APPENDIX 4E

HUBiFY
UNIFYING PEOPLE AND TECHNOLOGY

Name of entity:	Hubify Limited
ABN:	60 607 921 246
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

Results for announcement to the market	Up / Down	Movement %	2024 $
Revenues from ordinary activities	Down	(24%)	19,721,226
(Loss) / profit from ordinary activities after tax attributable to the members of Hubify Limited	Down	(1021%)	(4,720,513)
(Loss) / profit for the year attributable to the members of Hubify Limited	Down	(1021%)	(4,720,513)
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	Down	(232%)	(4,374,509)
Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (Underlying EBITDA*)	Down	(126%)	(1,136,032)
Cash and cash equivalents	Down	(50%)	2,785,939

Results for announcement to the market	2024 $	2023 $
Profit / (loss) before income tax expense	(6,080,566)	1,407,096
Finance costs	120,650	61,593
Interest revenue	(60,523)	(13,334)
Depreciation expense	371,611	452,536
Amortisation expense	1,274,319	1,396,411
EBITDA	(4,374,509)	3,304,302
Acquisition costs	-	122,920
Restructuring charges	209,064	841,463
Share-based payments	25,627	135,970
Net fair value loss on financial assets	1,147,892	-
Impairment of intangibles	1,855,894	-
Underlying EBITDA*	(1,136,032)	4,404,655

* Underlying EBITDA excludes costs associated with the integration and restructure from acquisitions and assignment of customer base. Underlying EBITDA also excludes restructuring charges associated with employee redundancy costs, the net fair value loss on financial assets, the impairment of intangibles, and the non-cash share-based payment transactions.

The remainder of the information requiring disclosure to comply with listing rule 4.3A is contained in the Directors' Report and Annual Financial Report for the year ended 30 June 2024.

Net tangible assets	Reporting Period Cents	Reporting Period Cents
Net tangible assets per ordinary security	0.62	0.86

Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

HUBiFY

UNIFYING PEOPLE AND TECHNOLOGY

ANNUAL REPORT | FY24

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CORPORATE DIRECTORY

For the Year ended 30 June 2024

Directors	Anthony Ghattas - Chairman Victor Tsaccounis - Chief Executive Officer Charbel Nader
Company secretary	Nick Fitzgerald
Registered office and principal place of business	Suite 1.01 Level 1 65 Epping Road Macquarie Park NSW 2113 Phone:(02) 9003 9573
Share register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2001
Auditor	In.Corp Audit & Assurance Pty Ltd (formerly Rothsay Audit & Assurance Pty Ltd) Level 1, 6 O'Connell Street Sydney NSW 2000
Solicitors	HWL Ebsworth Lawyers Level 14 – Australia Square 264-278 George Street Sydney NSW 2000
Bankers	National Australia Bank 85-95 Marrickville Rd Marrickville NSW 2204
Stock exchange listing	Hubify Limited shares are listed on the Australian Securities Exchange (ASX code: HFY)
Website	www.hubify.com.au
Corporate Governance Statement	www.hubify.com.au/investor-centre/

ABOUT HUBIFY

Hubify Limited (ASX:HFY) ("Hubify", or "Company"), is a leading provider of Telco, IT Technology & Managed Services to Australian businesses.

Our customers have 10 to 1,000 employees, value personalised service, reliability & forward-thinking solutions allowing them to focus on their business.

- Business IT & Tech
- IT Infrastructure
- Professional Services
- Unified Communications
- NBN Enterprise
- Fibre & Managed Wi-Fi
- Hosted Voice
- Workspace & End User Computing
- IoT Solutions
- SIP & On Premise
- Global Sim
- Mobile Device Management

Solutions for our target market include products such as Hubify One, a single IT services solution for SME from end point management to strategic direction at one fixed cost. Hubify provides Australian businesses a one stop shop for all their Telco & IT needs.

OUR COMPANY

In addition to the suite of Hubify products, Hubify offers a range of cybersecurity solutions for SMEs and its suite of products includes;

- Backup & Disaster Recovery
- Cybersecurity Audits
- Cyber Governance
- Proactive Cybersecurity defence
- Security Event Management
- Penetration testing

Specialised solutions in Cyber Defence, Alerts, Business Continuity, & Disaster Recovery.

FY24 HIGHLIGHTS

Continued record growth in Managed Services Up 15%, with Cybersecurity as the key enabler.

Managed Services revenue grew by 15% in the year to June 2024 as the company realised the transformation from a Mobility reseller into a full-service Managed Service & Cybersecurity business.

Recurring Contracts

New Managed Services and Cyber Security recurring contracts contributed to recurring revenue at 87% of total revenue.

Ready for next stage of growth

With zero debt, a cash balance of $2.8m and mature processes in place the company is more focused than ever to continue its dual pronged strategy to grow both organically and acquisitively.

Organic Growth + Acquisition = Scale

Recurring revenue at 87% of total revenue... zero debt, a cash balance of $2.8m.

I'm very pleased with the company's turnaround underlying EBITDA result in H2 FY24. The company is maturing at a fast rate and establishing itself to becoming a major player in Managed Services for Australian Businesses.

Victor Tsaccounis
CEO

DIRECTOR'S REVIEW

Anthony Ghattas

Non-Executive Chairman

Victor Tsaccounis

CEO & Executive Director

Letter to Shareholders

On behalf of the Directors of Hubify Limited, we are pleased to present the Company's Annual report for the period ended 30 June 2024.

The company's market objective is to be the most trusted partner across IT (Information Technology), Cybersecurity & Communication for Australian businesses, & we are well on our way.

Resetting the company for the next stage of growth

In the prior year the Company's management made the strategic decision to divest the Mobility Small Business Reseller Program with Optus and focus on the more sustainable and scalable MSP (Managed Service Providers) business with recurring revenue. With a renewed focus on scalable recurring revenue the business has achieved 15% organic growth in Managed Services Revenue year on year in FY24.

The FY24 overall company revenue decline of 24% is attributable to the result in the mobility and lead generation divisions that supported the Optus Small Business Program that was divested.

In response to changing market conditions, the company is shifting its focus to capitalize on acquisition opportunities that enhance our core competencies in Sales and Operations. Despite the current economic challenges, including rising interest rates and inflation, we have maintained a strong financial foundation, avoiding debt and preserving a healthy cash position. This financial stability allows us to strategically pursue acquisitions that support our goal of becoming the most trusted IT partner for Australian businesses.

Customer Wins

During the year, the Company had success in winning several new clients across various industries including retail, pubs & clubs, recruitment, FMCG & NDIS. These include the following new clients:

- JB Hi-Fi
- Archer ASX:AXE
- Chemist Warehouse
- Coco Republic
- Readytech
- Securacore
- Giddy-Up Sports & Racing
- Turner Townsend
- Mallee District Aboriginal Services
- FDC Building
- University of Adelaide

The above list represents over $2.5m in Total Contracted Revenue (TCV) and only includes 'new clients' and excludes existing clients that have renewed their contracts.

Recurring Managed Services and Cybersecurity revenue was up 32%. Despite the macro-economic pressures that have impacted other areas of Managed services such as digital transformational projects, the company was still able to deliver overall organic revenue growth in Managed Services of 15%. Many Australian businesses are postponing investment decisions in a high inflation environment, and we continue to be agile with our teams operationally to ensure we are reflecting current market conditions and pivoting to deliver growth in revenue and EBITDA.

The company continues to receive positive feedback from Managed Service & Cybersecurity clients, our churn rates in these divisions are near zero. The sales pipeline of new business continued to grow in FY24 due to investment in lead generation & sales resources that will continue into FY25.

Non Core Asset Impairment impacting Underlying loss

Overall underlying EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) was impacted by the transition out of mobility delivering a $1.1M loss for FY24. The net loss after tax was $4.7M, which included non-operational factors such as:

a. the impairment of intangibles predominantly due to customer lists relating to voice and data contract expirations amounting to $1.9m,
b. the impairment of the investment in Internet 2.0 amounting to $1.1m and
c. restructuring charges of $0.2m.

Acceleration of the impairment of these intangible assets will bring forward the time horizon to achieving net operating profit.

Current Operations

We are pleased that the company has seen trading with positive underlying cashflow in H2 FY24, closing the year debt free with a healthy cash balance.

The executive management team have successfully transformed the business, and the company is now at a maturity level to maximise profit from any further growth in revenue, and new acquisitions with the costs of transformational change now behind us.

The Board remains confident in the management's ability to continue to drive strong organic and acquisitive revenue growth and to realise further operating leverage inherent in the Hubify business strategy supported by a strong debt-free Balance Sheet.

We'd like to thank our customers, team, and shareholders for their continued support, and we look forward to a great year ahead of growth and success at Hubify.

Anthony Ghattas
Non-Executive Chairman

Victor Tsaccounis
CEO & Executive Director

TRUSTED PARTNER

One trusted partner for all your IT, Cybersecurity and Communications needs.

Unifying people & technology for over 20 years.

Our customers are organisations with over 20 employees, and we simplify their technology and cybersecurity solutions delivered with great service at a competitive price.

What makes Hubify unique against competitor offers are underpinned by three pillars;

1 Trusted Advisor

Delivering a trusted extension of a client's team that brings a proactive approach to business IT

2 ASX listed

A boutique and transparent approach providing the coverage and protection that small businesses require

3 Tailored solutions

Leveraging best of breed technologies that meet immediate business requirements

Building from a Mobility & Voice reseller to Managed Services & Cyber, by partnering with Australian SMEs.

The ways we do business, locally & globally, are shifting.

We are agile & evolve based on customer needs. From Voice, Internet, & Networking, to becoming a full-service MSP with a comprehensive Cyber Security offering.

Internet & Networks
Mobility
Voice

Managed Services

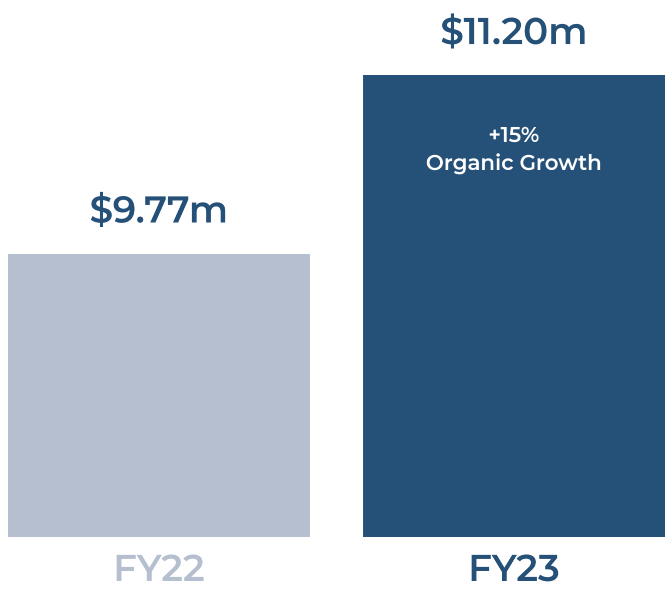
Cybify by HUBIFY

MANAGED SERVICES

MANAGED SERVICES

Managed services growth of 15% in line with the company's strategy to continue building annuity revenue through value added services to clients

Managed Services is the driver of total company revenue growth and MSP is up 15% to $11.20m with the addition of new customers. Continues double digit revenue growth of the Managed services area.



