

Appendix 4D

(Rule 4.2A.3)

Half-year Report

Name of entity

Peppermint Innovation Limited

56 125 931 964

1. Details of the Reporting Period and the Previous Corresponding Period

Financial period ended ("current period")

Financial period ended ("previous period")

31 December 2025

31 December 2024

2. Results for Announcement to the Market

					\$'000
2.1	Revenue from ordinary activities	Down	(11%)	to	117
2.2	Loss from ordinary activities after tax attributable to members	Down	(3%)	to	(1,271)
2.3	Net loss for the period attributable to members	Down	(66%)	to	(1,375)

3. NTA Backing

	Current Period	Previous Corresponding Period
Net tangible asset backing per ordinary security	(\$0.0008)	(\$0.0002)

4. Control Gained or Lost Over Entities Having Material Effect

Not applicable.

5. Dividends

No dividend was declared or paid during the period or recommended to be paid.

6. Dividend Reinvestment Plans

Not applicable.

7. Material interest in entities which are not controlled entities

Not applicable.

8. Independent Review Report

The Half-Year Financial Statements for the for the half-year ended 31 December 2025 have been reviewed by RSM Australia Partners.

9. Compliance Statement

This report should be read in conjunction with the attached Half Year Financial Report for the half-year ended 31 December 2025.



Anthony Kain
Company Secretary
20 March 2026

For personal use only



PEPPERMINT INNOVATION LIMITED

(ACN 125 931 964)

Interim Financial Report

for the Half-year ended 31 December 2025



For personal use only

Corporate Information

ABN 56 125 931 964

Directors

Mr Christopher Kain
Managing Director

Mr Anthony Kain
Executive Director

Neal Cross
Non-executive Director

Company Secretary

Mr Anthony Kain

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Registered Office

Level 2 East, The Wentworth Building
300 Murray Street, Off Raine Lane
Perth WA 6000

Tel: +61 8 6255 5504

Web Address: www.pepltd.com.au

ASX Code: PIL

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000

Tel: +61 8 9323 2000

Fax: +61 8 9323 2033

Web: www.computershare.com.au

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

Contents

CORPORATE INFORMATION	1
DIRECTORS' REPORT	3
AUDITOR'S INDEPENDENCE DECLARATION	8
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	9
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	10
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	11
CONSOLIDATED STATEMENT OF CASHFLOWS	12
NOTES TO THE FINANCIAL STATEMENTS.....	13
DIRECTORS' DECLARATION.....	26
INDEPENDENT AUDITOR'S REVIEW	27

Directors' Report

Your Directors submit the financial report of the Company, being Peppermint Innovation Limited, and the entities it controlled ("the Group"), for the half-year ended 31 December 2025. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of Directors who held office during or since the end of the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Christopher Kain	Managing Director and CEO
Anthony Kain	Executive Director and Chairman
Neal Cross	Non-Executive Director

Review of Operations

Highlights

National Payment Infrastructure Operational

- InstaPay and QRPh activated, delivering real-time wallet-to-wallet and wallet-to-bank interoperability across the Philippine national payments network.
- PESONet integration completed, strengthening direct connectivity to high-value interbank transfer infrastructure.
- Merchant Acquisition Licence granted by the Bangko Sentral ng Pilipinas, enabling direct onboarding of QRPh-enabled merchants.
- Nationwide cash-in network expanded to more than 12,000 physical touchpoints.

Peppermint now operates as a fully licensed, nationally connected digital payments platform.

Transaction Growth Demonstrating Platform Adoption

- PHP 486 million in PCM wallet prefunding in CY2025, including PHP 301 million received in July–December.
- InstaPay/PESONet transfers increased 86% quarter-on-quarter in Q4 to PHP 179.85 million.
- ATM-to-bizmoto cash-in reached PHP 189.94 million in Q4.
- PCM registered users increased to 57,530 across 199 cooperatives.

These metrics reflect increasing trust, deeper wallet funding behaviour and growing transaction utilisation.

Overview

The Half-Year ended 31 December 2025 marked a pivotal transition for Peppermint Innovation Ltd, with the Company completing the core regulatory and payments infrastructure required to operate as a nationally connected, BSP-regulated digital payments platform in the Philippines.

