Knosys

Connecting People and Information

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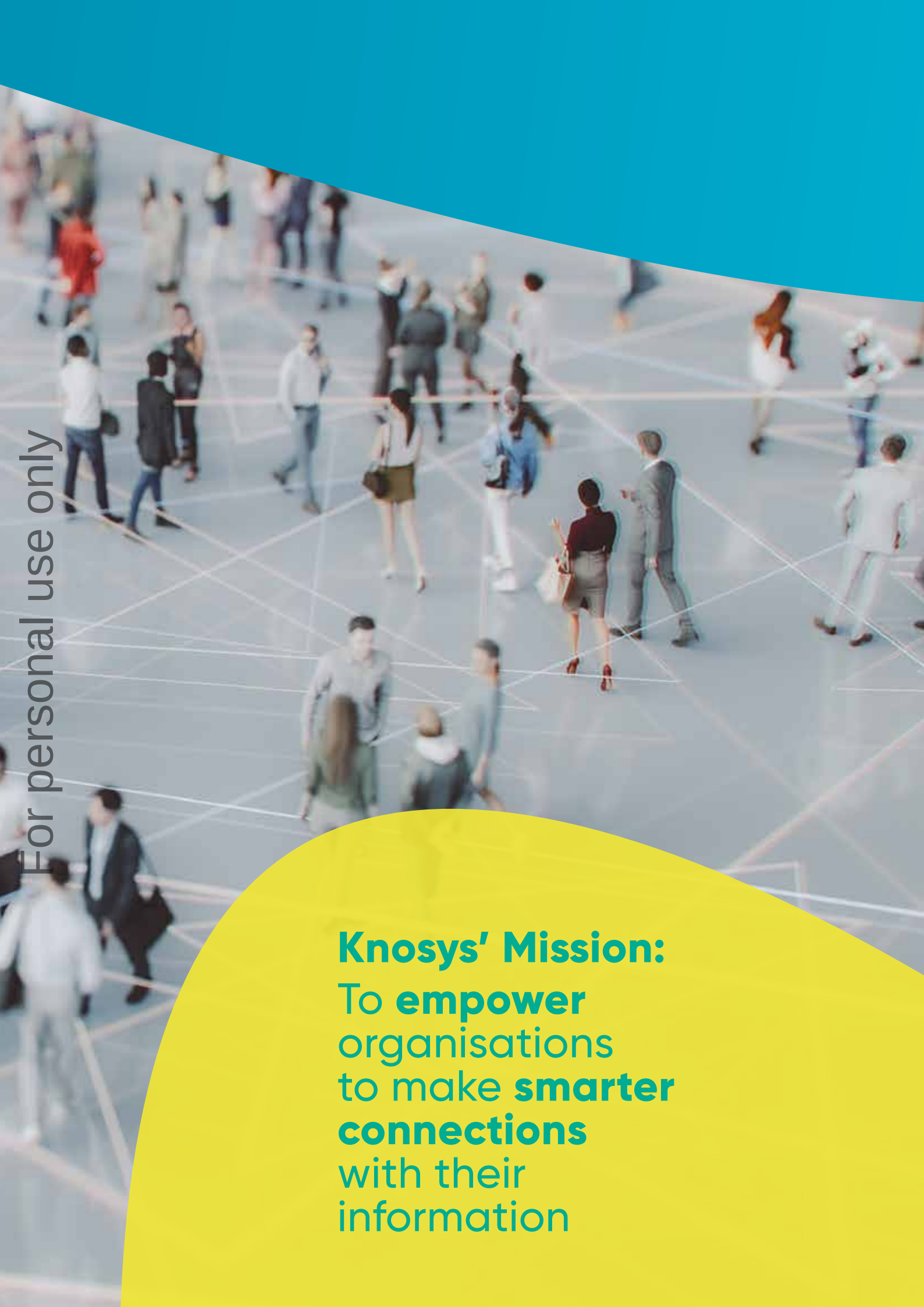


2026 Annual Report

Financial Year Ending
30 June 2026

knosys.co

Knosys Limited ACN 604 777 862
(ASX:KNO)