Business IT & Tech

IT Infrastructure

Business Continuity

Cloud Services

Our Partners

Microsoft

Microsoft Azure

FORTINET

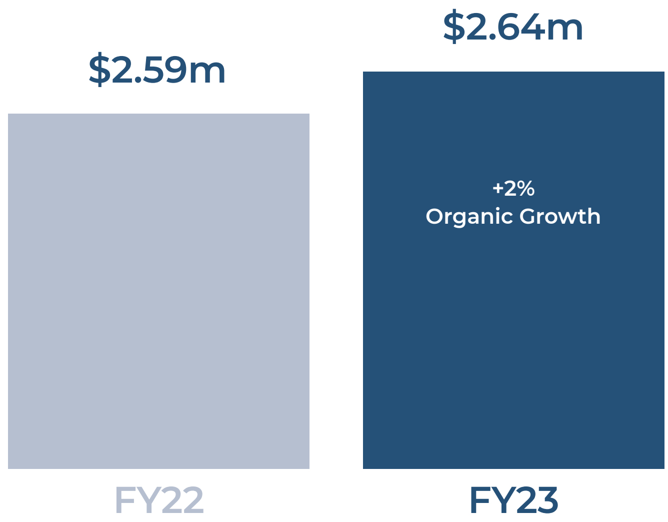
CISCO

VOICE

VOICE

Transitioning from traditional On-Premise to Cloud-Based Voice Solutions.

Overall revenue was 2% above FY23 in line with the market decline in traditional fixed voice revenues and reductions in hardware requirements. The focus within the voice division is to migrate customers on traditional on-prem voice products to MS Teams and 3CX calling managed by in-house teams within the MSP division. The product migration has a reduced cost to serve as it rationalises redundant systems and their support requirements.



Hosted Voice | Inbound | SIP & On Premise | Microsoft Teams

Our Partners

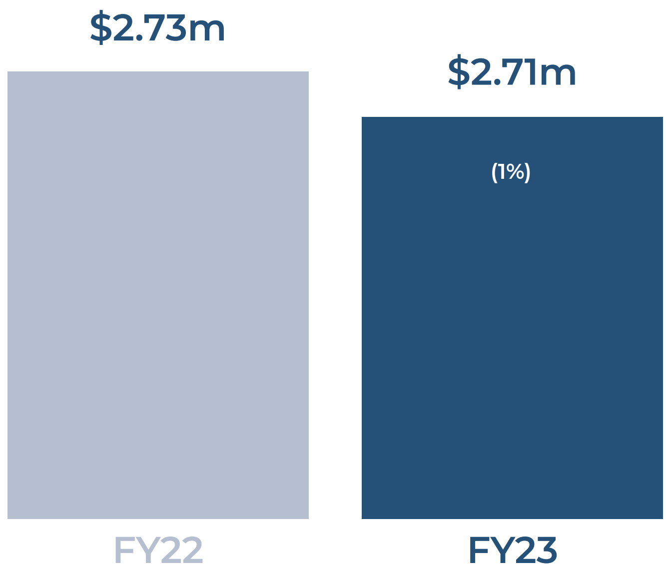
Vocus
Microsoft
symbio
3CX

INTERNET &
NETWORKS

INTERNET & NETWORKS

Enterprise grade connectivity solutions offered as additional services to our MSP offerings.

Recurring revenue delivered through added services to MSP solutions. Due to the low margins (particularly in NBN) the company views data as an enabler for Managed Services Growth and there is no specific focus on growth in this product as a stand-alone service. Customer churn continues to be low.



NBN Enterprise | Managed Wi-Fi | Managed Routers | Fibre

Our Partners

VOCUS OPTUS symbio AAPT FORTINET

OUR LEADERSHIP

Anthony Ghattas

Non-Executive Chairman

Anthony is the former CEO of ASX listed, digital and mobile content development company HWW Limited is the Founder and Managing Director of United Lifestyle Group.

Charbel Nader

Non-Executive Director

Charbel is an investment banker with extensive experience in corporate finance, strategic advisory roles and mergers & acquisitions.

Victor Tsaccounis

CEO & Executive Director

Victor Tsaccounis has operated as CEO & Executive Director of Hubify since 2019, he is a well-regarded executive with over 24 years' experience leading IT & telecommunications companies.

Nick Fitzgerald

CFO & Head of Strategy

Nick joined Hubify in March 2021 as the CFO and Strategy lead. He has worked in the healthcare industry for a number of years predominantly at J&J, in both Finance and Customer roles.

Jonathan Perrin

CRO - Partnerships

Jonathan is a Senior Executive with 20 years of experience in the telecommunications industry. Jonathan leads sales and client relations for Hubify.

John Martin

CTO

John joined Hubify in June 2021 as part of the ICNE acquisition and has over 20 years of experience in IT and Managed Services in delivering full service MSP and telco solutions.

+$2.22M

MANAGED SERVICES RECURRING REVENUE

DIRECTOR'S REPORT

For the Year ended 30 June 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or the 'group') consisting of Hubify Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

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

Anthony Ghattas
Victor Tsaccounis
Charbel Nader

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

- sale, customisation and integration of IT and telecommunications systems
- managing technology products and services for customers
- maintenance of IT and telecommunications systems
- internet based selling of hardware and software products

Dividends

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

Review of operations

The company's market objective is to be the most trusted partner across IT (Information Technology), Cybersecurity and Communication for Australian businesses.

Resetting the company for the next stage of growth

In the prior year the Company's management made the strategic decision to divest the Mobility Small Business Reseller Program with Optus and focus on the more sustainable and scalable MSP (Managed Service Providers) business. With a renewed focus on scalable recurring revenue the business has achieved 15% organic growth in Managed Services Revenue year on year in FY24.

Resetting the company for the next stage of growth (continued)

The FY24 overall company revenue decline of 24% is attributable to the result in the mobility and lead generation divisions that supported the Optus Small Business Program that was divested.

In response to changing market conditions, the company is shifting its focus to capitalize on acquisition opportunities that enhance our core competencies in Sales and Operations. Despite the current economic challenges, including rising interest rates and inflation, we have maintained a strong financial foundation, avoiding debt and preserving a healthy cash position. This financial stability allows us to strategically pursue acquisitions that support our goal of becoming the most trusted IT partner for Australian businesses.

Customer wins

Recurring Managed Services and Cybersecurity revenue was up 32%. Despite the macro-economic pressures that have impacted other areas of Managed services such as digital transformational projects, the company was still able to deliver overall organic revenue growth in Managed Services of 15%. Many Australian businesses are postponing investment decisions in a high inflation environment, and we continue to be agile with our teams operationally to ensure we are reflecting current market conditions and pivoting to deliver growth in revenue and EBITDA.

The company continues to receive positive feedback from our Managed Service and Cybersecurity clients and our churn rates in these divisions are near zero. The sales pipeline of new business continued to grow in FY24 due to investment in lead generation and sales resources that will continue into FY25.

Non Core Asset Impairment impacting Underlying loss

HFY recorded an underlying EBITDA loss of $1.1m for FY24 with an annual statutory net loss after tax of $4.7m. Total revenue for the period was $19.7m, a 24% decrease compared to the prior year driven by divestment of the Optus SMB mobility business. Managed services and Communications now makes up 85% of total revenue and within these segments, Managed Services led solid year on year growth of 15% in FY24. The final cash position at the end of the year was $2.8m.

The net fair value of the investment in Internet 2.0 was written down by $1.1m to a nominal value as a conservative position in the absence of evidence to assess the fair value of this investment. This has impacted the operating loss within the period however in prior periods HFY realised through off market share sales $0.4m of its initial $0.5m investment.

The financial statements have been prepared on a going concern basis, which reflects continuity of the normal business activities and the realisation of assets and payments of its liabilities in the normal course of business. The Group incurred a loss of $6.1m before income tax which was impacted by non-operational factors including the impairment of intangibles amounting to $1.9m, the impairment of the investment in Internet 2.0 amounting to $1.1m and redundancies amounting to $0.2m.

Reconciliation of profit before income tax to EBITDA and Adjusted EBITDA (unaudited):

	2024 $	2023 $
Profit / (loss) before income tax expense	(6,080,566)	1,407,096
Finance costs	120,650	61,593
Interest revenue	(60,523)	(13,334)
Depreciation expense	371,611	452,596
Amortisation expense	1,274,319	1,396,411
EBITDA	(4,374,509)	3,304,302
Acquisition costs	-	122,920
Restructuring charges	209,064	841,463
Share-based payments reserve	25,627	135,970
Net fair value loss on financial assets	1,147,892	-
Impairment of intangibles	1,855,894	-
Underlying EBITDA	(1,136,032)	4,404,655

EBITDA and underlying EBITDA are non-IFRS earnings measures which do not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. These measures, which are unaudited, are important to management as an additional way to evaluate the consolidated entity's performance.

Significant changes in the state of affairs

On 21 October 2023, 2,000,000 share options expired without exercise or conversion.

On 31 October 2023, 13,012,500 of the performance rights previously granted to the company's Directors and the Chief Financial Officer were cancelled and re-issued under new terms with each of the holders due to changes in the company strategy and the subsequent exit from the Optus mobility small business market.

On 30 June 2024, 41,295,185 performance rights expired.

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Material business risks

Hubify Limited operates within a highly competitive, technology based industry and is exposed to a range of risks that have the potential to impact on the financial, operational, and strategic performance of the business. Members of the Executive are responsible for implementing risk management within their business and operational units and report regularly to the Chief Executive Officer and Board of Directors. It is not possible to identify every risk that could affect the business and the actions taken to mitigate these risks cannot provide absolute assurance that a risk will not materialise. Material business risks that could impact the consolidated entity’s performance are described below.

Macroeconomic Risks	Hubify’s financial performance can be impacted by current and future economic conditions which it cannot control, such as increases in interest rates and inflation. The company stays abreast of these conditions, focuses on its internal debtor controls and diversifies its customer base by industry segment to help manage these risks.
Industry, Market and Customer Demand change	Due to the nature of the technology industry and its ever changing environment, there may be external environmental changes which affect the business’ core offering. These can be changes in industry standards, competitor offerings, changes to popular technology/software and a shift in customer demands. Hubify identifies the threats posed to its business through external risks such as changes in the industry, market, and customer demand. A flexible scalable business model has been developed which facilitates changes to current and future products to accommodate changes in technology trends.
Supplier and Vendor Relationship	Hubify relies on key supplier relationships in certain parts of its business. The loss or impairment of a key relationship could impact Hubify’s business. A dedicated procurement team together with executive sponsored account management reviews with key suppliers maintains and develops productive partnerships.