During the period, Peppermint activated direct connectivity to national payment rails, secured merchant acquisition capability, expanded nationwide wallet access and progressed a new payment processing business stream. These milestones strengthen the Company's position as a fully licensed Electronic Money Issuer operating within the regulated Philippine financial system and shift the business from infrastructure development toward commercial scaling.

Transaction activity accelerated across the platform during the half-year, supported by increasing wallet prefunding, expanding cooperative participation and growing utilisation of real-time transfer capability. In parallel, the Company commenced a strategic refocus of bizmoLoan toward a more capital-efficient, data-enabled lending framework aligned with its payments ecosystem.

As at 31 December 2025, Peppermint operates with a rare EMI licence position, national rail connectivity live, merchant onboarding capability enabled and a functioning compliance and governance framework. The foundational build phase is substantially complete, positioning the Company to focus capital and management effort on growth, partnerships and revenue expansion.

Activation of National Payment Rails

During HY25, Peppermint activated InstaPay and QRPh functionality, enabling real-time wallet-to-wallet and wallet-to-bank transfers across the Philippine national payments network. PESONet integration was also completed, strengthening high-value interbank transfer capability.

Direct participation in national payment rails materially enhances the commercial value of the Company's EMI licence. It embeds Peppermint within the regulated financial infrastructure of the Philippines, improves settlement control and reduces reliance on third-party intermediaries. This level of connectivity represents a significant barrier to entry for new market participants and reflects years of regulatory engagement and technical development.

With these integrations live, Peppermint's platform is interoperable at a national level and capable of supporting both retail and enterprise transaction flows.

Merchant Acquisition and Revenue Expansion

The granting of a Merchant Acquisition Licence by the Bangko Sentral ng Pilipinas enables Peppermint to directly onboard and support QRPh-enabled merchants via the bizmoto wallet platform.

This development expands the Company's revenue model beyond wallet issuance toward merchant-based transaction flows. As digital QR payments continue to grow across the Philippines, merchant onboarding provides a scalable pathway to increase transaction density while deepening the Company's participation in the broader payments ecosystem.

Combined with its EMI licence and payment rail connectivity, merchant acquisition capability strengthens Peppermint's defensible regulatory position and enhances its attractiveness as a compliant settlement partner.

Cooperative Network Growth and Transaction Performance

Peppermint's partnership with MASS-SPECC continued to support expansion across the cooperative sector during the half-year.

As at 31 December 2025:

- 57,530 registered PCM users
- 199 cooperatives onboarded

Transaction activity strengthened alongside infrastructure activation, with total wallet prefunding reaching PHP 486 million in CY2025 and strong growth in both ATM-to-wallet cash-in and InstaPay/PESONet transfers.

These indicators demonstrate increasing utilisation and wallet engagement rather than purely user registration growth. Wallet prefunding behaviour, in particular, provides a leading indicator of sustained transaction activity and recurring revenue potential.

The cooperative distribution channel continues to provide access to a large and underpenetrated segment of the Philippine financial services market.

Strategic Refocus of bizmoLoan

During HY25, Peppermint commenced a disciplined refocus toward its core digital payments and wallet operations. Legacy bizmoLoan activities were deliberately scaled down to enable the evolution of a more capital-efficient, AI-driven lending framework integrated within the payments ecosystem.

This repositioning reflects a capital allocation decision designed to prioritise infrastructure-led growth while retaining the strategic value of embedded credit capability.

Payment Processing and Merchant Services

During the December quarter, Peppermint progressed a payment processing and merchant services business stream leveraging its EMI licence and direct access to national payment rails.

This initiative positions the Company to support payment processors and merchant aggregators seeking compliant settlement infrastructure within the Philippines. By building on an already established regulatory and technical foundation, Peppermint is able to pursue enterprise and B2B payment flows without incurring the regulatory build costs typically associated with new entrants.

Position at Half-Year End

By 31 December 2025, Peppermint had completed the major regulatory, governance and technical foundations required to operate as a fully licensed Philippine fintech platform. The Company holds a scarce EMI licence, maintains national payment rail connectivity and operates within a functioning compliance ecosystem aligned with BSP requirements.

The heavy infrastructure build phase is substantially complete. The platform is live, interoperable and regulator-approved. The strategic focus now shifts toward expanding transaction volumes, deepening merchant partnerships, progressing payment processing relationships and strengthening recurring revenue generation.

