Decidr AI Industries Ltd
Appendix 4D
Half-year report

1. Company details

Name of entity:	Decidr AI Industries Ltd
ABN:	28 614 347 269
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

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2. Results for announcement to the market

			$'000
Revenues from ordinary activities	up	64% to	1,820
Gross margin	up	53% to	1,121
Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA')	down	682% to	(8,945)
Underlying Earnings Before Interest and Tax ('EBIT')	down	1,181% to	(14,925)
Loss from ordinary activities after tax attributable to the owners of Decidr AI Industries Ltd	down	122% to	(17,226)
Loss for the half-year attributable to the owners of Decidr AI Industries Ltd	down	122% to	(17,226)

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

Financial performance
The loss for the consolidated entity after providing for income tax and non-controlling interest amounted to $17,226,000 (31 December 2024: profit of $77,084,000).

The loss is inclusive of non-cash net gain on remeasurement to fair value from the additional investment in the associate of $nil (31 December 2024: $88,383,000); and non-cash share-based payments expense of $1,805,000 (31 December 2024: $10,058,000).

During the financial half-year ended 31 December 2025, revenue from ordinary activities increased to $1,820,000 (31 December 2024: $1,110,000).

There were no research and development tax incentive grants during the financial half-year (31 December 2024: $37,000). Interest revenue increased to $326,000 (31 December 2024: $42,000).

The directors consider Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') and Underlying EBIT to reflect the core earnings of the consolidated entity. Underlying EBITDA and underlying EBIT are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represent the profit or loss under AAS adjusted for non-cash and significant items. The following table summarises key reconciling items between statutory result and the underlying results for the current and previous half-year:

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	31 December 2025 $'000	31 December 2024 $'000
Revenue	1,820	1,110
Gross margin	1,121	731
Other income	-	37
Underlying EBITDA	**(8,945)**	**(1,144)**
Depreciation and amortisation expense	(5,980)	(21)
Underlying loss before interest and tax ('EBIT')	**(14,925)**	**(1,165)**
Net interest expense	(496)	(76)
Share-based payments expense	(1,805)	(10,058)
Net gain on remeasurement to fair value from the additional investment in the associate	-	88,383
(Loss)/profit before income tax expense	(17,226)	77,084

Financial position
The net assets increased from $99,704,000 as at 30 June 2025 to $112,600,000 as at 31 December 2025. The increase was primarily due to increase in the cash balance driven by proceeds received from the issue of shares.

Share capital increased by equity contributions, net of transaction costs, of $28,317,000 (30 June 2025: $19,249,000) from both the exercise of options and a placement. The cash reserves of the consolidated entity increased to $21,320,000 as at 31 December 2025 (30 June 2025: $7,752,000).

3. Net tangible assets

	31 December 2025 Cents	30 June 2025 Cents
Net tangible assets per ordinary security	4.99	(1.72)

The net tangible assets per ordinary security is calculated as follows:

	31 December 2025 $'000	30 June 2025 $'000
Net assets	112,600	99,704
Less: Right-of-use assets	(4,971)	(5,735)
Less: Intangibles	(97,354)	(102,865)
Add: Lease liabilities	5,654	5,868
Net tangible assets	15,929	(3,028)

	31 December 2025 Number	30 June 2025 Number
Total shares issued	318,950,034	175,539,657

4. Control gained over entities

Not applicable.

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Decidr AI Industries Ltd
Appendix 4D
Half-year report

5. Loss of control over entities

Name of entities (or group of entities)	13 Seed Pty Ltd
Date control lost	1 July 2025

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6. Dividends

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

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

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7. Dividend reinvestment plans

Not applicable.

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8. Details of associates and joint venture entities

Not applicable.

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9. Foreign entities

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

Not applicable.

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10. Audit qualification or review

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

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

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11. Attachments

Details of attachments:

The Interim Report of Decidr AI Industries Ltd for the half-year ended 31 December 2025 is attached.

