



1. Company details

Name of entity:	IXUP Limited
ABN:	85 612 182 368
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

			\$
Revenues from ordinary activities	Up	18.5% to	3,903,346
Loss from ordinary activities after tax attributable to the shareholders of IXUP Limited	down	32.0% to	(4,441,610)
Loss for the half-year attributable to the shareholders of IXUP Limited	down	32.0% to	(4,441,610)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$4,441,610 (31 December 2023: \$6,535,314).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.0015	(0.004)

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. 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.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim report.

11. Attachments

Details of attachments (if any):

The Interim report of IXUP Limited for the half-year ended 31 December 2024 is attached.

12. Signed

Signed



Date: 27 February 2025

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IXUP Limited

ABN 85 612 182 368

Interim report - 31 December 2024

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Directors	Freya Smith (Non-Executive Director) Julian Babarczy (Executive Chairman) Ian Penrose (Non-Executive Director)
Company secretary	David Franks
Registered office and Principal Place of Business	Level 11 201 Miller Street North Sydney, NSW 2060
Share register	Automic Group Limited Level 5, 126 Philip Street Sydney NSW 2000 Telephone +61 2 8072 1400 Email: info@automic.com.au
Auditor	Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco WA 6008
Solicitors	Thomas Geer
Bankers	St George Bank Limited
Stock exchange listing	IXUP Limited shares are listed on the Australian Securities Exchange. ASX code: IXU
Website	www.ixup.com
Place of Incorporation	Victoria, Australia

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of IXUP Limited (referred to hereafter as the 'Company', 'parent entity' or 'IXUP') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

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

Freya Smith	Non-Executive Director
Julian Babarczy	Executive Chairman
Ian Penrose	Non-Executive Director

Result of operations

The loss for the consolidated entity after providing for income tax amounted to \$4,441,610 (31 December 2023: \$6,535,314).

During the half-year, IXUP continued to operate the world-leading BetStop™ National Self Exclusion Register - a state-of-the-art, Centralised Self Exclusion (CSE) platform that enables problem gamblers in Australia to self-exclude from all iGaming service providers for a minimum of 3 months and up to a lifetime. Operated on behalf of the Australian Government via the Australian Communications and Media Authority, BetStop has delivered robust operating metrics, with increased platform usage by problem gamblers and consistently high levels of system uptime and availability.

In addition, IXUP, in partnership with its joint venture partner IC360, secured a multi-year contract to develop a new iGaming CSE solution in Ontario, Canada. Awarded in August 2024 and valued at A\$10 million, IXUP has been actively engaged in the design and development of this solution. This contract represents the largest contract win ever by IXUP and is seen as a strong endorsement of the Company's world-leading technology and delivery capability for advanced CSE registers.

IXUP also achieved its first commercial deployment of its Secure Data Engine through an agreement with the Western Australian Biodiversity Science Institute. This deployment aims to streamline the environmental approvals process for new projects - initially in Western Australia, with potential for Australia-wide expansion subject to successful delivery. The project, executed in collaboration with Microsoft and other major IT providers, is currently in the pilot phase.

Furthermore, IXUP implemented a significant cost-reduction program during the half-year, aligning its cost base more closely with its existing revenue-generating contracts. Looking forward, an expanding pipeline of opportunities within the RegTech division is set to be the primary focus, with additional contract wins anticipated to materially enhance cash generation and profitability.

A summary of other highlights of the half-year include:

- Awarded A\$10m online gambling self-exclusion contract in Ontario, Canada
- Deployment of IXUP's Secure Data Engine integrated with Microsoft Azure and multi-year SEAF Agreement
- Successful raising of a total of >\$5.0m (before costs) via share placements
- Repayment and/or conversion of all outstanding convertible notes
- Appointment of new CIO Greg Nichelsen
- Enhancement of leadership team to support growth

Awarded A\$10m online gambling self-exclusion contract in Ontario, Canada

On the 2nd of August 2024 the company announced that, in conjunction with its North American partner IC360, it has been awarded an initial 5-year contract to provide an online gambling centralised self-exclusion platform for the Canadian province of Ontario.

The contract was awarded to IXUP and IC360, by Ontario's online gaming government agency, iGaming Ontario, after a highly competitive Request for Proposal (RFP) process to provide a new state-of-the-art CSE which will enable the effective self-exclusion of problem gamblers from the Ontario online gambling market.