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Knosys' Mission:
To **empower** organisations to make **smarter connections** with their information

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Global Clients

ANZ
OPTUS
Woollahra Libraries
Australian Military Bank
Tasmanian Government | Service Tasmania
NFSA
THE GEORGE WASHINGTON UNIVERSITY WASHINGTON, DC
Fliedner Fachhochschule Düsseldorf University of Applied Sciences in der Kaiserswerther Diakonie
sbs BANK
UNIVERSITÄTS-BIBLIOTHEK CHEMNITZ
DUCK DONUTS WARM, DELICIOUS & MADE TO ORDER
tropical SMOOTHIE CAFE
THE HONEY BAKED Ham co
Benson radiology
Harvey Norman
Government of South Australia
service sa
Healthscope
Singtel
OFFICE of PUBLIC PROSECUTIONS VICTORIA
Best Practice An evolution in GP software



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Corporate Directory

Board of Directors

Phillip Carter
Non-Executive Chairman

Hon. Alan Stockdale AO
Non-Executive Director

John Thompson
CEO & Managing Director

Auditor

William Buck Audit (VIC) Pty Ltd
20/181 William St,
Melbourne VIC 3000
www.williambuck.com

Registers of securities are held at the following address:

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000
Ph: 1300 288 664

Principal Place of Business and Registered Office

Level 8, 31 Queen Street
Melbourne VIC 3000
Ph: +61 3 9046 9700
www.knosys.co

Chairman's letter to shareholders



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Dear Shareholders,

On behalf of the Board, I am pleased to present the Knosys Annual Report for the year ended 30 June 2026 (FY26).

Knosys is an innovative technology company developing and commercialising enterprise software positioned as a critical "System of Record" in the global AI value chain. Our products help large organisations securely integrate external AI tools while providing a single source of verified information to reduce data inconsistency and strengthen confidence in their systems.

FY26 marked an important step as we prepare to commercialise our new and enhanced library management solution while maintaining revenue stability and cash generation across our enterprise knowledge management suite. Over the past two years, we have completed a significant product development program to build the next generation of library management solutions. I am pleased to report that this work is now largely complete and we have clearly moved into the commercialisation phase.

Revenue remained stable at $9.7m, down 2%, while operating expenses rose 6% to $12m, including one-off internal restructure costs and resulting in a net loss after tax of $2.5m. Multi-year contracts with our major enterprise customers in Knowledge Management and with our library customers in Australia and Germany underpinned Annual Recurring Revenue (ARR) at $9.0m.

In early 2026, we decided to exit the intranet and employee experience product vertical and gradually migrate our GreenOrbit customer base to the UK-based Oak Engage. This process is underway, and we are now earning commissions from Oak for customers who migrate to the Oak Engage platform, even as we experience attrition in the GreenOrbit customer base.

The Knosys Board transitioned to new leadership in FY26. I joined the Board as Non-Executive Chairman in October 2025. I thank the previous Chairman, The Hon. Alan Stockdale, for his significant contribution in guiding the Company over the past nine years. Alan remains on the Board as a Non-Executive Director. I also thank former non-executive directors, Mr Neil Wilson and Ms Kathrin Mutinelli, for their contribution.

We are entering an exciting new growth phase as we prepare to launch the Libero Community Experience & Discovery Hub in US public libraries in late 2026. We are confident that our next-generation library management solution has a clear value proposition and strong positioning against competitors and incumbents.

On behalf of the Directors, I thank the whole Knosys team for their continued hard work and dedication throughout the year. I also thank our shareholders for their ongoing support as we seek to expand in the US and scale internationally.



Dr Philip Carter
Chairman

27 August 2026

Knosys today

Libero by Knosys

GreenOrbit by Knosys

KnowledgeIQ by Knosys

FOUNDED 2015

ASX LISTED

SAAS SOLUTIONS

$9.7M OPERATING REVENUE

34 EMPLOYEES

HQ MELBOURNE, AUSTRALIA

OPEN SOLUTIONS WITH API CONNECTIONS

172 CUSTOMERS GLOBALLY

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Managing Director & Operations Report

Overview

Knosys is an innovative technology company, leverages AI to enhance its core Software-as-a-Service (SaaS) products, positioning them as critical "Systems of Record" within the global AI value chain. Knosys offers market-leading Knowledge Management solutions for enterprise customers and next-generation library management solutions for public libraries globally.