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12. Signed

This Appendix 4D has been authorised for release by the Board of Directors and signed on its behalf by:

Signed 

David Brudenell
Executive Chairman
Date: 26 February 2026

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Decidr AI Industries Ltd

ABN 28 614 347 269

Interim Report - 31 December 2025

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Decidr AI Industries Ltd
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31 December 2025

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Decidr AI Industries Ltd
Corporate directory
31 December 2025

Directors	David Brudenell (Executive Chairman) Adrian Bunter (Non-Executive Director) Jenny Fielding (Non-Executive Director)
Chief Financial Officer	David Brady
Company Secretaries	Elizabeth Spooner and David Hwang
Registered office	Level 20 347 Kent Street Sydney NSW 2000
Principal place of business	Level 20 347 Kent Street Sydney NSW 2000
Auditor	MVAB Assurance Level 5, North Tower 485 La Trobe Street Melbourne VIC 3000 Tel: +61 3 9642 8000
Solicitors	Hamilton Locke
Stock exchange listing	Decidr AI Industries Ltd shares are listed on the Australian Securities Exchange (ASX code: DAI)
Website	www.decidrindustries.ai

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Decidr AI Industries Ltd
Directors' report
31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Decidr AI Industries Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors
The following persons were directors of Decidr AI Industries Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

David Brudenell (Executive Chairman)
Adrian Bunter (Non-Executive Director)
Jenny Fielding (Non-Executive Director)

Principal activities
During the financial half-year, the principal continuing activities of the consolidated entity consisted of the development and online sale of Australian beauty, functional food and nutraceutical products and the development and commercialisation of the AI-powered B2B software products.

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

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $17,226,000 (31 December 2024: profit of $77,084,000).

The loss is inclusive of: non-cash net gain on remeasurement to fair value from the additional investment in the associate of $nil (31 December 2024: $88,383,000) on the step acquisition of Decidr; and non-cash share-based payments expense of $1,805,000 (31 December 2024: $10,058,000).

Financial performance
During the financial half-year ended, revenue from ordinary activities increased to $1,820,000 (31 December 2024: $1,110,000).

There were no research and development tax incentive grants during the financial half-year (31 December 2024: $37,000) Interest revenue increased to $326,000 (31 December 2024: $42,000) due to holding higher cash balances during the financial half-year, from option exercises and a share placement.

During the financial half-year, a share-based payment expense was booked amounting to $1,805,000 (31 December 2024: $10,058,000) relating to the issue of options to directors and staff.

Edible Beauty sales decreased by $121,000 to $830,000, or a 12.73% decrease on the prior half-year.

Financial position
The net assets increased from $99,704,000 as at 30 June 2025 to $112,600,000 as at 31 December 2025. The increase was primarily due to increase in the cash balance driven by proceeds received from the issue of shares.

Investment inflows during the financial half-year, included $20,000,000 comprising funds received for a share placement in September 2025, increasing cash on hand as at 31 December 2025. Proceeds from the exercise of options amounted to $9,384,000. The transaction cost related to the issue of equity securities was $1,158,000.

The cash reserves of the consolidated entity increased to $21,320,000 (30 June 2025: $7,752,000) as at 31 December 2025.

The directors consider Underlying Earnings Before Interest, Tax, Depreciation and Amortisation ('EBITDA') and Underlying EBIT to reflect the core earnings of the consolidated entity. Underlying EBITDA and underlying EBIT are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represent the profit or loss under AAS adjusted for non-cash and significant items. The following table summarises key reconciling items between statutory loss after income tax and underlying EBITDA for the current and previous half-year:

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	31 December 2025 $'000	31 December 2024 $'000
Revenue	1,820	1,110
Gross margin	1,121	731
Other income	-	37
Underlying EBITDA	**(8,945)**	**(1,144)**
Depreciation and amortisation expense	(5,980)	(21)
Underlying loss before interest and tax ('EBIT')	**(14,925)**	**(1,165)**
Net interest expense	(496)	(76)
Share-based payments expense	(1,805)	(10,058)
Net gain on remeasurement to fair value from the additional investment in the associate	-	88,383
(Loss)/profit before income tax expense	**(17,226)**	**77,084**

Significant changes in the state of affairs

On 1 July 2025, the Company entered into a binding-agreement to divest its hemp-based health and wellness brand, 13 Seeds, to an independent private Australian purchaser who is an established operator in the hemp sector and completed the sale on the same day. The sale was executed on 1 July 2025 via a share sale agreement involving the transfer of the 13 Seeds business. Proceeds from the sale were $65,000.

