



SPORTSHERO LIMITED

ACN 123 423 987

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 31

DECEMBER 2025

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SPORTSHERO LIMITED

ACN 123 423 987

CORPORATE DIRECTORY

DIRECTORS

Stratos Karousos (Non-Executive Chairman)

Tom Lapping (Executive Director)

Adele Sim (Executive Director)

CHIEF EXECUTIVE OFFICER

Tom Lapping

COMPANY SECRETARY

Ross Pearson

**REGISTERED OFFICE AND
PRINCIPAL PLACE OF BUSINESS**

22 Glenview Road

Mt Ku-ring-gai NSW 2080

Telephone: +61 2 9457 8276

Website: <http://Sportshero.live/>

AUDITORS

Hall Chadwick (NSW)

Level 40, 2 Park Street

Sydney NSW 2000

SHARE REGISTRY

Automatic Registry Services

Level 5, 126 Phillip Street

Sydney NSW 2000

Telephone: 1300 288 664

STOCK EXCHANGE LISTING

Australian Securities Exchange Ltd

ASX Code: SHO

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SPORTSHERO LIMITED

DIRECTORS' REPORT

The Directors present their report together with the financial statements of SportsHero Limited ("SportsHero" or "the Company" or "the Group") for the half year ended 31 December 2025.

DIRECTORS

The following Directors held office from the beginning of the half year until the date of this report:

- Tom Lapping (Executive Director)
- Stratos Karousos (Non-Executive Chairman)
- Adele Sim (Executive Director)

PRINCIPAL ACTIVITIES

The principal continuing activity of the Group during the half year was the development of the Group's sports gamification platforms.

RESULTS

The net loss of the Group for the half year ended 31 December 2025 was \$1,238,353 (2024: \$745,320).

Included within the loss of the Group for the half year was **non-cash** share-based payments totaling \$406,272 (2024: \$36,882).

No dividends were paid or declared by the Company during the half year.

REVIEW OF OPERATIONS

The following is a summary of the activities of SportsHero during the period 1 July 2025 to 31 December 2025. It is recommended that this half yearly report be read in conjunction with the 30 June 2025 Annual Report and any public announcements made by the Company during the half year. In accordance with the continuous disclosure requirements, readers are referred to the announcements lodged with the Australian Securities Exchange regarding the activities of the Company.

Mobile Gaming Product Added with Web Games Distribution Agreement Signed with Yes2Games

In August 2025, the Company entered into an exclusive content distribution agreement with Singapore-based gaming company Yes2Games, which has the global exclusive license to the web versions of Halfbrick Studios' game library.

\$1.65m Received for Private Placement

In August 2025, the Company received \$1.65m through the issuance of 71.8 million new fully paid ordinary shares in the Company ('Shares') at \$0.023 per Share, together with a 1:2 free attaching options to acquire Shares ('Options') ('Placement Options'), via a Share placement ('Placement') to sophisticated and professional investors.

SportsHero Grows Mobile Gaming Catalogue with V-Hunt Adding ~600 Casual Mobile Gaming Titles

The Company signed an agreement in October 2025 with V Hunt Digital Media Pvt Ltd (V-Hunt) for the rights to distribute a customised catalogue of instantly playable HTML5 hyper casual mobile games throughout Southeast Asia, adding approximately 600 games to the HeroPlay offering. This added to the mobile games catalogue from Yes2Games (announced in the previous quarter) and took the total number of games to +620 available on SportsHero's mobile casual gaming platform.

Go Live for iGV.Com Game Pass via PLDT Home, the Largest Fully Integrated Telco in the Philippines

The iGV Game Pass product was launched in the Philippines via PLDT Home in October 2025. PLDT plans to include a 12-month iGV Game Pass subscription as part of its premium home broadband package. Those wishing to renew their subscription for a second year will be offered an exclusive extension option. In parallel, PLDT would directly market the iGV Game Pass to its non-premium home broadband customers, who will be able to subscribe at a mutually agreed price. The agreement includes PLDT offering Direct Carrier Billing (DCB) and comprehensive ongoing marketing support.

SportsHero Appoints Grace Clapham as Growth Strategy Advisor

The Company expanded their executive team with the appointment of Grace Clapham as its new Growth Strategy Advisor in November 2025, positioning the company to further accelerate growth and strategic market

SPORTSHERO LIMITED

DIRECTORS' REPORT

expansion. Throughout her distinguished career, Grace has partnered with leading global brands including Meta, LinkedIn, BMW, Nestlé, Aesop, Maybank, Dentsu, Bank of America, Canva, and Hootsuite, among others. She has scaled operations and led go-to-market strategies across 35+ markets, navigating diverse regulations and cultures to drive growth, and generated revenue through strategic brand and community partnerships.

