

28 February 2025

Australian Securities Exchange (**ASX**)
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

APPENDIX 4D AND INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

Please find attached InFocus Group Holdings Group Limited's (formerly known as Frugi Group Limited) Appendix 4D and interim financial report for the half-year ended 31 December 2024.

The interim financial report does not include all the notes of the type normally included in an annual financial report and accordingly the interim financial report should be read in conjunction with the annual financial report for the year ended 30 June 2024.

The interim financial report for the half-year ended 31 December 2024 incorporates a review of operations during the half-year.

- ENDS -

By Order of the Board:



Kit Weng Yip
Chairman
InFocus Group Holdings Limited

APPENDIX 4D

for the half-year ended 31 December 2024

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Total Revenue and Other Income from Ordinary Activities:	2,006,518
Previous Corresponding Half-Year:	644,142
Percentage Change:	212%

Net Loss Attributed to Members:	(675,097)
Previous Corresponding Half-Year:	(1,628,378)
Percentage Change:	(59%)

Net Comprehensive Loss Attributed to Members:	(711,484)
Previous Corresponding Half-Year:	(1,628,378)
Percentage Change:	(56%)

There is no proposal to pay a dividend.

Please refer to Operating Results and Review of Operations within the Directors Report for an explanation of the results.

Net Tangible Liabilities Per Security:	\$0.004
Previous Corresponding Half-Year:	\$0.016

The Independent Auditor's Review Report includes an unmodified opinion drawing attention to Note 2.3 Going Concern in the interim financial report, which notes matters that indicate a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern.

INFOCUS

GROUP HOLDINGS

formerly known as Frugl Group Limited
ACN 096 870 978

INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 December 2024

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CORPORATE DIRECTORY

BOARD OF DIRECTORS & MANAGEMENT

Mr Kit Weng Yip	Non-Executive Chairman
Mr Kenny Woo	Managing Director
Ms Kulthirath Pakawachkrilers	Non-Executive Director
Mr Ken Tovich	Chief Executive Officer

COMPANY SECRETARY

Mr Sonny Didugu

REGISTERED & PRINCIPAL OFFICE

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Northbridge WA 6003

POSTAL ADDRESS

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Perth WA 6000

ASX Codes:

IFG (Shares) and FGLOA (Options)

AUDITORS

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Perth WA 6000

LAWYERS

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16 Milligan Street
Perth WA 6000

SHARE REGISTRY

Automic Group

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DIRECTORS' REPORT

The directors present their report together with the interim financial report of InFocus Group Holdings Limited (**ASX: IFG**) (**Company** or **InFocus**) (formerly known as Frugi Group Limited) and its controlled entities (**Group**) for the half-year ended 31 December 2024 and the auditor's review report thereon. The interim financial report has been prepared in accordance with AASB 134 *Interim Financial Reporting*.

DIRECTORS

The names of the directors of the Company in office during the half-year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

- | | |
|--------------------------------|------------------------|
| - Mr Kit Weng Yip | Non-Executive Chairman |
| - Mr Kenny Woo | Managing Director |
| - Ms Kulthirath Pakawachkriens | Non-Executive Director |

OPERATING RESULTS

The Group has incurred a net loss after tax for the half-year ended 31 December 2024 of \$675,097 (31 December 2023: \$1,628,378).

REVIEW OF OPERATIONS

Company Overview

On 13 November 2024, the Company announced the completion of a name change to InFocus Group Holdings Limited.

The principal activities of the Group are:

- the development and customer support of its grocery comparison and data analytics products and services; and
- providing digital solutions services, which includes software development, team augmentation and external support, Artificial Intelligence and Machine Learning (AI & ML).

Acquisition of Prodigy9

On 3 October 2024, the Company announced that it had agreed to acquire Prodigy9 Co. Ltd, a Thailand-based software engineering consultancy specialising in the development of data analytics platforms, predominantly in the retail sector (**Acquisition**).

On 8 November 2024, the Company announced that following approval at the general meeting of shareholders held on 8 November 2024, 10,000,000 Ordinary Shares along with 33,750,000 Performance Shares in the capital of the Company was to be issued as part of the consideration for the acquisition of Prodigy9.

A final announcement was made on 5 February 2025 to confirm that the Acquisition was formally completed.