On 25 August 2025, the Company entered into a binding sale agreement to acquire the remaining 49% interest in Decidr.ai Pty Ltd ('Decidr'), increasing the Company ownership to 100%. Following receipt of shareholder approval at the AGM on 14 November 2025, Decidr became a wholly owned subsidiary of the Company. The acquisition consideration was facilitated by an issue of 78,400,000 ordinary shares in the Company ('Consideration Shares') to the vendor, Decidr Group Pty Ltd ('Vendor'). The acquisition is consistent with the Company's focus on delivering shareholder value through strategic growth initiatives and the continued AI technology across its operations.

The binding-agreement contains a number of commercial terms including; the requirement to pay the existing loan, with a face value of $13,200,000, from the Vendor (which funded the consolidated entity's prior acquisition of a 6% interest in Decidr); the Company completing due diligence to its sole and absolute satisfaction; and the Company receiving all relevant consents and regulatory approvals to give effect to the transaction. For the remainder of the sale agreement terms and conditions of the transaction refer to ASX release dated 25 August 2025.

The Company convened a general meeting for the issue of the Consideration Shares in November 2025.

During the period from 1 July 2025 to 12 September 2025, the Company received $7,757,000 of funds from the conversion of options into ordinary shares.

On 26 August 2025, the Company entered into an options underwriting agreement with Morgans Corporate Limited ('Morgans') to fully underwrite the exercise of listed options, exercisable at $0.25 each and expiring on 31 August 2025. Under the agreement, Morgans will underwrite up to 15,634,029 listed options which remain unexercised at the expiry date representing an underwriting amount of $3,910,000 by subscribing for shares on the underwritten options.

On 5 September 2025, the underwriters arranged for the purchase of the remaining shortfall of 68,013 $0.25 options for $17,000.

On 22 September 2025, the Company announced that further to its ASX Announcement dated 19 September 2025, the Company had received binding commitments for its $20 million placement, raise approximately $20,000,000 (before costs) through the issue of 22,222,223 new fully paid ordinary shares. The placement was supported by existing and new institutional investors. Morgans Corporate Limited acted as sole Lead Manager and book runner to the placement.

Proceeds of the equity raise will be used to fund working capital to accelerate existing deployments, expand the existing customer base, growth capital to acquire new partners, pre-board businesses and for further development of DecidrOS and expand into international markets.

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On 19 November 2025, the Company entered into a binding term sheet to acquire 100% of Sugarwork Inc., a Delaware-based enterprise AI company. The transaction is a scrip-for-scrip deal made through the Company's newly established US subsidiary, Decidr U.S. Inc. ('Decidr US'), and was completed subsequent to the end of the financial half-year.

The acquisition reflects strong strategic alignment, including: providing Decidr with an immediate United States ('US') operational presence, US revenue and a pipeline of Sugarwork customers to cross sell into Decidr agentic systems; supports Decidr's mission to scale Agentic AI infrastructure across enterprise markets, expanding customer access and client base across financial, industrial and education sectors; and strengthen Decidr's horizontal Agentic AI platform.]

Matters subsequent to the end of the financial half-year
On 2 January 2026, the Company completed its acquisition of a 100% interest in Sugarwork Inc. ('Sugarwork'), a Delaware-based AI knowledge transfer and enterprise collaboration platform.

Following completion, Sugarwork's shareholders received a 4.13% ownership stake in Decidr U.S. Inc., a newly established US subsidiary of the Company, and was completed subsequent to the financial half-year.

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

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



David Brudenell
Executive Chairman

26 February 2026

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AUDITOR'S INDEPENDENCE REPORT
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF DECIDR.AI INDUSTRIES PTY LTD

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2025 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

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MVAB Assurance

MVAB ASSURANCE
Chartered Accountants

SAM CLARINGBOLD
Partner

Signed at Melbourne this 26th day of February 2026

Decidr AI Industries Ltd
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	31 December 2025 $'000	31 December 2024 $'000
Revenue	4	1,820	1,110
Cost of sales		(699)	(379)
Gross margin		1,121	731
Research and development tax incentive grant		-	37
Interest revenue		326	42
Net gain on remeasurement to fair value of previously held interest in associate		-	88,383
Gain on sale of subsidiary		73	-
Expenses			
Administration and corporate expenses		(7,987)	(1,034)
Technical, new product and market development		(881)	(331)
Sales and marketing expenses		(1,480)	(452)
Selling and distribution		(42)	(137)
Depreciation and amortisation expense		(5,980)	(21)
Impairment of intercompany loan		(67)	-
Share-based payments expenses		(1,805)	(10,058)
Other expenses		(8)	-
Finance costs		(496)	(76)
(Loss)/profit before income tax expense		(17,226)	77,084
Income tax expense		-	-
(Loss)/profit after income tax expense for the half-year		(17,226)	77,084
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive (loss)/income for the half-year		(17,226)	77,084
(Loss)/profit for the half-year is attributable to:			
Owners of Decidr AI Industries Ltd		(17,226)	77,084
		Cents	**Cents**
Basic earnings per share	5	(7.46)	55.57
Diluted earnings per share	5	(5.68)	34.36