Deployment of IXUP Core Tech Integrated with Microsoft Azure and multi-year SEAF Agreement

On the 11th of September 2024 the company announced the finalisation multi-year contract with Western Australian Biodiversity Science Institute (WABSI) to deploy secure data Engine technology, as well as automated data sharing

agreements powered with IXUP's Five Safes governance framework, as part of the Shared Environmental Analytics Facility (SEAF) project.

Regtech Division poised for growth, marks major milestone

On the 9th September 2024 the company announced a business update for BetStop – The National Self Exclusion Register™ – having now surpassed 28,000 registered users in its first 12 months of operation.

The successful first year of operation positions the registration technology solution as a world leading centralised self-exclusion offering. It was completed, implemented and is now successfully operated by IXUP under contract with the Australian Communications and Media Authority (the ACMA), on behalf of the Australian Federal Government.

Successful raise of >\$5.0m via share placements

In September and December 2024 the company announced two separate capital raisings which totaled >\$5.0 million (before costs) to professional and sophisticated investors. The Placements received strong support from new and existing institutional and sophisticated investors, including from leading fund management organization which were attracted to IXUP for its strong social purpose.

Appoints CIO Greg Nichelsen

On the 14th of November 2024 the company announced the appointment of Greg Nichelsen as Chief Information Officer (CIO), who will commence in the role on 8 January 2025. Mr Nichelsen brings 25 years of leadership in data analytics, having driven transformative data initiatives for major financial institutions globally.

Announces strategic initiatives to align with future growth

On the 12th of December 2024 the company announced that the Board is actively considering two strategic initiatives to position the Company for its next phase of growth and align with its transition towards greater institutional and potential international investor ownership.

These strategic initiatives being considered are:

1. Proposed Name Change
2. Share Consolidation

Enhancement of leadership team to support growth

On the 31st of December 2024 the company announced that Mr. Julian Babarczy will transition from his current role as Non-Executive Chairman to Executive Chairman effective from 1 January 2025.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

No other matter or circumstance has arisen since 31 December 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.

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 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Julian Babarczy
Chairman

27 February 2025

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To the Board of Directors,

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

As lead audit Director for the review of the financial statements of IXUP Limited and its controlled entities for the half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 27th day of February 2025
Perth, Western Australia

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General information

The consolidated financial report covers IXUP Limited (the "Company") and its controlled entities (together the "Consolidated Entity" or "Group").

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

Level 11
201 Miller Street
North Sydney, NSW, 2060

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 27 February 2025.

Corporate Governance Statement

The Corporate Governance Statement is available on the Company's website at <http://www.ixup.com>.

IXUP Limited
Condensed Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024



		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Revenue			
Revenue		3,903,346	3,293,963
Cost of sales		(619,359)	(1,003,521)
		<u>3,283,987</u>	<u>2,290,442</u>
Gross profit			
Other income		1,146,903	32,574
Interest revenue calculated using the effective interest method		43,745	3,612
Expenses			
Employee benefits expense	3	(3,782,363)	(3,105,757)
Other Personnel costs (Share-based costs)	3	(1,197,277)	(991,468)
Depreciation and amortisation expense	3	(849,147)	(953,261)
Loss on disposal of assets		-	-
Occupancy cost	3	9	20,652
Administration costs	3	(2,985,414)	(3,233,638)
Finance costs	3	(102,053)	(598,470)
Impairment of Goodwill		-	-
		<u>(4,441,610)</u>	<u>(6,535,314)</u>
Loss before income tax expense			
		(4,441,610)	(6,535,314)
Income tax expense		-	-
		<u>(4,441,610)</u>	<u>(6,535,314)</u>
Loss after income tax expense for the half-year attributable to the shareholders of IXUP Limited			
		(4,441,610)	(6,535,314)
Items that may be reclassified to profit or loss			
Exchange differences in translating foreign operations		28,047	2,237
		<u>28,047</u>	<u>2,237</u>
Total comprehensive loss for the half-year attributable to the shareholders of IXUP Limited			
		<u>(4,413,563)</u>	<u>(6,533,077)</u>
		Cents	Cents
Basic earnings per share	15	(0.27)	(0.61)
Diluted earnings per share	15	(0.27)	(0.61)

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

IXUP Limited
Condensed Consolidated statement of financial position
As at 31 December 2024



