and retain key staff, whether employees or contractors. The Bord believes that grants made to eligible participants under the plan will provide a powerful tool to underpin the Group's employment and engagement strategy. The key terms of the ESIP are outlined below:

Eligibility	The ESIP is open to all employees of the Group, or other person (eligible employees) declared by the Board to be eligible.
Instrument	Grant of securities under the ESIP may comprise of ordinary shares of the Company, options (listed or unlisted), performance rights or other convertible security.
Terms and conditions applicable to an offer under the ESIP	The Board has absolute discretion to determine the terms and conditions applicable to an offer under the ESIP including: • any conditions to be satisfied before a securities will be granted; • any vesting, performance or other conditions required to be satisfied before securities vest and/or may be exercised; • securities exercise period; • any applicable issue price or exercise price; and • the closing date and expiry date.
Forfeiture and termination	Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited. Unless the Board otherwise determines, or as otherwise set out in the Plan rules: (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

Remuneration Report (Audited) (continued)

d) Link between executive remuneration and performance

Statutory performance indicators

The Group aims to align the Executive remuneration to the strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Group's financial performance over the last five years, as required by the *Corporations Act 2001.*

Company Performance	2025	2024	2023	2022	2021
Revenue ($)	**11,083,812**	5,375,010	3,111,513	2,245,971	877,777
Net loss before tax ($)	**(24,276,872)**	(13,156,860)	(10,995,506)	(54,960,717)	(11,412,797)
Net loss after tax ($)	**(24,309,737)**	(13,205,019)	(11,002,914)	(50,241,209)	(11,412,797)
Key management remuneration ($)	**(3,956,836)**	(3,363,198)	(2,858,738)	(2,928,043)	(4,688,076)
Share price at the end of year ($)	**0.007**	0.008	0.008	0.009	0.05
Dividend ($)	**-**	-	-	-	-
Basic loss per share (cents per share)	**(0.53)**	(0.33)	(0.34)	(1.62)	(0.65)
Diluted loss per share (cents per share)	**(0.53)**	(0.33)	(0.34)	(1.62)	(0.65)

e) Overview of non-executive director remuneration

Non-Executive Directors are remunerated out of the maximum aggregated amount approved by shareholders and at a level that is consistent with industry standards. In determining non-executive fees, the Board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Group to attract and retain key talent;
- aligned to the Group's strategic and business objectives and the creation of shareholder value;
- transparent and easily understood; and
- acceptable to shareholders.

The maximum annual Non-Executive Directors fee pool limit is $500,000, which was approved by shareholders at the Company's Annual General Meeting, held on 31 January 2022.

The table below summarises the maximum Board fees payable to Non-Executive Directors, effective from 1 November 2021 (exclusive of superannuation, where applicable):

Board fees	$
Chairman	60,000
Non-Executive Directors	60,000
Chairman of Remuneration Committee	10,000

All Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director. Non-Executive Directors may be reimbursed for expenses reasonably incurred in attending to the Group's affairs. Non-Executive Directors may receive performance-based bonuses but not retirement allowances. Prior shareholder approval is required to participate in any issue of equity.

f) Remuneration expenses for KMP

The following table sets out the details of the remuneration of the Directors and the KMP of the Group for the financial year ended 30 June 2025.

	Fixed Remuneration					Variable Remuneration			
KMP	Salary & entitlements settled or accrued	Salary & Fees settled in equity	Post-employment benefits	Long term benefits	Sub Total	Cash Bonus	Share-based payments	Total	% Linked to Performance
	$	$	$	$	$	$	$	$	%
Non-Executive Directors									
Peter Richards	30,000	37,802	9,208	-	77,010	-	90,222	167,232	54%
Stephen Dale	55,000	-	5,175	-	60,175	-	39,593	99,768	40%
Howard Digby [1]	27,550	-	3,168	-	30,718	-	31,739	62,457	51%
David Laird [1]	57,199	-	6,578	-	63,777	-	18,386	82,163	22%
Andrew Kearnan [1]	45,923	-	5,281	-	51,204	-	23,333	74,537	31%
Executive Directors									
Adrian Floate [1]	491,674[4]	-	29,932	(18,875)	502,731	-	617,083	1,119,814	55%
Francis DeSouza [3]	160,473	-	17,265	3,315	181,053	-	-	181,053	-
Executive Management									
Richard Jarvis [2]	157,113	-	12,275	(5,012)	164,376	-	288,332	452,708	64%
David Wood	206,165	-	23,000	4,158	233,323	-	102,256	335,579	30%
Andrew Hilton [2]	245,028	-	18,506	(5,046)	258,488	-	11,576	270,064	4%
Olivia Johnson	241,560	-	25,244	4,935	271,739	-	89,556	361,295	24%
Corrie Hassan	240,760	-	26,171	9,466	276,397	-	93,789	370,186	25%
Andrew Britz [3]	235,026	-	22,449	2,203	259,678	-	82,500	342,178	24%
TOTAL	**2,193,471**	**37,802**	**204,252**	**(4,856)**	**2,430,669**	**-**	**1,488,365**	**3,919,034**	

[1] Howard Digby, David Laird, Adrian Floate and Andrew Kearnan resigned on 21st November 2024, 4th April 2024, 10th September 2025 and 28th April 2025 respectively.
[2] Richard Jarvis and Andrew Hilton ceased employment with the Company on 29th November and 14th March 2025 respectively.
[3] Andrew Britz and Francis DeSouza were appointed KMP on 21st September 2024 and 30th November 2024 respectively. Mr DeSouza was appointed Executive Director on 10th September 2025.
[4] Adrian Floate received an annual leave payout of $63,511 in addition to incurring cash PAYG of $100,656 on the issue of his ordinary shares bonus.
[5] Peter Richards received $75,604 in shares, of which $37,802 relates to the period 1 July to 31 December 2025.

f) Remuneration expenses for KMP

The following table sets out the details of the remuneration of the Directors and the KMP of the Group for the financial year ended 30 June 2024.

	Fixed Remuneration					Variable Remuneration			
KMP	Salary & Fees settled in cash or accrued $	Salary & Fees settled in equity $	Post-employment benefits $	Other $	Sub Total $	Cash Bonus $	Share-based payments $	Total $	% Linked to Performance %
Non-Executive Directors									
Peter Richards	67,500	-	7,425	-	74,925	-	265,369	340,294	-
Stephen Dale	60,000	-	6,600	-	66,600	-	92,988	159,588	-
Howard Digby	77,496	-	8,525	-	86,021	-	74,250	160,271	-
David Laird [1]	37,917	-	4,171	-	42,088	-	34,370	76,458	-
Andrew Kearnan [1]	5,692	-	626	-	6,318	-	-	6,318	-
Executive Directors									
Adrian Floate	308,334	-	27,198	-	335,532	45,000	303,122	683,654	51%
Executive Management									
Richard Jarvis	250,001	-	31,177	-	281,178	76,796	115,657	473,631	41%
David Wood	199,750	-	28,870	-	228,620	78,123	102,941	409,684	44%
Andrew Hilton	216,438	-	23,909	-	240,347	15,481	53,441	309,269	22%
Olivia Johnson [2]	195,417	-	24,223	-	219,640	69,941	69,872	359,453	39%
Corrie Hassan	197,917	-	24,699	-	222,616	78,067	83,895	384,578	42%
TOTAL	**1,616,462**	**-**	**187,423**	**-**	**1,803,885**	**363,408**	**1,195,905**	**3,363,198**	

[1] David Laird and Andrew Kearnan were appointed on 27 September 2023 and 29 May 2024 respectively.
[2] Olivia Johnson was appointed KMP on 1 August 2023.

Remuneration Report (Audited) (continued)

Other transactions with key management personnel and their related parties

Remuneration for certain individuals is directly linked to performance of the consolidated entity. The bonus is set at the discretion of the Remuneration Committee. The amount of bonus is determined having regard to the satisfaction of performance measures and weightings. The maximum bonus value is established at the start of each financial year and amounts payable are determined by the remuneration committee.

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

The proportion of cash bonus paid/payable or forfeited is as follows:

	Bonus Payable			
KMP	Bonus Payable/Paid 2025	Bonus Forfeited 2025	Bonus Payable/Paid 2024	Bonus Forfeited 2024
Executive Director				
Adrian Floate	-	100%	45%	55%
Francis DeSouza	-	100%	-	-
Executive Management				
Richard Jarvis	-	100%	53%	47%
David Wood	-	100%	53%	47%
Andrew Hilton	-	100%	15%	85%
Olivia Johnson	-	100%	45%	55%
Corrie Hassan	-	100%	53%	47%
Andrew Britz	-	100%	-	-

In addition to the above, Mr Adrian Floate received $148,902 as a loan from the business. The terms of the loan as of the date of this report are still being finalised, but it is anticipated that the loan will be repaid within 12 months.

Remuneration Report (Audited) (continued)

Other transactions with key management personnel and their related parties

The proportion of equity bonus paid/payable or forfeited is as follows:

	Bonus Payable			
KMP	**Bonus Payable/Paid 2025**	**Bonus Forfeited 2025**	**Bonus Payable/Paid 2024**	**Bonus Forfeited 2024**
Executive Director				
Adrian Floate	-	-	15%	85%
Executive Management				
Richard Jarvis	-	-	45%	55%
David Wood	-	-	47%	53%
Andrew Hilton	-	-	11%	89%
Olivia Johnson	-	-	41%	59%
Corrie Hassan	-	-	47%	53%
Andrew Britz	-	-	47%	53%
Francis DeSouza	-	-	47%	53%

Remuneration Report (Audited) (continued)

KMP interests in Spenda Limited options and ordinary shares

The tables below detail the movements in the number of options and ordinary shares held by KMP during FY25 and the comparative year FY24.

FY25 Options

	Balance at the start of the year No	Received as part of remuneration No	Additions No	Disposals /other No	Balance at the end of the year No	Balance at the date of this report No
Directors:						
Peter Richards	**74,333,333**	-	-	-	**74,333,333**	**74,333,333**
Stephen Dale	**25,000,000**	-	-	-	**25,000,000**	**25,000,000**
Adrian Floate	**119,111,111**	52,265,625	-	(171,376,736) [1]	**-**	**-**
Howard Digby[1]	**20,555,555**	-	-	(20,555,555) [1]	**-**	**-**
David Laird	**10,000,000**	-	-	(10,000,000) [1]	**-**	**-**
Andrew Kearnan	**-**	10,000,000	-	(10,000,000) [1]	**-**	**-**
Francis DeSouza	**-**	-	-	-	**-**	**-**
Executives:						
Richard Jarvis	**40,777,778**	41,812,500	-	(82,590,278) [1]	**-**	**-**
David Wood	**35,000,000**	15,000,000	-	-	**50,000,000**	**50,000,000**
Andrew Hilton	**35,000,000**	-	-	(35,000,000) [1]	**-**	**-**
Olivia Johnson	**12,500,000**	15,000,000	-	-	**27,500,000**	**27,500,000**
Corrie Hassan	**20,000,000**	15,000,000	-	-	**35,000,000**	**35,000,000**
Andrew Britz	**-**	15,000,000	-	-	**15,000,000**	**15,000,000**
Total	**392,277,777**	**164,078,125**	**-**	**(329,522,569)**	**226,833,333**	**226,833,333**

[1] Closing balance of options upon ceased employment with the company.

FY24 Options

	Balance at the start of the year No	Received as part of remuneration No	Additions No	Disposals /other No	Balance at the end of the year No	Balance at the date of this report No
Directors:						
Peter Richards	**46,659,131**	26,000,000	8,333,333	(6,659,131)	**74,333,333**	**74,333,333**
Stephen Dale	**10,375,000**	15,000,000	-	(375,000)	**25,000,000**	**25,000,000**
Adrian Floate	**29,954,000**	108,000,000	11,111,111	(29,954,000)	**119,111,111**	**119,111,111**
Howard Digby	**17,091,666**	10,000,000	555,555	(7,091,666)	**20,555,555**	**20,555,555**
David Laird	**-**	10,000,000	-	-	**10,000,000**	**10,000,000**
Andrew Kearnan	**-**	-	-	-	**-**	**-**
Executives:						
Richard Jarvis	**51,000,000**	3,000,000	2,777,778	(16,000,000)	**40,777,778**	**40,777,778**
David Wood	**48,973,565**	-	-	(13,973,565)	**35,000,000**	**35,000,000**
Andrew Hilton	**48,500,000**	-	-	(13,500,000)	**35,000,000**	**35,000,000**
Olivia Johnson	**-**	-	16,765,000 [1]	(4,265,000)	**12,500,000**	**12,500,000**
Corrie Hassan	**20,000,000**	-	-	-	**20,000,000**	**20,000,000**
Total	**272,553,362**	**172,000,000**	**39,542,777**	**(91,818,362)**	**392,277,777**	**392,277,777**

[1] Opening balance on Ms Olivia Johnson appointment as KMP on 1 August 2023.

Remuneration Report (Audited) (continued)

FY25 Ordinary Shares

	Balance at the start of the year No	Received as part of remuneration No	Additions No	Disposals /other No	Balance at the end of the year No	Balance at the date of this report No
Directors:						
Peter Richards	**54,956,121**	4,419,600	2,000,000	-	**61,375,721**	**61,375,721**
Stephen Dale	**1,694,444**	-	-	-	**1,694,444**	**1,694,444**
Adrian Floate	**307,110,077**	11,700,000	-	(307,110,077) [1]	**-**	**-**
Howard Digby	**17,627,545**	-	-	(17,627,545) [1]	**-**	**-**
David Laird	**-**	-	-	-	**-**	**-**
Francis DeSouza	**-**	-	37,000,000[2]	-	**37,000,000**	**37,000,000**
Andrew Kearnan	**-**	-	-	-	**-**	**-**
Executives:						
Richard Jarvis	**44,000,000**	6,175,271	-	(50,175,271) [1]	**-**	**-**
David Wood	**106,112,590**	-	-	(7,500,000)	**98,612,590**	**98,612,590**
Andrew Hilton	**64,245,452**	-	-	(64,245,452) [1]	**-**	**-**
Olivia Johnson	**6,704,320**	-	-	(1,900,000)	**4,804,320**	**4,804,320**
Corrie Hassan	**26,140,466**	-	-	-	**26,140,466**	**26,140,466**
Andrew Britz	**-**	-	3,046,411[2]	-	**3,046,411**	**3,046,411**
Total	**628,591,015**	**22,294,871**	**42,046,411**	**(448,558,345)**	**232,673,952**	**232,673,952**

[1] Closing balance of shares upon ceased employment with the company.
[2] Opening balance of shares upon employment with the Company.