Loss of Key Enterprise Partners	Hubify generates a substantial portion of its revenue from Key Enterprise Partners and the loss of business would impact Hubify's business and financial results. Hubify has dedicated relationship managers engaged with key enterprise partners and perform regular reporting against annual objectives to shape these partnerships.
Cyber Threats	Hubify relies on the availability of its websites, hosting servers and the websites and systems of various third-party partners to provide services to existing and new clients. Such websites, servers and systems could be subject to data theft, disruption, or denial of service (DoS) attacks and unauthorised access from hackers. Hubify has a core capability in providing to customers a full-service Cyber SaaS including Firewalls, intrusion detection & prevention and monitoring of a customer's full technology stack. This includes working with our key partners who are equipped to provide cyber threat intelligence and these measures are employed within the Hubify network to safeguard our systems and ensure we address the security of our customers data.
Reputation	The success of Hubify's business depends on the maintenance of good client relationships and its reputation for providing high quality products and services. Hubify's reputation could be significantly damaged if Hubify does not meet customer expectations; it is involved in litigation claims relating to its product performance or customer service; or it is subject to negative media coverage. Hubify currently tracks key performance metrics that include Customer analytics and measures on customer satisfaction, which identifies and highlights the ways in which we can improve. Hubify on-boards all staff to ensure they adhere to the code of conduct and conducts regular compliance updates with staff. This includes regular updates to the Corporate Governance statement, customer engagement policies and Privacy law training to ensure that the Hubify business ethics employed are of a standard exceeding customer expectations.
Reliance on Key Personnel	Hubify relies on the experience and knowledge of its management team and the loss of key personnel which Hubify is unable to replace with suitable staff or within a reasonable timeframe could have a materially adverse effect on Hubify's business and its operations.

Likely developments and expected results of operations

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

Environmental regulation

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

Information on Directors

Name:	Anthony Ghattas
Title:	Non-executive Chairman
Qualifications:	None
Experience and expertise:	Anthony Ghattas is the former CEO of ASX listed, digital and mobile content development company HWW Limited. Anthony is the Founder and Managing Director of United Lifestyle Group, he has extensive experiences in direct to customer marketing in Australia and overseas which retails consumer direct wines under multiple brands in Australia and New Zealand. Over the last 17 years, Anthony has seen to the growth of United Lifestyle Group across multiple continents.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman
Interests in shares:	39,599,235
Interests in options:	Nil
Interests in rights:	1,800,000

Name:	Victor Tsaccounis
Title:	Director and Chief Executive Officer
Qualifications:	None
Experience and expertise:	Victor Tsaccounis has over 20 years' experience in the telecommunications industry. He has held senior roles including Head of Business at Vodafone where he successfully integrated his 2 business units during the merger of 3 Mobile and Vodafone in Australia.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chief Executive Officer
Interests in shares:	73,908,316
Interests in options:	Nil
Interests in rights:	4,687,500

Name:	Charbel Nader
Title:	Non-executive Director
Qualifications:	BCom (University of Melbourne), Master of Applied Finance (University of Melbourne)
Experience and expertise:	Charbel Nader is an investment banker with extensive experience in corporate finance and strategic advisory roles, including experience in mergers and acquisitions. Charbel was the Founding Chairman of Metro Media Publishing Pty Ltd. Charbel is a Director of Madman Entertainment Pty Ltd and Chairman of New Talisman Gold Mines Limited.
Other current directorships:	Chairman - New Talisman Gold Mines Limited (since 24/08/2016)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	205,000
Interests in options:	Nil
Interests in rights:	900,000

'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

The company secretary is Nick Fitzgerald. Nick brings a breadth of senior leadership experience gained across complex organisations including demonstrated capability on strategy development, financial stewardship and business growth across sales and marketing organisations. Nick holds a Bachelor of Commerce, is a member of Chartered Accountants Australia & New Zealand and is a Graduate Member of the Australian Institute of Company Directors.

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 2024, and the number of meetings attended by each director were:

	Full Board		Remuneration Committee	
	Attended	Held	Attended	Held
Anthony Ghattas	9	9	1	1
Victor Tsaccounis	9	9	1	1
Charbel Nader	9	9	1	1

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

An Audit Committee has not been established and the role of the Audit Committee has been assumed by the full Board. The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an Audit Committee.

Shares under option

There were no unissued ordinary shares of Hubify Limited under option outstanding at the date of this report.

Shares under performance rights

Unissued ordinary shares of Hubify Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Expiry Price	Number under rights
31 October 2023	30 June 2026	$0.05	13,012,500

Shares issued on the exercise of options

There were no ordinary shares of Hubify Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Hubify Limited issued on the exercise of performance rights during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 27 to the financial statements.

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

The directors are of the opinion that the services as disclosed in note 27 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (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 immediately after this directors' report.

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

On behalf of the directors

Victor Tsaccounis	**30th August 2024**
Director	**Sydney**

REMUNERATION REPORT

Audited

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

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

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

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

Principles used to determine the nature and amount of remuneration

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

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

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

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

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

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

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

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

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

Non-executive directors remuneration

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

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The approval of a maximum annual aggregate remuneration for non-executive directors will be tabled at a general meeting of the company. The amount paid to non-executive directors of the parent entity (Hubify Limited) during the year to 30 June 2024 was $174,622.

Executive remuneration

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

The executive remuneration and reward framework has four components:

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

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

(i) Fixed remuneration

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

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

(ii) Short-term incentives

Chief Executive Officer

The Chief Executive Officer is eligible for short-term incentive (STI) cash bonus payments based on the achievement of the KPIs specified in his executive service agreement. The KPIs for bonus purposes are determined for each financial year of the term of his service agreement. The aim of the STI is to link the achievement of the consolidated entity's annual and/or immediate financial and broader operational targets with the remuneration received by the Chief Executive Officer. The total potential STI is set at a level so as to provide sufficient incentive to achieve the operational targets and at a cost to the consolidated entity that is reasonable in the circumstances. Actual STI payments awarded to the Chief Executive Officer depend on the extent to which specific targets prescribed in the performance agreement for a financial year are met and is limited to a maximum of $75,000 (2023: $75,000). The total cash bonus is $75,000 if the key performance indicators are achieved.

The Chief Executive Officer was not entitled to a bonus in respect of the 30 June 2024 financial year (30 June 2023 financial year: entitled to a bonus of $54,075).

(iii) Long-term incentives

The long-term incentives include share-based payments. Options and performance rights to acquire shares may be awarded to Directors and executives. There were no options granted in the 2024 and 2023 financial years. There were 13,012,500 performance rights awarded to Directors or other key management personnel in the 2024 financial year (2023: nil).

Consolidated entity performance and link to remuneration

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

Use of remuneration consultants

The company did not engage remuneration consultants during the financial year ended 30 June 2024.

Voting and comments made at the company's 12 November 2021 Annual General Meeting ('AGM')

At the 25 October 2023 AGM, 99.65% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

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

The key management personnel of the consolidated entity consisted of the following directors of Hubify Limited:

- Anthony Ghattas - Non-executive Chairman
- Victor Tsaccounis - Director and Chief Executive Officer
- Charbel Nader - Non-executive Director

The key management personnel of the consolidated entity consisted of the following directors of Hubify Limited:

And the following person:

- Nick Fitzgerald - Chief Financial Officer

2024	Cash salary and fees $	Bonus $	Short-term benefits Other Benefits $	Annual leave accrual (i) $	Post-employment benefits Super-annuation $	Long-term benefits Long service leave (i) $	Share-based payments $	Total $
Non-Executive Directors:								
Anthony Ghattas	98,880	-	4,669	-	10,877	-	3,545	117,971
Charbel Nader	49,440	-	-	-	5,438	-	1,773	56,651
Executive Directors:								
Victor Tsaccounis	291,875	-	-	(7,253)	32,106	18,771	9,231	344,730
Other Key Management Personnel:								
Nick Fitzgerald	318,270	-	-	2,919	35,010	-	11,078	367,277
	758,465	-	4,669	(4,334)	83,431	18,771	25,627	886,629

(i) Represents the net movement in the leave entitlement balances.

2023	Cash salary and fees $	Bonus $	Short-term benefits Other Benefits $	Annual leave accrual (i) $	Post-employment benefits Super-annuation $	Long-term benefits Long service leave (i) $	Share-based payments $	Total $
Non-Executive Directors:								
Anthony Ghattas	98,160	-	-	-	10,307	-	4,800	113,267
Charbel Nader	49,080	-	-	-	5,153	-	2,400	56,633
Executive Directors:								
Victor Tsaccounis	255,625	54,075	-	(888)	26,841	6,922	12,502	355,077
Other Key Management Personnel:								
Nick Fitzgerald	306,750	64,980	-	4,705	32,209	-	55,002	463,646
	709,615	119,055	-	3,817	74,510	6,922	74,704	988,623

(i) Represents the net movement in the leave entitlement balances.

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

	Fixed Remuneration		At risk - STI		At risk - LTI	
Name	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Non-Executive Directors:						
Anthony Ghattas	97%	96%	-	-	3%	4%
Charbel Nader	97%	96%	-	-	3%	4%
Executive Directors:						
Victor Tsaccounis	97%	81%	-	15%	3%	4%
Other Key Management Personnel:						
Nick Fitzgerald	97%	74%	-	14%	3%	12%

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

Name	Cash bonus paid/payable 2024	Cash bonus paid/payable 2023	Cash bonus forfeited 2024	Cash bonus forfeited 2023
Executive Directors:				
Victor Tsaccounis	-	70%	100%	30%
Other Key Management Personnel:				
Nick Fitzgerald	-	70%	100%	30%

Service agreements

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

Name:	Victor Tsaccounis
Title:	Chief Executive Officer
Agreement commenced:	22 October 2019
Term of agreement:	On-going
Details:	Base salary of $295,000 (2023: 257,500) per annum to be reviewed annually by the Board and an annual cash bonus of up to $75,000. The cash bonus is dependent on the achievement of KPI's. The contract may be terminated by the company giving 12 months' notice and the CEO giving the greater of 4 weeks and the notice required under the Fair Work Act. There is no provision in the contract for a payout on termination other than accrued pay, leave entitlements or other statutory payments.

Name:	Nick Fitzgerald
Title:	Chief Financial Officer
Agreement commenced:	1 March 2021
Term of agreement:	On-going
Details:	Base salary of $321,360 (2023: 309,000) per annum to be reviewed annually by the Board and an annual cash bonus of up to $100,000. The cash bonus is dependent on the achievement of KPI's. The contract may be terminated by either party giving to the other party notice in accordance with an applicable Industrial Instrument of the Fair Work Act. There is no provision in the contract for a payout on termination other than accrued pay, leave entitlements or other statutory payments.

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

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024 (2023: nil).

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2024 and 30 June 2023.

Performance rights

On 31 October 2023, 13,012,500 of the performance rights previously granted to the company's Directors and the Chief Financial Officer were cancelled and re-issued under new terms with each of the holders due to changes in the company's strategy and the subsequent exit from the Optus mobility small business market.

Victor Tsaccounis (Chief Executive Officer) was granted a limited recourse interest-free loan for $46,875 to purchase 4,687,500 performance rights on 31 October 2023. The loan will only become repayable once the performance rights have vested, and the underlying shares have been sold. If the performance rights do not vest, the loan amount will be forgiven. Under this arrangement, no loan receivable has been recognized and the re-issued performance rights have been accounted for as an option to acquire shares in the company.