Peppermint enters the next phase positioned as a publicly listed gateway into a regulated, high-growth digital payments market, with a defensible licence stack and operational infrastructure already in place.

The loss for the Group after providing for income tax amounted to (\$1,271,618), whereas the loss for the Group for the same period ending 31 December 2024 was (\$1,331,481) from continued operations and (\$888,635) including discontinued operations.

Significant changes in the state of affairs

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

Events After the Balance Sheet Date

The Company was served a statutory demand on 22 December 2025 by Obsidian Global Partners LLC. The Company executed a settlement agreement with Obsidian on 29 January 2026 in relation to this demand.

Under the terms of the settlement agreement:

- Obsidian has released the Company from all claims related to the demand.
- There is no admission of liability by the Company.
- The settlement does not give rise to any continuing monetary claims or contingent liabilities against the Company.
- The settlement requires the payment of three instalments to Obsidian. The first was the payment of USD50,000 on 2 February 2026, second, payment of the sum of USD50,000 by 15 March 2026 and, third, a final payment of USD450,000 by 30 April 2026.
- Subject to payment of these instalments, the convertible securities and share placement agreement with Obsidian is terminated.

The half year financial report includes adjustments arising from this settlement.

The first settlement payment was satisfied via the issue of shares to the value of USD50,000 (21,305,714 shares at a deemed price of 0.35 cps) on 2 February 2026.

The Company called a trading halt on 5 January 2026 pending an announcement regarding a solution of issues created by the demand from Obsidian. When that announcement was not able to be made by commencement of trading on 7 January 2026 the securities of PIL were suspended from quotation. Now the demand from Obsidian has been settled the Company is engaged with the ASX and raising the capital required to lift the suspension.

Other than detailed above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, RSM Australia Partners, to provide the Directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 7 and forms part of this Directors' report for the half-year ended 31 December 2025.

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



Mr Christopher Kain
Managing Director and CEO

Dated this 20th day of March 2026

For personal use only



RSM Australia Partners

Level 32 Exchange Tower, 2
The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +61 (0) 8 9261 9100

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Peppermint Innovation 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:

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

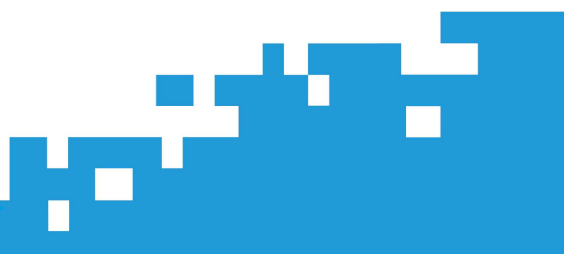
RSM AUSTRALIA

James Komninos
Partner

Perth, WA
Dated: 20 March 2026

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.
RSM Australia Partners ABN 36 965 185 036
Liability limited by a scheme approved under Professional Standards Legislation



Consolidated Statement of Profit or Loss and Other Comprehensive Income
Half-Year Ended 31 December 2025

	Note	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024
		\$	\$
Revenue	4	117,315	131,506
Cost of sales		(27,008)	(121,501)
Gross profit		90,307	10,005
Other income		187,454	315,253
Administration expenses		(1,112,367)	(1,469,736)
Finance costs		(65,879)	(55,906)
Change in fair value of derivative		(319,536)	(111,097)
Share based payment expense		(51,597)	-
(Loss) before income tax expense		(1,271,618)	(1,311,481)
Income tax expense		-	-
(Loss) for the period from continuing operations		(1,271,618)	(1,311,481)
Discontinued Operations			
Profit for the period from discontinued operations	12a	-	422,846
(Loss) for the period		(1,271,618)	(888,635)
Other comprehensive (loss)/ income			
<i>Items that may be reclassified to profit or loss:</i>			
Movement in foreign translation reserve		(103,815)	61,942
		(103,815)	61,942
Total comprehensive (loss) for the period		(1,375,433)	(826,693)
Basic and diluted (loss) per share (in cents)	6	(0.05)	(0.04)
Basic and diluted (loss) per share (in cents) from continuing operations	6	(0.05)	(0.06)

The accompanying notes form part of these financial statements.