InFocus Analytics

InFocus Analytics is a data analytics business that historically focused solely on the Australian retail sector, building on the retail focus of Frugl's eponymous Australian grocery app.

InFocus gathers product and pricing data from a range of retailers before further organising and enriching it via automated processing and advanced machine learning techniques. The data is then made available to shoppers via the Frugl Grocery mobile comparison and wellness app. Data collected from users via their usage of the app, which the Company harvests to develop retail intelligence in the form of behavioural and shopper segment data, forms the basis of its data analytics platform.

The combined product, pricing and shopper data is then collated for use by the Company's InFocus Analytics retail intelligence platform for commercial use by retailers, suppliers and other associated businesses.

Since the acquisition of Trienpont, the Company has integrated Trienpont's digital solutions and technological capability with InFocus's core data analytics service offering to provide a significantly expanded range of services, including Artificial Intelligence and Machine Learning (AI & ML) features.

During the period, InFocus Group secured additional engagements within the Australian retail sector to provide an even broader suite of data analytics and business intelligence tools.

Onify (formerly Trienpont)

Trienpont International Co Ltd (**Trienpont**) has rebranded as Onify Co Ltd (**Onify**). Onify is a digital solutions provider based in Thailand. Onify has core capabilities in software development, team augmentation and external support, Artificial Intelligence and Machine Learning (AI & ML), and cybersecurity.

During the half year, Onify secured a number of new contracts and engagements, including the outsourcing of resources for Microsoft Azure Generative AI solutions for several government and private sector clients in Europe in partnership with MbarQ, an AI-focused consultancy owned by Belgian IT services conglomerate de Cronos Groep, and the development of an Online Travel Agency (**OTA**) platform applying AI technologies to a platform servicing United States veterans and military personnel.

Onify's capabilities in the AI and ML space are also being packaged by the Company as part of an expanded service offering to its existing retail data analytics clients at InFocus Analytics.

In May 2024, Onify relocate to a new 710m² premises located in Asoke, Bangkok's most central and well-established business district.



Figure 1: Onify's staff at their new office premises

Further to Onify's involvement as an AI authority with the Thai-Australian Chamber of Commerce, the Company (through InFocus Analytics) was selected along with twenty-two other Australian technology companies, to present at an AusTrade trade mission titled "Connecting Australia and Thailand to the digital economy", which was held in Bangkok on 24 July 2024.

CHANGES TO SECURITIES

On 15 July 2024, the Company issued 192,310 fully paid ordinary shares in the capital of the Company to the Chief Executive Officer in lieu of a portion of his base salary relating to the period from 12 February 2024 to 31 March 2024, at a deemed issue price of \$0.078 per share.

On 20 July 2024, 1,966,675 quoted options, exercisable at \$1.50 each (trading under ASX code FGLOA), expired unexercised.

On 14 October 2024, the Company issued 3,867,411 fully paid ordinary shares in the capital of the Company to Obsidian Global GP, LLC upon the exercise of 32,250 convertible notes at a deemed issue price of \$0.013859.

On 25 November 2024, the Company successfully completed a private placement to a new sophisticated and professional investor raising \$500,000 before costs. The Company issued a total of 16,666,667 fully paid ordinary shares at \$0.03 per share.

On 25 November 2024, the Company issued a total of 2,450,000 fully paid ordinary shares at \$0.03 per share to Reign Advisory Pty Ltd for consulting services.

On 26 November 2024, the Company issued 16,766,655 fully paid ordinary shares in the capital of the Company to Obsidian Global GP, LLC upon the exercise of 120,000 convertible notes at a deemed issue price of \$0.0123.

On 27 November 2024, the Company successfully completed a private placement to a new sophisticated and professional investor raising \$400,000 before costs. The Company issued a total of 10,000,000 fully paid ordinary shares at \$0.04 per share.

On 28 November 2024, the Company issued a total of 2,250,000 fully paid ordinary shares at \$0.04 per share to Reign Advisory Pty Ltd for consulting services.

FINANCIAL PERFORMANCE

The Group had negative cash flows from operating activities for the half-year amounting to \$112,657 (2023: \$1,442,696), and had negative working capital of \$1,020,181 (30 June 2024: \$711,484) and net assets of \$3,213,580 as at 31 December 2024 (30 June 2024: \$2,543,054).

SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 5 February 2025, the Group announced that it completed the acquisition of Prodigy9 and issued 10,000,000 fully paid shares and 33,750,000 performance rights as consideration. The performance rights will vest in three tranches based on certain non-market milestones.

Prodigy9 is a software engineering consultancy based in Bangkok. It specialises in developing data analytics platforms for the retail, consumer goods, and fintech sectors. It has built a client base spanning the top echelons of the Thai corporate spectrum, including engagements with leading insurance, consumer electronics, transportation, and fintech companies.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditors' independence declaration as required under Section 307C of the *Corporations Act 2001* in relation to the review for the half-year is set out on page 8 of this report.

This report is presented in accordance with a resolution of the Board of Directors made pursuant to s.306 (3) of the Corporations Act 2001 and is signed for and on behalf of the directors by:



Mr Kit Weng Yip
Non-Executive Chairman
Perth, Western Australia this 28 day of February 2025

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of InFocus Group Holdings Limited (formerly Frugl Group Limited) 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:

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

Perth, Western Australia
28 February 2025



N G Neill
Partner

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A Western Australian Partnership

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of InFocus Group Holdings Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the interim financial report of InFocus Group Holding Limited (formerly Frugl Group Limited) ("the Company") and its controlled entities ("the Group"), 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, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of InFocus Group Holdings Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group'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 the *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 responsibility is further described in the *Auditor's Responsibility 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 (including Independence Standards)* (the "Code") 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.3 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group'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 interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim 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 interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group'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 interim 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
28 February 2025



N G Neill
Partner

DIRECTORS' DECLARATION

1. In the opinion of the Directors of InFocus Group Holdings Limited (formerly Frugi Group Limited) (**Company**):
 - a. the accompanying interim financial statements and notes are in accordance with the *Corporations Act 2001* including:
 - i. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - ii. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half- year then ended.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. This declaration has been made in accordance with a resolution of the directors.



Mr Kit Weng Yip
Non-Executive Chairman
Perth, Western Australia this 28 day of February 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half-year ended 31 December 2024

	Note	31 Dec 2024 \$	31 Dec 2023 \$
Continuing operations			
Revenue from contracts with customers		1,266,391	211,098
Other income		9,017	35,385
R&D tax rebate		731,110	397,659
Total revenue and other income		2,006,518	644,142
Direct product costs		(103,999)	-
Research and development costs, materials and consultants		(205,757)	(1,217,514)
Employee expenses		(1,078,144)	(456,971)
Directors' fees, salaries, superannuation and consulting costs		(168,000)	(151,000)
Share-based payments	12.2	(163,500)	(99,911)
Legal fees		(38,654)	(55,960)
Depreciation and amortisation expenses		(160,394)	(55,256)
Public company costs, fees, share registry, shareholder costs		(62,417)	(50,319)
Accounting and audit fees		(78,550)	(44,469)
Insurances		(33,557)	(30,661)
Corporate fees		(133,722)	(18,000)
Interest expenses		(78,315)	(14,646)
Finance expenses		(143,629)	-
Occupancy costs		(48,695)	(12,449)
Marketing and investor relations expenses		(3,429)	(1,679)
Other expenses from ordinary activities		(180,853)	(63,685)
Total expenses		(2,681,615)	(2,272,520)
Loss before income tax expense		(675,097)	(1,628,378)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of the Company		(675,097)	(1,628,378)
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(36,387)	-
Total comprehensive loss for the half-year		(711,484)	(1,628,378)
Loss per share from continuing operations			
Basic and diluted loss per share (cents per share)		(0.004)	(0.02)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	31 Dec 2024 \$	30 Jun 2024 \$
Assets			
Current assets			
Cash and cash equivalents		347,601	652,910
Trade and other receivables	3	507,825	189,747
Other assets		189,853	107,739
Total current assets		1,045,279	950,396
Non-Current assets			
Property, plant and equipment		129,243	146,388
Right-of-use assets	4	497,175	584,584
Intangible assets	5	3,953,369	3,225,617
Total non-current assets		4,579,787	3,956,589
Total assets		5,625,066	4,906,985
Liabilities			
Current liabilities			
Trade and other payables	6	1,286,700	834,655
Borrowings	7	272,197	518,505
Convertible notes	8	249,324	-
Lease liabilities	9	187,122	176,173
Employee entitlements		70,117	62,638
Total current liabilities		2,065,460	1,591,971
Non-current liabilities			
Lease liabilities	9	346,026	370,448
Convertible notes	8	-	401,512
Total non-current liabilities		346,026	771,960
Total liabilities		2,411,486	2,363,931
Net assets		3,213,580	2,543,054
Equity			
Issued capital	10	44,856,234	43,825,487
Unissued capital	10	85,682	42,000
Reserves	11	325,360	106,166
Accumulated losses		(42,053,696)	(41,430,599)
Net equity		3,213,580	2,543,054