FY24 Ordinary Shares

	Balance at the start of the year No	Received as part of remuneration No	Additions No	Disposals /other No	Balance at the end of the year No	Balance at the date of this report No
Directors:						
Peter Richards	**38,289,454**	-	16,666,667	-	**54,956,121**	**54,956,121**
Stephen Dale	**1,694,444**	-	-	-	**1,694,444**	**1,694,444**
Adrian Floate	**307,110,077**	2,250,000	22,222,222	(24,472,222)	**307,110,077**	**307,110,077**
Howard Digby	**16,516,434**	-	1,111,111	-	**17,627,545**	**17,627,545**
David Laird	**-**	-	-	-	**-**	**-**
Andrew Kearnan	**-**	-	-	-	**-**	**-**
Executives:						
Richard Jarvis	**41,502,904**	4,500,000	-	(2,002,904)	**44,000,000**	**44,000,000**
David Wood	**103,625,090**	4,687,500	3,400,000	(5,600,000)	**106,112,590**	**106,112,590**
Andrew Hilton	**63,120,452**	1,125,000	-	-	**64,245,452**	**64,245,452**
Olivia Johnson	**6,079,320**[1]	4,125,000	-	(3,500,000)	**6,704,320**	**6,704,320**
Corrie Hassan	**21,452,966**	4,687,500	-	-	**26,140,466**	**26,140,466**
Total	**599,391,141**	**21,375,000**	**43,400,000**	**(35,575,126)**	**628,591,015**	**628,591,015**

[1] Opening balance on Ms Olivia Johnson as at 1 July 2023. Ms Johnson was appointment as a KMP on 1 August 2023.

Remuneration Report (Audited) (continued)

Terms and conditions of listed and unlisted options:

2025 Name	Number of Options Granted	Grant Date	Vested and exercisable	Fair Value $	Exercise Price $	Expiry Date	Fair Value per Option	Total vested and exercisable at reporting period	Total unvested and unexercisable at reporting period
Directors:									
Adrian Floate	52,265,625	3 Oct 2024	52,265,625	365,859	$0.0175	30 Sep 2027	$0.007	52,265,625	-
Adrian Floate	100,000,000	3 Nov 2023	50,000,000	420,081	$0.1000	03 Nov 2027	$0.004	50,000,000	50,000,000
Adrian Floate	8,000,000	7 Nov 2023	8,000,000	49,493	$0.0175	15 Jun 2027	$0.060	8,000,000	-
Peter Richards	40,000,000	2 Mar 2022	40,000,000	957,109	$0.084	25 Feb 2026	$0.024	40,000,000	-
Peter Richards	26,000,000	7 Nov 2023	16,000,000	160,853	$0.0175	15 Jun 2027	$0.006	16,000,000	10,000,000
Stephen Dale	10,000,000	2 Mar 2022	10,000,000	239,227	$0.084	25 Feb 2026	$0.024	10,000,000	-
Stephen Dale	10,000,000	7 Nov 2023	7,500,000	61,687	$0.0175	15 Jun 2027	$0.006	7,500,000	2,500,000
Stephen Dale	5,000,000	7 Nov 2023	2,500,000	27,574	$0.045	3 Nov 2027	$0.005	2,500,000	2,500,000
Howard Digby	10,000,000	2 Mar 2022	7,500,000	239,227	$0.084	25 Feb 2026	$0.024	7,500,000	2,500,000
Howard Digby	10,000,000	7 Nov 2023	5,000,000	61,867	$0.0175	15 Jun 2027	$0.006	5,000,000	5,000,000
David Laird	10,000,000	7 Nov 2023	5,000,000	61,867	$0.0175	15 Jun 2027	$0.006	5,000,000	5,000,000
Andrew Kearnan	10,000,000	3 Oct 2024	2,500,000	69,970	$0.0175	15 Jun 2027	$0.007	2,500,000	7,500,000
Executives:									
Richard Jarvis	41,812,500	10 Sep 2024	41,812,500	229,969	$0.0175	30 Sep 2027	$0.006	41,812,500	-
Richard Jarvis	35,000,000	30 Jun 2022	26,250,000	197,478	$0.0175	15 May 2027	$0.006	26,250,000	8,750,000
Richard Jarvis	3,000,000	1 Sep 2023	3,000,000	18,000	$0.0175	15 Jun 2027	$0.006	3,000,000	-
David Wood	15,000,000	10 Sep 2024	15,000,000	82,500	$0.0175	30 Sep 2027	$0.006	15,000,000	-
David Wood	35,000,000	30 Jun 2022	35,000,000	197,478	$0.0175	15 May 2027	$0.006	35,000,000	-
Corrie Hassan	15,000,000	10 Sep 2024	15,000,000	82,500	$0.0175	30 Sep 2027	$0.006	15,000,000	-
Corrie Hassan	20,000,000	30 Jun 2022	20,000,000	112,844	$0.0175	15 May 2027	$0.006	20,000,000	-
Olivia Johnson	15,000,000	10 Sep 2024	15,000,000	82,500	$0.0175	30 Sep 2027	$0.006	15,000,000	-
Olivia Johnson	12,500,000	30 Jun 2022	12,500,000	70,527	$0.0175	15 May 2027	$0.006	12,500,000	-
Andrew Britz	15,000,000	10 Sep 2024	15,000,000	82,500	$0.0175	30 Sep 2027	$0.006	15,000,000	-
Total	**498,578,125**		**404,828,125**	**3,871,110**				**404,828,125**	**93,750,000**

Remuneration Report (Audited) (continued)

Service criteria of all unlisted options issued in FY25 have service criteria that must be met in order for these options to vest.

The service criteria are summarised below:

Name	Number of Options	Service Conditions
Directors:		
Adrian Floate	52,265,625	No service conditions, vest immediately.
Andrew Kearnan	10,000,000[1]	2.5M vest immediately, 2.5M after 1 year, 2.5M after 2 years, 2.5M after 3 years
Executives:		
Richard Jarvis	41,812,500	No service conditions apply, vest immediately.
David Wood	15,000,000	No service conditions apply, vest immediately.
Corrie Hassan	15,000,000	No service conditions apply, vest immediately.
Olivia Johnson	15,000,000	No service conditions apply, vest immediately.
Andrew Britz	15,000,000	No service conditions apply, vest immediately.

[1] 7.5M of Mr Kearnan's options were forfeit on resignation.

Remuneration Report (Audited) (continued)

2024 Name	Number of Options Granted	Grant Date	Vested and exercisable	Fair Value $	Exercise Price $	Expiry Date	Fair Value per Option
Directors:							
Peter Richards	26,000,000	7 Nov 2023	11,000,000	160,853	$0.0175	15 Jun 2027	$0.006
Howard Digby	10,000,000	7 Nov 2023	2,500,000	61,867	$0.0175	15 Jun 2027	$0.006
Stephen Dale	10,000,000	7 Nov 2023	2,500,000	61,867	$0.0175	15 Jun 2027	$0.006
David Laird	10,000,000	7 Nov 2023	2,500,000	61,867	$0.0175	15 Jun 2027	$0.006
Stephen Dale	5,000,000	7 Nov 2023	1,250,000	26,454	$0.045	3 Nov 2027	$0.005
Adrian Floate	8,000,000	7 Nov 2023	8,000,000	49,453	$0.0175	3 Nov 2027	$0.006
Adrian Floate	100,000,000	7 Nov 2023	25,000,000	420,081	$0.10	15 Jun 2027	$0.004
Executives:							
Richard Jarvis	3,000,000	1 Sep 2023	3,000,000	14,216	$0.0175	15 Jun 2027	$0.005
Total	**172,000,000**		**55,750,000**	**856,658**			

Service criteria of all unlisted options issued in FY24 have service criteria that must be met in order for these options to vest.

The service criteria are summarised below:

Name	Number of Options	Service Conditions
Directors:		
Peter Richards	26,000,000	11m vest immediately, 5m vest after 1 year, 2 years and 3 years.
Howard Digby	10,000,000	2.5m vest immediately, 2.5m vest after 1 year, 2 years and 3 years.
Stephen Dale	10,000,000	2.5m vest immediately, 2.5m vest after 1 year, 2 years and 3 years.
David Laird	10,000,000	2.5m vest immediately, 2.5m vest after 1 year, 2 years and 3 years.
Stephen Dale	5,000,000	1.25m vest immediately, 1.25m vest after 1 year, 2 years and 3 years.
Adrian Floate	8,000,000	No service conditions, vest immediately.
Adrian Floate	100,000,000	25m vest immediately, 25m vest after 1 year, 2 years and 3 years.
Executives:		
Richard Jarvis	3,000,000	No service conditions apply, vest immediately.

Remuneration Report (Audited) (continued)

g) Contractual arrangement with KMPs

The following directors and KMP were under contract for the financial year ended 30 June 2025.

Name:	**Peter Richards**
Title:	Non-Executive Chairman
Commencement date:	13 December 2017
Details:	Director's fee of $60,000 per annum
Duration:	No fixed term
Notice period:	2 months

Name:	**Adrian Floate**
Title:	Managing Director and Chief Executive officer
Commencement date:	21 September 2018 (resigned 10th September 2025)
Details:	Base salary was increased on 1 March 2024 from $275,000 to $375,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short-term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	5 years
Notice period:	2 months

Name:	**Howard Digby**
Title:	Non-Executive Director
Commencement date:	1 August 2019 (resigned 21st November 2024)
Details:	Director's fee of $60,000 per annum plus superannuation Fee of $10,000 per annum plus superannuation, as Chairman of the Remuneration Committee
Duration:	No fixed term
Notice period:	2 months

Name:	**Stephen Dale**
Title:	Non-Executive Director
Commencement date:	5 April 2014
Details:	Director's fee of $60,000 per annum plus superannuation
Duration:	No fixed term
Notice period:	2 months

Name:	**David Laird**
Title:	Non-Executive Director
Commencement date:	27 September 2023 (resigned 28th April 2025)
Details:	Director's fee of $50,000 per annum plus superannuation
Duration:	No fixed term
Notice period:	2 months

Remuneration Report (Audited) (continued)

g) Contractual arrangement with KMPs (continued)

Name:	**Andrew Kearnan**
Title:	Non-Executive Director
Commencement date:	29 May 2024 (resigned 4th April 2025)
Details:	Director's fee of $60,000 per annum plus superannuation
Duration:	No fixed term
Notice period:	2 months

Name:	**Richard Jarvis**
Title:	Chief Financial Officer
Commencement date:	1 July 2021 (ceased employment 29th November 2024)
Details:	Base salary for the year ended 30 June 2024 of $250,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	1 week for not more than 1 year of service, 2 weeks for not more than 3 years, 3 weeks for not more than 5 years and 4 weeks for more than 5 years

Name:	**David Wood**
Title:	Chief Product Officer
Commencement date:	21 May 2021
Details:	Base salary for the year ended 30 June 2024 of $200,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	1 week for not more than 1 year of service, 2 weeks for not more than 3 years, 3 weeks for not more than 5 years and 4 weeks for more than 5 years

Name:	**Andrew Hilton**
Title:	Chief Commercial Officer
Commencement date:	26 July 2021 (ceased employment 14th March 2025)
Details:	Base salary for the year ended 30 June 2024 of $200,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	1 week for not more than 1 year of service, 2 weeks for not more than 3 years, 3 weeks for not more than 5 years and 4 weeks for more than 5 years

Remuneration Report (Audited) (continued)

g) Contractual arrangement with KMPs (continued)

Name:	**Olivia Johnson**
Title:	Chief People Officer (formerly Chief Revenue Officer)
Commencement date:	1 August 2023
Details:	Base salary was increased on 1 February 2025 from $200,000 to $275,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	1 week for not more than 1 year of service, 2 weeks for not more than 3 years, 3 weeks for not more than 5 years and 4 weeks for more than 5 years

Name:	**Corrie Hassan**
Title:	Chief Operations Officer (appointed interim CEO from 10th September 2025).
Commencement date:	26 July 2021
Details:	Base salary was increased on 1 February 2025 from $200,000 to $275,000 plus superannuation, to be reviewed annually by the Remuneration Committee, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	1 week for not more than 1 year of service, 2 weeks for not more than 3 years, 3 weeks for not more than 5 years and 4 weeks for more than 5 years

Name:	**Andrew Britz**
Title:	Chief Technical Officer
Commencement date:	20 September 2024
Details:	Base salary for the year ended 30 June 2025 of $300,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	3 months for less than 1 year service, 6 months for more than 1 year service.

Name:	**Francis DeSouza**
Title:	Chief Commercial Officer & Executive Director
Commencement date:	6 May 2024 (elevated to KMP on 30th November 2024, elevated to board from 10th September 2025).
Details:	Base salary for the year ended 30 June 2024 of $140,000 plus superannuation, to be reviewed annually by the Remuneration Committee. Short term and long-term incentives that include cash and equity components, payable on the achievement of specific performance milestones. Non-solicitation and non-compete clauses
Duration:	No fixed term
Notice period:	1 week for not more than 1 year of service, 2 weeks for not more than 3 years, 3 weeks for not more than 5 years and 4 weeks for more than 5 years

Remuneration Report (Audited) (continued)

h) Use of remuneration consultants

The Group did not engage the services of a remuneration consultant during the current financial year.

i) Voting and comments made at the Company's 2024 Annual General Meeting

All resolutions passed at the Annual General Meeting held on 21 November 2024.