HeroPlay Goes Live in Indonesia, with 600 Proven HTML5 Titles

HeroPlay went live on 19 November 2025 via Indosat, a significant milestone for SportsHero, offering subscriptions to a catalogue of 600 HTML5 mobile games supplied by leading game distributors Yes2Games and V-Hunt.

HeroPlay is a proprietary mobile casual gaming platform which has been developed in-house by SportsHero, combining a content management system (CMS), customer relationship management (CRM) and integrated access via Telco partners Direct Carrier Billing APIs to a large library of HTML5 based mobile game titles from leading mobile game distribution partners.

Early HeroPlay Subscriber Growth Confirms Initial Product Validation and Revenue is Materialising

Subscriber sign-ups as at 17 December 2025 for the HeroPlay mobile casual gaming platform in Indonesia confirmed strong consumer appetite for the product, with initial results averaging 280-300 new subscribers per day.

Record Cash Receipt following Philippines Launch

Late in December 2025, the Company received a significant cash payment of ~A\$530,000 (US\$350,000) following the successful integration and launch of the iGV.Com Game Pass product in the Philippines. The Company expects to receive regular monthly payments starting this month, throughout the remainder of the initial 12-month minimum contract agreement, which runs through to September 2026. Beyond that time, there is potential for ongoing revenue from the original agreement, together with potential increased revenue from any expansion or new customer acquisition.

SIGNIFICANT CHANGES

There have been no changes in the state of affairs of the Group that occurred during the half year under review not otherwise disclosed in this report.

SUBSEQUENT EVENTS

Indosat/SportsHero Joint Press Release 14 January 2026

On 14 January 2026 Indosat and SportsHero shared a joint Press Release about HeroPlay, with Bilal Kazmi, Director & Chief Commercial Officer of Indosat Ooredoo Hutchison, stating that the collaboration with SportsHero aligns with Indosat's commitment to delivering digital services that are simple, easy to use, and relevant for younger generations.

"Through HeroPlay, we are expanding our digital entertainment ecosystem to reach more customers, supported by Indosat's AI-powered 5G network, Alvolusi5G, to deliver a smoother and more optimal gaming experience," he said.

HeroPlay Subscriber Sign-Up Numbers Growing

The Company announced on 19 January that HeroPlay subscriber sign-up numbers have increased materially for the month, with an average of approx. 880 sign-ups per day over the last 7 days, compared to an average of approx. 280-300 previously reported in mid-December 2025. The highest single daily subscriber sign-ups have been 1,710 subscribers, achieved in the last 7 days.

A further update was provided on 5 February 2026 in the Investor Presentation confirming the 7-day subscriber average had increased to 1,020 per day.

\$4.3m in Firm Commitments Received for Private Placement

The Company received firm commitments to raise \$4.3 million through the issuance of approximately 57.3 million new fully paid ordinary shares in the Company ('Shares') at \$0.075 per Share ('Offer Price'), via a Share placement ('Placement') to institutional, sophisticated and professional investors, announced on 16 February 2026.

In a strong endorsement of the Company's strategy and early traction rolling out the HeroPlay product across SE Asia, SportsHero's CEO Tom Lapping, has committed to invest \$300,000 in the placement, subject to shareholder approval.

DIRECTORS' REPORT

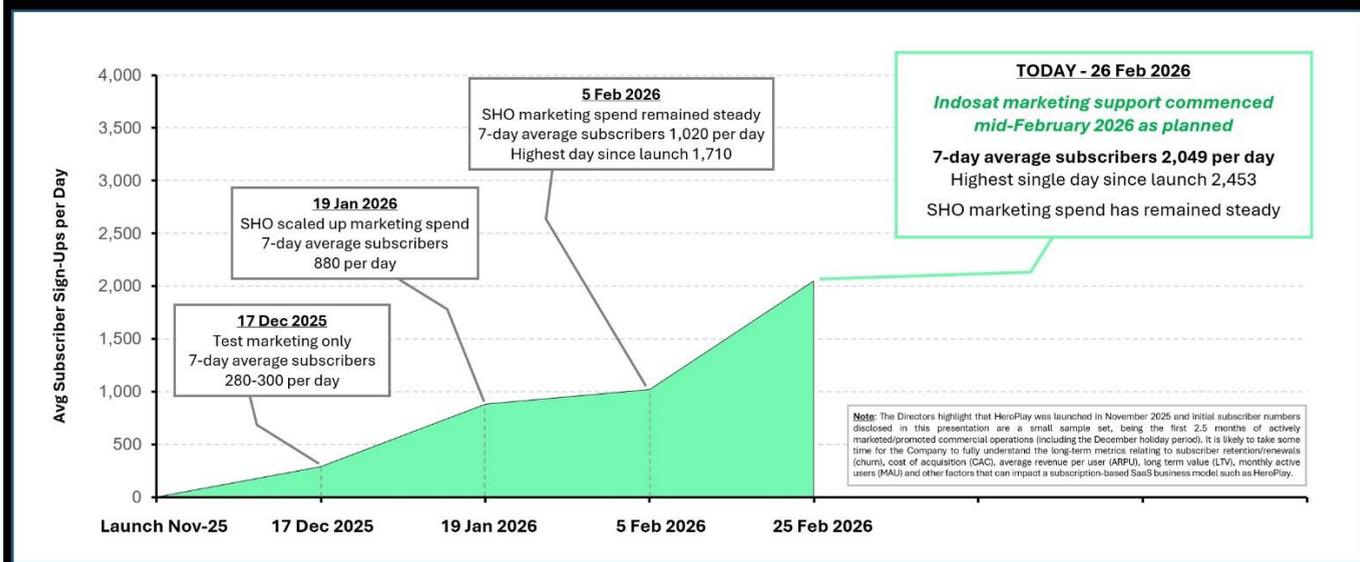
Concurrent to the capital raising and based on the strong demand from institutional investors to acquire shares in the Company, the Joint Lead Managers have arranged a sell down of approximately 25.0 million existing fully paid ordinary shares in the Company at the Offer Price (equivalent to approximately A\$1.875 million) by three long term private shareholders that are not founders, directors, or internal stakeholders of the Company. The funds raised under the Placement will be used for the following:

- expand gaming publisher/distributor commercial agreements to enhance our product offering across existing segments;
- drive sales efforts to secure additional Telco partnerships in both existing and new countries within the SE Asian region;
- increase direct B2C marketing spend for our non-Telco funded advertising channels;
- repayment of the existing drawn down debt facility; and
- costs of the raise and working capital.

Business Trading Update – 26th February 2026

Following the launch of Indosat's marketing support in mid-February as planned, subscriber sign-ups for HeroPlay have increased to an average of 2,049 per day over the last 7 days, with the highest daily total being 2,453.

Management has observed a clear positive correlation between Indosat's marketing initiatives and the uplift in paid subscriber growth, providing early validation of the partnership strategy. Importantly, this traction has been achieved very early in the marketing rollout, with the majority of the program yet to be deployed in full.

HeroPlay - Average Daily Subscriber Sign-Ups

For more information on the Company or to ask questions follow this link <https://asx.sportshero.live/link/rAO11y> No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

SPORTSHERO LIMITED

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 7.

Signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001:

A handwritten signature in black ink, appearing to read 'Stratos Karousos', written in a cursive style.

Stratos Karousos

Director

Date: 26 February 2026

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SPORTSHERO LIMITED
ABN 98 123 423 987

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

To the directors of SportsHero Limited

As the lead audit partner for the review of the financial report of SportsHero Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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


HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000


STEWART THOMPSON
Partner
Dated: 26 February 2026

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SPORTSHERO LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	31 December 2025 AU\$	30 June 2025 AU\$
Current assets			
Cash and cash equivalents		499,860	118,144
Prepayments		20,442	2,248
Trade and other receivables		5,349	4,645
Total current assets		525,651	125,037
Non-current assets			
Plant and equipment		1,568	2,107
Total non-current assets		1,568	2,107
Total assets		527,219	127,144
Current liabilities			
Trade and other payables	3	412,418	530,343
Borrowings	4	388,182	920,000
Contract liabilities	5	232,981	-
Employee benefits		77,253	44,497
Total Current liabilities		1,110,834	1,494,840
Non-current liabilities			
Total Current liabilities		-	-
Total Liabilities		1,110,834	1,494,840
Net Assets		(583,615)	(1,367,696)
Equity			
Issued capital	7	24,611,416	23,078,839
Share based payments reserve	8	1,097,849	623,555
Foreign currency translation reserve		2,860,039	2,913,092
Accumulated losses		(29,152,919)	(27,983,182)
Total Equity		(583,615)	(1,367,696)

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

SPORTSHERO LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Note	31 December 2025 AU\$	31 December 2024 AU\$ re-presented ¹
Income			
Sales revenue	6	316,925	45,500
Other income		8	5,011
Expenses			
Administration expenses		(17,858)	(11,686)
Employee and consulting expenses		(427,359)	(403,527)
Compliance and professional expenses		(324,850)	(155,356)
Marketing and investor relations expenses		(84,714)	(26,224)
Software development		(172,224)	(15,325)
Travel		(25,797)	(24,488)
Share based payments	9	(406,272)	(36,882)
Platform revenue -share cost		(89,995)	-
Finance cost		-	(43,602)
Fair value loss on FVTPL		-	(77,566)
Interest expense		(4,692)	-
Write off bad debt		(912)	-
Depreciation and Amortisation expense		(613)	(1,175)
		<hr/>	<hr/>
Loss before income tax expense		(1,238,353)	(745,320)
Income tax expense		-	-
		<hr/>	<hr/>
Loss after income tax expense for the half-year		(1,238,353)	(745,320)
		<hr/>	<hr/>
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Foreign currency translation		(53,053)	44,497
		<hr/>	<hr/>
Total comprehensive loss for the half-year		(1,291,406)	(700,823)
		<hr/>	<hr/>
Basic loss per share (cents per share)		(0.16)	(0.12)
Diluted loss per share (cents per share)		(0.16)	(0.12)