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half-year ended 31 December 2024

	Issued Capital \$	Unissued Capital \$	Share Based payment Reserves \$	Foreign Currency Translation Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2023	39,373,453	-	52,000	-	(38,325,262)	1,100,191
Loss for the half-year	-	-	-	-	(1,628,378)	(1,628,378)
Other comprehensive income for the half-year	-	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	-	-	(1,628,378)	(1,628,378)
Shares issued during the half-year	762,850	-	-	-	-	762,850
Options issued during the half-year	-	-	49,911	-	-	49,911
Share issue costs	-	-	-	-	-	-
Balance at 31 December 2023	40,136,303	-	101,911	-	(39,953,640)	284,574
Balance at 1 July 2024	43,825,487	42,000	101,911	4,255	(41,430,599)	2,543,054
Loss for the half-year	-	-	-	-	(675,097)	(675,097)
Other comprehensive income for the half-year	-	-	-	(36,387)	-	(36,387)
Total comprehensive loss for the half-year	-	-	-	(36,387)	(675,097)	(711,484)
Shares issued during the half-year	1,338,328	(15,000)	-	-	-	1,323,328
Transfer of options expired	-	-	(52,000)	-	52,000	-
Shares to be issued during the half-year	-	58,682	-	-	-	58,682
Share issue costs	(307,581)	-	307,581	-	-	-
Balance at 31 December 2024	44,856,234	85,682	357,492	(32,132)	(42,053,696)	3,213,580

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the half-year ended 31 December 2024

	31 Dec 2024	31 Dec 2023
Note	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(2,005,399)	(2,025,887)
Receipts from customers	1,239,357	188,549
Interest received	590	4,608
Interest paid	(78,315)	(7,625)
Receipt of R&D tax rebate	731,110	397,659
Net cash used in operating activities	<u>(112,657)</u>	<u>(1,442,696)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(76,120)	(136,717)
Payments for software development	(550,930)	-
Net cash used in investing activities	<u>(627,050)</u>	<u>(136,717)</u>
Cash flows from financing activities		
Proceeds from issues of shares	900,000	662,850
Proceeds from exercise of options	-	50,000
Proceeds from borrowings	366,925	410,012
Repayments of borrowings	(738,409)	(305,012)
Payments of borrowing costs	(14,722)	(4,389)
Payment for principal portion of lease liabilities	(89,400)	(146,667)
Net cash generated by financing activities	<u>424,394</u>	<u>666,794</u>
Net (decrease) in cash and cash equivalents		
	(315,313)	(912,619)
Cash and cash equivalents at the beginning of the half-year	652,910	1,298,006
Effect of exchange rate changes on cash	10,004	8,233
Cash and cash equivalents at the end of the half-year	<u>347,601</u>	<u>393,620</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes, which form an integral part of the interim financial report.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

1. REPORTING ENTITY

InFocus Group Holdings Limited (**Company**) is a company limited by shares, incorporated and domiciled in Australia. The interim financial report as at and for the half-year ended 31 December 2024 covers the consolidated group of InFocus Group Holdings Limited and its controlled entities, together referred to as '**the Group**'. The Group is a for-profit entity.

2. BASIS OF PREPARATION

2.1. STATEMENT OF COMPLIANCE

The interim financial report is a consolidated general-purpose financial report which has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Accounting Standards IAS 34 *Interim Financial Reporting*. The interim financial report has been prepared under the historical cost convention.

This interim financial report does not include all the notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the annual financial statements. Accordingly, this interim financial report is to be read in conjunction with the annual financial statements for the year ended 30 June 2024 and any public announcements made by InFocus Group Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX listing rules.