End of Remuneration Report (Audited)

Shares under option

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

Grant date	Expiry Date	Exercise Price	Number under Option	Vested & Exercisable
Unlisted Options				
2 March 2022	25 Feb 2026	$0.084	57,500,000	57,500,000
30 June 2022	15 May 2027	$0.0175	142,750,000	147,750,000
15 May 2023	15 May 2027	$0.020	47,100,000	47,100,000
19 June 2023	15 May 2027	$0.0175	16,000,000	16,000,000
19 June 2023	15 June 2027	$0.0175	2,000,000	2,000,000
15 August 2023	15 August 2025	$0.042	2,577,517	2,577,517
1 September 2023	15 June 2027	$0.0175	6,000,000	6,000,000
7 November 2023	15 June 2027	$0.0175	56,000,000	37,000,000
7 November 2023	3 November 2027	$0.045	5,000,000	2,500,000
7 November 2023	3 November 2027	$0.100	100,000,000	50,000,000
15 November 2023	15 November 2026	$0.0175	36,772,326	36,722,326
15 November 2023	15 November 2026	$0.055	18,363,163	18,363,163
15 November 2023	15 November 2026	$0.040	18,363,163	18,363,163
10 September 2024	30 September 2027	$0.0175	127,800,335	127,800,335
3 October 2024	30 September 2027	$0.0175	52,265,625	52,265,625
3 October 2024	30 June 20207	$0.0175	2,500,000	2,500,000
3 October 2024	30 September 2027	$0.0175	1,349,676	1,349,676
14 October 2024	30 September 2027	$0.0175	24,546,086	24,546,086
18 December 2024	18 December 2025	$0.0175	100,000,000	100,000,000
19 June 2025	30 September 2027	$0.0175	12,500,000	12,500,000
Listed Options				
9 December 2023	9 December 2025	$0.0175	20,000,000	20,000,000
Total options			**849,387,891**	**782,837,891**

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

The were no ordinary shares of Spenda Limited issued during the year ended 30 June 2025 and up to the date of this report on the exercise of options granted.

Indemnification and Insurance of Directors and Officers

During the financial year, the Company held an insurance policy to indemnify Directors and Officers against certain liabilities incurred as a Director or Officer, including costs and expenses associated in successfully defending legal proceedings. The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify the Directors or Officers of the Company or any related body corporate against any liability incurred as such a Director or Officer. In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy, including the nature of the liability insured against and the amount of premium.

The Company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the Company against a liability incurred as 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 proceedings have been brought or intervened on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Corporate Governance

The Company has reviewed its corporate governance practices against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) and the Company's corporate governance. The Corporate Governance Statement is available at www.spenda.co.

Audit services

During the year the following fees were paid or payable for services provided by the auditor. Non-audit services are detailed in note 26 to the financial statements:

	2025 **$**	2024 $
William Buck		
Audit and review of financial statements	**108,500**	-
Other assurance services (AFSL audit)	**19,000**	-
HLB Mann Judd		
Audit and review of financial statements	**-**	116,183
Non-audit services (taxation compliance)	**-**	20,500
	127,500	136,683

No non audit services were provided by the auditor during the financial year ended 30 June 2025.

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

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and

- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants 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.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is set out on page 32.

This report is made in accordance with a resolution of directors.

Francis DeSouza
Executive Director
30 September 2025

WilliamBuck
ACCOUNTANTS & ADVISORS

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

To the directors of Spenda Limited

As lead auditor for the review of Spenda Limited for the year ended 30 June 2025, 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 Spenda 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
Director
Melbourne, 30 September 2025

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Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

	Note	30 June 2025 $	Consolidated 30 June 2024 $
Revenue			
Revenue – SaaS and Payments		**7,989,053**	2,842,535
Revenue – Loan interest		**3,094,759**	2,532,475
Total revenue	4a	**11,083,812**	5,375,010
Other Income	4b	**2,384,716**	163,702
Expenses			
Cost of services rendered		**(6,128,935)**	(2,246,013)
Employee and directors' benefits expense	5a	**(5,609,292)**	(5,545,952)
Depreciation expense and amortisation expense	5b	**(4,803,194)**	(3,662,728)
Fair value adjustment on non-current asset		**(300,000)**	(1,725,000)
Consulting expense		**(1,307,598)**	(692,282)
Impairment expense	5c	**(13,838,599)**	-
Legal and other professional expense		**(624,066)**	(402,659)
Regulatory listing expense		**(105,356)**	(109,120)
Occupancy expenses		**(252,340)**	(194,390)
Share-based payment expense	20	**(2,488,368)**	(1,823,051)
Other expenses		**(1,681,692)**	(1,476,389)
Finance costs	5d	**(605,960)**	(817,988)
Loss before income tax from continuing operations		**(24,276,872)**	(13,156,860)
Income tax expense	6	**(32,865)**	(48,159)
Loss after income tax for the year		**(24,309,737)**	(13,205,019)
Loss after income tax for the year attributable to owners of Spenda Limited		**(24,309,737)**	(13,205,019)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign subsidiaries		**(41,028)**	25,153
Total comprehensive loss for the year attributable to owners of Spenda Limited		**(24,350,765)**	(13,179,866)
Loss per share for the year ended attributable to the members of Spenda Limited			
- Basic loss per share (cents per share)	7	**(0.53)**	(0.33)
- Diluted loss per share (cents per share)	7	**(0.53)**	(0.33)

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

Consolidated statement of financial position

As at 30 June 2025

	Note	30 June 2025 $	Consolidated 30 June 2024 $
Assets			
Current assets			
Cash and cash equivalents	8	**3,691,523**	9,837,055
Trade and other receivables	9	**4,551,799**	276,587
Inventories		**-**	40,574
Other current assets	10	**450,619**	345,766
Financial assets	11	**184,068**	10,754,227
Total current assets		**8,878,009**	21,254,209
Non-current assets			
Plant and equipment		**47,365**	65,047
Trade and other receivables	9	**618,856**	594,526
Right-of-use assets	12	**331,984**	418,753
Intangible assets	14	**15,907,946**	28,714,816
Total non-current assets		**16,906,151**	29,793,142
Total assets		**25,784,160**	51,047,351
Liabilities			
Current liabilities			
Trade and other payables	15	**4,621,419**	1,597,418
Lease liabilities	16	**138,102**	106,181
Financial liabilities	17	**903,038**	154,105
Provisions	18	**757,507**	673,562
Total current liabilities		**6,420,066**	2,531,266
Non-current liabilities			
Trade and other payables	15	**-**	100,000
Lease liabilities	16	**282,820**	397,974
Financial liabilities	17	**3,438,464**	13,227,141
Provisions	18	**221,364**	286,913
Total non-current liabilities		**3,942,648**	14,012,028
Total liabilities		**10,362,714**	16,543,294
Net assets		**15,421,446**	34,504,057
Equity			
Issued capital	19	**175,858,738**	172,960,699
Reserves	20	**6,041,652**	4,217,547
Accumulated losses		**(166,478,944)**	(142,674,189)
Total equity		**15,421,446**	34,504,057

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

Consolidated statement of changes in equity

For the year ended 30 June 2025

	Note	Issued capital $	Option Premium Reserve $	Share Based Payment Reserves $	Foreign Currency Translation Reserve $	Accumulated Losses $	Consolidated Total Equity $
Balance as at 1 July 2023		**165,030,603**	**407,158**	**10,153,947**	**3,037**	**(137,406,719)**	**38,188,026**
Loss for the year		-	-	-	-	(13,205,019)	(13,205,019)
Other comprehensive income		-	-	-	25,153	-	25,153
Total Comprehensive loss for the year		**-**	**-**	**-**	**25,153**	**(13,205,019)**	**(13,179,866)**
Transactions with owners in their capacity as owners:							
Expired options		-	-	(7,937,549)	-	(7,937,549)	-
Issue of share capital	19	7,977,321	-	-	-	-	7,977,321
Transactions costs related to share issue	19	(47,225)	-	-	-	-	(47,225)
Share-based payment transactions	20	-	-	1,565,801	-	-	1,565,801
Balance as at 30 June 2024		**172,960,699**	**407,158**	**3,782,199**	**28,190**	**(142,674,189)**	**34,504,057**
Balance as at 1 July 2024		**172,960,699**	**407,158**	**3,782,199**	**28,190**	**(142,674,189)**	**34,504,057**
Loss for the year		-	-	-	-	(24,309,737)	(24,309,737)
Other comprehensive income		-	-	-	(41,028)	-	(41,028)
Total Comprehensive loss for the year		**-**	**-**	**-**	**(41,028)**	**(24,309,737)**	**(24,322,575)**
Transactions with owners in their capacity as owners:							
Expired options		-	(407,158)	(97,824)	-	504,982	-
Issue of share capital	19	2,912,076	-	-	-	-	2,912,076
Transactions costs related to share issue	19	(14,037)	-	-	-	-	(14,037)
Share-based payment transactions	20	-	-	2,370,115	-	-	2,370,115
Balance as at 30 June 2025		**175,858,738**	**-**	**6,028,814**	**(12,838)**	**(166,478,944)**	**15,421,446**

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

Consolidated statement of cash flows

For the year ended 30 June 2025

	Note	30 June 2025 $	Consolidated 30 June 2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**11,527,838**	5,385,006
Payments to suppliers and employees (inclusive of GST)		**(13,012,768)**	(9,874,272)
Interest received		**73,695**	141,101
Interest and other finance costs paid		**(1,337,662)**	(1,473,613)
Income taxes paid		**(23,340)**	(28,768)
Merchant funds received		**899,940**	-
Net cash used in operating activities	24c	**(1,872,297)**	(5,850,546)
Cash flows from investing activities			
Purchase of plant and equipment		**(51,118)**	(64,308)
Net client loans and debt warehouse inflow		**(3,715,633)**	1,446,886
Payments for unlisted investment and intangibles	11	**(317,641)**	(700,000)
Proceeds from research and development activities	14	**1,599,560**	1,369,949
Payments for research and development activities	14	**(5,369,777)**	(3,369,212)
Proceeds from sale of loan book		**498,355**	-
Other		**210,520**	-
Net cash used in investing activities		**(7,145,735)**	(1,316,685)
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs		**-**	7,624,600
Proceeds from borrowings		**3,875,000**	1,400,000
Payments of borrowing and costs		**(1,002,500)**	(369,500)
Net cash inflows from financing activities		**2,872,500**	8,655,100
Net (decrease)/increase in cash and cash equivalents		**(6,145,532)**	1,487,869
Cash at beginning of financial year		**9,837,055**	8,349,186
Cash at end of financial year	8	**3,691,523**	9,837,055

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

Notes to the consolidated financial statements

For the year ended 30 June 2025

Note 1 Corporate Information

Spenda Limited (referred to as '**Spenda**' or the '**Company**') is a listed public company limited by shares, incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX: SPX). The consolidated financial statements of the Company as at and for the year ended 30 June 2025 comprise the Company and its subsidiaries (collectively referred to as the '**Group**').

A description of the nature of the Group's operations and its principal activities is included in the 'Review of results and operations' in the Directors' Report, which does not form part of this financial report.

Note 2 Material Accounting Policy Information

a) Basis of preparation

These general-purpose financial statements for the year ended 30 June 2025 have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. Spenda is a for-profit entity for the purpose of preparing the financial statements.

(i) *Compliance with IFRS*
The consolidated financial statements and notes of the Group also comply with International Financial Reporting Standards (IFRS) and interpretations adopted by the International Accounting Standards Board.

(ii) *Historical cost convention*
The financial statements have been prepared on a historical cost basis, except for financial assets and liabilities at fair value through profit or loss, which have been measured at fair value. The financial report is presented in Australian dollars.

(iii) *New and amended standards adopted by the Group*

The Group had adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. There was no material impact on the Group's financial statements on adoption..

(iv) New Accounting standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

(v) Going concern

For the year ended 30 June 2025, the Group recorded a net loss after tax of $24.3m including non-cash items of $21.7m and had operating cash outflows of $1.8m. As at 30 June 2025, the Group's cash and cash equivalents amounted to $3.6m with a restricted cash balance of $1.8m. The Group has implemented several measures to improve its revenue and margins, as well as to lower costs. These initiatives include :-

- There are a number of initiatives planned that will reduce net operating outflows during FY26
- The Group has demonstrated ability to raise capital if required, and;
- The receipt of $1.25M funding in the form of a convertible note post year end, with a total facility of $3.5M.

The directors have reviewed the Group's cash flow projections, which cover a period of not less than twelve months from the date of approval of these consolidated financial statements and are of the opinion that the Group will have sufficient financial resources to satisfy its future working capital requirements and to meet its financial obligations as and when they fall due within the next twelve months from the date of approval of the consolidated financial statements for the year ended 30 June 2025. Should cashflow projections not be achieved, the directors believe that the Group can access debt and / or equity to *meet working capital*

Note 2 Summary of Material Accounting Policy Information (continued)

a) Basis of preparation (continued)

requirements. Accordingly, the directors consider that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Notwithstanding the above, there exists a significant material uncertainty due to the conditions identified. Should the Group not raise sufficient funding as due to the conditions outlined above, which may cast significant doubt about the Group's ability to continues as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the consolidated financial statements.