The above consolidated statement of comprehensive income should be read in accordance with the accompanying notes.

SPORTSHERO LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Contributed Equity	Accumulated Losses	Share Based Payments Reserve	Foreign Currency Translation Reserve	Total Equity/ (deficit)
Notes	AU\$	AU\$	AU\$	AU\$	AU\$
As at 1 July 2025	23,078,839	(27,983,182)	623,555	2,913,092	(1,367,696)
Total comprehensive loss for the period	-	(1,238,353)	-	(53,053)	(1,291,406)
Performance rights issued during the period	216,000	-	(216,000)	-	-
Share based payments	-	-	406,272	-	406,272
Shares based payments for settlement of director fees	40,000	-	-	-	40,000
Expired options	-	68,616	(68,616)	-	-
Options exercised	115,990	-	(28,271)	-	87,719
Shares issued during the period	1,650,202	-	-	-	1,650,202
Share issue cost	(489,615)	-	380,909	-	(108,706)
As at 31 December 2025	<u>24,611,416</u>	<u>(29,152,919)</u>	<u>1,097,849</u>	<u>2,860,039</u>	<u>(583,615)</u>
As at 1 July 2024 re-presented ¹	22,013,791	(26,022,448)	301,030	2,859,490	(848,137)
Total comprehensive loss or the period	-	(671,557)	-	44,497	(627,060)
Performance rights issued during the period	35,000	-	(35,000)	-	-
Share based payments	-	-	36,882	-	36,882
Shares based payments for settlement of director fees	49,267	-	-	-	49,267
Expired options	-	35,185	(35,185)	-	-
Options exercised	-	-	-	-	-
Shares issued during the period	1,039,000	-	-	-	1,039,000
Share issue cost	(58,220)	-	29,580	-	(28,640)
As at 31 December 2024	<u>23,078,838</u>	<u>(26,658,820)</u>	<u>297,307</u>	<u>2,903,987</u>	<u>(378,688)</u>

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

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SPORTSHERO LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	31 December 2025 AU\$	31 December 2024 AU\$ re-presented ¹
Cash flows from operating activities		
Receipts from customers	549,203	45,964
Payments to suppliers	(760,036)	(367,190)
Payment to employees	(427,359)	(425,366)
Interest received	8	-
Net cash flows used in operating activities	(638,184)	(746,592)
Cash flows from investing activities		
Payments for plant and equipment	(110)	(227)
Net cash provided from financing activities	(110)	(227)
Cash flows from financing activities		
Issued of new share capital	1,739,186	500,000
Share issue cost	(108,705)	(28,640)
Proceeds from borrowing	-	377,000
Finance cost	(53,182)	(20,000)
Repayment of borrowing	(531,818)	(100,000)
Net cash provided from financing activities	1,045,481	728,360
Net increase (decrease) in cash and cash equivalents	407,187	(18,459)
Effects of exchange rate on cash and cash equivalents	(25,471)	62,107
Cash and cash equivalents at the beginning of the half-year	118,144	40,340
Cash and cash equivalents at the end of the half-year	499,860	83,988

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

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

1. BASIS OF PREPARATION OF HALF YEAR FINANCIAL STATEMENTS

Basis of preparation

These general purpose interim financial statements for the half year reporting period ended 31 December 2025 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

This interim financial report is intended to provide users with an update on the latest annual financial statements of SportsHero Limited and its controlled entities (Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2025, together with any public announcements made during the following half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

New or Amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new and revised 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.

Functional and presentation currency

Change in Presentation Currency

The Company has changed its presentation currency from United States dollars (USD) to Australian dollars (AUD) with effect from 1 July 2024. The change has been made to better reflect the economic environment of the Group's operations and to enhance comparability with industry peers.

In accordance with AASB 121 The Effects of Changes in Foreign Exchange Rates, the consolidated financial statements for the year ended 30 June 2025, including the comparative year ended 30 June 2024, have been presented in AUD.

The translation process applied was as follows:

- Assets and liabilities were translated at the closing exchange rate at each reporting date.
- Income and expenses were translated at average exchange rates for the reporting period.
- Share capital was translated at historical rates on the date of issue.
- Retained earnings were translated at the translated opening balance plus profit or loss for the year (translated at average rates).
- Exchange differences arising on translation have been recognised in the Foreign Currency Translation Reserve within equity.