The same accounting policies and methods of computation have generally been applied in these half-year financial statements as compared with the most recent annual financial statements, except for the adoption of new standards and interpretation effective as of 1 July 2024.

2.2. ADOPTION OF NEW AND REVISED STANDARDS

STANDARDS AND INTERPRETATIONS APPLICABLE TO 31 DECEMBER 2024

In the half-year ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the half-year reporting periods beginning on or after 1 July 2024.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and therefore no material change is necessary to Group accounting policies.

STANDARDS AND INTERPRETATIONS IN ISSUE NOT YET ADOPTED

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue but not yet mandatory for the period ended 31 December 2024. As a result of this review the Directors have determined that there is no material impact of these Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

2.3. GOING CONCERN

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

During the half-year ended 31 December 2024 the Group incurred a net loss of \$675,097 (2023: \$1,628,378), a net cash outflow from operating activities amounting to \$112,657 (2023: \$1,442,696) and had net current liabilities of \$1,020,181 at 31 December 2024 (30 June 2024: \$641,575).

The Directors have reviewed the business outlook, cash flow forecasts and immediate capital requirements and are of the opinion that the use of the going concern basis of accounting is appropriate. In forming this view the Directors have taken into consideration the following:

- On 1 June 2023, the Company entered into a binding loan facility agreement (Facility) with Mr Kenny Woo, a Company director, available on call. The facility has a principal amount of \$1,000,000, bears an interest rate of 8% per annum payable monthly in arrears, and is unsecured and repayable on 31 May 2025. As at 31 December 2024, the Company has \$921,000 available under this facility, having made \$79,000 draw downs from this facility;
- The Group's ability to reduce operational expenditure as and when required including, but not limited to, reviewing all expenditure for deferral or elimination. This resulted in the improved trading result.
- On 6 January 2025, the Company issued 7,302,482 fully paid ordinary shares in the capital of the Company to Obsidian Global Partners upon the exercise of 68,910 convertible notes at a deemed issue price of \$0.017.
- On 4 February 2025, the Company issued 8,303,985 fully paid ordinary shares in the capital of the Company to Obsidian Global Partners upon the exercise of 60,000 convertible notes at a deemed issue price of \$0.013.

The Directors recognise the need to secure additional funding and effectively managing the Group's expenditures and cash flows from operations and have carefully assessed the uncertainties relating to achieving these initiatives.

Should the Group not be successful in obtaining adequate funding, or adequately reducing operational expenditure as required, there is a material uncertainty that may cast significant doubt as to the ability of the Group to continue as a going concern and whether it will be able to realise its assets and discharge its liabilities in the ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

3. CURRENT TRADE AND OTHER RECEIVABLES

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
Trade debtors	507,825	189,747
	<u>507,825</u>	<u>189,747</u>

Trade receivable is non-interest bearing and generally on terms of 14-60 days.

All receivables are considered fully recoverable.

4. RIGHT-OF-USE ASSETS

	Half-year ended 31 Dec 2024 \$	Year ended 30 Jun 2024 \$
Balance at beginning of period	584,584	-
Additions	-	746,957
Depreciation expensed	(129,122)	(140,922)
Interest expensed	(8,871)	(21,846)
Effect of exchange rates	50,584	395
Balance at end of period	<u>497,175</u>	<u>584,584</u>

5. INTANGIBLE ASSETS

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
Goodwill ¹	3,225,617	3,225,617
Software Development - at cost ²	734,510	-
Accumulated Amortisation	(6,758)	-
Carrying value	<u>3,953,369</u>	<u>3,225,617</u>

1. As disclosed in the annual report for the year ended 30 June 2024, the Company completed the acquisition of 100% of the issued share capital of Trienpont International Co. Ltd (Trienpont) on 29 February 2024. The acquisition was provisionally accounted for as at 30 June 2024. During the current half-year period, the Company finalised the accounting for the acquisition, which resulted in no change to the measurement of the consideration nor to the acquisition date fair values of the net assets acquired. The excess consideration paid over the net assets acquired of the consideration nor to the acquisition date fair values of the net assets acquired. The excess consideration paid over the net assets acquired has been allocated to goodwill.

The Company is required to assess goodwill for impairment at least annually, and has done so as at 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

Management completed a value-in-use calculation using a discounted cash flow model, based on a 5-year projection period approved by management, together with a terminal value.