The consolidated financial statements do not include any adjustments relating to the recoverability and classification of the Group's assets or to the amounts and classification of liabilities which might be necessary should the Group not continue as a going concern.

b) Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 25.

c) Principles of consolidation and equity accounting

The consolidated financial statements comprise the financial statements of Spenda and its subsidiaries as at 30 June each year. Control is achieved where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

Subsidiaries are fully consolidated from the date on which control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Company.

The acquisition of subsidiaries is accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

Non-controlling interests not held by the Company are allocated their share of net profit after tax in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and are presented within equity in the Consolidated Statement of Financial Position, separately from parent shareholders' equity.

d) Operating segments

Operating segments are presented using the "management approach", where the information presented is on the same basis as the internal reports provided to the Board of Directors and the Executive Leadership Team (the chief operating decision maker).

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with any of the Company's other components) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segments, assess its performance and for which discrete financial information is available.

Note 2 Summary of Material Accounting Policy Information (continued)

e) Financial assets

Financial assets are measured at either fair value through profit or loss or amortised cost as appropriate. The non listed investment asset is measured at fair value, and any changes in fair value are recognised in the profit or loss.

The Company determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

The, trade and term loans and buy now pay later loans are financial assets that are initially measured at fair value. Transactions costs are included as part of the initial measurement. These financial assets are subsequently measured at amortised cost. These financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carry value is written off.

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

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated (stage 1). This represents a portion of the asset's lifetime expected credit losses that is attributable to default event that is possible within the next 12 months. Where a financial asset has become credit impaired (stage 3) or where it is determined that credit risk has increased significantly (stage 2), the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

f) Intangible assets

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

i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains or losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments, as disclosed in note 21.

Note 2 Summary of Material Accounting Policy Information (continued)

f) Intangible assets (continued)

ii) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Research expenditure and development expenditure that do not meet the criteria in (ii) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Recovered tax benefits on development are offset against the intangible asset under the principle of AASB 120 to the extent they relate to capitalised development costs.

iii) Research and development tax incentive

The research and development tax incentive is not recognised until this is a reasonable assurance that the company will comply with the conditions attaching to the refund and that the refund will be received.

iv) Amortisation methods and useful lives

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- IT Development and software 3 – 5 years
- Customer list and contracts 2 – 3 years

g) Interest- bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in statement of profit or loss and other comprehensive income when the liabilities are derecognised and as well as through the amortisation process.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in statement of profit or loss and other comprehensive income, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Convertible notes are recorded as equity where the Group has no contractual obligation to deliver cash to the note holder.

Where convertible notes are redeemable for a fixed number of equity instruments the fair value of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note.

The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Note 2 Summary of Material Accounting Policy Information (continued)

g) Interest-bearing loans and borrowings (continued)

Where convertible notes are redeemable for a variable number of equity instruments, the embedded derivative being the conversion options is recognised at fair value. Movements in fair value are recorded in the statement of profit or loss or other comprehensive income. The host debt is recognised at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

h) Share-based payment transactions

The Company provides benefits in the form of share-based payments to all employees. The establishment of the Spenda Employee Securities Incentive Plan ('**ESIP**') was approved by shareholders at the 2021 Annual General Meeting. The ESIP is designed to provide long-term incentives to eligible employees and executive directors of the Group to assist in the motivation, retention and reward of participants. Under these plans, eligible participants may be offered options which may be subject to vesting conditions set by the Board. Details of the Plan rules are set out in the Remuneration Report, within the Directors' Report and within note 20.

The cost of these equity-settled transactions to employees is measured by reference to the fair value of the equity instruments at the date at which they are granted and to suppliers at the fair value of goods and services received. Where equity is issued to settle liabilities, it is measured at the value on the date of settlement and gains or losses on settlement are recorded in the statement of profit or loss and other comprehensive income. The estimation of the fair value of the awards requires judgement with respect to the appropriate valuation methodology. The choice of valuation methodology is determined by the structure of the awards, particularly the vesting conditions. The estimation of any market-based performance conditions is incorporated into the valuation model used to determine the fair value of the awards whereas non-market-based performance conditions are not included in the determination of fair value. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting date).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting date has expired and
- the Company's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

The Profit or Loss charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

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

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

Note 2 Summary of Material Accounting Policy Information (continued)

i) Contributed equity

Ordinary share capital is recognised at the fair value of the consideration received by the company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received. Ordinary share capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

j) Revenue recognition

(i) Revenue from contracts with customers

Revenue is recognised for a contract with a customer when certain criteria are met:

- a signed contract is in place;
- each party's rights and obligations can be determined;
- payment terms are identified;
- the transaction has commercial substance; and
- it is probable that the consideration will be collectable.

At contract inception, Spenda will assess the goods or services promised in a contract with a customer and shall identify as a performance obligation each promise to transfer to the customer. Spenda provides the following services under contracts with customers:

- Hardware supply;
- Software development;
- Data migration and implementation services;
- Fees for the provision of payment services;
- Integration services (SaaS) and licence fees; and
- Support services.

Revenue is recognised when the performance obligation is satisfied either over time or at a point in time. Revenue regarding hardware supply is recognised at the point in time the product is delivered to the customer. Revenue from data migration and implementation services, integration services, provision of payment services and licence fees are recognised at the point in time that the services are provided or over time where applicable. Revenue from support services and software development is recognised over time, spread over the period to which the services relate and performance obligations are met.

(ii) Interest

Revenue is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(iii) Other income

Other income is recognised when it is received.

k) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds

Note 2 Summary of Material Accounting Policy Information (continued)

k) Impairment of non-financial assets (continued)

its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Any impairment on goodwill however is not reversed.

l) Business combination

The acquisition method of accounting is used for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to the former owners of the acquiree and the amount of any non-controlling interest in the acquiree.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the accounting policies and other pertinent conditions in existence at the acquisition date.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition date fair value. Subsequent changes in the fair value of the contingent consideration as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition date, but only after a reassessment of the identification and measurement of the net assets acquired, the non controlling interest in the acquiree, if any, the consideration transferred and the acquirers previously held equity interest in the acquirer.

l) Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to continually make judgments, estimates and assumptions based on experience and other factors, including expectations of future events that may have an impact on the Group. All judgments, estimates and assumptions made are believed to be reasonable based on the most current set of circumstances available to management. Actual results may differ from the judgments, estimates and assumptions. Significant judgments, estimates and assumptions made by management in the preparation of these financial statements are outlined below:

Note 2 Summary of Material Accounting Policy Information (continued)

I) Critical accounting judgements, estimates and assumptions (continued)

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

(i) Impairment of goodwill and Intangible assets

At the end of each reporting period, an assessment is made as to whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including market conditions and asset specific matters. If such an indication exists, an impairment test is carried out on the asset by comparing the asset's carrying amount to its estimated recoverable amount, being the higher of fair value less costs to sell and value in use. Value in use is determined on the basis of the expected net cashflows that will be received from the assets employment and subsequent disposal discounted to their present value using a rate which reflects current market assessments of the time value of money; and the risks specific to the assets for which the future cash flow estimates have not been adjusted.

Where 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.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in statement of profit or loss and other comprehensive income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite useful lives.

(ii) Estimation of useful lives of assets

Estimated useful lives of depreciable property, plant and equipment assets and intangible assets are reviewed on a regular basis and at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

(iii) Share-based payments

The Group measures the cost of equity-settled transactions with management and other parties 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 the Black-Scholes or monte-carlo valuation method, taking into account the terms and conditions upon which the equity instruments were granted. The fair value in relation to the valuation of the equity instruments are detailed in Note 20. 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 expenses and equity.

(iv) Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgment. It is based on the lifetime expected credit loss, grouped based on days overdue and makes assumptions to allocate an overall expected loss for each group. These assumptions include recent experience, historical collection rates and forward-looking information that is available. As at the year ended and based on available information, an allowance of $100,000 has been recorded. The actual credit losses in future years may be higher.

(v) Recovery of deferred tax assets

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

(vi) Business combinations

Judgement is required to determine the acquisition date and fair value of the assets acquired and liabilities assumed.

Note 3 Financial risk management objectives and policies

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk.

Primary responsibility for identification and control of financial risks rests with the Board. The Board reviews and agrees policies for managing each of the risks identified below.

Market risk

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. These transactions are not material to the Group based on the below calculations.

Consolidated	Assets		Liabilities	
	2025	2024	**2025**	2024
	$	$	**$**	$
Singapore dollars	**11,354**	10,983	(2,157)	**(1,991)**
Indian rupee	**119,717**	209,413	(142,037)	**(41,251)**

The Group had net assets/(liabilities) denominated in foreign currencies of ($13,123) as at 30 June 2025 (2024: $177,154). Based on this exposure there is no material foreign currency risk.

Price risk

The Group was historically exposed to significant price risk. Equity price risk is a material risk for the Groups non-current investments. The Group has adopted bi-annual valuations of its non-listed investment to determine if there are material risks associated with the fair value of the assets. If identified, fair value adjustments are recorded. Refer to note 11 for further disclosures. The Group manages its price risk by reviewing the financial information of its investments monthly and by working closely with the investments decision makers to ensure that long term business objectives are focussed on, rather than short term returns. Given the sale of the loan book and write down of the investment asset, price risk is no longer considered material.

Interest rate risk

The Group is not exposed to any significant interest rate risk. All its third party loans are fixed rate to manage the entities interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The group utilises data including credit agency information and bank statement data to confirm the suitability and appropriate credit limits prior to the issuance of credit to individual borrowers to manage its credit risk.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables and other financial assets using a probability or default approach. This approach is considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available. A loss allowance of $100,000 has been recognised as at 30 June 2025.

Note 3 Financial risk management objectives and policies (continued)

Generally, trade receivables and other financial assets are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year. Refer to note 11 for further disclosures regarding credit risk.

Liquidity risk

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

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

Financing arrangements and contractual maturities

Unused borrowing facilities at the reporting date amount to $nil (2024: $3m), with a current limit of $3m. The facility is for working capital purposes. As at 30 June 2025 the present liability under the loan was $3m. The following table details the Group's remaining contractual maturity for its financial instrument liabilities. The table has been drawn up based on the undiscounted and discounted cash flows. The table 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 – 2025	Weighted average interest rate %	1 year or less $	Between 2 and 5 years $	Over 5 years $
Non-interest bearing				
Trade payables		998,567	-	-
Other payables		3,622,852	-	-
Deferred consideration		666,660	363,014	-
Interest-bearing – fixed rate				
Lease liability	5%	138,102	325,243	-
Premium funded loans	10%	236,378	38,303	-
Working Capital loans	12%	-	4,183,623	-
		5,662,559	**4,910,183**	**-**

Consolidated – 2024	Weighted average interest rate %	1 year or less $	Between 2 and 5 years $	Over 5 years $
Non-interest bearing				
Trade payables	-	496,109	100,000	-
Other payables	-	1,001,309	-	-
Interest-bearing – fixed rate				
Lease liability	5%	106,181	477,569	-
Premium funded loans	4%	154,105	-	-
Third party loans	11%	1,574,573	13,227,141	-
		3,332,277	**13,804,710**	**-**

Note 4 Revenue and other income

	Consolidated	
	2025	2024
	$	$
4a Revenue		
Recognised at point in time		
Hardware revenue	**-**	136,878
Implementation fees	**38,000**	83,632
License fees	**-**	400,000
Payments revenue	**3,587,455**	404,391
Support services	**102,336**	149,707
Service charges and other fees	**218,273**	234,625
	3,946,064	1,409,233
Recognised over time		
Software as a Service	**1,347,335**	132,259
Software development	**2,695,654**	1,301,043
Loan interest (client loans – note 11)	**3,094,759**	2,532,475
	7,137,748	3,965,777
Total Revenue	**11,083,812**	5,375,010
4b Other Income		
Interest income	**73,749**	161,013
Fair value gain on deferred consideration	**398,227**	-
Gain on disposal of non-current asset held for sale [1]	**1,728,915**	-
Other income	**183,825**	2,689
	2,384,716	163,702

The group derives revenue from the transfer of goods and services over time and at point in time from a single geographical location.

The aggregate amount that has not been recognised is deferred income of $282,658 (FY24: $86,124).

[1] During the financial year ended 30 June 2025, following a strategic review of operations by the Company, management concluded that the invoice finance loan book was unlikely to contribute to the Company's long term financial goals. As such, the Company executed a sale agreement to sell its invoice financing portfolio to Grapple Fund Pty Ltd ('Grapple') for a consideration of $2 million. $500,000 has been received as at 30 June 2025.

As a result of the transaction, the company recognised a gain on its disposal of its invoice finance book as disclosed below.

	2025
	$
Assets associated with asset held for sale	**9,996,957**
Liabilities associated with asset held for sale	(13,725,872)
Consideration receivable	2,000,000
Gain on disposal	**1,728,957**

Note 5 Expenses

		Consolidated	
		2025	2024
		$	$
5a	**Employee and directors' benefits expense**		
	Directors' remuneration [1]	**785,615**	656,484
	Employee and company secretary fees [1]	**4,823,677**	4,889,468
	Superannuation	**975,308**	4,889,468
		5,609,292	5,545,952

[1] A total of $1,488,365 (FY24: $1,195,905) of directors' remuneration and key management personnel is included as a share-based payment expense.

5b	**Depreciation expense and amortisation charge**		
	Depreciation expense	**138,648**	141,495
	Amortisation charge	**4,664,546**	3,521,233
		4,803,194	3,662,728
5c	**Impairment charge**		
	Impairment on goodwill and intangibles	**13,838,599**	-
		13,838,599	-
5d	**Finance Costs**		
	Amortisation of borrowing costs	**318,146**	773,652
	General interest charges	**273,054**	36,372
	Bank fees	**14,760**	7,964
		605,960	817,988

Note 6 Income tax

The Company has not recognised any deferred tax assets or liabilities in respect to the current year (2024: $nil).