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

Grant Date	Vesting date and exercisable date	Expiry date	Share price hurdle for vesting	Fair value per right at grant date
31/10/2023	30/06/2026	30/06/2026	$0.05	$0.009

Performance rights granted carry no dividend or voting rights.

The number of performance rights over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2022 are set out below:

Name	Number of right granted during the year 2023	Number of right granted during the year 2023	Number of right vested during the year 2024	Number of right vested during the year 2023
Anthony Ghattas	1,800,000	-	-	-
Charbel Nader	900,000	-	-	-
Victor Tsaccounis	4,687,500	-	-	-
Nick Fitzgerald	5,625,000	-	-	-

There were no performance rights that lapsed during the current and prior financial years.

Additional information

The following data for the 2020 financial year represents the results of Broadland Solutions Pty Ltd for period from 1 July 2019 to 30 June 2020 and the results of Hubify Limited and its controlled entities for the period 21 October 2019 to 30 June 2020.

The earnings of the consolidated entity for the five years to 30 June 2024 are summarised below:

	2024 $	2023 $	2022 $	2021 $	2020 $
Sales revenue	19,721,226	25,771,129	23,806,140	16,667,014	14,469,167
EBITDA	(4,374,509)	3,304,302	341,507	2,063,681	1,739,401
EBIT	(6,020,439)	1,455,355	(1,411,140)	1,263,159	1,043,054
Profit/(loss) after income tax	(4,720,513)	512,322	(1,236,888)	918,913	2,626,165

Additional disclosures relating to key management personnel

Shareholding

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

Ordinary shares	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Anthony Ghattas	39,599,235	-	-	-	39,599,235
Victor Tsaccounis	73,908,316	-	-	-	73,908,316
Charbel Nader	205,000	-	-	-	205,000
Nick Fitzgerald	1,458,961	-	-	-	1,458,961
	115,171,512	-	-	-	115,171,512

Performance rights holding

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

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Anthony Ghattas	1,800,000	1,800,000	-	(1,800,000)	1,800,000
Charbel Nader	900,000	900,000	-	(900,000)	900,000
Victor Tsaccounis	4,687,500	4,687,500	-	(4,687,500)	4,687,500
Nick Fitzgerald	5,625,000	5,625,000	-	(5,625,000)	5,625,000
	13,012,500	13,012,500	-	(13,012,500)	13,012,500

Loans to key management personnel and their related parties

There were no loans owing by key management personnel of the group, including their close family members and entities related to them, at 30 June 2024 and 30 June 2023.

Other transactions with key management personnel and their related parties

The consolidated entity sold telephone and internet services during the year in the sum of $115,934 (2023: $101,817) to an entity in which Anthony Ghattas is a director and a controlling shareholder, and $2,864 (2023: $nil) to an entity in which Victor Tsaccounis is a director and a controlling shareholder. The contracts were based on normal commercial terms and conditions.

The consolidated entity leased an office from Madman Entertainment Pty Ltd, an entity in which Charbel Nader is a director and controlling shareholder. The office is leased on a month-to-month basis for monthly rent of $5,698 until April 2024 when the rent increased to $5,723. Rent paid during the year ended 30 June 2024 totalled $68,445.

Aggregate amounts of each of the above types of other transactions with key management personnel and their related entities:

Amounts recognised as revenue
Services: $118,798 (2023: $101,817)

Amounts recognised as expenses
Occupancy: $68,445 (2023: $11,395)

Amounts recognised as trade and other receivables
Trade receivables: $21,253 (2023: $nil)

There were no other transactions with key management personnel of the consolidated entity, including their close family members and entities related to them, during the financial year ended 30 June 2024.

This concludes the remuneration report, which has been audited.

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

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To the Directors of Hubify Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2024 there have been:

- no contraventions of the auditor independence requirements of 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 relation to Hubify Limited and the entities it controlled during the year.

In.Corp Audit & Assurance Pty Ltd

Graham Webb
Director

Sydney, 30 August 2024

FINANCIAL REPORT

General information

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

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

Suite 1.01, Level 1
65 Epping Road
Macquarie Park
NSW 2113

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30th August 2024. The directors have the power to amend and reissue the financial statements.

Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 $	2023 $
Revenue	4	19,721,226	25,791,629
Other income	5	102,592	1,108,832
Interest revenue		60,523	13,334
Expenses			
Acquisition costs		-	(122,920)
Administration		(10,841,266)	(13,775,649)
Cost of sales		(8,599,899)	(6,939,642)
Impairment of intangible assets	15	(1,855,894)	(58,333)
Marketing		(251,552)	(594,527)
Net fair value loss on financial assets at fair value through profit or loss	12	(1,147,892)	-
Occupancy		(270,536)	(415,850)
Restructuring charges		(209,064)	(841,463)
Other expenses		(2,668,154)	(2,696,722)
Finance costs	6	(120,650)	(61,593)
Total expenses	6	(25,964,90)	(25,506,69)
(Loss)/profit before income tax benefit/(expense)		(6,080,566)	1,407,096
Income tax benefit/(expense)	7	1,360,053	(894,774)
(Loss)/profit after income tax benefit/(expense) for the year attributable to the owners of Hubify Limited		(4,720,513)	512,322
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Hubify Limited		(4,720,513)	512,322
		Cents	**Cents**
Basic earnings per share	34	(1.0)	0.1
Diluted earnings per share	34	(1.0)	0.1

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 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	8	2,785,939	5,612,606
Trade and other receivables	9	1,429,251	1,768,006
Contract assets	10	418,950	516,084
Inventories	11	53,905	123,792
Financial assets at fair value through profit or loss	12	12,225	1,160,117
Income tax receivable	7	33,949	-
Other	13	107,260	188,360
Total current assets		4,841,479	9,368,965
Non-current assets			
Trade and other receivables	9	39,342	39,342
Plant and equipment	14	1,109,889	1,532,977
Intangibles	15	4,411,672	7,532,634
Deferred tax assets	7	1,624,926	1,254,306
Other	13	210,765	395,617
Total non-current assets		7,396,594	10,754,876
Total assets		12,238,073	20,123,841
Liabilities			
Current liabilities			
Trade and other payables	16	1,888,198	2,601,215
Contract liabilities	17	66,725	203,855
Borrowings	18	45,345	41,402
Lease liabilities	19	237,024	243,388
Income tax	7	3,379	3,379
Provisions	20	812,849	2,179,609
Total current liabilities		3,053,520	5,272,848
Non-current liabilities			
Borrowings	18	128,362	173,708
Lease liabilities	19	783,087	1,089,155
Deferred tax liabilities	7	809,377	1,798,810
Provisions	20	67,207	147,914
Total non-current liabilities		1,788,033	3,209,587
Total liabilities		4,841,553	8,482,435
Net assets		7,396,520	11,641,406
Equity			
Issued capital	21	8,753,280	8,303,280
Reserves	22	141,597	135,970
(Accumulated losses)/retained profits		(1,498,357)	3,202,156
Total equity		7,396,520	11,641,406

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 2024

	Issued capital $	Reserves $	Retained profits/ (accumulated losses) $	Total equity $
Balance at 1 July 2022	8,123,280	58,272	2,689,834	10,871,386
Profit after income tax expense for the year	-	-	512,322	512,322
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	512,322	512,322
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 21)	180,000	-	-	180,000
Share-based payments (note 22)	-	77,698	-	77,698
Balance at 30 June 2023	8,303,280	135,970	3,202,156	11,641,406

	Issued capital $	Reserves $	Retained profits/ (accumulated losses) $	Total equity $
Balance at 1 July 2023	8,303,280	135,970	3,202,156	11,641,406
Loss after income tax benefit for the year	-	-	(4,720,513)	(4,720,513)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(4,720,513)	(4,720,513)
Transfer to accumulated losses for expired options	-	(20,000)	20,000	-
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 21)	450,000	-	-	450,000
Share-based payments (note 22)	-	25,627	-	25,627
Balance at 30 June 2024	8,753,280	141,597	(1,498,357)	7,396,520

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 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		21,879,827	31,335,905
Payments to suppliers and employees (inclusive of GST)		(23,744,74)	(28,163,127)
		(1,864,917)	3,172,778
Interest received		60,523	13,334
Interest and other finance costs paid		(120,650)	(61,593)
Income taxes refunded/(paid)		(33,949)	21,427
Net cash from/(used in) operating activities	33	(1,958,993)	3,145,946
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		(753,408)	(125,000)
Payments for plant and equipment		(34,301)	(172,747)
Payments for intangibles	15	(9,251)	(49,500)
Payments for security deposits		-	(159,575)
Proceeds from disposal of investments	12	-	414,072
Proceeds from disposal of plant and equipment		6,000	65,175
Proceeds from release of security deposits		184,852	-
Net cash used in investing activities		(606,108)	(27,575)
Cash flows from financing activities			
Repayment of principal portion of leases	33	(220,163)	(357,750)
Proceeds from borrowings	33	-	237,527
Repayment of borrowings	33	(41,403)	(66,559)
Net cash used in financing activities		(261,566)	(186,782)
Net increase/(decrease) in cash and cash equivalents		(2,826,667)	2,931,589
Cash and cash equivalents at the beginning of the financial year		5,612,606	2,681,017
Cash and cash equivalents at the end of the financial year	8	2,785,939	5,612,606

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

Notes to the consolidated financial statements
30 June 2024

Note 1. Material accounting policy information

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Adoption of these new and amended accounting standards and interpretations did not have a material impact to the financial statements.

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

Going concern

For the year ended 30 June 2024 the consolidated entity incurred a loss after income tax of $4,720,513 (2023: profit after tax of $512,322) and net cash outflows from operating activities of $1,958,993 (2023: net cash inflows of $3,145,946).

The loss for the financial year ended 30 June 2024 includes a $1,855,894 impairment of intangibles (note 15) and a $1,147,892 fair value decrement on investments (note 12).

The ability of the consolidated entity to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on the consolidated entity having sufficient working capital to fund its activities.

The Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:

- At 30 June 2024, the consolidated entity held cash at bank balances totalling $2,785,939.
- The consolidated entity is in a net current asset position at 30 June 2024 of $1,787,959.
- The Group's budget for the next 12 months indicates that the Group will have sufficient cash to pay their debts for the next 12 months from the date of the signing of this financial report..
- Restructure of the business resulting in the significant cost savings including a number of redundancies in FY24.
- Management are focusing on the managed services business and has projected a positive EBITDA in FY25.

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of signature of this financial report, and have accordingly prepared the financial report on a going concern basis.

Should the consolidated entity be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the consolidated entity be unable to continue as a going concern and meet its debts as and when they fall due.

Notes to the consolidated financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

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

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

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

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Hubify Limited ('company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Hubify Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or the 'group'.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. Based on the preliminary analysis performed, the consolidated entity does not expect that any of these standards and interpretations will have a material impact on the consolidated entity's financial report.