		Consolidated	
	Note	31 December 2024 \$	30 June 2024 \$
Assets			
Current assets			
Cash and cash equivalents		2,505,753	1,147,951
Trade and other receivables	4	802,040	1,508,041
Work in Progress		654,888	-
Prepayments		16,918	28,128
Total current assets		<u>3,979,599</u>	<u>2,684,120</u>
Non-current assets			
Property, plant and equipment		223,285	302,454
Right-of-use assets		762,705	862,188
Intangibles	5	1,591,761	2,241,459
Investments in other Entities		389,415	359,020
Deposits		271,777	269,939
Total non-current assets		<u>3,238,943</u>	<u>4,035,060</u>
Total assets		<u>7,218,542</u>	<u>6,719,180</u>
Liabilities			
Current liabilities			
Trade and other payables		1,461,989	2,296,271
Lease liabilities	6	176,201	223,370
Provisions	7	341,882	444,301
Total current liabilities		<u>1,980,072</u>	<u>2,963,942</u>
Non-current liabilities			
Borrowings		16,089	194,705
Lease liabilities	8	640,866	672,718
Provisions	9	34,075	119,679
Total non-current liabilities		<u>691,030</u>	<u>987,102</u>
Total liabilities		<u>2,671,102</u>	<u>3,951,044</u>
Net liabilities		<u>4,547,440</u>	<u>2,768,136</u>
Equity			
Issued capital	10	66,838,192	61,778,002
Equity Settled Reserves	11	16,031,740	17,069,687
Accumulated losses		<u>(78,322,492)</u>	<u>(76,079,553)</u>
Total equity		<u>4,547,440</u>	<u>2,768,136</u>

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

IXUP Limited
Condensed Consolidated statement of changes in equity
For the half-year ended 31 December 2024



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	52,355,200	18,219,805	(68,590,332)	1,984,673
Loss after income tax expense for the half-year	-	-	(6,535,314)	(6,535,314)
Other comprehensive income for the half-year, net of tax	-	2,237	-	2,237
Total comprehensive loss for the half-year	-	2,237	(6,535,314)	(6,533,077)
<i>Transactions with shareholders in their capacity as shareholders:</i>				
Expiry of Options	-	(2,073,578)	2,073,578	-
Contingent consideration for DataPOWA acquisition	146,347	-	-	146,347
Issue of shares	3,141,269	(374,310)	-	2,766,959
Share issue costs	(346,688)	206,817	-	(139,871)
Share-based payments (note 11)	-	991,465	-	991,465
Balance at 31 December 2023	<u>55,296,128</u>	<u>16,972,436</u>	<u>(73,052,068)</u>	<u>(783,504)</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	61,778,002	17,069,687	(76,079,553)	2,768,136
Loss after income tax expense for the half-year	-	-	(4,441,610)	(4,441,610)
Foreign currency translation	-	28,047	-	28,047
Total comprehensive loss for the half-year	-	28,047	(4,441,610)	(4,413,563)
<i>Transactions with shareholders in their capacity as shareholders:</i>				
Expiry of Performance rights and Options	-	(2,198,671)	2,198,671	-
Conversion of Convertible notes	272,702	(22,702)	-	250,000
Options in relation to capital Raise	-	58,102	-	58,102
Issue of shares	5,148,500	-	-	5,148,500
Share issue costs	(361,012)	-	-	(361,012)
Share-based payments (note 11)	-	1,097,277	-	1,097,277
Balance at 31 December 2024	<u>66,838,192</u>	<u>16,031,740</u>	<u>(78,322,492)</u>	<u>4,547,440</u>

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

IXUP Limited
Condensed Consolidated statement of cash flows
For the half-year ended 31 December 2024



	Consolidated	
	31 December 2024	31 December 2023
Note	\$	\$
Cash flows from operating activities		
Interest and other finance costs paid	-	-
Receipts from customers	4,011,860	3,241,133
Payments to suppliers and employees	(7,399,248)	(7,374,493)
Interest received	11,459	3,613
Government grants and tax incentives (JobKeepers Rebate, Cash boost, EMD Grant)	-	32,574
Net cash used in operating activities	(3,375,929)	(4,097,173)
Cash flows from investing activities		
Payments for property, plant and equipment	(334)	(305,966)
Payments for intangibles	-	27,976
Payments for investments in term deposits	-	(140,273)
Payments for other non-current assets	-	-
Net cash used in investing activities	(334)	(418,263)
Cash flows from financing activities		
Proceeds from issue of shares	5,048,500	2,766,959
Payment for share and issue transaction costs	(307,910)	(139,871)
Repayment of borrowings	(4,874)	(5,488)
Repayment of lease liabilities	-	-
Proceeds borrowings	-	500,000
Net cash from financing activities	4,735,716	3,121,600
Net increase in cash and cash equivalents	1,359,453	(1,393,836)
Cash and cash equivalents at the beginning of the financial half-year	1,147,951	1,642,869
Effects of exchange rate changes on cash and cash equivalents	(1,651)	4,617
Cash and cash equivalents at the end of the financial half-year	<u>2,505,753</u>	<u>253,650</u>

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

Note 1. Material accounting policies

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Going concern

The general-purpose financial statements are prepared on a going concern basis which assumes the settlement of liabilities and the realisation of assets in the normal course of business.