Key assumptions used in the value-in-use calculations are those to which the recoverable amount of an asset or cash-generating unit is most sensitive. The following key assumptions were used in the discounted cash flow model:

1. 18.5% pre-tax discounted rate;
2. Continuing to secure new contracts resulting in a revenue increase of 10% in the 2nd year and 1% subsequently each year which will reach 13% revenue growth in the 5th year in calculating the terminal value; and
3. Growth rates of operating costs and overheads used in calculating the terminal value are in the range of 1- 10%.

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

Upon completion of the assessment, management determined that no impairment was necessary.

2. The Company has purchased in advance AI cloud computing processing power from cloud computing resellers from providers like Amazon Web Services and Alibaba Cloud. This strategic decision was taken due to strong demand globally for AI based cloud computing power. The Company now owns processing power on Nvidia's A100 Tensor Core GPU's ready to be deployed on its internal processes or to be resold. Given the substantial demand for AI processing power globally, it is expected that these processing instances will be consumed internally or sold to buyers at a higher price.

6. TRADE AND OTHER PAYABLES

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
Current		
Trade creditors	743,379	421,334
Revenue received in advance	200,408	92,398
Sundry creditors and accruals	342,913	320,923
	<u>1,286,700</u>	<u>834,655</u>

Trade and other payables are non-interest bearing. Due to the short-term nature of these payables their carrying amount is assumed to approximate their fair value.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

7. BORROWINGS

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
Balance at beginning of period	518,505	-
Loan from Radium Capital ⁽ⁱ⁾	271,432	790,412
Loan from Director(cash) ⁽ⁱⁱ⁾	79,000	-
Interest and borrowing cost capitalised	21,778	39,596
Repayments made	(618,521)	(307,863)
Effect of exchange rates	3	(3,640)
Balance at end of period	272,197	518,505

- (i) On 24 September 2024, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd (Lender) for the amount of \$79,432 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan would be repaid with the receipt of the 2024 financial year Research & Development Rebate. On 8 October 2024, the Loan was repaid in full (principal and interest).

On 29 October 2024, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd (Lender) for the amount of \$97,600 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan will be repaid with the receipt the 2025 financial year Research & Development Rebate.

On 19 December 2024, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd for the amount of \$94,400 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan would be repaid with the receipt of the 2025 financial year Research & Development Rebate.

- (ii) A binding loan facility agreement ("Facility") with Kenny Woo, a Company director, is available on call. The facility has a principal amount of \$1,000,000, bears an interest rate of 9% per annum payable monthly in arrears and is unsecured and repayable on 31 May 2025 (Director Loan). On 18 November 2024, the Company has drawn done \$79,000 from this facility.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

8. CONVERTIBLE NOTE

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
Convertible notes		
Financial liabilities at amortised cost	212,788	267,509
Embedded derivative at FVTPL	36,536	134,003
	249,324	401,512
	Half-year ended 31 Dec 2024 \$	Year ended 30 Jun 2024 \$
Financial liabilities at amortised cost		
Opening balance	267,509	-
Convertible note proceeds	-	904,023
Transaction costs	-	(539,799)
Derivative liability recognised at inception	241,474	(285,947)
Repayment of Convertible Notes	(179,996)	-
Conversion of Convertible Notes	(259,828)	-
Effective interest of host liability	143,629	189,232
	212,788	267,509
	Half-year ended 31 Dec 2024 \$	Year ended 30 Jun 2024 \$
Embedded derivative		
Opening balance	134,003	-
Derivative liability recognised at inception	-	285,947
Fair value movement	(97,467)	(151,944)
	36,536	134,003

On 31 May 2024, the Company entered into a \$2 million convertible note facility (Note Facility) with Obsidian Global Partners (Obsidian or the Investor). The Company drew an initial \$0.9 million (Tranche 1) pursuant to the Note Facility, with up to an additional \$1.1 million drawable subject to certain conditions. The Note Facility is secured against Company assets and has maturity date 18 months after issue date of the Notes.

On 14 October 2024, Obsidian Global Partners, converted 32,250 Convertible Notes into 3,867,411 shares and on 26 November 2024 converted 120,000 Convertible Notes into 16,766,655 shares.