**Condensed Consolidated Statement of Financial Position
As at 31 December 2025**

	Note	Half-year Ended 31 December 2025	Full-year Ended 30 June 2025
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	5	619,791	479,186
Trade and other receivables		118,481	384,342
Other assets		14,930	20,371
Financial assets	10	-	29,742
Total Current Assets		753,202	913,641
Non-current Assets			
Other non-current assets			
Property, plant and equipment		16,259	20,087
Total Non-current Assets		16,259	20,087
TOTAL ASSETS		769,461	933,728
LIABILITIES			
Current Liabilities			
Trade and other payables	9	2,162,178	885,791
Provisions		489,737	463,431
Borrowings	10	-	421,488
Financial liabilities	11	-	127,327
Total Current Liabilities		2,651,915	1,898,037
TOTAL LIABILITIES		2,651,915	1,898,037
Net (Liabilities)/Assets		(1,882,454)	(964,309)
EQUITY			
Issued capital	8	27,126,836	26,796,145
Reserves		1,029,805	1,007,023
Accumulated losses		(30,039,095)	(28,767,477)
TOTAL EQUITY (DEFICIT)/SURPLUS		(1,882,454)	(964,309)

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
As at 31 December 2025

	Issued capital	Share based payment reserve	Unissued Shares reserve	Foreign Currency Translation Reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2025	26,796,145	935,801	-	71,222	(28,767,477)	(964,309)
(Loss) for the period	-	-	-	-	(1,271,618)	(1,271,618)
Movement in foreign currency translation reserve	-	-	-	(103,815)	-	(103,815)
Total comprehensive loss for the period	-	-	-	(103,815)	(1,271,618)	(1,375,433)
<i>Transactions with owners in their capacity as owners</i>						
Shares issued	337,799	-	-	-	-	337,799
Share issued expenses	(7,108)	-	-	-	-	(7,108)
Share based payments	-	51,597	-	-	-	51,597
Shares to be issued relating to convertible notes	-	-	75,000	-	-	75,000
Balance at 31 December 2025	27,126,836	987,398	75,000	(32,593)	(30,039,095)	(1,882,454)
Balance at 1 July 2024	26,481,047	1,147,881	-	85,455	(27,261,404)	452,979
(Loss) for the period	-	-	-	-	(888,635)	(888,635)
Movement in foreign currency translation reserve	-	-	-	61,942	-	61,942
Total comprehensive loss for the period	-	-	-	61,942	(888,635)	(826,693)
Balance at 31 December 2024	26,481,047	1,147,881	-	147,397	(28,150,039)	(373,714)

The accompanying notes form part of these financial statements.

Consolidated Statement of Cashflows

Half-Year Ended 31 December 2025

	Note	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024
		\$	\$
Cash flows from operating activities			
Cash receipts from customers		136,590	714,193
Payments to suppliers and employees		(816,953)	(2,250,456)
Interest received		376	2,738
Finance costs paid		(2,574)	(1,445)
Research and development tax offset		187,078	312,515
Wallet transactions		438,925	13,074
Net cash (used in) operating activities		(56,558)	(1,209,381)
Cash flows from Investing activities			
Purchase of plant and equipment		-	(9,151)
Proceeds on sale of plant and equipment		-	1,101
Cash (disposed)/received from subsidiary		-	(1,959)
Proceeds from disposal of subsidiary	12(b)	129,271	193,941
Net cash provided by financing activities		129,271	183,932
Cash flows from financing activities			
Proceeds from issue of convertible note	9	-	1,000,000
Issue of shares	8(a)	75,000	-
Share issue expense	8(a)	(7,108)	-
Net cash used in financing activities		67,892	1,000,000
Net increase (decrease) in cash held		140,605	(25,449)
Cash and cash equivalents at the beginning of the period		479,186	1,225,840
Cash and cash equivalents at the end of the period		619,791	1,200,391

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

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'.

It is recommended that the financial statements are read in conjunction with the annual financial report for the period ended 30 June 2025 and any public announcements made by the Company during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

The interim financial statements have been approved and authorised for issue by the Board on 20 March 2026.

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

Functional and presentation currency

These financial statements are presented in Australian dollars, which is the functional currency of Peppermint Innovation Limited.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates the 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, for the six months ended 31 December 2025, the Group incurred a loss after tax of \$1,271,618 and reported net cash used in operating activities of \$56,558.

As at 31 December 2025, the Group has a deficiency in current assets of \$1,898,713 and a deficiency in net assets of \$1,882,454. Furthermore, as set out in note 15, at the date of this report the securities of the Company are under suspension over trading on the ASX.