At 30 June 2025, the net deferred tax assets have not been brought to account as realisation is not currently regarded as probable. Deferred tax assets on losses will only be available for recoupment if:

(i) The Company derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deduction for the losses to be realised; and

(ii) The Company continues to comply with the conditions for deductibility imposed by the tax law.

Tax consolidation

Spenda and its wholly owned Australian subsidiaries have formed an income tax consolidated group.

	Consolidated	
	2025	2024
	$	$
Loss before income tax expense from continuing operations	**(24,276,872)**	(13,156,860)
Prima facie tax (benefit) on loss from ordinary activities before income tax at 25% (2024: 25%)	**(6,069,218)**	(3,289,215)
Tax effect of:		
Add:		
Non-deductible expenses	**5,365,076**	1,102,850
Other		(3,348)
Deferred tax assets on tax losses not recognised	**68,374**	16,583
Other deferred tax assets and deferred tax liabilities not recognised	**701,235**	2,203,131
Eliminations on consolidation	**(36,629)**	-
Less:		
Non-assessable income	**3,743**	-
Adjustment in relation to tax of prior years	**-**	17,534
Difference in tax rate of subsidiaries in different jurisdictions	**284**	624
Income tax expense	**32,865**	48,159

The tax losses identified have been estimated on the basis of available information.

In addition to the current year tax loss and other net future income tax deductions on which deferred tax assets have not been recognised at 30 June 2025 as set out in the reconciliation above, the Company also has estimated accumulated tax losses of $17,128,897 on which deferred tax asset has not been recognised.

Note 7 Loss per share

Basic loss per share is calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The diluted loss per share is calculated by dividing the net loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Share options are considered to be anti-dilutive.

	Consolidated	
	2025	2024
	$	$
The following reflects the income and share data used in the basic and diluted loss per share computations:		
Loss after income tax expense from continuing operations	**(24,309,737)**	(13,205,019)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	**4,547,593,876**	3,950,705,987
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share	**4,547,593,876**	3,950,705,987
Basic loss per share (cents per share)	**(0.53)**	(0.33)
Diluted loss per share (cents per share)	**(0.53)**	(0.33)

Note 8 Cash and cash equivalents

	Consolidated	
	2025	2024
	$	$
Cash at bank and in hand	**1,839,575**	4,397,135
Restricted cash – Merchant Funds [2]	**1,851,948**	-
Restricted cash - Invoice Finance client accounts [1]	**-**	5,439,920
	3,691,523	9,837,055

[1] Spenda Cashflow Pty Ltd ("SCF"), a wholly owned subsidiary of the Company, holds 100% of the units on issue (being residual income and residual capital units) in a special purpose Australian law unit trust, called Spenda Cash Flow Trust 1 ("SCFT1").

Restricted cash of $5,439,920 relates to monies held by SCFT1 as at 30 June 2024 for use with its Invoice Finance clients. These monies are not available for use by the Group for purposes other than invoice financing. During the year as disclosed in note 4, the Company sold it's invoice financing portfolio. Hence no restricted cash of this nature is held at 30 June 2025.

[2] Limepay Pty Ltd ("Limepay"), a wholly owned subsidiary of the Company holds monies to be sent on to merchant customers. These monies are not available for use by the Group for purposes other than merchant services, with the exception of historic profits that are held within this reserve. For the total payable balance as at 30 June 2025, refer to note 15.

Note 9 Trade and other receivables

	Consolidated	
	2025	2024
	$	$
Current		
Trade receivables	**497,660**	62,693
Provision for doubtful debts	**-**	(14,875)
Other receivables	**58,780**	202,502
Research & development tax incentive receivable	**2,346,457**	-
Related party loan	**148,902**	-
Deferred consideration receivable from sale of non-current asset	**1,500,000**	
Refundable bond	**-**	26,267
	4,551,799	276,587
Non-current		
Refundable bond	**618,856**	594,526

(a) Fair value and credit risk

Due to the short-term nature of the receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables.

(b) Interest rate risk

Detail regarding interest rate risk exposure is disclosed in Note 3.

Ageing of aged receivables is below.

30 June 2025	Current	60 days	Over 90 days	Total
	$	$	$	$
Trade debtors by age	293,206	4,789	199,665	497,660
	293,206	**4,789**	**199,665**	**497,660**

Note 10 Other current assets

	Consolidated	
	2025	2024
	$	$
Prepayments	**447,921**	345,766
Rental bonds	**2,698**	-
	450,619	345,766

Note 11 Financial Assets

	Consolidated	
	2025	2024
	$	$
Loans carried at amortised cost:		
Current		
Client loans – invoice finance	**200,327**	8,645,439
Client loans – trade, term and other loans	**83,741**	2,209,619
Provision for credit losses	**(100,000)**	(100,831)
	184,068	10,754,227
Non-current		
Investment in non-listed company	**2,025,000**	1,725,000
Fair value adjustment	**(2,025,000)**	(1,725,000)
	-	-

Fair value

Due to the short-term nature of the client loan financial assets, their carrying value is assumed to approximate their fair value. The non-listed investment asset is classified as a level 3 asset in the fair value hierarchy, where fair value is determined using unobservable inputs for the asset. The asset is an equity investment in an early stage start-up company which remains at a stage of research and development. The Company reviewed various valuation techniques including revenue multiple, replacement cost & discounted cash flows. During this review, the Company noted that these valuation techniques for this particular type of investment were highly judgemental given the uncertainty of cash flows and early-stage nature of the business. As such, a fair value adjustment of $300,000 being the cost base of the asset has been recognised as at 30 June 2025, bringing the carrying value to $nil. This fair value assessment will be reassessed each reporting period. The sensitivity analysis for unobservable inputs has not been disclosed on the basis that fair value would remain immaterial.

Credit risk

The Company made an assessment at the year end and based on available information, an allowance for credit loss of $100,000 (FY24: $100,831) has been recorded. The actual credit losses in future years may be higher.

30 June 2025	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
	$	**$**	**$**	**$**
Gross loan receivables	**83,741**	**200,327**	**-**	**284,068**
Provision for Credit Loss	**-**	**(100,000)**	**-**	**(100,000)**
Net loan receivables	**83,741**	**100,327**	**-**	**184,068**
Stage % of loan receivable				
Provision as % of receivables				

30 June 2024	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
	$	**$**	**$**	**$**
Gross loan receivables	9,812,966	1,042,092	-	10,855,058
Provision for Credit Loss	-	(100,831)	-	(100,831)
Net loan receivables	9,812,966	941,261	-	10,754,227
Stage % of gross loan receivable	90%	10%	-	100%
Provision as % of receivables	-	9.7%	-	0.9%

Note 11 Financial assets (continued)

The Group recognises an allowance for credit loss which is deducted from the gross carrying amount of the assets. This allowance is a probability weighted estimate of credit losses. The calculation consists of three components, the probability of default, the loss given default and the exposure at default.

The Company assesses loans as stage 2, which is where there is a significant increase in credit risk since initial recognition. An allowance on the basis above is calculated separately for these stage 2 assets, taking into consideration both qualitative and quantitative measures.

As at 30 June 2025, a total of $200,327 was considered a stage 2 financial asset. The amount relates to an Invoice Finance client for whom there is no recent history of default, however, represents an increased credit risk. The Company is confident in the full recoverability of this balance over the next 12 months having recovered over 80% since 30 June 2024.

Note 12 Right of use asset

	Consolidated	
	2025	2024
	$	$
Non-current		
Office space – right of use	**663,967**	628,129
Less: accumulated depreciation	**(331,983)**	(209,376)
	331,984	418,753

On 15 March 2022, the Company signed a Heads of Agreement to commence a new office lease from 1 July 2022 for its Perth based operations. Refer to note 16 for further details.

The Company leases an office located in Perth over a 6-year period. The lease has annual fixed escalation clauses. On renewal, the terms of the lease are renegotiated.

A right of use asset is recognised at the commencement date of the lease. It is measured at cost, adjusted for any lease payments made. They are depreciated on a straight-line basis.

Note 13 Controlled entities

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

		Percentage Owned (%)	
		2025	2024
	Country of Incorporation	**%**	%
Parent Entity:			
Spenda Limited	Australia	**100%**	100%
Subsidiaries of Spenda Limited:			
Spenda Business Services Pty Ltd	Australia	**100%**	100%
Anthem Software Group Pty Ltd	Australia	**100%**	100%
Spenda Cash Flow Pty Ltd	Australia	**100%**	100%
Spenda Finance Pty Ltd	Australia	**100%**	100%
Spenda India Technologies Private Limited	India	**100%**	100%
Spenda Singapore Pte Ltd	Singapore	**100%**	100%
Spenda Cash Flow Trust 1	Australia	**100%**	100%
Spenda Cash Flow Trust 2	Australia	**100%**	100%
Limepay Pty Ltd	Australia	**100%**	-
Limepay Credit Pty Ltd	Australia	**100%**	-
April Solutions Limited	New Zealand	**100%**	-

Note 14 Intangible assets

	Consolidated	
	2025	2024
	$	$
Software development (a)		
Software development costs	**30,285,089**	22,062,395
Less: Accumulated amortisation	**(19,119,712)**	(10,169,137)
Less: Accumulated impairment charge	**(2,914,984)**	-
	8,250,393	11,893,258
Customer contracts		
Customer contracts	**-**	611,889
Less: Accumulated amortisation	**-**	(611,889)
	-	-
Licenses		
Australian credit License ("ACL")	**110,000**	-
Australian financial service license ("AFSL")	**106,527**	-
Less : Accumulated amortisation	**(5,030)**	-
	211,497	-
Goodwill (b)		
Goodwill on acquisition of ASG (SaaS and payments CGU)	**50,908,765**	50,908,765
Goodwill on acquisition of Limepay (SaaS and payments CGU)	**1,548,113**	-
Less: Accumulated impairment charge	**(52,456,878)**	(41,533,263)
Goodwill on acquisition of Invigo (lending CGU)	**7,446,056**	7,446,056
Total Goodwill	**7,446,056**	16,821,558
Total Intangible assets	**15,907,946**	28,714,816

(a) Software development costs

Software development costs relate to various forms of Intellectual Property, collectively referred to as the Spenda Product Suite. It comprises of customised applications that integrate data using cloud enabled technologies, payments infrastructure and various other technologies.

(b) Goodwill

Goodwill represents other intangible assets of the business not explicitly recognised on the statement of financial position and includes assembled workforce, technical expertise, distribution channels, customer service capability, product and service support and geographic presence. It will not be deductible for tax purposes. The Group tests whether goodwill has suffered any impairment on an annual basis. Goodwill on ASG relates to the goodwill acquired on the acquisition of Appstablishment Software Group Pty Ltd ('ASG') and Limepay Pty Ltd ('Limepay') and is allocated to the SaaS and payments CGU. Goodwill on Invigo relates to the goodwill acquired on the acquisition of Invigo Pty Ltd and is allocated to the lending CGU.

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 detailed below:

	Goodwill ASG $	Goodwill Invigo $	Goodwill Limepay $	Software Assets $	Other intangible $	Total $
Opening balance as at 1 July 2023	**9,375,502**	**7,446,056**	**-**	**13,237,648**	**177,580**	**30,236,786**
Additions	-	-	-	3,369,212	-	3,369,212
R&D tax incentive	-	-	-	(1,369,949)	-	(1,369,949)
Amortisation charge	-	-	-	(3,343,653)	(177,580)	(3,521,233)
Closing balance as at 30 June 2024	**9,375,502**	**7,446,056**	**-**	**11,893,258**	**-**	**28,714,816**
Opening balance as at 1 July 2024	**9,375,502**	**7,446,056**	**-**	**11,893,258**	**-**	**28,714,816**
Additions	-	-	-	3,262,585	216,527	3,479,112
Acquired on business combination	-	-	1,548,113	2,273,639	-	3,821,752
R&D tax incentive	-	-	-	(1,599,560)	-	(1,599,560)
Amortisation charge	-	-	-	(4,664,546)	(5,030)	(4,669,576)
Impairment	(9,375,502)	-	(1,548,113)	(2,914,984)	-	(13,838,599)
Closing balance as at 30 June 2025	**-**	**7,446,056**	**-**	**8,250,393**	**211,497**	**15,907,946**

Assessment of Impairment

The Group is required to assess the recoverable value for the goodwill that has arisen on the acquisition of Appstablishment Software Group ('**ASG**'), Limepay Pty Ltd ('**Limepay**') and Invigo Pty Ltd ('**Invigo**'). In combination, the Company has identified two separate Cash Generating Units ('CGU'). The ASG & Limepay goodwill balance is in the SaaS and Payments CGU, which is distinguished by its cash flows derived from its software as a service and merchant payments income. The SaaS and payments CGU includes the goodwill of $10,923,615 and intangible assets of $12,447,893 at balance date that are tested for recovery.

The Invigo goodwill, software asset and customer list are included in the lending CGU, which is distinguished by its cash flows derived predominantly through loan interest income on lending products the Group offers. The lending CGU includes the goodwill of $7,446,056 at balance date that are tested for recovery.

Note 14 Intangible assets (continued)

Impairment testing

SaaS and Payments CGU

The recoverable amount of the Group's goodwill and other intangibles has been determined by a value-in-use calculation using a discounted cash flow model, based on a 5-year projection period approved by management, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the SaaS and Payments CGU:

- 28% (2024: 25%) low pre-tax discount rate and 31% (2024: 28%) high pre-tax discount rate;
- 1.5%(2024: 1.5%) per annum projected long term revenue growth rate used in calculating the terminal value;
- 1.5% per annum increase in operating costs and overhead used in calculating the terminal value; and
- Growth rates of 91% in 2026, 129% in 2027, 4% in 2028, 4 % in 2029, 4% in 2030 (2024: 281%, 160%, 4%, 4%, 4%).
- Cost of sales are forecast as a percentage of sales at 19% in 2026, 39% in 2027, 2028, 2029 and 2030 (2024: 44% & 49%)
- Overhead costs (largely being direct salary & wages) are forecast at $3.8m in 2026, $3.8m in 2027, $3.9m in 2028, $3.9m in 2029 and $4m in 2030 (2024 : $3.8m, $3.8m, $3.9m, $3.9m and $4m).