On 25 November 2024, Obsidian Global Partners, redeemed 52,790 Convertible Notes (Notes) with a value of A\$99,996 for cash and on 28 November 2024, redeemed a further 42,050 Convertible Notes (Notes) with a value of A\$80,000 for cash.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

9. LEASE LIABILITIES

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
Current liability	187,122	176,173
Non-current liability	346,026	370,448
	533,148	546,621

10. SHARE CAPITAL

	As at 31 Dec 2024 \$	As at 30 Jun 2024 \$
156,909,351 fully paid ordinary shares (30 June 2024: 104,716,308)	44,856,234	43,825,487
3,748,475 fully paid ordinary shares – unissued (30 June 2024: 823,151)	85,682	42,000
	44,941,916	43,867,487

10.1. FULLY PAID ORDINARY SHARES - ISSUED

	Half-year to 31 Dec 2024		Year to 30 Jun 2024	
	No.	\$	No.	\$
Opening balance	104,716,308	43,825,487	956,062,008	39,373,453
Issued for cash - placements	26,666,667	900,000	75,126,143	662,850
Issued as consideration for the acquisition of Trienpont International Co. Ltd	-	-	440,000	3,080,000
Issued to supplier	4,700,000	163,500	9,836,429	81,885
Issued in Lieu of Note Facility	-	-	5,397,990	539,799
Issued to employees	192,310	15,000	-	-
Issued on exercise of options	-	-	8,750,000	87,500
Issued on Convertible Notes	20,634,066	259,828	-	-
Consolidation of capital	-	-	(1,390,456,262)	-
Share issue costs	-	(307,581)	-	-
Closing balance	156,909,351	44,856,234	104,716,308	43,825,487

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in the proceeds on winding up of the Company in proportion to the number of shares held.

10.2. FULLY PAID ORDINARY SHARES - UNISSUED

	Half-year to 31 Dec 2024		Year to 30 Jun 2024	
	No.	\$	No.	\$
Balance at beginning of period	823,151	42,000	-	-
Transfer to issued capital	(192,310)	(15,000)	-	-
Shares to be issued	3,117,634	58,682	823,151	42,000
Balance at end of period	3,748,475	85,682	823,151	42,000

The unissued ordinary shares relate to 3,748,475 shares to be issued to the Chief Executive Officer in lieu of a portion of his base salary relating to the period from 1 April to 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

11. RESERVES

	Half-year to 31 Dec 2024 \$	Year to 30 Jun 2024 \$
Share based payment reserve	357,492	101,911
Foreign currency translation reserve	(32,132)	4,255
	<u>325,360</u>	<u>106,166</u>

Share-based Payments Reserve

This reserve is used to record the value of equity benefits provided to directors, executives and employees as part of their remuneration, as well as to consultants and advisors for provision of services.

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.

SHARE BASED PAYMENT RESERVE

	Half-year to 31 Dec 2024 \$	Year to 30 Jun 2024 \$
Balance at beginning of period	101,911	52,000
Options to be issued during the period	307,581	49,911
Options expired during the period	(52,000)	-
Balance at end of period	<u>357,492</u>	<u>101,911</u>

The Option reserve arises on the grant of share options to executives, employees, consultants and advisors and upon issue of options to shareholders or buyers. Amounts are transferred out of reserve and into accumulated losses when options expire or lapse.

FOREIGN CURRENCY RESERVE

	Half-year to 31 Dec 2024 \$	Year to 30 Jun 2024 \$
Balance at beginning of period	4,255	-
Movement during the period	(36,387)	4,255
Balance at end of period	<u>(32,132)</u>	<u>4,255</u>

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

12. SHARE OPTIONS

Each option issued converts into one ordinary share of InFocus Group Holdings Limited on exercise. Options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

12.1. MOVEMENTS IN SHARE OPTIONS DURING THE PERIOD

The following reconciles the share options outstanding at the beginning and end of the period:

	Half-year to 31 Dec 2024		Year to 30 Jun 2024	
	Number of options	\$	Number of options	\$
Opening balance	279,500,000	52,000	279,500,000	52,000
Option Exercised	(279,500,000)	(52,000)	(5,000,000)	-
Closing balance	-	-	274,500,000	52,000
Exercisable at end of period	-	-	274,500,000	52,000

12.2. RECOGNISED SHARE-BASED PAYMENTS

Share-based payments made during the half-year are summarised below.