Subsequent to half year end, the Company has agreed settlement terms with regards to previously issued convertible notes.

The ability to meet the settlement obligations is dependent on future capital raising. Additionally, as the Group is yet to achieve cashflow positive operations and has a significant working capital deficiency, the Group is also dependent on future capital raisings in order to fund existing and future working capital requirements.

These matters give rise to a material uncertainty regarding the Group's ability to continue as a going concern and therefore its ability to realise its assets and settle its liabilities in the ordinary course of business at the amounts stated in the financial statements.

The Directors believe it is reasonably foreseeable that the Group will continue as a going concern and that adopting the going concern basis in preparing the financial report is appropriate after considering the following factors.

The Directors have secured funding through an equity raise securing \$2.1mil, of this \$1,072,000 has been received and the balance to be received subject to shareholder approval.

Accordingly, the Directors believe that the Group 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.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

2. NEW, REVISED OR AMENDING ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant or material change to the Group's accounting policies.

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

3. SIGNIFICANT CHANGES IN THE CURRENT REPORTING PERIOD

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

4. SEGMENT REPORTING

The Group operates predominantly in the mobile banking, payment and remittance industry. For management purposes, the Group is organised into business units based on its services and has three reportable segments, as follows:

- mobile banking and payment services, presently operating in The Philippines; and
- corporate and head office.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Also, the Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	Mobile Banking and Payment Services	Head Office	Total Segments	Adjustments and Eliminations	Consolidated
Half-year Ended 31 December 2025					
Revenue					
External customers	117,315	-	117,315	-	117,315
Inter-segment	-	-	-	-	-
Total revenue	117,315	-	117,315	-	117,315
Income/(expenses)					
Depreciation and amortisation	(3,828)	-	(3,828)	-	(3,828)
Segment loss	(394,055)	(877,563)	(1,271,618)	-	(1,271,618)
Total assets	3,011,610	2,762,213	5,773,823	(5,004,362)	769,461
Total liabilities	1,038,294	2,032,017	3,070,311	(418,396)	2,651,915
Half-year Ended 31 December 2024					
Revenue					
External customers	131,506	-	131,506	-	131,506
Inter-segment	-	-	-	-	-
Total revenue	131,506	-	131,506	-	131,506
Income/(expenses)					
Depreciation and amortisation	(1,610)	-	(1,610)	-	(1,610)
Segment loss continuing operations	(588,203)	(732,278)	(1,320,481)	-	(1,320,481)
Profit from discontinued operations					422,846
Loss after tax					(888,635)
Total assets	2,844,456	4,471,188	7,315,644	(5,651,946)	1,663,698
Total liabilities	392,382	2,659,793	3,052,175	(1,014,762)	2,037,413

REVENUE

	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024
	\$	\$
<i>Revenue from contracts with customers</i>		
Sale of goods	70,831	84,580
Rendering of services	46,224	46,926
	<u>117,055</u>	<u>131,506</u>

Disaggregation of revenue

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

	Mobile Banking and Payment Services	Total
	\$	\$
Half-year Ended 31 December 2025		
<i>Major product lines</i>		
Eload sales	70,831	70,831
System usage fees and commissions	27,115	27,115
Software development services	19,109	19,109
	<u>117,055</u>	<u>117,055</u>

Timing of revenue recognition

Goods transferred at a point in time	70,831	70,831
Services transferred at a point in time	46,224	46,224
	<u>117,055</u>	<u>117,055</u>

Half-year Ended 31 December 2024*Major product lines*

Eload sales	84,580	84,580
System usage fees and commissions	46,926	46,926
	<u>131,506</u>	<u>131,506</u>

Timing of revenue recognition

Goods transferred at a point in time	84,580	84,580
Services transferred at a point in time	46,926	46,926
	<u>131,506</u>	<u>131,506</u>

5. CASH AND CASH EQUIVALENT

	As at 31 December 2025	As at 30 June 2025
	\$	\$
Cash and cash equivalent		
Cash available for operations	48,845	347,165
Cash wallets – Restricted cash	570,946	132,021
	<u>619,791</u>	<u>479,186</u>

Restricted cash represents E-money wallet balances and an escrow account designated to maintain and hold customer funds corresponding to outstanding e-money obligations.