The discount rate reflects management's estimate of the time value of money and the Group's weighted average cost of capital, adjusted for the SaaS and payments division, the risk-free rate and the volatility of the share price relative to market movements.

Management believes the projected revenue growth rates are prudent and justified, based on the activity and its current deal flow. The significant growth rates in FY25 and FY26 relates to the provision of additional services to two key contracted customers of the group. After the implementation of these services, the forecast growth returns to steady state growth more aligned to long term average growth rate in the industries in which Spenda operates.

There were no other key assumptions for the SaaS and payments CGU.

During this analysis, it was identified that delays in contracted and forecast revenue had led to the recoverable amount exceeding the carrying amount of this CGU.

The directors have made judgments and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur, further impairment may occur. An increase/(decrease) in the discount rate by 5% would lead to an increase/(decrease) in the impairment charge of $1,626,960. An increase/(decrease) in revenue by 5% would lead to an increase/(decrease) in the impairment charge of $1,945,625. The remaining recoverable amount of the CGU is $8.4M.

Based on the above, an impairment charge of $13,838,599 has been applied.

Lending CGU

The following key assumptions were used in the discounted cash flow model for the lending CGU:

- 26% (2024: 23%) low pre-tax discount rate and 31% (2024: 29%) high pre-tax discount rate;
- 5% (2024: 5%) per annum projected long term revenue growth rate used in calculating the terminal value; and
- 5% (2024: 5%) per annum increase in operating costs and overhead used in calculating the terminal value.
- Growth rates of 10% in 2026, 229% in 2027, 4% in 2028, 4% in 2029 and 4% in 2030 (2024: 110%, 137%, 4%, 4%, 4%).
- Cost of sales are forecast as a percentage of sales at 53.9% in 2026, 54.7% in 2027, 2028, 2029 and 2030 (2024 : 58% & 56%).
- Overhead costs (largely being direct salary & wages) are forecast at $624k in 2026, $654k in 2027, $685k in 2028, $717k in 2029 and $751k in 2030. (2024: $654k, $654k, $685k, $717k & $751k).

The discount rate reflects management's estimate of the time value of money and the Group's weighted average cost of capital adjusted for the lending division, the risk-free rate and the volatility of the share price relative to market movements.

Note 14 Intangible assets (continued)

Impairment testing (continued)

Management believes the projected revenue growth rate is prudent and justified, based on the activity and its current and projected deal flow. The significant growth rates in FY26 and FY27 are largely due to the key strategic relationship with APG (as noted in the review of results and operations in the directors report) and the continued provision of these new services to prospective clients based on current deal flow and internal targets set.

There were no other key assumptions for the lending CGU.

The directors have made judgments and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur, further impairment may occur. An increase/(decrease) in the discount rate by 5% would lead to an increase/(decrease) in recoverable amount of $3,112,642. An increase/(decrease) in revenue by 5% would lead to an increase/(decrease) in the recoverable amount of $2,172,711.

Based on the above, no impairment charge has been applied as the recoverable amount exceeded its carrying amount for the lending CGU.

Note 15 Trade and other payables

	Consolidated	
	2025	2024
	$	$
Current		
Trade payables	**998.567**	596,109
PAYG withholding	**1,221,708**	141,814
Deferred income	**282,658**	86,124
Superannuation payable	**244,225**	183,304
Merchant funds withheld	**1,064,239**	-
Sundry payables and accrued expenses	**810,022**	590,067
	4,621,419	1,597,418
Non-current		
Trade payable	-	100,000

Note 16 Lease liabilities

	Consolidated	
	2025	2024
	$	$
Current		
Lease liabilities	**138,102**	106,181
Non-current		
Lease liabilities	**282,820**	397,974

The remaining lease liability on this as at 30 June 2025 is $420,922 (2024: $504,155) spread over 3 years.

Note 17 Financial Liabilities

	Consolidated	
	2025	2024
	$	$
Current		
Deferred consideration (17c)	**666,660**	-
Premium funding loan balance	**236,378**	154,105
	903,038	154,105
Non-current		
Debt warehouse facility (17a)	**-**	14,000,000
Debt warehouse facility – capitalised set up costs	**-**	(772,859)
Working capital facility (17b)	**3,000,000**	-
Accrued interest on working capital facility	**75,450**	-
Deferred consideration (17c)	**363,014**	
	3,438,464	13,227,141

Financial liabilities are measured at amortised cost.

17a Debt warehouse facility

SCFT1 had in place a note subscription with a limit of $17m (with an accordion up to potentially $50m). The terms of the facility are as follows.

- Available until July 2025;
- Fixed interest rate of 11%; and
- The issue of 80,546,396 call options at 4.2 cent per option, with 50% vesting on financial close and 50% vesting pro-rate on utilisation of the initial facility.

Costs related to the establishment of the securitisation master trust structure and associated debt facility are initially capitalised, then amortised on a straight-line basis over the term of the facility. Net capitalised costs are offset against related borrowings. On the sale of the invoice finance book, these liabilities were extinguished.

17b Working capital facility

Spenda Limited has in place a working capital facility with a limit of $3m. The terms of the facility are as follows :-

- Avaiable until April 2028
- Fixed interest rate of 12% and capitalised as part of the principal; and
- Repayments to commence on the first quarter of year 3 (7th July 2027).

17c Deferred consideration

As part of the consideration for the acquisition of Limepay, the Company agreed to issue deferred consideration shares in 3 tranches dependent on whether various milestones had been met.

Tranche 2 milestone required issue shares equal to $2.4M at an issue price of $0.0175/$0.00225, or 10% discount of the 90 day VWAP and on the Company achieving annual recurring revenue of $4.8M, or 3 months revenue of at least $1.2M

Note 17 Financial Liabilities (continued)

Tranche 3 milestone required the issue of shares equal to $2.4M at an issue price of $0.0225 or a 10 % discount to the 90 day VWAP, subject to the Company achieving annual recurring revenue of $7.2M or 3 months revenue of at least $1.8M

Tranche 1 required deferred consideration of payment of $720,00 through issuance of shares equivalent to the payment value, to be issued subject to Limepay receiving its FY24 R&D refund of approximately $720,000. Limepay had successfully met this milestone prior to the completion date, and 59,504,132 shares were issued on 20 September 2024 in respect to this. The fair value of these shares amounted to $595,041 based on the Company's closing share price on valuation date.

To assess the fair values of Tranches 2 and 3 of the deferred consideration at the financial year ended 30 June 2025, the company performed a simulation of daily stock prices and the 10% discounted VWAP from the valuation date to the milestone payment dates of 20 September 2025 and 20 September 2026 respectively.

Simulation inputs and resulted generated the tranche 2 are summarised as follows:

- Share price on valuation date $0.010
- Volatility – 143%
- Simulated stock price on 20 September 2025 - $0.007
- # of shares expected to be issued – 137,142,857
- Discount rate of 3.615%

The simulation lead to an initial fair value of shares expected to be issued on 20 September 2025 of $960,000. Management assessed the likelihood of the milestone being achieved as 70%. This led to final fair value of the consideration of tranche 2 being $666,660.

Simulation inputs and resulted generated the tranche 3 are summarised as follows :

- Share price on valuation date $0.010
- Volatility – 139%
- Simulated stock price on 20 September 2026 - $0.007
- # of shares expected to be issued – 106,666,667
- Discount rate of 3.507%

The simulation lead to an initial fair value of shares expected to be issued on 20 September 2026 of $757,333. Management assessed the likelihood of the milestone being achieved as 50%. This led to final fair value of the consideration of tranche 3 being $363,014.

The revaluation of the deferred consideration at 30 June 2025 led to a fair value gain of $398,227

Price risk

The Group is exposed to other price risk on its deferred consideration. These are classified on the statement of financial position as a financial liability and are measured at fair value through the statement of profit or loss.

These financial liabilities contain an embedded derivate that is measured at fair value in the statement of financial position and grouped into three levels of a fair value hierarchy

- Level 1 – the instrument has quoted prices 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 or indirectly

Level 3 – a valuation technique is applied using inputs that are not based on observable market data (unobservable inputs).

Note 17 Financial Liabilities (continued)

30 June 2025	Level 1	Level 2	Level 3	Total
	$	$	$	$
Liabilities				
Deferred consideration	-	-	**1,029,674**	**1,029,674**
	-	-	**1,029,674**	**1,029,674**

If the deferred consideration were to fall by 10%, or increase by 10%, the value of the consideration would be $926,706 and $1,029,674 respectively.

30 June 2025	Total
	$
Recognised on acquisition	**1,427,901**
Fair value adjustment to deferred consideration	(398,227)
Closing balance	**1,029,674**

Note 18 Provisions

	Consolidated	
	2025	2024
	$	$
Current		
Annual leave	**717,780**	615,162
Long service leave	**39,727**	58,400
	757,507	673,562
Non-current		
Provision for gratuity	**67,699**	50,139
Long service leave	**153,665**	236,774
	221,364	286,913

Note 19 Contributed equity

	Consolidated	
	2025	2024
	$	$
Ordinary shares	**175,858,738**	172,960,699

Ordinary shares

Holders of ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and moneys paid up on shares held. The fully paid ordinary shares have no par value. Holders of ordinary shares are entitled to one vote, either in person or by proxy at a meeting of the Company.

Note 19 Contributed equity(continued)

Ordinary shares	2025		Consolidated 2024	
	No. Shares	**$**	No. Shares	$
Opening balance	**4,324,457,799**	**172,960,699**	3,650,186,165	165,030,603
Private placement	**-**	**-**	647,086,315	7,662,000
Issued as part of business combination	**264,462,810**	**2,644,628**	-	-
Employee share option plan/incentive plan	**23,294,871**	**237,448**	21,375,000	257,218
Issued in lieu of fees	**3,000,000**	**30,000**	5,810,319	58,103
Transactions costs related to share issue	**-**	**(14,037)**	-	(47,225)
Closing balance	**4,615,215,480**	**175,858,738**	4,324,457,799	172,960,699

Shares issued under the ESIP are valued at the date they were issued. The expense is recognised as part of the salaries and wages balance for the salary sacrificed shares and share based payment expense for ESIP shares issued.

Note 20 Option Reserves and Share Based Payments

Reserves	Consolidated 2025	2024
	$	$
Share Based Payment Reserves	**6,054,490**	3,782,199
Option Premium Reserve	**-**	407,158
Foreign Currency Translation Reserve	**(12,838)**	28,190
Closing balance	**6,041,652**	4,217,547

Share based payment reserve relates to the cumulative amount charged to the profit or loss in respect of listed and unlisted options granted.

Option premium reserve relates to the monies received for its options over and above their nominal value.

Foreign currency reserve is used to recognise exchange differences arising from the translation of financial

Share Based Payment Reserves

Share Based Payment and Option Premium Reserve	Consolidated 2025	2024
	$	$
Opening Balance	**3,782,199**	10,153,947
Options (expired)/exercised	**(97,824)**	(7,937,549)
Vesting charge on issued options	**2,370,115**	1,565,801
Closing balance	**6,054,490**	3,782,199

Note 20 Option Reserves and Share Based Payments (continued)

The following table represents the various securities issued by the Company as share-based payments during the year and their fair value:

Class	Detail	Vesting date	Vesting condition	Expiry date	Number of options	Fair value	Exercise price
A	Option granted under ESIP	10-Sep-24	Various	30-Sep-2027	15,000,000	82,500	$0.0175
B	Option granted under ESIP	10-Sep-24	Various	30-Sep-2027	15,000,000	82,500	$0.0175
C	Option granted under ESIP	10-Sep-24	Various	30-Sep-2027	15,000,000	82,500	$0.0175
D	Option granted under ESIP	10-Sep-24	Various	30-Sep-2027	41,812,500	229,969	$0.0175
E	Option granted under ESIP	10-Sep-24	Various	30-Sep-2027	40,987,835	225,433	$0.0175
F	Option granted under ESIP	3-Oct-24	Various	30-Sep-2027	52,265,625	365,859	$0.0175
G	Option granted to NED	3-Oct-24	Various	15-Jun-2027	10,000,000	69,970	$0.0175
H	Option granted under ESIP	14-Oct-24	Various	30-Sep-2027	25,895,762	153,204	$0.0175
I	Options issued for services	21-Nov-24	None	18-Dec-2025	100,000,000	444,218	$0.0175
J	Options issued for services	19-Jun-25	None	30-Sep-2027	12,500,000	30,971	$0.0175
Total					**328,461,722**		

The cost of equity transactions is determined by using the fair value of the options at the grant date using either the black scholes or binomial model. The fair value is determined in accordance with the fair market value of the shares available at the grant date and identified above.

Some inputs to the models require the application of judgement. The fair value of unlisted options granted during the period were estimated on the grant date using the assumptions set out below:

Class	Number	Detail	Vesting date	Underlying share price	Volatility	Risk-free rate	Dividend Yield	Exercise price
A	15,000,000	Option granted under ESIP	10-Sep-24	$0.009	118%	3.43%	Nil	$0.0175
B	15,000,000	Option granted under ESIP	10-Sep-24	$0.009	118%	3.43%	Nil	$0.0175
C	15,000,000	Option granted under ESIP	10-Sep-24	$0.009	118%	3.43%	Nil	$0.0175
D	41,812,500	Option granted under ESIP	10-Sep-24	$0.009	118%	3.43%	Nil	$0.0175
E	40,987,835	Option granted under ESIP	10-Sep-24	$0.009	118%	3.53%	Nil	$0.0175
F	52,265,625	Option granted under ESIP	3-Oct-24	$0.011	118%	3.42%	Nil	$0.0175
G	10,000,000	Option granted to NED	3-Oct-24	$0.011	118%	3.42%	Nil	$0.0175
H	25,895,762	Option granted under ESIP	14-Oct-24	$0.010	118%	3.50%	Nil	$0.0175
I	100,000,000	Options issued for services	21-Nov-24	$0.010	135%	4.35%	Nil	$0.0175
J	12,500,000	Options issued for services	30-June-2025	$0.007	100%	3.23%	Nil	$0.0175
Total	**328,461,722**							

The were no listed options issued during year.