The translation of the opening financial position at 1 July 2023 was undertaken to establish comparative balances. Periods prior to 1 July 2023 have not been restated.

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SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

Key Exchange Rates Applied

Date /Period	USD/AUD
1 July 2023 (opening)	1.5082
Average financial year 2024	1.5250
Closing 30 June 2024	1.5097
Average financial year 2025	1.5427
Closing 30 June 2025	1.5267
Average for 6 months ending 31 December 2024	1.5108
Closing 31 December 2024	1.6085

The preliminary financial report is presented in AUD dollars, which is the Group's functional currency.

Certain subsidiaries have functional currencies other than AUD. On consolidation, the financial position of these subsidiaries is translated into the presentation currency as follows:

- Assets and liabilities are translated at the exchange rate prevailing at the reporting date.
- Income and expenses are translated at exchange rates at the dates of the transactions, or at average exchange rates for the period where this approximates actual rates.
- Equity items are translated at historical exchange rates.

Exchange differences arising on translation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve within equity. These differences are reclassified to profit or loss upon disposal of the relevant foreign operation.

Key Exchange Rates Applied

Date /Period	AUD/SGD	AUD/IDR
Average for 6 months ending 31 December 2025	0.8454	10,824.29
Closing 31 December 2025	0.8608	11,174.00

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of AU\$1,238,353 and had net cash outflows from operating activities of AU\$638,184 for the period ended 31 December 2025.

These factors may indicate a material uncertainty which may cast doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and meet its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that the Group's prospects have significantly improved and that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

- **\$4.3m in Firm Commitments Received for Private Placement**
On 16 February 2026, the Company received firm commitments to raise \$4.3 million through the issuance of approximately 57.3 million new fully paid ordinary shares in the Company ('Shares') at \$0.075 per Share ('Offer Price'), via a Share placement ('Placement') to institutional, sophisticated and professional investors.
- **Revenue to be derived from milestone agreement**
On 1 July 2025 the Company announced it has secured a two-year agreement with PLDT Inc. providing a contracted payment of US\$1.0 million (A\$1.55 million) in the first twelve months (of which 35% US\$350,000 was received in December 2025), together with a 65% share of all future revenues generated under the arrangement. This contracted cash inflow and ongoing revenue sharing provide support for the Company's cash flow forecasts.
- **\$1.65m capital raising**
On 30 July 2025, the Company announced that it had received firm commitments to raise \$1.65m through the issuance of 71.8 million new fully paid ordinary shares in the Company ('Shares') at \$0.023 per Share, which represents a 18% discount to the last close price of \$0.028 and 15% discount to the 15 day VWAP.
- **Potential to raise a further A\$1.08m - contingent on the exercise of options**
The firm commitments mentioned above came with 1:2 free attaching options to acquire Shares ('Options') ('Placement Options'), via a Share placement ('Placement') to sophisticated and professional investors. If exercised, the Options would raise an additional A\$1.08m for the Company on or before 31 July 2026.
- **Recent capital raise indicate continued support from shareholders**
The Directors expect to retain the support from shareholders and other financiers that have supported the Company's previous capital raising to assist with meeting future funding needs.

SportsHero's team has prepared cash flow projections that support the Group's ability to continue as a going concern. The Directors consider that these projections are achievable, and in the short to medium term significant revenue will be generated from the commercialisation of its business model. The Company has, and will continue, to engage with its stakeholder to ensure it retains its capital flexibility to execute on its strategy. Accordingly, the Directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the above measures and events not generate the expected cash flows, the Company and the Group may not be able to pay its debts as and when they become due and payable and it may be required to realise assets and extinguish liabilities other than in the ordinary course of business and at amounts different from those stated in the consolidated financial statements. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company and the Group not continue as going concerns.

2. DIVIDENDS

No dividends were paid or declared by the Company during the half year

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

3. TRADE AND OTHER PAYAABLES

	31 December	30 June
	2025	2025
	AU\$	AU\$
Current Payables		
Trade payables	239,976	249,317
Accrued expenses	172,442	281,026
	412,418	530,343

- i. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.
- ii. Trade payables are non-interest bearing.

4. BORROWINGS

	31 December	30 June
	2025	2025
	AU\$	AU\$
Loans from Shareholders	-	100,000
Drawdown Facility	388,182	820,000
Total current borrowings	388,182	920,000
Total Facilities		
Drawdown Facility	1,500,000	1,500,000
	1,500,000	1,500,000
Used at the reporting date		
Drawdown Facility	388,182	820,000
	388,182	820,000
Unused at the reporting date		
Drawdown Facility	1,111,818	680,000
	1,111,818	680,000

Drawdown Facility

During the 6 months ending 31 December 2025 following Drawn down Facility were in place from a major shareholder.