6. LOSS PER SHARE

	Half-year Ended 31 December 2025	Half-year Ended 31 December 2024
	\$	\$
(Loss) for the period from continued operations	(1,271,618)	(1,311,481)
Weighted average number of ordinary shares used in the (loss) per share calculations	2,372,904,637	2,131,338,975
Basic and diluted (loss) per share (cents)	(0.05)	(0.04)
Basic and diluted (loss) per share (cents) from continued operations	(0.05)	(0.06)

7. DIVIDENDS PAID OR PROPOSED

No dividends were paid or declared during the half-year ended 31 December 2025.

8. ISSUED CAPITAL

	As at 31 December 2025	As at 30 June 2025
	\$	\$
Paid up capital	27,126,836	26,796,145

(a) Ordinary shares

30 June 2025 movements in issued capital	Number of Shares	\$
Balance at 1 July 2025	2,301,083,996	26,796,145
Conversion of convertible note	30,320,341	6,131
Share placement	110,000,000	275,000
Conversion of convertible note	30,413,893	13,507
Conversion of convertible note	37,196,765	43,161
Share issue expense	-	(7,108)
	2,509,014,995	27,126,836

(b) Options

The following unlisted options, issued before 01 July 2025, to acquire fully paid ordinary shares were on issue:

Number	Exercise Price	Expiry Date	Exercise Condition
15,000,000	\$0.0225	1 March 2027	None
15,000,000	\$0.010	1 March 2027	None
20,000,000	\$0.015	1 March 2027	None
15,000,000	\$0.020	1 March 2027	None
65,000,000			

(c) Performance rights

Performance rights – granted 2025

During the period, 120,000,000 performance rights were granted for nil consideration to key management personnel and vest subject to the achievement of performance hurdles as follows:

Grant Date	Vesting Condition	Number	Assumed Probability of Achievement
12/11/2025	Tranche A : to be awarded when the Company achieves \$4m annual revenue based on audited/reviewed financial reports on or before 1 July 2027	12,000,000	50%
12/11/2025	Tranche B : to be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 1 July 2027	22,000,000	75%
12/11/2025	Tranche C : to be awarded when the Company achieves \$1m net income/profit as validated against audited/reviewed financial report on or before 1 July 2028	38,000,000	100%
12/11/2025	Tranche D : to be awarded when the Company achieves \$4m net income/profit as validated against audited/reviewed financial reports on or before 1 July 2029	48,000,000	80%
		120,000,000	

The total share-based payment expense recognized in the Statement of Profit or Loss for the period in respect of Performance rights was \$51,597.

(d) Unissued shares

Relates to the fair value of shares to be issued in connection with the conversion of convertible notes and amounts to \$75,000.

The issuance of shares relating to this conversion event was pending as at half-year end due to a dispute between the Group and the noteholder which has now been resolved.

9. TRADE AND OTHER PAYABLE

	As at 31 December 2025	As at 30 June 2025
	\$	\$
Trade and other payable		
Trade and other Payables	1,415,128	885,791
Payable to Obsidian relating to the conversion of convertible notes.	747,050	-
	2,162,178	885,791

10. BORROWINGS**Convertible Note**

During the period ended 31 December 2024 the Group issued 665,095 0% convertible notes with a face value of US\$764,859 for \$1,000,000 in two tranches. The notes are convertible into ordinary shares of the Group, at the option of the holder, at the option of the Group, or else redeemable at maturity or when the Group raises funds from other investors. The notes do not bear coupon interest, but when redeemed at maturity or at an early redemption date are redeemed at 105% of their face value. The notes mature 36 months following their issuance date.

The noteholder may elect to redeem all or part of their noteholdings in the event of the Group raising funds from any source (other than the noteholder) subject to the following from the portion of proceeds from fundraising :

- (a) up to \$2,500,000, 20% of the total
- (b) over and above \$2,500,000, 35% of the total

The conversion rate is either fixed or variable, dependent both upon the election of the noteholder and the operation of certain limiting conditions. The fixed conversion price is \$0.012 and the variable conversion price is the lesser of:

- (a) 90% of the average of the lowest 3 daily VWAPs during the 15 Actual Trading Days prior to the Conversion Notice Date rounded down to the lowest A\$0.001; and
- (b) the Fixed Conversion Price,

Subject to a minimum floor price of \$0.0035.