Furthermore, several shares were issued as share based payments in lieu of fees and to employees and key management personnel in as part of STI under the ESIP.

Shares	Rationale	Date Issued	Share Price at grant date	Number of Shares
Shares A	Shares issued to KMP as part of STI	18 September 2024	$0.011	10,675,271
Shares B	Shares issued to Employees	18 September 2024	$0.011	1,000,000
Shares C	Shares issued to consultant for services provided	18 September 2024	$0.010	3,000,000
Shares D	Shares issued as part of business combination	20 September 2024	$0.010	264,462,810
Shares E	Shares issued to directors in lieu of salary	23 December 2024	$0.011	11,619,600
Total				**290,757,681**

Note 20 Option Reserves and Share Based Payments (continued)

The total share-based payment expense of $2,488,368 (FY24: $1,823,051) in the statement of profit or loss and other comprehensive income consists of $2,220,920 of options (FY24 $1,565,801) and $267,448 of shares (FY24 $257,218).

The estimation of the fair value of the awards requires judgement with respect to the appropriate methodology. The fair value for the options granted was determined by using the Black-Scholes model or Binomial model as appropriate. Set out below are summaries both listed and unlisted, of options granted during the year:

				Consolidated
	2025		2024	
	Average exercise price per share option $	**Number of options**	Average exercise price per share option $	Number of options
As at 1 July	**$0.0250**	**599,251,486**	$0.033	686,752,315
Granted during the year	**$0.0175**	**328,461,722**	$0.033	267,008,996
Expired or forfeited during the year	**$0.0250**	**(31,841,666)**	$0.025	(354,509,825)
Exercised during the year	**-**	**-**	-	-
As at 30 June	**$0.0250**	**895,871,542**	$0.030	599,251,486

At 30 June 2025 the weighted average contractual life of the above options was 2.25 years (2024: 2.17 years).

The number of options exercisable at the end of the reporting period are 785,926,552 (2024: 614,441,057).

The vesting conditions of outstanding options are as follows during the year ended 30 June 2025.

Class	Number	Vesting condition
A	15,000,000	None
B	15,000,000	None
C	15,000,000	None
D	41,812,500	None
E	40,987,835	None
F	52,265,625	None
G	10,000,000	2.5M vest immediately, 2.5m vest after 1 year, 2 years and 3 years
H	25,895,762	None
I	100,000,000	None
J	12,500,000	None

Note 21 Segment reporting

The Group's operating segment is based on the internal reports that are reviewed and used by the Board of Directors (being the Chief Operating Decision Maker ('**CODM**')) in assessing performance and in determining the allocation of resources. The Group operates predominantly in the IT software, payments and non-bank lending industry sectors.

Segment	Principal Activities
SaaS and Payments	Provision of software as a service to business customers and merchant payment services.
Lending	Provision of lending services to business customers
Unallocated	Unallocated includes certain head office costs and costs not directly attributable to either segment.

	SaaS & Payments $	Lending $	Total $
For the year ended 30 June 2025			
Revenue	7,989,053	3,094,759	**11,083,812**
Other income	398,227	1,986,489	**2,384,716**
EBITDA	4,002,741	4,313,196	**8,573,511**
Corporate EBITDA			**(12,368,712)**
Depreciation and amortisation			**(4,803,194)**
Finance costs			**(1,839,878)**
Impairment	(13,838,599)		**(13,838,599)**
Loss before income tax	(9,835,858)	4,313,196	**(24,276,872)**
Income tax benefit			**(32,865)**
Loss after income tax	(9,835,858)	4,331,196	**(24,309,737)**

All of the Group's revenues are derived from Australian based entities. One customer generates revenue greater than 10% of the Group's total revenue in the SaaS & Payments segment.

In the statement of profit or loss and other comprehensive income, cost of services rendered includes interest expense on borrowings. For the purpose of calculating EBITDA it has been reallocated to finance costs, as noted above.

Note 21 Segment reporting (continued)

	SaaS & Payments $	Lending $	Unallocated $	Total $
For the year ended 30 June 2025				
Total assets	14,232,034	9,638,913	**1,913,213**	**25,784,160**
Total liabilities	(952,929)	(407,684)	**(9,002,101)**	**(10,362,714)**
Net assets/(liabilities)	13,279,105	9,231,229	**(7,008,888)**	**15,421,446**

	SaaS & Payments $	Lending $	Total $
For the year ended 30 June 2024			
Revenue	2,414,315	2,960,695	**5,375,010**
Other income	-	-	**163,702**
EBITDA	(1,987,989)	1,496,165	**(7,163,053)**
Corporate EBITDA			**(6,671,229)**
Depreciation and amortisation			**(3,662,728)**
Finance costs			**(2,331,079)**
Loss before income tax	(5,270,211)	(1,072,734)	**(13,156,860)**
Income tax benefit	-	-	**(48,159)**
Loss after income tax	(5,270,211)	(1,072,734)	**(13,205,019)**

	SaaS & Payments $	Lending $	Unallocated $	Total $
For the year ended 30 June 2024				
Total assets	22,412,103	24,486,236	**4,149,012**	**51,047,351**
Total liabilities	(426,770)	(13,428,585)	**(2,687,939)**	**(16,543,294)**
Net assets/(liabilities)	21,985,333	11,057,651	**1,461,073**	**34,504,057**

All material company assets and liabilities are held in Australia.

Note 22 Related party disclosure

Director and key management personnel related entities

The following entities have been determined to be related party entities:

Entity	Director/Key Management Personnel
Humedale Pty Ltd	Humedale Pty Ltd is a related party entity. Mr Stephen Dale is a director of both Spenda Limited and Humedale Pty Ltd
The Jarvis Family Trust	Jarvis Family Trust ("JFT") is a related party entity. Mr Richard Jarvis was a key management personnel of the Company and a director of the trust
The Woods Family Trust	Woods Family Trust ("WFT") is a related party entity. Mr David Wood is a key management personnel of the Company and a director of the trust
The Hilton Family Trust	Hitlon Family Trust ("HFT") is a related party entity. Mr Andrew Hilton was a key management personnel of the Company and a director of the trust

Shares Issued to Related Entities

Shares issued to related entities are as disclosed in the remuneration report.

Directors and key management personnel

Disclosures relating to directors and key management personnel are set out in the remuneration report in the directors' report and note 23.

Transactions with related parties

During the year , a loan was entered into between the Company and Mr Adrian Floate of $148,902. The terms of the loan are still being agreed.

Parent entity

Spenda Limited is the ultimate parent entity.

As at 30 June 2025, Spenda Limited had intercompany loans with subsidiaries of $34,272,951 (2024: $31,321,285). These loans carry no interest charge and have no set date for repayment. All intercompany transactions are eliminated on consolidation. Parent entity information is disclosed in note 25.

Subsidiaries & associates

Interests in subsidiaries and associates are set out in note 13.

Note 23 Key management personnel disclosures

The aggregate compensation made to directors and other KMP of the Group is set out below:

	Consolidated	
	2025	2024
	$	$
Short-term employee benefits:		
Cash salary, fees and short-term compensation	**2,226,417**	1,979,870
Post-employment benefits		
Superannuation	**204,252**	187,423
Long-term employee benefits		
Share-based payments	**1,488,365**	1,195,905
	3,919,034	3,363,198

Note 23 Key management personnel disclosures (continued)

Shareholding

Refer to the Remuneration Report which contains the number of ordinary shares in the parent entity held during FY25 and FY24 by each director and other KMP of the Company, including their personally related parties.

Option holding

Refer to the Remuneration Report which contains the number of options granted to KMP during FY25 and FY24.

Note 24 Cash flow information

a) Non-cash investing activities

	2025 **$**	2024 $
Right of use asset	**35,722**	34,785

b) Changes in liabilities arising from financing activities

	2025 **$**	2024 $
Opening balance	**13,885,401**	12,255,806
Net drawdown on loans from debt financier [1]	**(13,545,287)**	1,400,000
Drawdown on working capital loan	**3,000,000**	-
Transaction costs related to establishment of debt facility	**-**	(369,500)
Interest on working capital facility	**75,450**	-
Amortisation on borrowing costs	**318,146**	773,652
Premium funding liabilities	**82,273**	-
Deferred consideration	**1,029,674**	-
Repayments on lease liabilities	**(83,233)**	(174,557)
	4,762,424	13,885,401

[1] In the statement of cashflows the net drawdown of the debt warehouse (note 17a), the net repayment of the debt and client loans (note 11) have been included within investing activities. The net movement above excludes movements from client loans.

Note 24 Cash flow information (continued)

c) Reconciliation of Cash Flow from Operations with Loss before Income Tax

	Consolidated	
	2025	2024
	$	$
Loss after Income Tax	**(24,196,426)**	(13,205,019)
Cash flows excluded from loss attributable to operating activities		
Non-cash Flows in Loss		
Impairment on goodwill and intangibles	**13,838,599**	-
Depreciation charge and amortisation expense	**4,803,194**	3,662,728
Amortisation of borrowing costs	**318,146**	773,652
Fair value adjustment	**300,000**	1,725,000
Share-based payments expense	**2,488,368**	1,823,051
Shares issued in lieu of salary	**232,960**	-
Foreign exchange movements	**-**	5,750
Impairment on receivables and credit losses	**-**	60,046
Changes in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	**(4,275,212)**	(171,454)
(Increase)/Decrease in other current assets	**(104,853)**	(131,209)
Increase/(Decrease) in trade payables, provisions and accruals	**4,722,927**	(393,091)
Net cash used in operating activities	**(1,872,297)**	(5,850,546)

Note 25 Parent entity information

Spenda Limited was the parent company of the consolidated entity throughout the financial year ended 30 June 2025. The results and financial position of the parent entity are detailed below:

	Consolidated	
	2025	2024
	$	$
Statement of profit or loss and other comprehensive income		
Loss after income tax	**(23,804,755)**	(13,205,019)
Total comprehensive loss	**(23,804,755)**	(13,205,019)
Statement of financial position		
Current assets	**232,120**	2,778,759
Non-current assets	**21,270,682**	32,609,143
Total assets	**21,502,802**	35,387,902
Current liabilities	**1,309,572**	883,845
Non-current liabilities	**4,771,784**	-
Total liabilities	**6,081,356**	883,845
Net Assets	**15,421,446**	34,504,057
Equity		
Contributed equity	**175,858,738**	172,960,699
Share-based payment reserve	**6,041,652**	4,217,547
Accumulated losses	**(166,478,944)**	(142,674,189)
Total Equity	**15,421,446**	34,504,057

Note 26 Auditor's remuneration

	Consolidated	
	2025	2024
	$	$
William Buck Audit (VIC) Pty Ltd		
Audit and review of financial statements	**108,500**	-
Other assurance services (AFSL audit)	**19,000**	-
HLB Mann Judd		
Audit and review of financial statements	**-**	116,183
Non-audit services (taxation compliance)	**-**	20,500
	127,500	136,683

Note 27 Business Combination

On 20 September 2024, Spenda acquired 100% of the ordinary share capital of Limepay Pty Ltd for a total up front consideration of $2,049,587 by the issue of 204,958,678 ordinary shares and tranche 1 shares of 59,405,132. The company also agreed to deferred consideration of tranche 2 shares of $2.4M on the Company achieving annual recurring revenue of $4.8M or 3 months revenue of at least $1.2M and tranche 3 shares of $2.4M on the Company achieving annual recurring revenue of $7.2M or 3 months revenue of at least $1.8M. The goodwill of $1,548,113 represents the expected synergies from merging the business with the existing payments infrastructure that Spenda currently operates within. The acquired business contributed revenue of $3,318,550 to the Group for the period from 20 September 2024 to 30 June 2025 and net loss after tax of $1,556,847. If the acquisition had occurred on 1 July, the total contribution to the Group would have been $3,861,385 and a net loss after tax of $2,941,501. The values identified in relation to the acquisition of Limepay Pty Ltd are final as at 30 June 2025. All transaction costs incurred were expensed ($83,990).

In relation to the business acquisition, the consolidated entity has finalised the fair value of the assets and liabilities as at the date of the acquisition.

	Consolidated 2025 $
Balance Sheet	
Cash & cash equivalents	210,520
Trade & other receivables	520,055
Other current assets	165,431
Plant & equipment	6,794
Intangible assets	2,273,639
Trade & other payables	(377,788)
Other loans	(60,000)
Provisions	(214,234)
Net assets acquired	2,524,417
Excess consideration over net assets acquired	1,548,113
Acquisition date fair value of consideration	4,072,529
Representing	
Cash paid or payable to vendor	-
Share based consideration	2,644,628
Deferred share based consideration	1,427,901

Note 28 Contingent assets and liabilities

The Group has no contingent assets or liabilities as at 30 June 2025 (30 June 2024: nil).

Note 29 Matters subsequent to the end of the financial year

On August 19th 2025, the Company entered into and drew down funding of a convertible note from Obsidian Global GP, LLC for a total of $1.25M of a total facility limit of $3.5M.