- AU\$500,000 unsecured drawdown facility attracting a 10% interest charge based on total drawdown amounts payable with 12 months of borrowing or with 14 days of the Group successfully completing an equity capital raising, whichever event occurs earlier. In addition, the lender may opt to convert the total amount drawdown and relevant interest charged into shares on the same terms as the equity capital raise. Under the facility the drawdown facility must not exceed AU\$100,000 per month
- AU\$1,000,000 unsecured drawdown facility attracting a 10% interest charge based on total drawdown amounts payable with 12 months of borrowing or with 14 days of the Group successfully completing an equity capital raising, whichever event occurs earlier. In addition, the lender may opt to convert the total amount drawdown and relevant interest charged into shares on the same terms as the equity capital raise. Under the facility the drawdown facility must not exceed AU\$200,000 per month

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SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

5. CONTRACT LIABILITY

	31 December 2025 AU\$	30 June 2025 AU\$
Opening contract liability	-	-
Cash received in advance	532,964	-
Revenue recognized during period	(299,983)	-
Closing contract liability	232,981	-

Performance obligations

The Group provides access to its gaming platform over a fixed contractual period and recognises revenue over time as customers simultaneously receive and consume the benefits of access.

Significant judgements

The Group assessed whether it controls the specified service before transfer to customers and concluded it acts as principal for fixed platform access arrangements and as agent for transaction-based revenue share arrangements.

6. SALES REVENUE

	31 December 2025 AU\$	31 December 2024 AU\$
Service access revenue	299,983	-
Other revenue	16,942	45,500
	316,925	45,500

7. CONTRIBUTED EQUITY

Issued Capital:

Ordinary shares fully paid	AU\$
817,115,950 (30 June 2025: 731,446,066)	<u>24,611,416</u>

	Issue Price AU\$	Number of Shares	AU\$
Movement in share capital:			
Opening balance 1 July 2025	-	731,446,066	23,078,839
Shares issued 5 August 2025 (a)	0.023	71,747,921	1,650,202
Options exercised share issue (b)	0.0396	1,086,956	43,119
Shares issued 1 October 2025 (c)	0.0396	1,086,956	43,119
Shares issued 27 October 2025 (d)	0.0396	750,000	29,752
Shares issued 31 October 2025 (e)	0.027	8,000,000	216,000
Shares issued 5 December 2025 (f)	0.0133	2,998,051	40,000
Share issue costs		-	(489,615)
Balance 31 December 2025		817,115,950	24,611,416

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

- (a) On 5 August 2025 the Company issued 71,446,066 shares at an issue price of A\$0.023 per share to raise \$1,650,000 working capital.
- (b) On 23 September 2025, the Company issued 1,086,956 ordinary shares on exercise of placement options. Options were valued using Black and Scholes valuation at A\$0.0096 per option with an exercise price of A\$0.03 per option
- (c) On 1 October 2025, the Company issued 1,086,956 ordinary shares on exercise of placement options. Options were valued using Black and Scholes valuation at A\$0.0096 per option with an exercise price of A\$0.03 per option.
- (d) On 27 October 2025, the Company issued 1,086,956 ordinary shares on exercise of placement options. Options were valued using Black and Scholes valuation at A\$0.0096 per option with an exercise price of A\$0.03 per option
- (e) The Company issued 8,000,000 ordinary shares on conversion of performance rights to Crispin Tristan of AU\$0.027, to the value of A\$216,000.
- (f) The Company issued 40,000 ordinary shares to Mr Stratos Karousos at an issue price of AU\$0.013342 per share in lieu of the payment of AU\$40,000 in fees, which was accrued as a liability as at 30 June 2025

8. SHARE BASED PAYMENT RESERVE

	31 December 2025 AU\$	30 June 2025 AU\$
Opening balance	623,555	301,030
Share based payments	406,272	357,710
Options exercised	(28,271)	-
Conversion of Performance rights	(216,000)	-
Expiry of Options and Performance rights	(68,616)	(35,185)
Capital raising cost	380,909	-
<u>Closing balance</u>	<u>1,097,849</u>	<u>623,555</u>

The share-based payment reserve records items recognised as expenses on valuation of options issued and/or performance rights issued to employees/consultants.