Note 2. Critical accounting judgements, estimates and assumptions

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

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

Goodwill impairment
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

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

Lease term
The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 3. Operating segments

Identification of reportable operating segments
Operating segments are identified based on separate financial information which is regularly reviewed by the Board of Directors, representing the consolidated entity's Chief Operating Decision Makers (CODM), in assessing performance and determining the allocation of resources.

The consolidated entity operates in primarily one geographical segment, namely Australia. Revenue from overseas customers is not material to the consolidated entity. The primary business segment is telecommunications namely voice, data and value added services. As the consolidated entity operates in only one segment, the consolidated results are also its segment results.

Notes to the consolidated financial statements
30 June 2024

Note 3. Operating segments (continued)

Major customers
All revenue of the consolidated entity is from external customers. During the current and prior financial periods, there were no transactions with a single external customer that amounted to 10 per cent or more of the consolidated entity's revenues.

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

Note 4. Revenue

	2024 $	2023 $
Revenue from contracts with customers		
Sale of goods	1,918,859	1,475,200
Services	17,802,367	22,013,323
Contract termination fee*	-	2,282,606
	19,721,226	25,771,129
Other revenue		
Other revenue	-	20,500
Revenue	19,721,226	25,791,629

* Termination fee relates to the termination of the Small Business Segment agreement with Optus on 1 May 2023.

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

	2024 $	2023 $
Major product lines		
Mobility	2,097,226	8,452,499
Voice & Data	5,345,630	5,321,294
Managed services	11,203,695	9,769,234
Other	1,074,675	2,228,102
	19,721,226	25,771,129
Timing of revenue recognition		
Goods transferred at a point in time	1,918,859	1,475,200
Services transferred at a point in time	1,777,694	5,093,216
Services transferred over time	16,024,673	19,202,713
	19,721,226	25,771,129

Accounting policy for revenue recognition
The consolidated entity recognises revenue as follows:

Sale of goods (telecommunications hardware)
Revenue from the sale of goods is recognised when control of the products has transferred to the customer. This will usually occur on delivery of the goods. Amounts disclosed as revenue are net of sales returns and trade discounts.

Rendering of services
The consolidated entity generates revenues from after-sales service and maintenance provided as well as construction contracts for telecommunication solutions. Consideration received for those services is initially deferred, included in other liabilities and is recognised as revenue in the period when the service is performed. In recognising after-sales service and maintenance revenues, the consolidated entity considers the nature of the service and the customer's use of the related products, based on historical experience.

Contracts for telecommunication solutions
Construction contracts for telecommunication systems specify a fixed price for the development and installation of IT and telecommunication systems. When the outcome can be assessed reliably, contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. When the consolidated entity cannot measure the outcome of a contract reliably, revenue is recognised only to the extent of contract costs that have been incurred and are recoverable. Contract costs are recognised in the period in which they are incurred. In either situation, when it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately in profit or loss.

Note 5. Other income

	2024 **$**	**2023** **$**
Net fair value gain on financial assets (note 12)	-	1,070,939
Gain on settlement of contingent consideration (note 20)	96,592	-
Net gain on disposal of plant and equipment	6,000	553
Insurance recoveries	-	37,340
Other income	102,592	1,108,832

During the 2023 financial year, Hubify Limited's investment in Internet 2.0 was revalued to $1,570,706, resulting in a fair value gain of $1,070,706 (refer note 12). The remaining fair value gain on financial assets of $233 relates to Hubify Limited's listed investment. Refer to note 25 for further information on fair value measurement.

Notes to the consolidated financial statements
30 June 2024

Note 6. Expenses

	2024 $	2023 $
(Loss)/profit before income tax includes the following specific expenses:		
Aggregate employee benefits expense		
Defined contribution superannuation expense	815,914	1,006,837
Employee benefits expenses	9,783,183	12,751,544
	10,599,097	13,758,381
Impairment		
Goodwill	421,827	-
Patents, trademarks and other rights	8,073	-
Web development costs	68,394	-
Customer lists	1,350,477	58,333
Software	7,123	-
Total impairment	1,855,894	58,333
Depreciation		
Leasehold improvements	29,659	9,913
Plant and equipment	7,477	5,879
Furniture, fixtures and fittings	15,498	14,867
Computer equipment	77,672	95,030
Right-of-use assets - property leases	241,305	326,847
Total depreciation	371,611	452,536
Amortisation		
Web development	58,573	79,595
Customer lists	1,215,274	1,282,719
Software	472	34,097
Total amortisation	1,274,319	1,396,411
Finance costs		
Interest on lease liabilities	91,855	49,261
Interest on other borrowings	28,795	12,332
Finance costs expensed	120,650	61,593

Notes to the consolidated financial statements
30 June 2024

Note 7. Income tax

	2024 $	2023 $
Income tax expense/(benefit)		
Deferred tax - origination and reversal of temporary differences	(1,371,014)	314,828
Adjustment recognised for prior periods	10,961	579,946
Aggregate income tax expense/(benefit)	(1,360,053)	894,774
Deferred tax included in income tax expense/(benefit) comprises:		
(Increase)/decrease in deferred tax assets	(381,581)	151,466
(Increase)/decrease in deferred tax liabilities	(989,433)	163,362
Deferred tax - origination and reversal of temporary differences	(1,371,014)	314,828
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
(Loss)/profit before income tax benefit/(expense)	(6,080,566)	1,407,096
Tax at the statutory tax rate of 25%	(1,520,142)	351,774
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax effect on non-assessable income	23,834	(8,198)
Other non-deductible / (assessable) items	125,294	(28,748)
	(1,371,014)	314,828
Prior year deferred tax assets not recognised now recognised	10,961	579,946
Income tax expense/(benefit)	(1,360,053)	894,774

Notes to the consolidated financial statements
30 June 2024

Note 7. Income tax (continued)

	2024 $	2023 $
Deferred tax assets		
Deferred tax assets comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	992,531	447,225
Employee benefits	239,039	381,413
Lease liability	255,028	333,136
Accrued expenses	74,622	37,035
Other	63,706	55,497
Deferred tax assets	1,624,926	1,254,306
Movements:		
Opening balance	1,254,306	1,405,772
Credited/(charged) to profit or loss	381,581	(151,466)
Adjustment for prior periods	(10,961)	-
Closing balance	1,624,926	1,254,306

	2024 $	2023 $
Deferred tax liabilities		
Deferred tax liabilities comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Plant and equipment, and Intangibles	599,978	1,507,641
Right-of-use assets	209,399	291,169
Deferred tax liabilities	809,377	1,798,810
Movements:		
Opening balance	1,798,810	1,169,225
(Credited)/charged to profit or loss	(989,433)	163,362
Prior year under provision	-	466,223
Closing balance	809,377	1,798,810

	2024 $	2023 $
Income tax refund due		
Income tax refund due	33,949	-

Notes to the consolidated financial statements
30 June 2024

Note 7. Income tax (continued)

	2024 $	2023 $
Provision for income tax		
Provision for income tax	3,379	3,379

Accounting policy for income tax
Hubify Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Note 8. Cash and cash equivalents

	2024 $	2023 $
Current assets		
Cash at bank	2,785,939	5,612,606

Note 9. Trade and other receivables

	2024 $	2023 $
Current assets		
Trade receivables	1,647,821	1,859,231
Less: Allowance for expected credit losses	(218,570)	(102,985)
	1,429,251	1,756,246
Other receivables	-	11,760
	1,429,251	1,768,006
Non-current assets		
Other receivables	39,342	39,342
	1,468,593	1,807,348

Allowance for expected credit losses
The allowance for expected credit losses provided for above are as follows:

	2024 $	2023 $
Past due 90+ days	218,570	102,985

Notes to the consolidated financial statements
30 June 2024

Note 9. Trade and other receivables (continued)

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

	2024 $	2023 $
Opening balance	102,985	146,858
Additional provisions recognised	183,365	115,514
Receivables written off during the year as uncollectable	(67,780)	(159,387)
Closing balance	218,570	102,985

Accounting policy for trade and other receivables
Trade receivables are generally due for settlement within 30 days.

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

Note 10. Contract assets

	2024 $	2023 $
Current assets		
Contract assets	418,950	516,084

The contract assets are made up of accrued income relating to government training incentives and accrued upfront revenue receivable relating to customer installations.

Note 11. Inventories

	2024 $	2023 $
Current assets		
Stock on hand - at cost	53,905	123,792

Notes to the consolidated financial statements
30 June 2024

Note 12. Financial assets at fair value through profit or loss

	2024 $	2023 $
Current assets		
Investment in listed equity securities - held for trading	2,225	3,483
Investment in unlisted entity	10,000	1,156,634
	12,225	1,160,117

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

	2024 $	2023 $
Opening fair value	1,160,117	503,250
Disposals*	-	(414,072)
Revaluation increments	-	1,070,939
Revaluation decrements	(1,147,892)	-
Closing fair value	12,225	1,160,117

The investment in the unlisted entity represents shares held in Internet 2.0 Pty Ltd. As at 30 June 2024, there was insufficient information available to assess the fair value of Internet 2.0. As a result, a fair value decrement of $1,146,634 was recognised leaving a nominal balance of $10,000.

Refer to note 25 for further information on fair value measurement.

* In March 2023, Hubify Limited sold 66,571 shares in the investment, Internet 2.0 for $6.22 per share totalling $414,072. The resultant gain/loss on disposal was $nil.

Note 13. Other

	2024 $	2023 $
Current assets		
Prepayments	107,260	161,855
Other current assets	-	26,505
	107,260	188,360
Non-current assets		
Security deposits	210,765	395,617
	318,025	583,977

Notes to the consolidated financial statements
30 June 2024

Note 14. Plant and equipment

	2024 $	2023 $
Non-current assets		
Leasehold improvements - at cost	148,294	148,294
Less: Accumulated depreciation	(39,572)	(9,913)
	108,722	138,381
Plant and equipment - at cost	84,173	82,276
Less: Accumulated depreciation	(68,647)	(61,170)
	15,526	21,106
Furniture, fixtures and fittings - at cost	123,041	131,578
Less: Accumulated depreciation	(85,223)	(79,700)
	37,818	51,878
Motor vehicles - at cost	-	70,376
Less: Accumulated depreciation	-	(70,376)
	-	-
Computer equipment - at cost	455,474	424,508
Less: Accumulated depreciation	(345,243)	(267,571)
	110,231	156,937
Right-of-use assets - property leases	1,149,343	1,409,790
Less: Accumulated depreciation	(311,751)	(245,115)
	837,592	1,164,675
	1,109,889	1,532,977

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

	Leasehold improvements $	Plant and equipment $	Furniture, fixtures and fittings $	Computer equipment $	Right-of-use assets - property leases $	Total $
Balance at 1 July 2022	-	8,266	63,982	165,324	342,180	579,752
Additions	148,294	19,265	2,763	150,719	1,149,342	1,470,383
Disposals	-	(546)	-	(64,076)	-	(64,622)
Depreciation expense	(9,913)	(5,879)	(14,867)	(95,030)	(326,847)	(452,536)
Balance at 30 June 2023	138,381	21,106	51,878	156,937	1,164,675	1,532,977
Additions	-	1,897	1,438	30,966	-	34,301
Disposals	-	-	-	-	(85,778)	(85,778)
Depreciation expense	(29,659)	(7,477)	(15,498)	(77,672)	(241,305)	(371,611)
Balance at 30 June 2024	108,722	15,526	37,818	110,231	837,592	1,109,889