From three products to one clear mission



Libero by Knosys

Library Management System

Grow

Proven across **Australia** and **Germany** with circa **100+** library customers.

A **$480M+** US market waiting for a modern solution.

Company resources focused on Libero gaining traction in the US Market



KnowledgeIQ by Knosys

Enterprise Knowledge Management

Maintain

40,000+ licensed users in France, Government and Telco.

Profitable, stable and self-funding.

No new investment needed. Just keeps delivering.



GreenOrbit by Knosys

Intranet and Collaboration

Exit

Microsoft and Google permanently own this space

Competing here burns capital with no realistic path to grow

Clients responsibility transitioned out by **FY27**

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FY26 Financial Highlights

In FY26, Knosys focused on revenue stability and cash flow generation, as the Company moved towards the commercialisation phase of the new Libero product and the phased transition out of the intranet market.

Key financial metrics for the consolidated entity in the 2026 financial year were encouraging given the Board's decision to exit the company's intranet business:

- License and support fee revenues were broadly maintained at $9.5m (FY25: $9.6m);
- Total operating revenue for the consolidated entity was broadly maintained at $9.7m (FY25: $9.8m);
- Total income for the consolidated entity, including R&D rebate, was broadly maintained at $10.4m (FY25: $10.7m);
- Reflecting increased investment in Libero solutions, the net loss after tax for the consolidated entity was $2.5m (FY25: Net loss after tax of $1.5m); including non-cash charges for depreciation and amortisation of $0.85m;
- Net cash inflow from operating activities was $2.2m (FY25 cash outflow of $1.2m), and
- The consolidated entity had net assets of $3.6m at 30 June 2026 (FY25: $5.9m) and held cash and cash equivalents of $4.9m (FY25: $2.8m).

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FY26 Review of Operations

Sales revenue stabilised at $9.7m, down 2%, underpinned by low volatility recurring revenue streams for Libero and KIQ with key contract extensions and new customers including:

- ANZ Bank: Two-year contract extension for a total of $3.8m
- Libero 6 library management system cloud service: Oberon Council, Fliedner University, Wuchopperen Health Service and Balranald Shire Council.
- Five existing Libero customers expanded their subscriptions to add the Libero new mobile library application
- Sixty existing Libero customers renewed their annual subscriptions.

In January 2026, Knosys announced a new agency agreement with Oak Engage to introduce the Oak intranet and employee experience platform to Knosys' GreenOrbit (GO) customer base as a technology upgrade. Knosys experienced some attrition in its GreenOrbit customer base in 2H FY26, reflecting its decision to exit this business over time. This trend is expected to continue over the next 18 months; however, this will be mitigated by commissions now being earned from OAK for customers who migrate to the Oak Engage platform.

From an operational perspective, FY26 was a year of two halves. In 1H FY26, Knosys completed a significant phase of its Libero product development program. In November 2025, the Company restructured internally to pivot its development program towards localising the Libero software and the Libero Mobile app for the US market. The Company also commenced preparations to commercialise these enhanced products in the US library management software market in FY27 and, as a learning experience, tendered for US library business.

Operating expenses of $12m were up 5% on pcp, due to higher contractor and consulting costs, higher SaaS hosting costs and one-off expenses relating to the restructure, resulting in an EBITDA loss of $1.6m and a net loss after tax of $2.5m.

Importantly, Knosys enters FY27 with a structurally lower cost base and new revenue growth potential.

Knosys reported net operating cash flow of $2.2m and a cash balance of $4.9m as at 30 June 2026.

Investment in core AI activities

Knosys is leveraging AI to both enhance its core Software-as-a-Service (SaaS) products, positioning them as critical "Systems of Record" in the global AI value chain and in Knosys' own business.