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

Decidr AI Industries Ltd
Consolidated statement of financial position
As at 31 December 2025

	Note	31 December 2025 $'000	30 June 2025 $'000
Assets			
Current assets			
Cash and cash equivalents		21,320	7,752
Trade and other receivables		398	419
Inventories		468	389
Other assets		3,382	1,297
		25,568	9,857
Assets classified as held for sale		-	63
Total current assets		25,568	9,920
Non-current assets			
Property, plant and equipment		116	141
Intangibles	6	97,354	102,865
Right-of-use assets		4,971	5,735
Other assets		769	769
Total non-current assets		103,210	109,510
Total assets		128,778	119,430
Liabilities			
Current liabilities			
Trade and other payables		1,286	1,701
Contract liabilities		8	19
Borrowings	7	3,803	4,478
Lease liabilities		182	396
Employee benefits		179	184
Total current liabilities		5,458	6,778
Non-current liabilities			
Trade and other payables		287	286
Borrowings	7	4,961	7,190
Lease liabilities		5,472	5,472
Total non-current liabilities		10,720	12,948
Total liabilities		16,178	19,726
Net assets		112,600	99,704
Equity			
Issued capital	8	60,279	31,962
Reserves		28,561	26,756
Retained profits		23,760	45,833
Equity attributable to the owners of Decidr AI Industries Ltd		112,600	104,551
Non-controlling interest		-	(4,847)
Total equity		112,600	99,704

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

Decidr AI Industries Ltd
Consolidated statement of changes in equity
For the half-year ended 31 December 2025

	Issued capital $'000	Reserves $'000	(Accumulated losses) / retained profits $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2024	12,713	15,202	(25,278)	-	2,637
Loss after income tax expense for the half-year	-	-	77,084	-	77,084
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive income for the half-year	-	-	77,084	-	77,084
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 8)	8,294	-	-	-	8,294
Share-based payments (note 11)	-	10,058	-	-	10,058
Non-controlling interests on acquisition	-	-	-	(2,254)	(2,254)
Balance at 31 December 2024	21,007	25,260	51,806	(2,254)	95,819

	Issued capital $'000	Reserves $'000	Retained profits $'000	Non-controlling interest $'000	Total equity $'000
Balance at 1 July 2025	31,962	26,756	45,833	(4,847)	99,704
Loss after income tax expense for the half-year	-	-	(17,226)	-	(17,226)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	(17,226)	-	(17,226)
Transfer of non-controlling interests	-	-	(4,847)	4,847	-
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 8)	28,317	-	-	-	28,317
Share-based payments (note 11)	-	1,805	-	-	1,805
Balance at 31 December 2025	60,279	28,561	23,760	-	112,600

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

Decidr AI Industries Ltd
Consolidated statement of cash flows
For the half-year ended 31 December 2025

	Note	31 December 2025 $'000	31 December 2024 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,936	1,012
Payments to suppliers and employees (inclusive of GST)		(11,444)	(2,336)
Receipts of research and development tax incentive and other grants		-	37
Interest received		326	21
Net cash used in operating activities		(9,182)	(1,266)
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		(1,534)	(77)
Payments for property, plant and equipment		(27)	(7)
Payment for investment in associate company		-	(3,603)
Proceeds from disposal of business		41	-
Advance of loans to related parties		(756)	-
Net cash used in investing activities		(2,276)	(3,687)
Cash flows from financing activities			
Proceeds from issue of shares	8	20,000	8,466
Proceeds from exercise of options		9,384	-
Share issue transaction costs		(1,158)	-
Repayment of borrowings		(3,200)	-
Net cash from financing activities		25,026	8,466
Net increase in cash and cash equivalents		13,568	3,513
Cash and cash equivalents at the beginning of the financial half-year		7,752	1,103
Cash and cash equivalents at the end of the financial half-year		21,320	4,616

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

Note 1. General information

The financial statements cover Decidr AI Industries Ltd (the 'Company') and the entities it controlled (collectively referred to as the 'consolidated entity') at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Decidr AI Industries Ltd's functional and presentation currency.