Notes to the consolidated financial statements
30 June 2024

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

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

Leasehold improvements	Lease term (5 years)
Plant and equipment	20% - 50%
Furniture, fixtures and fittings	10% - 50%
Computer equipment	50%
Right-of-use assets - property leases	Lease term (5 years)

Note 15. Intangibles

	2024 $	2023 $
Non-current assets		
Goodwill - at cost	2,440,691	2,440,691
Less: Impairment	(421,827)	-
	2,018,864	2,440,691
Patents, trademarks and other rights - at cost	8,073	8,073
Less: Impairment	(8,073)	-
	-	8,073
Web development - at cost	1,266,980	1,257,729
Less: Accumulated amortisation	(1,198,586)	(1,140,013)
Less: Impairment	(68,394)	-
	-	117,716
Customer lists - at cost	4,958,559	7,187,520
Less: Accumulated amortisation	(1,215,274)	(2,228,961)
Less: Impairment	(1,350,477)	-
	2,392,808	4,958,559
Software - at cost	2,729,801	2,729,801
Less: Accumulated amortisation	(2,722,678)	(2,722,206)
Less: Impairment	(7,123)	-
	-	7,595
	4,411,672	7,532,634

Notes to the consolidated financial statements
30 June 2024

Note 15. Intangibles (continued)

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

	Goodwill $	Patents, trademarks and other rights $	Web development costs $	Customer lists $	Software $	Total $
Balance at 1 July 2022	2,437,497	108,073	147,811	6,199,611	41,692	8,934,684
Additions	-	-	49,500	-	-	49,500
Adjustment	3,194	-	-	-	-	3,194
Reclassification	-	(100,000)	-	100,000	-	-
Impairment expense	-	-	-	(58,333)	-	(58,333)
Amortisation expense	-	-	(79,595)	(1,282,719)	(34,097)	(1,396,411)
Balance at 30 June 2023	2,440,691	8,073	117,716	4,958,559	7,595	7,532,634
Additions	-	-	9,251	-	-	9,251
Impairment expense	(421,827)	(8,073)	(68,394)	(1,350,477)	(7,123)	(1,855,894)
Amortisation expense	-	-	(58,573)	(1,215,274)	(472)	(1,274,319)
Balance at 30 June 2024	2,018,864	-	-	2,392,808	-	4,411,672

Impairment testing
For the purpose of impairment testing, goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit, among others, from the synergies of the business combination. The consolidated entity's cash-generating units are defined on the basis of the geographical market, normally country-related. The consolidated entity operates in primarily one geographical segment - Australia, and the carrying amount of goodwill has been allocated to Australia.

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1 year projection period approved by management and extrapolated for a further 5 years using a steady rate, together with a terminal value.

The following key assumptions were used in the discounted cash flow model:
(a) Pre-tax discount rate of 10% per annum (at 30 June 2023: 10%);
(b) Revenue growth is based on 8% - 10% increases for 2024 - 2030;
(c) Budgeted gross margin of 57% - 59% for 2025 - 2030;
(d) Operating expenses is based on 2% - 6% increases for 2025 - 2030;
(e) Long-term growth rate of 2.5% (at 30 June 2023: 2.5%).

The pre-tax discount rate reflects management's estimate of the time value of money and the consolidated entity's weighted average cost of capital, the risk-free rate and the volatility of the share price relative to market movements.

Management believes the 8% - 10% increases through to 2030 are achievable and justified, based on the projected growth of new products and partners.

The budgeted gross margin is based on past performance and management's expectations for the future.

Operating expenses do not vary significantly with revenue. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases.

The long-term growth rate is used to extrapolate cash flows beyond the 5-year forecast and is based on external forecasts.

During the year ended 30 June 2024, $421,827 of goodwill was impaired. This goodwill related to the acquisition of Sennah Pty Ltd. The company has been informed by Optus that they will not be renewing their contract with Sennah Pty Ltd from 1 April 2024 and accordingly management have assessed that the associated goodwill balance should be fully impaired as at 30 June 2024.

During the year ended 30 June 2024, management assessed that the customer lists relating to voice and data activities should be fully impaired as a result of the expiration of a number of contracts related to these acquisitions. Customer lists were therefore impaired by $1,350,477.

Other intangibles were impaired totalling $83,590 in line with management's assessment of the reduced useful life of computer software and web developments.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Development costs
Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Customer lists
Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 - 8 years.

Software and web development costs
Significant costs associated with software and web development costs are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Note 16. Trade and other payables

	2024 $	2023 $
Current liabilities		
Trade payables	957,619	895,331
Accruals	323,963	543,283
GST payable	196,204	482,237
Other payables	410,412	680,364
	1,888,198	2,601,215

Refer to note 24 for further information on financial instruments.

Accounting policy for trade and other payables
Due to the short-term nature of these amounts they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 17. Contract liabilities

	2024 $	2023 $
Current liabilities		
Contract liabilities	66,725	203,855

The contract liabilities relate to unearned income for mobility and managed services.

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $66,725 as at 30 June 2024 ($203,855 as at 30 June 2023) and is expected to be recognised as revenue in future periods as follows:

	2024 $	2023 $
Within 6 months	61,817	135,136
6 to 12 months	4,617	68,719
Over 12 months	291	-
	66,725	203,855

Note 18. Borrowings

	2024 $	2023 $
Current liabilities		
Loan - other	45,345	41,402
Non-current liabilities		
Loan - other	128,362	173,708
	173,707	215,110

Refer to note 24 for further information on financial instruments.

Loan - other
On 15 November 2022, the Company entered into a loan for $237,527. The loan is unsecured and is repayable through monthly instalments of $4,953 (plus GST) for 60 months until 14 November 2027. Interest is charged at a rate of 9.2% per annum.

Note 19. Lease liabilities

	2024 $	2023 $
Current liabilities		
Lease liability - buildings	237,024	243,388
Non-current liabilities		
Lease liability - buildings	783,087	1,089,155
	1,020,111	1,332,543

Refer to note 24 for further information on financial instruments.

Buildings
The consolidated entity has leases for offices. Rental contracts are typically made for a fixed period of 3 – 5 years with options to extend. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the statement of financial position. The consolidated entity classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Note 20. Provisions

	2024 $	2023 $
Current liabilities		
Annual leave	530,241	623,785
Long service leave	282,608	255,824
Contingent consideration*	-	1,300,000
	812,849	2,179,609
Non-current liabilities		
Long service leave	67,207	147,914
	880,056	2,327,523

Notes to the consolidated financial statements
30 June 2024

Note 20. Provisions (continued)

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

2024	Contingent consideration $
Carrying amount at the start of the year	1,300,000
Payments	(753,408)
Gain on settlement	(96,592)
Equity settled (note 21)	(450,000)
Carrying amount at the end of the year	-

The contingent consideration related to the Connected Intelligence acquisition which occurred on 1 April 2022. The contingent consideration was $1,300,000, to be settled 24 months from completion. During the year ended 30 June 2024, the amount of the contingent consideration was reduced by $96,592, resulting in a gain of $96,592 (refer note 5), $753,408 cash was remitted and $450,000 was settled by the issuance of ordinary shares (refer note 21). There was no further contingent consideration outstanding at 30 June 2024.

Note 21. Issued capital

	2024 Shares	**2023 Shares**	**2024 $**	**2023 $**
Ordinary shares - fully paid	511,136,295	496,136,295	8,753,280	8,303,280

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2022	491,460,971		8,123,280
Shares issued to vendors of Sennah Pty Ltd (a)	18 July 2022	3,246,753	$0.04	125,000
Shares issued to key personnel (b)	22 July 2022	1,428,571	$0.04	55,000
Balance	30 June 2023	496,136,295		8,303,280
Shares issued to vendors of Connected Intelligence Pty Ltd (c)	27 June 2024	15,000,000	$0.03	450,000
Balance	30 June 2024	511,136,295		8,753,280

(a) **Shares issued to vendors of Sennah Pty Ltd**
On 18 July 2022, the company issued 3,246,753 ordinary shares valued at $0.039 per share totalling $125,000 as settlement of the remaining contingent consideration on the Sennah Pty Ltd acquisition.

(b) **Shares issued to key personnel**
On 22 July 2022, the company issued 1,428,571 ordinary shares valued at $0.039 per share totalling $55,000, for $nil consideration to key personnel reflecting retention bonuses.

(c) **Shares issued to vendors of Connected Intelligence Pty Ltd**
On 29 June 2024, 15,000,000 ordinary shares were issued for $nil consideration, valued at $450,000, as the final settlement of the contingent consideration payable on the Connected Intelligence Pty Ltd acquisition that completed on 1 April 2022 (refer note 20).

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

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

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

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

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

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

The capital risk management policy remains unchanged from the 2023 Annual Report.

The consolidated entity monitors capital on the basis of its working capital position (i.e. liquidity risk). The net working capital of the consolidated entity at 30 June 2024 was $1,787,959 (2023: $4,096,117).

Note 22. Reserves

	2024 $	**2023 $**
Share-based payments reserve	141,597	135,970

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

Notes to the consolidated financial statements
30 June 2024

Note 22. Reserves (continued)

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

	Share-based payments reserve $
Balance at 1 July 2022	58,272
Share-based payment expenses	77,698
Balance at 30 June 2023	135,970
Share-based payment expenses	25,627
Transfer to accumulated losses for expired options	(20,000)
Balance at 30 June 2024	141,597

Note 23. Dividends

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

Franking credits

	2024 $	2023 $
Franking credits available for subsequent financial years	699,211	760,136

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date

Note 24. Financial instruments

Financial risk management objectives
The consolidated entity'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 consolidated entity'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 consolidated entity. The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Risk management is carried out under policies set by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas.

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Most of the consolidated entity's transactions are denominated in Australian Dollars.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. These exposures are not significant.

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity's main interest rate risk arises from borrowings. Borrowings obtained at variable rates expose the consolidated entity to interest rate risk. Borrowings obtained at fixed rates expose the consolidated entity to fair value 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 consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

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

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

The consolidated entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'Trade and other receivables' is considered to be the main source of credit risk for the consolidated entity. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity 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 consolidated entity 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.

Notes to the consolidated financial statements
30 June 2024

Note 24. Financial instruments (continued)

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid.