The noteholder may elect to use the variable conversion price when both of the following conditions are met:

- (a) after the day which is 60 days after the Execution Date (or such longer period as the Investor may agree in writing); and
- (b) where any 20-day VWAP during the period commencing on the Execution Date and ending on the relevant Conversion Notice Date is less than the Fixed Conversion Price.

Additionally, the noteholder may not give a Conversion Notice where the number of Conversion Shares the subject of that Conversion Notice would exceed 4.99% of the number of Shares on issue.

Concurrently with the issuance of the convertible notes, the Group agreed with the noteholder to issue them 37,500,000 ordinary shares subject to the following conditions:

- (a) The noteholder must not sell on any trading day in excess of the greater of:
 - i) 20% of the Group's daily trading volume (as reported by IRESS)
 - ii) \$20,000
- (b) Payment is due at the earliest of the noteholder agreement terminating or expiring, repayment or conversion of all outstanding notes. The noteholder may settle the amount outstanding through either of the options noted below:
 - i) Pay the Group an amount equal to the number of outstanding placement shares multiplied by 90% of the average of the lowest 3 daily VWAPs during the 15 Actual Trading Days immediately prior to the date upon which the Noteholder makes the payment rounded down to the lowest A\$0.001; or
 - ii) Sell the outstanding placement shares on-market and pay 95% of the net sale proceeds to the Group; or
 - iii) Transfer the outstanding placement shares to the Company for no consideration

The noteholder may elect to offset conversion shares received against the outstanding placement shares number or else pay the company an amount per share equal to 90% of the average of the lowest 3 daily VWAPs during the 15 Actual Trading Days prior to the Payment Notice, rounded down to the lowest A\$0.001, which would reduce the number of shares used in the payment calculation noted above.

The issued notes constituted compound financial instruments, including a host component and a conversion component. The host component was classified as a foreign currency amortised cost liability measured using its effective interest rate and foreign exchange rates prevailing at balance date. The conversion option of the notes failed equity classification and as such was classified as a derivative liability. This conversion option also incorporated an embedded foreign currency derivative and these derivatives are valued together as a compound derivative instrument. The derivative is measured at fair value through profit and loss. The placement shares are derivative financial liabilities.

At inception, the Group allocated the consideration received between the various components of the transaction, firstly to the derivatives at fair value and subsequently to the host component.

During the year ended 30 June 2025, the noteholder converted 235,000 notes in four transactions. Of these transactions, two (110,000 notes) were settled at above the floor price and entirely in equity. A third (50,000 notes) was settled in a combination of cash and equity in accordance with clause (b) above for conversions below the floor price. The final conversion was initially to be settled in accordance with this clause but was subsequently

revised to settle in a combination of equity and a reduction in placement shares in accordance with clause (a) above. This subsequent revision also involved the issuance of an additional 25,000,000 in placement shares to the noteholder. As these placement shares were not issued in respect of the issuance of another financial liability, they were accounted for as derivative financial assets valued at their expected consideration receivable as the option to settle these in the Group's own equity was not considered substantive.

During this period, the noteholder converted the remaining outstanding 430,095 notes in four transactions. These transactions were settled at below the floor price and were settled in a combination of cash and equity in accordance with clause (b) above for conversion below the floor price. Cash payable in accordance with these settlements remained unpaid at half-year end due to a dispute between the Group and the noteholder. This dispute was resolved after half-year end through the execution of a deed which resulted in the payment of US\$500,000 (in two tranches) and the issuance of 21,305,714 ordinary shares of the Company in settlement of all outstanding claims. At 31 December 2025, an amount of \$747,050 has been recorded in Trade and Other Payables in connection with the conversion of the convertible notes and this settlement. (Refer to note 9)

	As at 31 December 2025	As at 30 June 2025
Opening balance	421,488	547,527
Interest expense*	28,305	88,760
Foreign currency loss	3,094	2,537
Derecognised upon conversion	(452,887)	(217,336)
Current liability	-	421,488

* Calculated using an effective interest rate of 23.2-26.0% (26.4-29.2% after costs) on the amortised cost portion of the convertible note liability

As noted above, at 31 December 2025 an amount of \$747,050 is included in other payables in relation to the settlement of these notes.