Decidr AI Industries Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 20
347 Kent Street
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2026.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

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

Going concern
During the financial half-year ended 31 December 2025, the Company reported a net loss of $17,226,000 (31 December 2024: profit of $77,084,000) and a cash outflow from operating activities of $9,182,000 (31 December 2024: $1,266,000). As at 31 December 2025, the consolidated entity had net current assets of $20,110,000 (30 June 2025: $3,142,000) and net assets of $112,600,000 (30 June 2025: $99,704,000).

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

During the half-year, the Company raised $20,000,000 before transaction costs from a share placement and $9,384,000 from the exercise of options. The Company has a robust closing cash position of $21,300,000 as at 31 December 2025, which positions the business and management to focus on pursuing the growth of the business over the long term.

The directors have the ability to undertake further capital raisings in the ensuing 12 months, together with continued growth in revenue and containment of discretionary expenditure as appropriate. As a result, the directors have determined that there are reasonable grounds to believe that the Company will continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

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Note 3. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into two operating segments comprising; Australian beauty, functional food and nutraceutical products; and AI business software platform. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

During the previous financial half-year, the consolidated entity operated as one segment and the information reported to the CODM are the results of the consolidated entity as a whole. The results of the one operating segment is shown throughout these financial statements in the comparatives and are not duplicated here.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services
The principal products and services of each of these operating segments are as follows:
(ii) Australian beauty, functional food and nutraceutical products: the development and online sales in Australia;
(iii) AI business software platform: the development and commercialisation of this platform in Australia.

Operating segment information

31 December 2025	Beauty, functional food and nutraceutical products $'000	AI business software platform $'000	Total $'000
Revenue			
Sales to external customers	830	990	1,820
Total revenue	830	990	1,820
Segment result	(1,124)	(7,821)	(8,945)
Depreciation and amortisation expense	(8)	(5,972)	(5,980)
Unallocated segment results			
Finance costs			(496)
Share-based payments expense			(1,805)
Loss before income tax expense			(17,226)
Income tax expense			-
Loss after income tax expense			(17,226)
Assets			
Segment assets	4,300	97,717	102,017
Unallocated assets			26,761
Total assets			128,778
Liabilities			
Segment liabilities	9,341	6,837	16,178
Unallocated liabilities			-
Total liabilities			16,178

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Note 4. Revenue

	31 December 2025 $'000	31 December 2024 $'000
Revenue from contracts with customers		
Sale of goods and services	1,820	1,110

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

	31 December 2025 $'000	31 December 2024 $'000
Major product and service lines		
Partnership product	737	-
Direct customers - implementation, subscription and consulting	253	-
Online sales	758	1,022
Wholesale	72	88
	1,820	1,110
Geographical regions		
Australia	1,820	1,110
Timing of revenue recognition		
Goods and services transferred at a point in time	830	1,110
Services rendered over time	990	-
	1,820	1,110

Note 5. Earnings per share

	31 December 2025 $'000	31 December 2024 $'000
(Loss)/profit after income tax	(17,226)	77,084
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	230,856,787	138,717,476
Adjustments for calculation of diluted earnings per share:		
Options and performance rights over ordinary shares	72,585,154	85,599,296
Weighted average number of ordinary shares used in calculating diluted earnings per share	303,441,941	224,316,772
	Cents	**Cents**
Basic earnings per share	(7.46)	55.57
Diluted earnings per share	(5.68)	34.36

28,200,000 options have been excluded for the 31 December 2025 calculation as their inclusion would be anti-dilutive.

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Note 6. Intangibles

	31 December 2025 $'000	30 June 2025 $'000
Non-current assets		
Goodwill - at cost	86,237	102,737
Website development - at cost	25	25
Less: Accumulated amortisation	(6)	-
	19	25
Trademark registration - at cost	17	17
Brand - at cost	118	118
Less: Accumulated amortisation	(37)	(32)
	81	86
Technology - at cost	16,500	-
Less: Accumulated amortisation	(5,500)	-
	11,000	-
	97,354	102,865

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

	Goodwill $'000	Website development $'000	Trademark registration $'000	Brand $'000	Technology $'000	Total $'000
Balance at 1 July 2025	102,737	25	17	86	-	102,865
Additions through business combinations (note 10)	-	-	-	-	16,500	16,500
Adjustment (note 10)	(16,500)	-	-	-	-	(16,500)
Amortisation expense	-	(6)	-	(5)	(5,500)	(5,511)
Balance at 31 December 2025	86,237	19	17	81	11,000	97,354

Changes to comparatives - finalisation of business combination accounting
Refer to note 10 for changes pursuant to finalisation of acquisition accounting for Decidr.ai Pty Ltd.