9. SHARE BASED PAYMENTS

	31 December 2025 AU\$	31 December 2024 AU\$ re-presented ¹
Recognised share-based payment expenses		
Performance rights issued to contractor prior period (a)	59,404	36,883
Placement Options issued (b)	346,868	-
	<u>406,272</u>	<u>36,883</u>
Recognised share issue costs		
Options issued to lead contractor Actv8 Capital Advisors (c)	171,836	29,500
Options issued to Facilitator (d)	216,333	-
	<u>388,169</u>	<u>29,500</u>

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

(a) Performance rights issued to contactor prior period

In February 2025, the Company granted 18,000,000 performance right to contractor. The vesting conditions for each tranche of performance rights is as follows:

Tranche A – 1,000,000 Upon achieving 10,000 monthly subscribers to the IGV Family PassProduct

Tranche B – 2,000,000 Upon achieving 30,000 monthly subscribers to the IGV Family PassProduct

Tranche C - 2,000,000 Upon achieving 50,000 monthly subscribers to the IGV Family PassProduct

Tranche D - 5,000,000 Upon achieving 100,000 monthly subscribers to the IGV Family PassProduct

Tranche E - 3,000,000 Upon security on esports commercial partnership with PSSI. Indonesia's Football Association, with any of the Company's esports digital products.

Tranche F – 5,000,000 Upon securing a partnership with one of the major telecommunications services providers in Southeast Asia (excluding Indonesia) for any of the Company's digital products

The assessed fair value of these performance right was determined using the following inputs:

Input	Tranche A	Tranche B	Tranche C	Tranche D	Tranche E	Tranche F
Number of performance rights	1,000,000	2,000,000	2,000,000	5,000,000	3,000,000	5,000,000
Value per performance right	AU\$0.027	AU\$0.027	AU\$0.027	AU\$0.027	AU\$0.027	AU\$0.027
Grant date	10/02/2025	10/02/2025	10/02/2025	10/02/2025	10/02/2025	10/02/2025
Expiry date	11/02/2027	11/02/2027	11/02/2027	11/02/2027	11/02/2027	11/02/2027

(b) Placement options

During half year period the Company completed a placement of ordinary shares to sophisticated and professional investors issuing 35,873,957 options.

For every two (2) placement shares subscribed, investors received one (1) free-attaching option (“Attaching Option”) on the terms outlined below.

The assessed fair value of these options was determined using the Black and Scholes module with following inputs:

	Options A
Number of options	38,873,957
Grant date	5/08/2025
Grant date share price	AU\$0.027
Exercise price	AU\$0.03
Vesting date	5/08/2025
Expiry date	31/07/2026
Risk free rate	3.31%
Expected future volatility	100%
Value per option	AU\$0.0097
Total value of options (AUD)	AU\$346,868

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

(c) Options issued to lead manager

During the half-year, the Company has granted 11,000,000 options to lead manager as capital raising fee.

The assessed fair value of these options was determined using Black and Scholes Option Pricing Model with following inputs:

	Options A	Options B
Number of options	7,500,000	3,500,000
Grant date	5/08/2025	5/08/2025
Grant date share price	AU\$0.027	AU\$0.027
Exercise price	AU\$0.02	AU\$0.04
Vesting date	05/08/2025	05/08/2025
Expiry date	31/10/2027	31/10/2027
Risk free rate	3.31%	3.31%
Expected future volatility	100%	100%
Value per option	AU\$0.017	AU\$0.0128
Total value of options (AUD)	AU\$127,210	AU\$44,626

(d) Options issued to capital raise facilitator

During the half-year, the Company has granted 12,666,667 options to lead facilitator as capital raising fee.

The assessed fair value of these options was determined using Black and Scholes Option Pricing Model with following inputs:

	Options A
Number of options	12,666,667
Grant date	5/08/2025
Grant date share price	AU\$0.027
Exercise price	AU\$0.03
Vesting date	05/08/2025
Expiry date	31/07/2028
Risk free rate	3.35%
Expected future volatility	100%
Value per option	AU\$0.0165
Total value of options (AUD)	AU\$209,073

10. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group does not have any contingent liabilities as at 31 December 2025 (2024: Nil).

The Group does not have any contingent assets as at 31 December 2025 (2024: Nil).

11. COMMITMENTS

There were no outstanding commitments which are not disclosed in the financial statements as at 31 December 2025

SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

12. SEGMENT REPORTING

For management purposes the Group is organised into three strategic units:

- corporate head office in Australia;
- technology development and marketing based in Singapore; and
- operations in Australia and Indonesia

Such structural organisation is determined by the nature of risks and returns associated with each business segment and define the management structure as well as the internal reporting system. It represents the basis on which the Group reports its primary segment information to the Board

The operating segment analysis presented in these financial statements reflects operations analysis by business. It best describes the way the Group is managed and provides a meaningful insight into the business activities of the Group.