2024	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-interest bearing					
Trade and other payables	1,888,198	-	-	-	1,888,198
Contingent consideration	-	-	-	-	-
Interest-bearing					
Lease liability	310,165	653,275	219,569	-	1,183,009
Other loans	45,345	49,695	78,667	-	173,707
Total non-derivatives	2,243,708	702,970	298,236	-	3,244,914

2023	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-interest bearing					
Trade and other payables	2,601,215	-	-	-	2,601,215
Contingent consideration	1,300,000	-	-	-	1,300,000
Interest-bearing					
Lease liability	336,886	348,491	905,579	-	1,590,956
Other loans	41,402	173,708	-	-	215,110
Total non-derivatives	4,279,503	522,199	905,579	-	5,707,281

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

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

Notes to the consolidated financial statements
30 June 2024

Note 25. Fair value measurement

Fair value hierarchy
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	2,225	-	10,000	12,225
Total assets	2,225	-	10,000	12,225
Liabilities				
Contingent consideration	-	-	-	-
Total liabilities	-	-	-	-

2023	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	3,483	-	1,156,634	1,160,117
Total assets	3,483	-	1,156,634	1,160,117
Liabilities				
Contingent consideration	-	-	1,300,000	1,300,000
Total liabilities	-	-	1,300,000	1,300,000

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3
If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Equity securities:
The balance in equity securities represents shares held in Internet 2.0 Pty Ltd (an unlisted entity). The shares were acquired in April 2021 and in March 2023 Hubify Limited sold 26% of its shareholding for $6.22 per share.

As at 30 June 2023, the fair value of $6.22 per share was determined by reference to the recent capital raisings undertaken by Internet 2.0 and its net asset backing at 30 June 2023. As at 30 June 2024, there was insufficient information available to support the fair value due to the absence of Internet 2.0 audited financial statements and the absence of share transactions in the 12 months to 30 June 2024. As a result, a fair value decrement of $1,146,634 was recognised leaving a nominal balance of $10,000.

Notes to the consolidated financial statements
30 June 2024

Note 25. Fair value measurement (continued)

Contingent consideration:
The valuation model for the contingent consideration considers the present value of expected future payments, discounted using a risk-adjusted discount rate.

Acquisition of Connected Intelligence
The contingent consideration on the Connected Intelligence acquisition was $1,300,000, to be settled 24 months from completion. During the year ended 30 June 2024, the assessment of the contingent consideration was reduced by $96,592, resulting in a gain of $96,592. $753,408 cash was remitted and $450,000 was settled by issuance of ordinary shares during the year ended 30 June 2024 (note 21). There was no further contingent consideration outstanding at 30 June 2024.

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

	Equity securities $	Contingent consideration $	Total $
Balance at 1 July 2022	500,000	(1,550,000)	(1,050,000)
Gain recognised in profit or loss	1,070,706	-	1,070,706
Disposals	(414,072)	-	(414,072)
Settled contingent consideration	-	250,000	250,000
Balance at 30 June 2023	1,156,634	(1,300,000)	(143,366)
Gain recognised in profit or loss	-	96,592	96,592
Losses recognised in profit or loss	(1,146,634)	-	(1,146,634)
Settled contingent consideration	-	1,203,408	1,203,408
Balance at 30 June 2024	10,000		10,000

Note 26. Key management personnel disclosures

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

	2024 $	**2023 $**
Short-term employee benefits	758,800	832,487
Post-employment benefits	83,431	74,510
Long-term benefits	18,771	6,922
Share-based payments	25,627	74,704
	886,629	988,623

Notes to the consolidated financial statements
30 June 2024

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by In.Corp Audit & Assurance Pty Ltd , the auditor of the company:

	2024 $	2023 $
Audit services - In.Corp Audit & Assurance Pty Ltd (formerly Rothsay Audit & Assurance Pty Ltd)		
Audit or review of the financial statements	72,000	69,000
Other services - In.Corp Audit & Assurance Pty Ltd (formerly Rothsay Audit & Assurance Pty Ltd)		
Taxation compliance services	7,730	13,005
Company secretarial services	130	1,740
Consulting services	-	450
	7,860	15,195
	79,860	84,195

Note 28. Contingent liabilities

The consolidated entity had no contingent liabilities at 30 June 2024 and 30 June 2023, other than those disclosed in note 20 at 30 June 2023.

Note 29. Related party transactions

Legal Parent entity
Hubify Limited is the parent entity.

Accounting parent entity
Broadland Solutions Pty Ltd is the accounting parent of the group.

Subsidiaries
Interests in subsidiaries are set out in note 31.

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

Transactions with related parties
The following transactions occurred with related parties:

	2024 $	2023 $
Sale of goods and services:		
Sale of services to related parties*	118,798	101,817
Other transactions:		
Rent paid to related party**	68,445	11,395

Notes to the consolidated financial statements
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Note 29. Related party transactions (continued)

* The consolidated entity sold telephone and internet services during the year in the sum of $115,934 (2023: $101,817) to an entity in which Anthony Ghattas is a director and a controlling shareholder, and $2,864 (2023: $nil) to an entity in which Victor Tsaccounis is a director and a controlling shareholder. The contracts were based on normal commercial terms and conditions.

** The consolidated entity leased an office from Madman Entertainment Pty Ltd, an entity in which Charbel Nader is a director and controlling shareholder. The office is leased on a month-to-month basis for monthly rent of $5,698 until April 2024 when the rent increased to $5,723. Rent paid during the year ended 30 June 2024 totalled $68,445 (2023: $11,395).

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2024 $	2023 $
Current receivables:		
Trade receivables from related parties	21,253	-

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

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

Note 30. Parent entity information

Set out below is the supplementary information of the legal parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2024 $	2023 $
(Loss)/profit after income tax	(772,660)	888,026
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	(772,660)	888,026

Statement of financial position

	Parent 2024 $	Parent 2023 $
Total current assets	2,780,876	4,976,544
Total non-current assets	3,757,252	3,616,370
Total assets	6,538,128	8,592,914
Total current liabilities	1,146,403	1,146,403
Total non-current liabilities	1,590,612	1,798,810
Total liabilities	2,737,015	2,945,213
Net assets	3,801,113	5,647,701
Equity		
Issued capital	14,472,750	14,472,750
Share-based payments reserve	141,597	135,970
Accumulated losses	(10,813,234)	(8,961,019)
Total equity	3,801,113	5,647,701

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Legal parent entity disclosures
The above information has been extracted from the books and records of the legal parent entity, Hubify Limited. Accordingly, the information does not relate to the 'accounting parent' - Broadland Solutions Pty Ltd.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Notes to the consolidated financial statements
30 June 2024

Note 31. Interests in subsidiaries

Hubify Limited is the legal parent entity of the group and Broadland Solutions Pty Limited is the accounting parent entity.

		Ownership interest	
Legal subsidiaries: Name of entity	**Principal place of business / Country of incorporation**	**2024 %**	**2023 %**
United Lifestyle Group Networks Pty Ltd	Australia	100%	100%
United Global Sim Limited*	Hong Kong	100%	100%
Broadland Victoria Pty Limited	Australia	100%	100%
Broadland Solutions Pty Limited	Australia	100%	100%
Hubify Communications Pty Limited	Australia	100%	100%
ICNE Pty Limited	Australia	100%	100%
Sennah Pty Limited	Australia	100%	100%
Connected Intelligence Pty Limited*	Australia	100%	100%
Hubify ESS Nominees Pty Ltd	Australia	100%	100%

* Subsidiary of United Lifestyle Group Networks Pty Ltd

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Notes to the consolidated financial statements
30 June 2024

Note 33. Cash flow information

Reconciliation of (loss)/profit after income tax to net cash from/(used in) operating activities

	2024 $	2023 $
(Loss)/profit after income tax benefit/(expense) for the year	(4,720,513)	512,322
Adjustments for:		
Depreciation and amortisation	1,645,930	1,848,947
Revaluation decrement/(increment) on financial assets	1,147,892	(1,070,939)
Share-based payments	25,627	132,698
Write off of assets	-	(3,194)
Net gain on disposal of plant and equipment	(6,000)	(553)
Gain on settlement of contingent consideration	(96,592)	-
Impairment of intangibles	1,855,894	58,333
Other expenses classified as investing and financing cash flows	(6,491)	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	338,755	1,825,297
Decrease in contract assets	97,134	106,799
Decrease/(increase) in inventories	69,887	(11,410)
Decrease/(increase) in income tax	(33,949)	135,150
Decrease/(increase) in deferred tax assets	(370,620)	151,466
Decrease/(increase) in prepayments and other assets	81,100	(9,167)
Decrease in trade and other payables	(713,017)	(881,224)
Decrease in contract liabilities	(137,130)	(68,531)
Increase/(decrease) in deferred tax liabilities	(989,433)	629,585
Decrease in employee benefits	(147,467)	(209,633)
Net cash from/(used in) operating activities	(1,958,993)	3,145,946

Non-cash investing and financing activities

	2024 $	2023 $
Shares issued to vendors of Sennah Pty Ltd (note 21)	-	125,000
Shares issued to vendors of Connected Intelligence Pty Ltd (note 21)	450,000	-

Notes to the consolidated financial statements
30 June 2024

Note 33. Cash flow information (continued)

Changes in liabilities arising from financing activities

	Other loan $	Lease liability $	Total $
Balance at 1 July 2022	44,142	392,657	436,799
Net cash from/(used in) financing activities	170,968	(357,750)	(186,782)
Recognition of right of use assets - property leases	-	1,149,342	1,149,342
Leasehold improvements	-	148,294	148,294
Balance at 30 June 2023	215,110	1,332,543	1,547,653
Net cash used in financing activities	(41,403)	(220,163)	(261,566)
Derecognition of right-of-use assets	-	(92,269)	(92,269)
Balance at 30 June 2024	173,707	1,020,111	1,193,818

Dividends paid
There were no dividends paid, recommended, or declared during the current and prior financial period by Hubify Limited.

Note 34. Earnings per share

	2024 $	**2023 $**
(Loss)/profit after income tax attributable to the owners of Hubify Limited	(4,720,513)	512,322
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	496,259,583	495,902,243
Weighted average number of ordinary shares used in calculating diluted earnings per share	496,259,583	495,902,243
	Cents	**Cents**
Basic earnings per share	(1.0)	0.1
Diluted earnings per share	(1.0)	0.1

Performance rights are considered to be potential ordinary shares but were anti-dilutive in nature and were not included in the calculation of diluted earnings per share. These performance rights could potentially dilute basic earnings per share in the future.

Notes to the consolidated financial statements
30 June 2024

Note 35. Share-based payments

(a) Options
Employee Share Option Plan

On 17 November 2015 the company established an employee share option plan to provide eligible employees with a means of receiving options to subscribe for shares and a means of receiving rights to receive shares. Eligible employees includes:
(a) an employee, director or secretary of the company or any subsidiary of the company;
(b) and a contractor, consultant, agent, advisor other person retained, engaged or nominated by company or any subsidiary of the company.

The purpose of the plan is to provide eligible employees with an opportunity to share in the growth in value of the company and to encourage them to improve the longer-term performance of the company and its return to shareholders. Participation in the plan is at the Board of Director's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. The Board has the discretion to determine the exercise price of the options and any exercise conditions. Unless otherwise determined by the Board, no payment is required for the grant of options or rights under the plan. Options granted under the plan carry no dividend or voting rights.

There were no options or rights issued under the plan during the 2024 financial year.

Other share options

On 21 October 2020, the Board granted 2,000,000 options at an exercise price of 15 cents per option to the advisor in relation to the company's share placement. The options were granted as more than $4 million was raised in the placement. The options vested on 21 October 2020 and expired on 21 October 2023 without being exercised.