The Group has incurred a loss for the half year of \$4,441,610 (HY23: \$6,535,314), and experienced net cash outflows from operating activities of \$3,375,929 (HY23: \$4,097,173). As at 31 December 2024, the Group has cash and cash equivalents of \$2,505,753 (30 June 24: \$1,147,951). The conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern. The Group's ability to continue as a going concern, to recover the carrying value of its assets and meet its commitments as and when the fall due is dependent on the ability of the Group to continue to reduce cash burn and commercialise its intellectual property.

Management have prepared a cash flow forecast for a period of 12 months from the date of this report incorporating the factors below:

- Commercialisation of its intellectual property, to deliver future revenue; and
- Continued delivery of reduced operating cash burn

The Directors have prepared a cash flow forecast, which indicates the Company will have sufficient cashflows to meet all its commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecast and other factors referred to above the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Company be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and 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 to the amount and classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

New or amended Accounting Standards and Interpretations adopted

There have been no changes to the financial statements arising from new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Note 2. Operating Segments

Identification of reportable operating segments

The Group currently operates in one operating segment being the software industry. The Group continues to consider new projects in this sector and other by way of acquisition of investment. The Group currently operates in three geographic segments that being Australia UK and U.S.

The Group determines and presents segments based on information provided by the Board of directors who collectively are the Group's Chief Operating Decision Maker. An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses.

Geographic segment information

Consolidated – 31 December 2024

	Australia \$	UK \$	US \$	Total \$
Revenue				
Sales to external customers	3,664,893	238,453	-	3,903,346
Interest income	43,745	-	-	43,745
	<u>3,708,638</u>	<u>238,453</u>	<u>-</u>	<u>3,947,091</u>
EBITDA	(2,923,194)	(669,920)	651	(3,592,463)
Depreciation and amortisation	(813,381)	(35,766)	-	(849,147)
Loss before income tax expense	<u>(3,736,575)</u>	<u>(705,686)</u>	<u>651</u>	<u>(4,441,610)</u>
Income tax expense				-
Loss after income tax expense				<u>(4,441,610)</u>

Assets

Segment assets	7,119,283	58,219	41,040	7,218,542
Intersegment eliminations				-
Total Assets				<u>7,218,542</u>

Liabilities

Segment liabilities	2,568,464	102,638	-	2,671,102
Total Liabilities				<u>2,671,102</u>

Consolidated – 31 December 2023

	Australia \$	UK \$	US \$	Total \$
Revenue				
Sales to external customers	3,082,748	211,215	-	3,293,963
Interest income	3,613	-	-	3,613
	<u>3,086,361</u>	<u>211,215</u>	<u>-</u>	<u>3,297,576</u>

EBITDA

Depreciation and amortisation	(5,147,562)	(606,700)	(207,330)	(5,961,592)
	(368,968)	(204,754)	-	(573,722)
Loss before income tax expense	<u>(5,516,530)</u>	<u>(811,454)</u>	<u>(207,330)</u>	<u>(6,535,314)</u>
Income tax expense				-
Loss after income tax expense				<u>(6,535,314)</u>

Assets

Segment assets	5,797,988	94,265	324,294	6,216,547
Total Assets				<u>6,216,547</u>

Liabilities

Segment liabilities	6,822,872	28,977	148,203	7,000,052
Total Liabilities				<u>7,000,052</u>