The following table presents details of revenue and operating profit by business segment as well as reconciliation between the information disclosed for reportable segments and the aggregated information in the financial statements. The information disclosed in the table below is derived directly from the internal financial reporting system used by the Board of Directors to monitor and evaluate the performance of our operating segments separately

	Australia AU\$	Singapore AU\$	Indonesia AU\$	Total AU\$
Half year ended 31 December 2025				
Revenue from external customers	-	302,527	14,406	316,933
Inter-segment revenue	-	-	-	-
Total segment income	-	302,527	14,406	316,933
Intersegment eliminations	-	-	-	-
Total revenue				<u>316,933</u>
EBITDA (Loss)	(805,055)	(363,781)	(64,421)	(1,233,257)
Loss before income tax expense	(805,055)	(368,877)	(64,421)	(1,238,353)
Income tax expense	-	-	-	-
Loss after income tax expense	(805,055)	(368,877)	(64,421)	(1,238,353)
Assets				
Segment assets	10,129,165	479,337	279,407	10,887,909
Intersegment eliminations				(10,360,690)
Total assets				<u>527,219</u>
Liabilities				
Segment liabilities	761,026	10,187,236	639,543	11,587,805
Intersegment eliminations				(10,476,971)
Total liabilities				<u>1,110,834</u>

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SPORTSHERO LIMITED
CONDENSED NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

	Australia	Singapore	Indonesia	Total
	AU\$	AU\$	AU\$	AU\$
Half year ended 31 December 2024 re-presented ¹				
Revenue from external customers	-	3,958	46,553	50,511
Inter-segment revenue	-	-	-	-
Total segment income	-	3,958	46,553	50,511
Intersegment eliminations	-	-	-	-
Total revenue				50,511
EBITDA	(276,782)	(262,559)	(29,230)	(568,571)
Loss before income tax expense	(452,358)	(263,547)	(29,416)	(745,321)
Income tax expense	-	-	-	-
Loss after income tax expense	(452,358)	(263,547)	(29,416)	(745,321)

13. EVENTS SUBSEQUENT TO REPORTING DATE

\$4.3m in Firm Commitments Received for Private Placement

The Company received firm commitments to raise \$4.3 million through the issuance of approximately 57.3 million new fully paid ordinary shares in the Company ('Shares') at \$0.075 per Share ('Offer Price'), via a Share placement ('Placement') to institutional, sophisticated and professional investors, announced on 16 February 2026.

In a strong endorsement of the Company's strategy and early traction rolling out the HeroPlay product across SE Asia, SportsHero's CEO Tom Lapping, has committed to invest \$300,000 in the placement, subject to shareholder approval.

Concurrent to the capital raising and based on the strong demand from institutional investors to acquire shares in the Company, the Joint Lead Managers have arranged a sell down of approximately 25.0 million existing fully paid ordinary shares in the Company at the Offer Price (equivalent to approximately A\$1.875 million) by three long term private shareholders that are not founders, directors, or internal stakeholders of the Company.

The funds raised under the Placement will be used for the following:

- expand gaming publisher/distributor commercial agreements to enhance our product offering across existing segments;
- drive sales efforts to secure additional Telco partnerships in both existing and new countries within the SE Asian region;
- increase direct B2C marketing spend for our non-Telco funded advertising channels;
- repayment of the existing drawn down debt facility; and
- costs of the raise, and working capital.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

SPORTSHERO LIMITED
DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of SportsHero Limited, I state that:

In the opinion of the Directors:

1. The financial statements and notes thereto are in accordance with the Corporations Act 2001, and:
 - (a) comply with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the financial position of the Group as at 31 December 2025 and of its performance, as represented by the results of its operations and cash flows for the half year ended on that date.
2. There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made in pursuant to section 303(5)(a) of the Corporations Act 2001.



Stratos Karousos

Director
DATED: 26 February 2026
New South Wales

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**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
SPORTSHERO LIMITED (ABN 98 123 423 987)**

Conclusion

We have reviewed the half-year financial report of SportsHero Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes to the financial statements, including material accounting policy information, 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 accompanying half-year financial report of the Group 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 2025 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 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 Group 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 review of the half-year 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 Group incurred a net loss of \$1,238,353 during the half-year ended 31 December 2025, and had cash net outflows from operating activities of \$638,184. 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 Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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INDEPENDENT AUDITOR'S REVIEW REPORT (page 2)
TO THE MEMBERS OF
SPORTSHERO LIMITED (ABN 98 123 423 987)

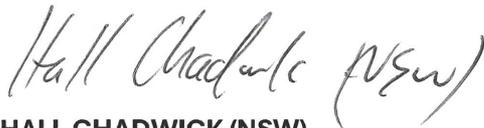
Responsibilities of the Directors for the Financial Report

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 internal 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 Responsibilities 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 Group's financial position as at 31 December 2025 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 (NSW)
Level 40, 2 Park Street
Sydney NSW 2000


STEWART THOMPSON
Partner
Dated: 26 February 2026

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