Set out below are summaries of other share options granted:

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
21/10/2020	21/10/2023	$0.15	2,000,000	-	-	(2,000,000)	-
			2,000,000	-	-	(2,000,000)	-

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
21/10/2020	21/10/2023	$0.15	2,000,000	-	-	-	2,000,000
			2,000,000	-	-	-	2,000,000

The weighted average remaining contractual life of options outstanding at 30 June 2023 was 0.31 years. There were no options outstanding at 30 June 2024.

Options were priced using a Black-Scholes pricing model. Expected volatility was based on an evaluation of the historical volatility of other comparable companies based on publicly available information. Options were assumed to be exercised in full on the date of expiry.

Consolidated Entity Disclosure Statement
30 June 2024

(b) Performance rights

On 16 July 2021, the Board resolved to establish a new Performance Rights Plan, under which eligible employees and directors would be offered the opportunity to be issued performance rights that will vest into shares if certain performance criteria are met.

The performance rights vest upon the satisfaction of any performance criteria or any other conditions contained in the offer, following which the trustee of the Performance Rights Plan will allocate to the participant the number of shares to which the participant is entitled under the terms of the offer.

On 1 July 2022, the company issued 2,326,336 performance rights under the Performance Rights Plan to other key personnel. The total fair value of the rights granted was $4,182. These performance rights expired on 30 June 2024.

On 31 October 2023, 13,012,500 of the performance rights previously granted to the company's Directors and the Chief Financial Officer were cancelled and re-issued under new terms with each of the holders due to changes in the company strategy and the subsequent exit from the Optus mobility small business market.

The performance criteria for the performance rights granted on 31 October 2023 are:
- Company achieving a cumulative operating profit adding back amortisation of $6,000,000 across the 3 year period converted back to an earnings per share measure of 1.2 cents per share based on the current number of shares on issue. The measurement period commenced on 1 July 2023 and ends on 30 June 2026.
- Share price of the company increasing to $0.05 measured on the 60 day VWAP of the company's shares during the performance period between 1 July 2025 and ending on 30 June 2026.

In addition to meeting the above performance criteria, each Director, the Chief Financial Officer, and the other key personnel must remain a Director or employee of the company as at the vesting date for the performance rights to vest.

If the above performance criteria and employment conditions are not met as at the vesting date, the performance rights will lapse.

The company will allocate one share for each performance right that vests. Shares may be issued to the trustee of the Performance Rights Plan under the relevant trust deed or acquired on market by the trustee to satisfy the entitlement to shares on vesting of the performance rights.

Victor Tsaccounis (Chief Executive Officer) was granted a limited recourse interest-free loan for $46,875 to purchase 4,687,500 performance rights on 31 October 2023. The loan will only become repayable once the performance rights have vested, and the underlying shares have been sold. If the performance rights do not vest, the loan amount will be forgiven. Under this arrangement, no loan receivable has been recognized and the re-issued performance rights have been accounted for as an option to acquire shares in the company.

Set out below are summaries of performance rights granted under the plan:

Notes to the consolidated financial statements
30 June 2024

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
15/11/2021	30/06/2024	$0.16	13,012,500	-	-	(13,012,500)	-
31/03/2022	30/06/2024	$0.16	25,956,349	-	-	(25,956,349)	-
01/07/2022	30/06/2024	$0.16	2,326,336	-	-	(2,326,336)	-
31/10/2023	30/06/2026	$0.05	-	13,012,500	-	-	13,012,500
			41,295,185	13,012,500	-	(41,295,185)	13,012,500
Weighted average exercise price			$0.16	$0.05	$0.00	$0.16	$0.05

2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
15/11/2021	30/06/2024	$0.16	13,012,500	-	-	-	13,012,500
31/03/2022	30/06/2024	$0.16	25,956,349	-	-	-	25,956,349
01/07/2022	30/06/2024	$0.16	-	2,326,336	-	-	2,326,336
			38,968,849	2,326,336	-	-	41,295,185
Weighted average exercise price			$0.16	$0.16	$0.00	$0.00	$0.16

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
31/10/2023	30/06/2026	$0.021	$0.05	100.00%	-	4.35%	$0.009

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 2 years (2023: 1 year).

(c) Other share-based payments
On 22 July 2022, 1,428,571 ordinary shares in Hubify Limited with a value of $55,000 were issued to key personnel for $nil consideration reflecting retention bonuses (refer note 21).

(d) Share-based payments expense
The total share based payments expense for the year was $25,627 (2023: $132,698).

Accounting policy for share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Consolidated Entity Disclosure Statement
30 June 2024

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

Consolidated Entity Disclosure Statement
30 June 2024

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

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

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

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

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

Entity name	**Entity type**	**Place formed / Country of incorporation**	**Ownership interest %**	**Tax residency**
Hubify Limited (parent entity)	Body corporate	Australia		Australia
United Lifestyle Group Networks Pty Ltd	Body corporate	Australia	100%	Australia
United Global Sim Limited*	Body corporate	Hong Kong	100%	Hong Kong
Broadland Victoria Pty Limited	Body corporate	Australia	100%	Australia
Broadland Solutions Pty Limited	Body corporate	Australia	100%	Australia
Hubify Communications Pty Limited	Body corporate	Australia	100%	Australia
ICNE Pty Limited	Body corporate	Australia	100%	Australia
Sennah Pty Limited	Body corporate	Australia	100%	Australia
Connected Intelligence Pty Limited*	Body corporate	Australia	100%	Australia
Hubify ESS Nominees Pty Ltd	Body corporate	Australia	100%	Australia

* Subsidiary of United Lifestyle Group Networks Pty Ltd

There are no trusts, partnerships or joint ventures within the consolidated entity. Accordingly, none of the above entities was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

Director's declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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

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

On behalf of the directors

Victor Tsaccounis
Director

30th August 2024
Sydney

Independent auditor's report to the members of Hubify Limited

HUBIFY LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Directors of Hubify Limited

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

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Opinion

We have audited the financial report of Hubify Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

a) giving a true and fair view of the company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

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

Basis for Opinion

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

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

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

Independent auditor's report to the members of Hubify Limited

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HUBIFY LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

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.

Key Audit Matter – Carrying Value of Intangible Assets – Note 15	How our Audit Addressed the Key Audit Matter
The Group's intangible assets amount to $4,411,672 as at 30 June 2024. The value of the intangible asset is assessed for recoverability by the directors at least annually or more frequently if events or changes in circumstances indicate that the assets be impaired. During the year, the management elected to impair a total of $1,855,894 of its intangible assets which includes customer lists related to the voice and data product line, goodwill related to the Sennah acquisition, and other intangible assets which were considered not applicable to the Group's current operations. This was considered a key audit matter given the materiality of the balance and the significant judgement involved in assessing the recoverable amount of the carrying value of the intangible assets.	Our procedures in assessing carrying value of Intangible Assets included but were not limited to the following: • We obtained management's value in use assessment and reviewed the key assumptions adopted in the assessment to support the carrying value. • We conducted a sensitivity analysis to ascertain the impact of a change in the key inputs adopted by management. • We assessed the adequacy of the disclosures included in Note 15 to the financial statements.
Key Audit Matter – Carrying Value of Financial Assets – Note 12	**How our Audit Addressed the Key Audit Matter**
The Group has impaired its investment in Internet 2.0 from $1,156,634 to a nominal value of $10,000 as at 30 June 2024. The assessment of the fair value of financial assets in unlisted entities is challenging without market data or valid financial information of the investee.	Our procedures in assessing the carrying value of the investment in Internet 2.0 included but were not limited to the following: • We enquired with management as to what evidence was available to them to support the fair value of its investment in Internet 2.0 • We discussed with management the basis for assessing the recoverability of its investment in Internet 2.0. • We assessed the adequacy of the disclosures included in Note 12 to the financial statements.

Independent auditor's report to the members of Hubify Limited

HUBIFY LIMITED
INDEPENDENT AUDITOR'S REPORT (continued)

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 2024, 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.

Responsibility of the Directors for the Financial Report

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

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

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

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

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

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends 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 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/auditors_responsibilities/ar2.pdf . This description forms part of our auditor's report.

Independent auditor's report to the members of Hubify Limited

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HUBIFY LIMITED
INDEPENDENT AUDITOR'S REPORT (continued)

Report on the Remuneration Report

We have audited the Remuneration Report for the year ended 30 June 2024. The Directors of the Group 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.

Opinion on the Remuneration Report

In our opinion, the Remuneration Report of Hubify Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

In.Corp Audit & Assurance Pty Ltd

Graham Webb
Director
Sydney, 30 August 2024

Shareholder Information
30 June 2024

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 1 July 2024.

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

	Ordinary shares		Performance rights over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total performance rights issued
1 to 1,000	26	-	-	-
1,001 to 5,000	17	0.01	-	-
5,001 to 10,000	107	0.19	-	-
10,001 to 100,000	224	1.81	-	-
100,001 and over	179	97.99	4	100.00
	553	100.00	4	100.00
Holding less than a marketable parcel	292	0.88	-	-

Shareholder Information
30 June 2024

Equity security holders

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

	Ordinary shares	
	Number held	% of total shares issued
Jonathan David Perrin	72,806,611	14.24
Tsaccounis Holdings Pty Limited	72,383,316	14.16
Shannah Avon	66,457,196	13.00
Temont Pty Ltd	38,208,124	7.48
Autopilot Consulting Pty Ltd	23,224,513	4.54
Exigo Investments Pty Ltd	15,000,000	2.93
Citicorp Nominees Pty Limited DPSL A/C >	13,579,871	2.66
Vic Spadavecchia	11,000,000	2.15
Mr Aaron James Russell	9,500,773	1.86
Mr William James Willmot + Ms Tracey Lee Willmot	9,264,179	1.81
Mr Stefano Vincenzo Lorenzo Cagliostro + Mrs Alana Eloise Cagliostro Cagliostro Family A/C >	8,889,179	1.74
Ilwella Pty Ltd No 2 A/C >	8,000,000	1.57
Wicks Group Pty Ltd Wicks Family A/C >	7,538,361	1.47
HSBC Custody Nominees (Australia) Limited	6,843,602	1.34
J Martin Super Holdings Pty Ltd J Martin Super Fund A/C >	6,148,614	1.20
J Martin Super Holdings Pty Ltd J Martin Super Fund A/C >	6,148,614	1.20
Arizak Investments Pty Ltd	5,933,820	1.16
JAF Capital Pty Ltd	5,635,000	1.10
Chembank Pty Ltd Cabac Super Fund A/C >	5,000,000	0.98
Mr Joshua Patrick Chugg & Mrs Sarah Amy Chugg J Chugg Family A/C >	5,000,000	0.98
	396,561,773	77.57

Unquoted equity securities

	Number on issue	Number of holders
Performance rights over ordinary shares issued	13,012,500	4

Shareholder Information
30 June 2024

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Jonathan David Perrin	72,806,611	14.24
Tsaccounis Holdings Pty Limited	72,383,316	14.16
Shannah Avon	66,457,196	13.00
Temont Pty Ltd	38,208,124	7.48

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

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

There are no other classes of equity securities.