During the financial half-year, the Company acquired an additional 49% control of Decidr, increasing the Company's ownership to a controlling interest of 100%.

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Note 7. Borrowings

	31 December 2025 $'000	30 June 2025 $'000
Current liabilities		
Loan - Decidr Group Pty Ltd	3,803	4,478
Non-current liabilities		
Loan - Decidr Group Pty Ltd	4,961	7,190
	8,764	11,668

A loan of $13,200,000 was provided by Decidr Group Pty Ltd for the Company to purchase the 6% controlling interest in Decidr.ai Pty Ltd on 31 December 2024. The loan is non-interest bearing, for a 3-year term, and is secured against new IP created by Decidr.ai Pty Ltd from 1 January 2025.

The recorded value of the loan is $8,764,000 which equates to the discounted value of the remaining scheduled loan repayments over the loan term. The discount rate utilised was 5.81%. Decidr Group Pty Ltd is a related party due to it being a significant shareholder in Decidr.ai Pty Ltd, and controlled by Paul Chan, who is also a director of Decidr.ai Pty Ltd.

Note 8. Issued capital

	31 December 2025 Shares	30 June 2025 Shares	31 December 2025 $'000	30 June 2025 $'000
Ordinary shares - fully paid	318,950,034	175,539,657	60,279	31,962

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Note 8. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2025	175,539,657		31,962
Issue of share - exercise of options	18 July 2025	128,000	$0.25	32
Issue of share - exercise of options	28 July 2025	680,000	$0.25	170
Issue of share - exercise of options	4 August 2025	2,557,000	$0.25	639
Issue of share - exercise of options	7 August 2025	420,550	$0.25	105
Issue of share - exercise of options	13 August 2025	681,375	$0.25	170
Issue of share - exercise of options	13 August 2025	250,000	$0.20	50
Issue of share - exercise of options	25 August 2025	8,521,217	$0.25	2,130
Issue of share - exercise of options	25 August 2025	1,000,000	$0.20	200
Issue of share - exercise of options	27 August 2025	1,220,000	$0.20	244
Issue of shares as part of a placement	27 August 2025	2,841,801	$0.25	710
Issue of share - exercise of options	29 August 2025	7,354,663	$0.25	1,839
Issue of share - exercise of options	29 August 2025	620,000	$0.20	124
Issue of share - exercise of options	2 September 2025	5,749,045	$0.25	1,437
Issue of share - exercise of options	8 September 2025	67,303	$0.25	17
Issue of share - exercise of options	22 September 2025	634,200	$0.14	89
Issue of share - exercise of options	22 September 2025	2,145,000	$0.10	215
Issue of share - placement	29 September 2025	22,222,223	$0.90	20,000
Issue of share - acquisition of Decidr.ai Pty Ltd	18 November 2025	78,400,000	$0.00	-
Issue of share - exercise of options	26 November 2025	1,000,000	$0.10	100
Issue of share - exercise of options	28 November 2025	1,950,000	$0.10	195
Issue of share - exercise of options	28 November 2025	250,000	$0.20	50
Issue of share - exercise of options	4 December 2025	610,000	$0.20	122
Issue of share - exercise of options	12 December 2025	3,350,000	$0.20	670
Issue of share - exercise of options	12 December 2025	758,000	$0.10	76
Capital raising costs				(1,067)
Balance	31 December 2025	318,950,034		60,279

Note 9. Dividends

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

Note 10. Business combinations

Acquisition during the financial half-year
On 25 August 2025, the Company acquired an additional 49% of the ordinary shares of Decidr.ai Pty Ltd ('Decidr') taking its ownership to 100% of Decidr. Decidr is a B2B AI-software platform business and operates in the AI software products division of the consolidated entity. It was acquired to position and evolve the consolidated entity's approach to AI technology deployment and licensing. Goodwill of $86,237,000 represents synergies and know-how the consolidated entity expects to benefit from in future periods.