By establishing a single source of verified information, Knosys allows large organisations to securely integrate external AI tools while eliminating the risk of data inconsistency.

Knosys is embracing AI in its own operations:

- Operational Scalability: Knosys deploys advanced AI toolsets internally to streamline corporate tender responses, automate marketing content creation, and fast-track technical documentation and customer training programs.
- Accelerated Development: R&D teams use AI to accelerate the innovation cycle, enabling rapid feature prototyping, faster code deployment, and continuous modernisation of legacy codebases.
- Libero Platform Enhancements: Knosys is accelerating library modernisation by embedding machine learning directly into its next-generation Libero platform. This automates back-end workflows such as cataloguing and metadata indexing, freeing up library resources, while natural language processing powers advanced search and highly personalised user recommendations.

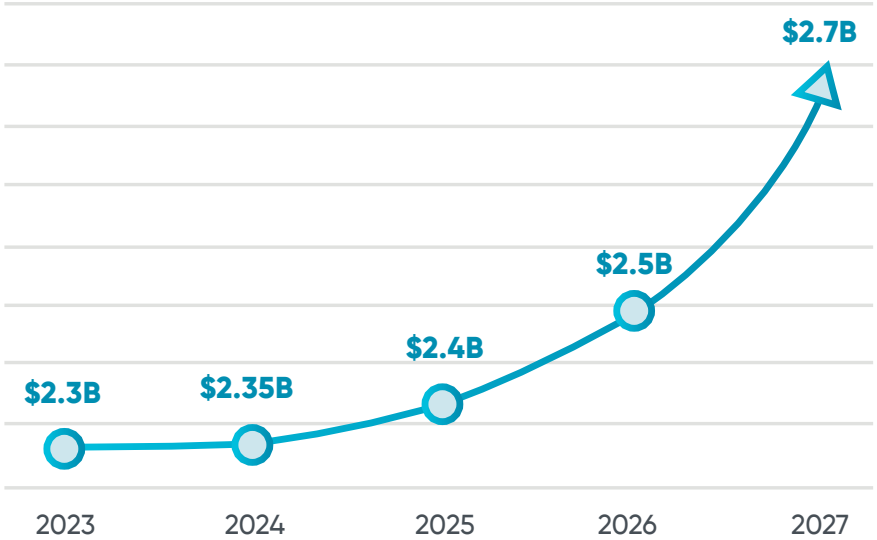
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Building and commercialising the digital town square for public libraries

Modern libraries require a unified foundation for patron discovery, engagement and branch operations. The Libero Community Experience & Discovery Hub has a mobile-first user experience, an all-in-one system with relatively fast deployment, and is content provider agnostic.

Our Library Management Solution has a substantial existing customer base

- Trusted by circa 100 libraries across Australia and Germany
- Customers are paying, using and renewing today
- $2M ARR established prior to US entry





Operation Locations



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172 Customers

15+ Countries

4 Offices

34 Employees

12 R&D Staff

The USA is the world's largest library market

The US public and academic library sector accounts for 40% of the total addressable market (TAM) globally and offers long-term contract stability. It is 10x the size of Australia, offering strong growth potential and a shorter sales cycle due to its sheer size.

The competitive landscape is dominated by legacy systems built for a pre-cloud environment or earlier cloud technologies. The industry is ripe for disruption with libraries actively switching to credible modern independent alternatives in the market today.

Libero is cloud-native, mobile-first and deployable in ~10 weeks, vs 6-12 months for legacy systems.

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Target-State Architecture: Libero at the Center



Web Discovery / OPAC



Mobile Library App



Events & Bookings



Account & Notifications

Libero 6: Unified System of Record

Cataloging & Items	Circulation Services	Patron Management
Acquisitions & Serials	Consortial Workflows	Native ILL Workflow
Analytics & Reporting	Resource Booking	Digital Content Integration

Libero is a unified system of record, potentially replacing 2-5 existing systems

Libero's competitive advantage



User Experience

"Mobile First" member app vs. clunky legacy OPAC's



Deployment Speed

Faster deployment vs. multi-year legacy migrations



Product Approach

All-in-one system vs. fragmented modules and third-party add-ons



Independence

Content provider agnostic, advanced LMS

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AI-driven innovation in library solutions

At its core, Libero is working to leverage AI to drive both product innovation and operational efficiency.