11. FINANCIAL LIABILITES

Derivative	As at 31 December 2025	As at 30 June 2025
	\$	\$
Derivative financial assets		
Held for trading derivatives (current)		
Placement shares derivative asset	-	29,742
Derivative financial liabilities		
Held for trading derivatives (current)		
Conversion derivatives	-	87,279
Placement shares derivative liability	-	40,048
	-	127,327

During the period, an expense relating to the change in fair value of derivatives of \$319,536 arose.

12. RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the half-year other than those that were on the same basis as stated in the 30 June 2025 Annual Report.

13. DISPOSAL OF SUBSIDIARIES

- (a) On 28 November 2024, the Group disposed of 100% of its interest in Peppermint Intelligence Limited (UK Company) and Peppermint Intelligence Pty Ltd (Australian company).

The proceeds on disposal of £235,000 were received £100,000 upfront in cash and £135,000 to be paid in monthly instalments over 18 months. As at 31 December 2025 £202,781 proceeds had been received.

Financial performance and cash flow information

The financial performance and cash flow information presented is for the period from 1 July 2024 to 28 November 2024.

	Period 1 July 2024 to 28 November 2024
	\$
Revenue	488,399
Expenses	(632,256)
Profit/(Loss)	(143,857)
Income Tax Expense	-
(Loss)/Profit after income tax of discontinued operation	(143,857)
Profit on disposal of subsidiary after income tax (see (b) below)	562,239
Profit from discontinued operation	418,382
Exchange differences on translation of discontinued operations	4,464
Other comprehensive income from discontinued operations	422,846
	Half Year Ended 31 December 2024
(b) Cash flows from discontinued operations	
Net cash inflows from operating activities	(130,101)
Net cash outflows from investing activities	193,083
Net increase/(decrease) in cash generated by the disposed subsidiaries	62,982

14. CONTINGENT LIABILITIES

As disclosed at 30 June 2025, One of the Group's subsidiaries in The Philippines has been levied with a tax assessment of PHP 14.9m. The Group has taken legal and tax advice and does not believe there is basis for the assessment and is taking legal steps to defend this claim.

There are no further contingent assets nor liabilities.

15. EVENTS AFTER THE BALANCE SHEET DATE

The Company was served a statutory demand on 22 December 2025 by Obsidian Global Partners LLC. The Company executed a settlement agreement with Obsidian on 29 January 2026 in relation to this demand.

Under the terms of the settlement agreement:

- Obsidian has released the Company from all claims related to the demand.
- There is no admission of liability by the Company.
- The settlement does not give rise to any continuing monetary claims or contingent liabilities against the Company.
- The settlement requires the payment of three instalments to Obsidian. The first was the payment of USD50,000 on 2 February 2026, second, payment of the sum of USD50,000 by 15 March 2026 and, third, a final payment of USD450,000 by 30 April 2026.
- Subject to payment of these instalments, the convertible securities and share placement agreement with Obsidian is terminated.

The first settlement payment was satisfied via the issue of shares to the value of USD50,000 (21,305,714 shares at a deemed price of 0.35 cps) on 2 February 2026.

The half year financial report includes adjustments arising from this settlement.

The Company called a trading halt on 5 January 2026 pending an announcement regarding a solution of issues created by the demand from Obsidian. When that announcement was not able to be made by commencement of trading on 7 January 2026 the securities of PIL were suspended from quotation. Now the demand from Obsidian has been settled the Company is engaged with the ASX and raising the capital required to lift the suspension. At the date of this report, the suspension has not yet been lifted.

Other than detailed above there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

Directors' Declaration

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 Group'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.



Mr Christopher Kain

Managing Director

20 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Peppermint Innovation Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Peppermint Innovation Limited (**Company**), and its subsidiaries (**Group**) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Peppermint Innovation Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity'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 *Corporations Regulations 2001*.

Basis for Conclusion

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

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Peppermint Innovation Limited, 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 \$1,271,618 and, had net cash outflows from operating of \$56,558 for the half year ended 31 December 2025. As at 31 December 2025 the Group has a deficiency in net current assets of \$1,898,713 and deficiency in net assets of \$1,882,454. 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.

Responsibility of the Directors' for the Financial Report

The directors of Peppermint Innovation Limited 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 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. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 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.



RSM AUSTRALIA



James Komninos
Partner

Perth, WA
Dated: 20 March 2026

For personal use only