	31 Dec 2024 \$	31 Dec 2023 \$
Options issued to directors	-	49,911
Options to be issued to supplier ⁽ⁱ⁾	307,581	-
Shares issued to supplier	163,500	50,000
	<u>471,081</u>	<u>99,911</u>

(i) Following shareholder approval on 28 February 2025 the Company issued 9,000,000 Options to a broker for services provided in respect of placements during the half-year. The options had no vesting conditions and vested immediately on issue. Please refer to Note 10.

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date on which they are granted. The fair value of the shares issued was determined by using the closing market price and the fair value of the options issued was determined by using a Black and Scholes model with the following assumptions.

The fair value of options issued to suppliers is as follows:

Number of options	Grant Date	Expiry Date	Exercise Price	Total Value	Recipients
9,000,000	27 Nov 2024	31 Dec 2027	\$0.075	\$307,581	Broker

Underlying share price	Expected volatility	Expected dividends	Risk free rate	Value per option
\$0.042	164%	Nil	3.968%	\$0.0342

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

13. COMMITMENTS & CONTINGENT LIABILITIES

13.1. COMMITMENTS

There has been no change in commitments since the last annual reporting date.

13.2. CONTINGENT LIABILITIES

The Group has no contingent liabilities as at 31 December 2024.

14. RELATED PARTY TRANSACTIONS

The immediate parent and ultimate controlling entity of the Group is InFocus Group Holding Limited.

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.

15. SIGNIFICANT EVENTS AFTER THE REPORTING DATE

On 5 February 2025, the Group announced that it completed the acquisition of Prodigy9 and issued 10,000,000 fully paid shares and 33,750,000 performance rights as consideration. The performance rights will vest in three tranches based on certain non-market milestones.

Prodigy9 is a software engineering consultancy based in Bangkok. It specialises in developing data analytics platforms for the retail, consumer goods, and fintech sectors. It has built a client base spanning the top echelons of the Thai corporate spectrum, including engagements with leading insurance, consumer electronics, transportation, and fin-tech companies.

On 6 January 2025, the Company issued 7,302,482 fully paid ordinary shares in the capital of the Company to Obsidian Global Partners upon the exercise of 68,910 convertible notes at a deemed issue price of \$0.017.

On 4 February 2025, the Company issued 8,303,985 fully paid ordinary shares in the capital of the Company to Obsidian Global Partners upon the exercise of 60,000 convertible notes at a deemed issue price of \$0.013.

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

16. SEGMENT INFORMATION

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates primarily in the areas of data analytics of its grocery comparison products, digital transformation, software development and technical consulting. The financial information presented in the consolidated statement of comprehensive income and the consolidated statement of financial position is the same as that presented to the chief operating decision maker.

Unless stated otherwise, all amounts reported to the Board of directors as the chief operating decision maker is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

	Australia \$	Thailand \$	Total \$
31 December 2024			
Segment revenue	478,429	787,962	1,266,391
Segment results	(412,260)	(262,837)	(675,097)
Included within segment result:			
• R+D Tax Rebate	731,110	-	731,110
• Research and development costs, materials and consultants	(205,757)	-	(205,757)
• Depreciation and amortisation expenses	(91,728)	(68,666)	(160,394)
• Share-based payments	(163,500)	-	(163,500)
Segment assets	5,024,800	600,266	5,625,066
Segment liabilities	(1,390,656)	(1,020,830)	(2,411,486)
30 June 2024			
Segment revenue	406,959	389,640	796,599
Segment results	(3,045,360)	(59,977)	(3,105,337)
Included within segment result:			
• R+D Tax Rebate	397,659	-	397,659
• Research and development costs, materials and consultants	(1,606,939)	-	(1,606,939)
• Depreciation and amortisation expenses	(141,797)	(20,329)	(162,126)
• Share-based payments	(131,796)	-	(131,796)
Segment assets	4,320,103	586,882	4,906,985
Segment liabilities	(1,663,075)	(700,856)	(2,363,931)

NOTES TO THE FINANCIAL STATEMENTS

for the half-year ended 31 December 2024

17. COMPARATIVES

Where necessary, prior half-year comparatives have been reclassified to be consistent with the current half-year's presentation.

18. DIVIDENDS

No dividends were paid or declared during the half-year and no recommendation for payment of dividends has been made.

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