The terms of the note are as follows : -

- Maturity date of 2 years
- Face value of $1.20 per note
- Issue of 100,000,000 placement shares with the investor given the right to buy these shares at a price equal to 90% of the average of the lowest 3 daily VWAP during 15 actual trading days prior.

On the 10th September 2025, Mr Adrian Floate (Managing Director) resigned from his position in the Company. Additionally, Mr Francis DeSouza was appointed as an Executive Director in the Company the 10th September 2025.

Apart from the above, no material matters occurred subsequent to the end of the financial year.

Consolidated Entity Disclosure Statement

Name of Entity	Type	% Share Capital	Country of Incorporation	Australian Resident	Foreign jurisdiction in which the entity is a resident for tax purposes
Spenda Limited	Body Corporate	100%	Australia	Yes	N/A
Spenda Business Services Pty Ltd	Body Corporate	100%	Australia	Yes	N/A
Spenda Cash Flow Pty Ltd	Body Corporate	100%	Australia	Yes	N/A
Spenda Cash Flow Trust 1	Trust	-	Australia	Yes	N/A
Spenda Cash Flow Trust 2	Trust	-	Australia	Yes	N/A
Spenda Finance Pty Ltd	Body Corporate	100%	Australia	Yes	N/A
Anthem Software Pty Ltd	Body Corporate	100%	Australia	Yes	N/A
Spenda India Technologies Private Limited	Body Corporate	100%	India	No	India
Spenda Singapore Pte Ltd	Body Corporate	100%	Singapore	No	Singapore
Limepay Pty Ltd	Body Corporate	100%	Australia	Yes	N/A
Limepay Credit Pty Ltd	Body Corporate	100%	Australia	Yes	N/A
April Solutions Limited	Body Corporate	100%	New Zealand	No	New Zealand

The consolidated entity disclosure statement has been prepared in accordance with the *Corporations Act 2001* and includes information for each entity that was part of the consolidated entity as at the end of the financial year, in accordance with *AASB 10 Consolidated Financial Statements*

Directors' declaration

The Directors of Spenda Limited declare that:

(a) in the Directors' opinion the financial statements and notes and the Remuneration Report in the Directors' Report set out on pages 3 to 73 are in accordance with the Corporations Act 2001, including:

  (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and

  (ii) complying with Australian Accounting Standards and Corporations Regulations 2001 and other mandatory financial reporting requirements; and

(b) the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board as disclosed in note 2(a);

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable as discussed in note 2(a)(v); and

(d) the 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 the Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Board.

Francis DeSouza
Executive Director
30 September 2025

WilliamBuck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Spenda Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Spenda 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 2025 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 2025,
- 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 Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net loss of $24.31 million and had cash outflows from operations of $1.87 million during the year ended 30 June 2025. 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.

Other Matter

The financial report of the Group for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified opinion on the financial report on 29 August 2024. The report issued included a paragraph in respect of material uncertainty related to going concern.

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.

	Area of focus (refer also to notes 2 and 14)	How our audit addressed the key audit matter
Carrying value of intangible assets including goodwill	Included on the statement of financial position is an intangible asset balance of $15.91 million as at 30 June 2025, which relates to goodwill of $7.45 million and other intangible assets totaling $8.46 million. In accordance with *AASB 136 – Impairment of assets* the Group is required to, at least annually, perform an impairment assessment of goodwill and intangible assets that have an indefinite useful life. For intangible assets with finite useful lives, the Group is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives.	Our audit procedures included for each CGU: — A detailed evaluation of the Group's budgeting procedures upon which the forecast is based and testing the principles and integrity of the discounted future cash flow models for each CGU; — Assessing the appropriateness of the 'CGUs' identified in line with how the Board and Chief Financial Decision Makers evaluate the performance of the Group; — Testing the accuracy of the calculation derived from the forecast model and assessing key inputs to the calculations such as revenue growth, terminal growth, gross margins, and working capital assumptions for each CGU; — Performing a review of the discount rate recommended by an independent expert to confirm that the methodology used by the expert was appropriate and that the expert was appropriately qualified to undertake the task for each CGU; — Performing sensitivity analysis on the model noting that any change in the assumptions used would change the

	Impairment is recognized when the carrying amount of the Cash Generating Unit ('CGU") exceeds its recoverable amount. As at 30 June 2025, the Group recorded an impairment charge of $13.84 million against the goodwill and intangible asset balances in its SaaS and payments CGU with a corresponding expense in the consolidated statement of profit or loss and other comprehensive income. No impairment charge was recorded in respect of the Groups lending CGU. The accounting treatment to determine the carrying value of intangible assets is complex and requires significant judgment and has been a key area of focus for our audit.	impairment charge recorded by the Group in the SaaS and payments CGU; and — Performing market cross checks on revenue multiples used in the industry that the Group operates in and comparing the Group's market capitalisation relative to its net asset position as at 30 June 2025 for each CGU. We also considered the adequacy of the Group's disclosures in the notes to the financial report.
Acquisition of Limepay	**Area of focus (refer also to notes 2 and 27)** The Group acquired 100% of the ordinary share capital of Limepay Pty Ltd ("Limepay") on 20 September 2024 for a total consideration of $4.08 million, being initial share-based consideration of $2.65 million and deferred share-based consideration of $1.43 million contingent on certain financial milestones being achieved. Accounting for this transaction is complex and required significant judgements and estimates by management on the initial entries recorded, specifically to determine the fair value of assets and liabilities acquired and the fair value of the contingent consideration in the context of Australian Accounting Standards. As such this matter has been determined as a key area of focus for our audit.	**How our audit addressed the key audit matter** Our audit procedures included: — Assessing that the acquired entity meets the definition of a business under *AASB 3 – Business Combinations*; — Reviewing the sale and purchase agreement to understand the key terms and conditions of the acquisition, including the date that control passed to the Group; — Assessing the Group's determination of fair values of assets acquired by performing specific audit procedures on opening balances at acquisition date and assessing the allocation of identifiable intangible assets, which was calculated by managements independent expert; and — Assessing the estimation of contingent consideration included within the transaction including the valuation of the option embedded into the purchase agreement, which was calculated by managements independent expert. We have also assessed the adequacy of the Group's disclosures in respect of the acquisition in the financial report

Revenue Recognition	**Area of focus (refer also to notes 2 and 4)** Consistent with the prior year the Group continues to enter into agreements with new trading partners for generating new sources of revenue within the following operating segments: — SaaS and payments; and — Lending 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, that exist within the Group.	**How our audit addressed the key audit matter** Our audit procedures included: — Determining whether revenue recognised is in-compliance with the Group's accounting policies and *AASB 15 Revenue from Contracts with Customers*; — Analysing managements determination of operating segments was in accordance with *AASB 8 – Operating Segments* — 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; and — Examining the existence of revenue, both by testing to contract, invoicing and to subsequent receipt of the revenue from the customer. We also assessed the appropriateness of disclosures attached to revenues, particularly those mandatorily required by the Australian Accounting Standard, *AASB 15 Revenue from Contracts with Customers.*
Divestment of client loans to third party	**Area of focus (refer also to notes 2 and 4)** During the financial year the Group finalised the divestment of its invoice finance portfolio. On this date the Group disposed of its associated assets and liabilities, and they were removed from the Group's statement of financial position. Due to the significance of the transaction to the Group's financial position and performance this matter was considered a key audit matter.	**How our audit addressed the key audit matter** Our audit procedures included: — Verified that the accounting treatment of the transaction, including presentation and disclosure was in accordance with the accounting standards; — Verified that the sale transaction was accounted for appropriately through review of the sale agreement and vouching of supporting documentation such as the cash received by the Group on completion; and — Performed audit procedures over the balances relating to the disposal of assets as at the date of settlement in order to calculate the gain on disposal. We have also assessed the adequacy of disclosures in the notes to the financial report.

	Area of focus (refer also to notes 2 and 9)	How our audit addressed the key audit matter

Carrying value of R&D receivable	Under the research and development (R&D) tax incentive scheme, the refundable R&D tax offset is the Group's corporate tax rate plus an 18.5% premium. A registration of R&D Activities Application is filed with AusIndustry in the following financial year and, based on this filing, the Group receives the incentive in cash.
	
	Management performed a detailed review of the Company's total R&D expenditure to determine the potential claim under the R&D tax incentive legislation. For the year ended 30 June 2025, the R&D amount claimed is $2.35 million.
	
	The process of calculating the R&D tax rebate and receivable balance requires judgement and specialised knowledge in identifying eligible expenditure, which gives rise to anticipated R&D tax incentives. Balances in relation to R&D tax incentives are therefore considered to be a key audit matter.
		Our procedures included, amongst others:
		
		— Obtaining the 30 June 2025 R&D rebate calculations prepared by management and performing the following procedures:
		  — Assessing the qualifications of managements independent expert engaged to review managements calculations;
		  — Developing an understanding of the model, identifying and assessing the key assumptions in the calculation;
		  — Testing included expenditure for reasonableness against the eligibility criteria;
		  — Testing the mathematical accuracy of the balance; and
		— Comparing the estimates made in previous years to the amount of cash received after lodgement of the R&D tax claim.
		
		Evaluating the disclosures in the financial report for appropriateness and consistency with accounting standards

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 2025, 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 Spenda Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

WilliamBuck
ACCOUNTANTS & ADVISORS

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

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

A. A. Finnis
Director
Melbourne, 30 September 2025

Additional stock exchange information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 30 September 2025.

Substantial shareholders

The Company has been notified of the following substantial shareholding:

	No of Shares	% Held of Issued Ordinary Capital
Invia Custodian Pty Ltd <Capricorn Society Limited>	626,575,206	13.58%
Adrian Floate and associated entities	307,110,077	7.10%

Top 20 Shareholders

Name of Shareholder	No of Shares	% Held of Issued Ordinary Capital
INVIA CUSTODIAN PTY LIMITED <CAPRICORN SOCIETY LIMITED>	626,575,206	13.58%
FAAF PTY LTD <IN LIQUIDATION A/C>	108,344,454	2.35%
A RAZAK GROUP PTY LTD <A RAZAK GROUP FAMILY A/C>	85,146,310	1.84%
DAVY CORP PTY LTD <DAVY INVESTMENT A/C>	75,676,998	1.64%
RARE AIR HOLDINGS PTY LTD	74,036,769	1.60%
MERIKE PTY LTD <J K SUPER A/C>	57,912,647	1.25%
MR ASHLEY ROBERT STENT	55,962,095	1.21%
MR ADRIAN JASON FLOATE & MRS ASHLEIGH ANN FLOATE <FAAF SF A/C>	47,500,000	1.03%
MR ANDREW JULIAN HILTON <HILTON FAMILY A/C>	46,886,010	1.02%
TEMOREX P/L <NITRAM FAMILY A/C>	39,986,701	0.87%
CITICORP NOMINEES PTY LIMITED	39,018,845	0.85%
BAGA RIVER INVESTMENTS PTY LTD <THE DE SOUZA FAMILY A/C>	37,000,000	0.80%
MR PETER IAN RICHARDS	35,186,832	0.76%
MR RYAN WAYNE EARNSHAW	32,746,672	0.71%
MR PETER FOT	31,218,468	0.68%
SCOTT FOUNTAIN SUPER PTY LTD <SCOTT FOUNTAIN SF A/C>	30,069,285	0.65%
DHILLON ENTERPRISES PTY LTD	30,000,000	0.65%
MR LEE FRANCIS TAYLOR	27,220,963	0.59%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	26,524,987	0.57%
MR PETER IAN RICHARDS & MRS CAROL RICHARDS <RICHARDS FAMILY S/F A/C>	26,188,889	0.57%
Total	**1,533,202,131**	**33.22%**

Range of Shareholders

Range	Total holders	Units	% of Issued CROO
1 - 1,000	47	7,201	0.00%
1,001 - 5,000	40	148,595	0.00%
5,001 - 10,000	120	930,754	0.02%
10,001 - 100,000	2,211	133,621,086	2.90%
100,001 - 9,999,999,999	2,684	4,480,507,843	97.08%
Totals	**5,102**	**4,615,215,479**	**100%**

Based on the price per security of $0.005, number of holders with an unmarketable holding: 2,115, with total 104,407,636 amounting to 2.26% of Issued Capital.

Unlisted Options

57,500,000 unlisted options with an exercise price of $0.084 per option expiring 25/2/26 are held by 3 individual option holders.

213,083,334 unlisted options with an exercise price of $0.0175 per option expiring 15/6/27 are held by 15 individual option holders.

39,500,000 unlisted options with an exercise price of $0.0175 per option expiring 15/5/27 are held by 3 individual option holders.

23,600,000 unlisted options with an exercise price of $0.02 per option expiring 16/5/27 are held by 37 individual option holders.

5,000,000 unlisted options with an exercise price of $0.045 per option expiring 3/11/27 are held by 1 individual option holder.

100,00,000 unlisted options with an exercise price of $0.10 per option expiring 3/11/27 are held by 1 individual option holder.

36,772,326 unlisted options with an exercise price of $0.0175 per option expiring 15/11/26 are held by 1 individual option holder.

18,363,163 unlisted options with an exercise price of $0.055 per option expiring 15/11/26 are held by 1 individual option holder.

18,363,163 unlisted options with an exercise price of $0.04 per option expiring 15/11/26 are held by 1 individual option holder.

218,461,722 unlisted options with an exercise price of $0.0175 per option expiring 30/9/27 are held by 71 individual option holders.

100,000,000 unlisted options with an exercise price of $0.0175 per option expiring 18/12/25 are held by 1 individual option holder.

20,000,000 unlisted options with an exercise price of $0.0175 per option expiring 19/8/28 are held by 1 individual option holder.

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.

Share buy-back

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

Shareholder Enquiries

Shareholders with enquiries about their shareholdings should contact the share registry.

For change of address, change of name, consolidation of shareholdings, shareholders should contact the Share registry to obtain details of the procedure required for any of these changes.