Note 3. Expenses

	Consolidated 31 December 2024 \$	31 Decembe 2023 \$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Depreciation	849,147	953,261
<i>Administrative Costs</i>		
Professional adviser and legal costs	1,289,095	1,836,026
Consulting costs paid to entities related to directors	66,006	131,385
Recruitment costs	67,710	60,283
Advertising and promotion	30,818	12,337
Travel and accommodation	156,372	107,873
Software and Infrastructure Licensing	348,615	348,732
Other	1,026,798	737,002
	<u>2,985,414</u>	<u>3,233,638</u>
<i>Employee benefits expense</i>		
Personnel costs	<u>3,782,363</u>	<u>3,105,757</u>
<i>Occupancy costs</i>		
Occupancy costs	<u>(9)</u>	<u>(20,652)</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	30,489	31,710
Other finance costs	<u>71,564</u>	<u>566,760</u>
Finance costs expensed	<u>102,053</u>	<u>598,470</u>
<i>Net loss on disposal</i>		
Net loss on disposal of property, plant and equipment	<u>-</u>	<u>-</u>
<i>Share-based payments expense</i>		
Share-based payments expense	<u>1,197,277</u>	<u>991,468</u>

Note 4. Current assets – Trade and other receivables

	Consolidated	
	31 December	30 June
	2024	2024
	\$	\$
Trade and other receivables	<u>802,040</u>	<u>1,508,041</u>

Note 5. Non-current assets - intangibles

	Consolidated	
	31 December	30 June
	2024	2024
	\$	\$
Goodwill - at cost	406,288	406,288
Customer Contracts	1,344,565	1,344,565
Less: Accumulated amortisation	<u>(1,049,795)</u>	<u>(713,679)</u>
	294,770	630,886
Development - at cost	1,731,909	1,731,909
Less: Accumulated amortisation	<u>(1,731,909)</u>	<u>(1,731,909)</u>
	-	-
Website - at cost	1,194,680	1,194,680
Less: Accumulated amortisation	<u>(1,194,680)</u>	<u>(1,180,980)</u>
	-	13,700
Intellectual Property - at cost	3,014,316	3,014,316
Less: Accumulated amortisation	<u>(2,123,613)</u>	<u>(1,823,731)</u>
	890,703	1,190,585
	<u>1,591,761</u>	<u>2,241,459</u>

The Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Note 6. Current liabilities - lease liabilities

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Lease liability	<u>176,201</u>	<u>223,370</u>

The consolidated entity leases an office, with lease terms of 4.10 years, which commenced on 1 November 2023.

Note 7. Current liabilities - Provisions

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Annual Leave		
Long Service Leave	293,856	391,281
	<u>48,026</u>	<u>53,020</u>
Provisions	<u>341,882</u>	<u>444,301</u>

Note 8. Non-current liabilities - lease liabilities

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Lease liability	<u>640,866</u>	<u>672,718</u>

Note 9. Non-current liabilities - provisions

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Long service leave	<u>34,075</u>	<u>119,679</u>

Note 10. Equity - issued capital

	Consolidated			
	31 December 2024	30 June 2024	31 December 2024	31 June 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>2,015,985,926</u>	<u>1,542,752,593</u>	<u>66,838,192</u>	<u>61,778,002</u>

Note 10. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 July 2024	1,542,752,593	61,778,002
Issue of shares	24 July 2024	5,000,000	100,000
Issue of shares	3 October 2024	123,233,333	1,848,500
Issue of shares	16 December 2024	320,000,000	3,200,000
Issue of shares	31 December 2024	25,000,000	272,702
Shares issue costs		-	(361,012)
Balance	31 December 2024	<u>2,015,985,926</u>	<u>66,838,192</u>

Ordinary shares

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

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

Note 11. Equity - Reserves

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Foreign currency reserve	(281,371)	(309,418)
Equity-settled reserves	6,341,789	6,480,672
Options reserve	9,971,322	10,898,433
	<u>16,031,740</u>	<u>17,069,687</u>

Options reserve

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

Note 11. Equity - Reserves (continued)

	Foreign currency reserve \$	Other Equity- settled reserve \$	Options reserve \$	Total \$
Consolidated				
Balance at 1 July 2023	(43,781)	6,480,672	11,782,914	18,219,805
Foreign currency Translation	(265,637)	-	-	(265,637)
Share based payments	-	-	2,004,893	2,004,893
Performance rights converted to shares	-	-	(374,310)	(374,310)
Share issue costs - Equity	-	-	523,787	523,787
Conversion of Convertible note	-	-	(249,714)	(249,714)
Options Expired	-	-	(2,789,137)	(2,789,137)
Balance at 30 June 2024	(309,418)	6,480,672	10,898,433	17,069,687
Share based payments	-	(110,934)	1,208,211	1,097,277
Lapsed Options and Performance rights	-	(27,949)	(2,170,722)	(2,198,671)
Lapsed Options relation to capital raise	-	-	58,102	58,102
Conversion of Convertible notes	-	-	(22,702)	(22,702)
Foreign currency Translation	28,047	-	-	28,047
Balance at 31 December 2024	(281,371)	6,341,789	9,971,322	16,031,740