In accordance with AASB 3 'Business Combinations' ('AASB 3'), the values identified in relation to the acquisition of Decidr were provisional as at 30 June 2025. Therefore, the amounts recognised including goodwill are retrospectively adjusted.

The above business combination that occurred in the previous financial year has now been finalised and detailed below are the final values. The finalisation of business combination accounting in accordance with AASB 3 'Business Combinations' has resulted in a decrease of $16,500,000 in goodwill mainly due to recognition of identifiable intangible assets in the form of technology.

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Note 10. Business combinations (continued)

Following shareholder approval on 14 November 2025, the Company acquired the remaining 49% interest inDecidr.ai Pty Ltd via the issue of 78,400,000 ordinary shares, resulting in 100% ownership. As control had already been obtained as at 30 June 2025, the subsequent acquisition of the non-controlling interest was accounted for as an equity transaction, with no adjustment to goodwill.

Details of the acquisition are as follows:

	Provisional values recorded at 30 June 2025 $'000	Measurement under AASB3 finalisation adjustments $'000	Final values restated at 31 December 2025 $'000
Cash and cash equivalents	28	-	28
Trade receivables	46	-	46
Other receivables	161	-	161
Prepayments	248	-	248
Other current assets	540	-	540
Plant and equipment	68	-	68
Technology	-	16,500	16,500
Trade payables	(1,630)	-	(1,630)
Other payables	(47)	-	(47)
Other provisions	(24)	-	(24)
Loan	(4,996)	-	(4,996)
Net liabilities acquired	(5,606)	16,500	10,894
Add: Non-controlling interest	2,254	-	2,254
Add: Goodwill (note 6)	102,737	(16,500)	86,237
Net assets acquired	99,385	-	99,385
Representing:			
Fair value of previously held interest less non-controlling interest	87,759	-	87,759
Consideration paid/payable	11,626	-	11,626
	99,385	-	99,385

Measurement period adjustments
In accordance with AASB 3, pursuant to finalisation of acquisition accounting of Decidr.ai Pty Ltd in the current year, the consolidated entity has recognised adjustments to the provisional amounts as if the accounting for the business combination had been completed at the acquisition date. Consequently, the consolidated entity has revised comparative information for prior period presented in financial statements as needed, including making changes to amortisation effects recognised in completing the initial acquisition accounting. The following table shows the changes made to revise the comparative financial information pursuant to measurement period adjustments.

Condensed consolidated statement of financial position	Unadjusted comparatives $'000	Change $'000	Reported as at 31 December 2025 $'000
Intangible assets			
Goodwill	102,737	(16,500)	86,237
Technology	-	16,500	16,500
Technology - accumulated amortisation	-	(5,500)	(5,500)
	102,737	(5,500)	97,237

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Note 10. Business combinations (continued)

Condensed consolidated statement of profit or loss and other comprehensive income	Reported 31 December 2024 $'000	Change $'000	Adjusted comparatives $'000
Depreciation and amortisation expense	(20)	(5,500)	(5,520)
Profit before income taxes	77,084	(5,500)	71,584
Income tax expense	-	-	-
Profit after income tax expense	77,084	(5,500)	71,584
Total comprehensive income for the year	77,084	(5,500)	71,584

Note 11. Share-based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board grant options over ordinary shares in the Company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

During the financial half-year ended 31 December 2025, the Company issued 3,000,000 options to directors:

- 1,500,000 options at an exercise price of $1.50 on or before 18 November 2028 to Jenny Fielding (Director);
- 1,500,000 options at an exercise price of $1.50 on or before 18 November 2028 to Adrian Bunter (Director).

The value of the options using a Black Scholes valuation method is $707,970.

During the financial half-year, the Company issued nil performance rights to employees:

Set out below are summaries of options granted:

31 December 2025

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
03/12/2020	14/12/2025	$0.20	7,300,000	-	(7,300,000)	-	-
18/10/2022	31/08/2025	$0.25	8,000,000	-	(8,000,000)	-	-
25/11/2022	31/08/2025	$0.25	13,000,954	-	(13,000,954)	-	-
18/07/2023	31/08/2025	$0.25	8,000,000	-	(8,000,000)	-	-
29/12/2023	29/12/2026	$0.10	6,750,000	-	(2,810,000)	-	3,940,000
29/12/2023	29/12/2026	$0.10	7,467,500	-	-	-	7,467,500
05/01/2024	05/01/2027	$0.10	2,750,000	-	(83,000)	-	2,667,000
15/03/2024	01/05/2026	$0.14	3,384,200	-	(634,200)	-	2,750,000
12/06/2024	12/06/2027	$0.75	3,000,000	-	-	-	3,000,000
27/06/2024	27/06/2027	$0.10	15,932,500	-	(2,960,000)	-	12,972,500
18/12/2024	18/12/2029	$3.50	7,500,000	-	-	-	7,500,000
18/12/2024	18/12/2027	$0.75	1,000,000	-	-	-	1,000,000
18/12/2024	18/12/2029	$1.50	3,000,000	-	-	-	3,000,000
18/12/2024	18/12/2029	$2.00	4,500,000	-	-	-	4,500,000
18/12/2024	18/12/2029	$2.50	6,000,000	-	-	-	6,000,000
30/12/2024	29/12/2027	$0.75	1,500,000	-	-	-	1,500,000
17/01/2025	17/01/2028	$0.75	200,000	-	-	-	200,000
17/01/2025	17/01/2028	$1.00	250,000	-	-	-	250,000
17/01/2025	17/01/2028	$1.20	1,000,000	-	-	-	1,000,000
01/04/2025	01/03/2028	$1.00	250,000	-	-	-	250,000
18/11/2025	18/11/2028	$1.50	-	3,000,000	-	-	3,000,000
			100,785,154	3,000,000	(42,788,154)	-	60,997,000

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Note 11. Share-based payments (continued)

Set out below are the options exercisable at the end of the financial half-year:

Grant date	Expiry date	31 December 2025 Number	31 December 2024 Number
03/12/2020	14/12/2025	-	7,500,000
18/10/2022	31/08/2025	-	8,000,000
25/11/2022	31/08/2025	-	15,100,001
18/07/2023	31/08/2025	-	8,000,000
29/12/2023	29/12/2026	3,940,000	6,750,000
29/12/2023	29/12/2026	7,467,500	10,000,000
05/01/2024	05/01/2027	2,667,000	2,800,000
15/03/2024	01/05/2026	2,750,000	3,584,200
12/06/2024	12/06/2027	3,000,000	3,000,000
13/06/2024	18/12/2029	7,500,000	7,500,000
27/06/2024	27/06/2027	12,972,500	17,982,500
18/12/2024	18/12/2027	1,000,000	1,000,000
18/12/2024	18/12/2029	3,000,000	3,000,000
18/12/2024	18/12/2029	4,500,000	4,500,000
18/12/2024	18/12/2029	6,000,000	6,000,000
30/12/2024	29/12/2027	1,500,000	1,500,000
17/01/2025	17/01/2028	1,000,000	-
17/01/2025	17/01/2028	250,000	-
14/02/2025	14/02/2028	200,000	-
01/04/2025	01/03/2028	250,000	-
18/11/2025	18/11/2028	3,000,000	-
		60,997,000	106,216,701

The weighted average share price during the financial half-year was $0.73 (30 June 2025: $0.67).

The weighted average remaining contractual life of options outstanding at the end of the financial half-year was 2.20 years (30 June 2025: 2.36 years).

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

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
18/11/2025	18/11/2028	$0.68	$1.50	80.00%	-	3.73%	$0.24

Note 12. Events after the reporting period

On 2 January 2026, the Company completed its acquisition of a 100% interest in Sugarwork Inc. ('Sugarwork'), a Delaware-based AI knowledge transfer and enterprise collaboration platform.

Following completion, Sugarwork's shareholders received a 4.13% ownership stake in Decidr U.S. Inc., a newly established US subsidiary of the Company, and was completed subsequent to the financial half-year.

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

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Decidr AI Industries Ltd
Directors' declaration
31 December 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and

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

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

On behalf of the directors



David Brudenell
Executive Chairman

26 February 2026

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DECIDR.AI INDUSTRIES LTD
ABN 28 614 347 269

REPORT ON THE HALF-YEAR REPORT TO THE MEMBERS OF DECIDR.AI INDUSTRIES LTD

Conclusion

We have reviewed the half-year financial report of Decidr.ai Industries Ltd and its Controlled entities (the Group) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and statement of consolidated cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory 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 audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the 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*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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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.

MVAB Assurance

MVAB ASSURANCE
Chartered Accountants

SAM CLARINGBOLD
Partner

Signed at Melbourne this 26th day of February 2026

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