Options

Details	Date	Options
Balance	30 June 2024	368,558,032
Issue of unlisted options to employees	24 July 2024	27,000,000
Issue of unlisted options related to non-renounceable entitlement offer	3 October 2024	61,616,662
Issue of unlisted options to consultants	13 November 2024	40,000,000
Issue of unlisted options to employees	17 December 2024	27,000,000
Expired due to forfeiture during the period		(156,000,000)
Balance		368,174,694

Note 11. Equity - Reserves (continued)

During the half year ended 31 December 2024:

- On 24 July 2024 IXUP issued 27,000,000 Unlisted Options to staff with an exercise price of 3 cents and an expiry date of 31 May 2027.
- On 3 October 2024 IXUP issued 61,616,662 Unlisted Options to participants in the entitlement offer with an exercise price of 2 cents and an expiry date of 3 October 2025. These were attached to the non-renounceable entitlement offer.
- On 13 November 2024 IXUP issued 40,000,000 Unlisted Options to Lead Manager with an exercise price of 3 cents and an expiry date of 13 November 2027.
- On 17 December 2024 IXUP issued 27,000,000 Unlisted Options to staff with an exercise price of 3 cents and an expiry date of 31 May 2027.
- \$484,189 was recognised relating to Plan Options issued in 2024 to employees and directors.
- \$Nil was recognised relating to options attached to the non-renounceable entitlement offer
- \$58,102 was recognised relating to lead manager fee related to capital raise in the reporting period

The fair value of the options over ordinary shares granted to staff, entitlement participants and Lead Manager have been valued using a Black-Scholes methodology:

	Options Issued 24 July 2024	Options Issued 13 November 2024	Options issued 17 December 2024
Exercise Price	\$0.03	\$0.03	\$0.03
Grant Price	\$0.021	\$0.012	\$0.013
Grant Date	24/7/24	13/11/24	25/11/24
Volatility	97.2%	103%	103%
Model Used	Black-Scholes	Black-Scholes	Black-Scholes
Expiry	31/5/27	13/11/27	31/5/27
Risk free interest rate	4.038%	4.038%	3.965%
Vesting period	-	-	-
Number of Options	27,000,000	40,000,000	27,000,000
Total Value	\$313,080	\$226,595	\$171,109
Value recognized during the period	\$313,080	\$58,102	\$171,109

Performance Rights

Details	Date	Performance Rights
Balance	30 June 2024	97,757,299
Performance rights issued to employees	24 July 2024	25,000,000
Performance rights issued to employees	8 Nov 2024	10,000,000
Exercised during the year		(1,863,263)
Balance		<u>130,894,036</u>

During the half-year ended 31 December 2024:

- \$110,831 was recognised relating to Performance Rights issued in 2021.
- \$25,126 was recognised relating to performance rights issued to Alastair Watson on 8 November 2024

Note 12. Contingent liabilities

There are no contingent liabilities as at the date of signing this report.

Note 13. Related party transactions

Parent entity

IXUP Limited is the parent entity.

Transactions with related parties

Mr Julian Babarczy is ultimate controlling party of Jigsaw Consult Pty Ltd previously known as Vaucluse Property Pty Ltd

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The following transactions occurred with related parties and are GST exclusive:

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Payment for goods and services:		
Payment/Accrual to Jigsaw Consult Pty Ltd and Vaucluse Property Pty Ltd for consulting services	44,067	110,316

Note 14. Events after the reporting period

No other matter or circumstance has arisen since 31 December 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.

Note 15. Earnings per share

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Loss after income tax attributable to the shareholders of IXUP Limited	(4,441,610)	(6,535,314)
	Cents	Cents
Basic earnings per share	(0.27)	(0.61)
Diluted earnings per share	(0.27)	(0.61)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,634,832,846	1,069,865,241
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,634,832,846	1,069,865,241

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Julian Babarczy
Chairman

27 February 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF IXUP LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of IXUP Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of IXUP Limited and Controlled Entities does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual 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 review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$4,441,610 during the half year ended 31 December 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



MARK DELAURENTIS CA
Director

Dated this 27th day of February 2025
Perth, Western Australia