The user experience will be enhanced in the following ways:

- Intelligent Recommendations – Hyper-personalised resource suggestions matching user interests and learning goals.
- Predictive Insights – Forecasting demand trends to optimise acquisitions and library programming.
- Natural Language Queries – Removing search friction by allowing users to converse naturally with the catalogue.

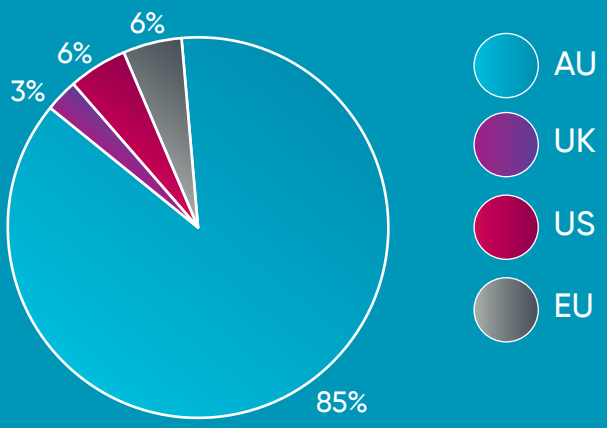
Enabling superior performance with enhanced member engagement

AI Engine	Increased accuracy in personalised recommendations
Rapid Deployment	10 weeks vs 6-12 months for legacy systems
Cost Efficiency	20-30% lower TCO over 5 years
Pure Play Solution	Enable content provider choice, service innovation and AI adoption
System of Record (SOR)	Is the authoritative keeper of all library data

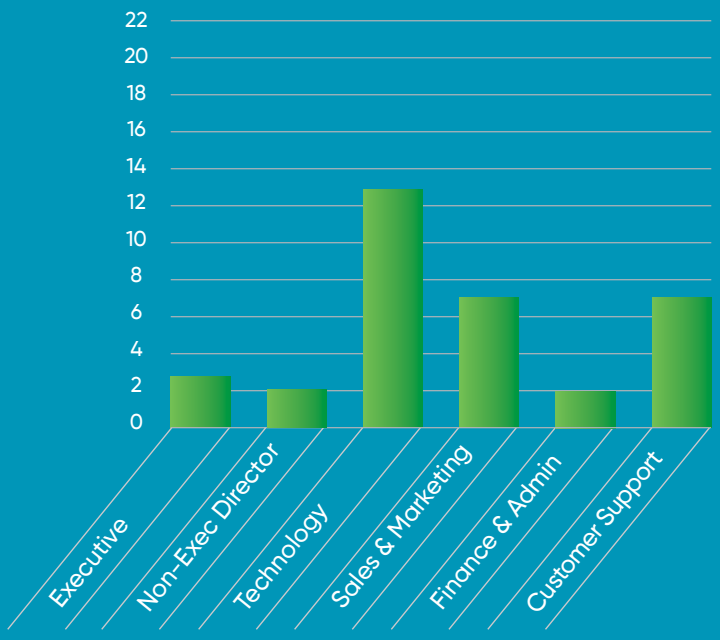
Our People

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By Region

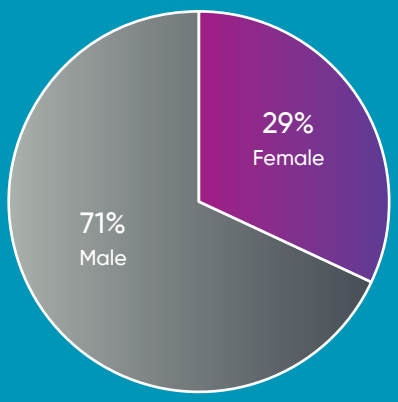


By Department



Number of Employees





Knosys advises that within the digital and technology workforce, we are sitting slightly above the average for the number of women employed[1], with women comprising **29%** of all Knosys staff. **Women compose 22% of executive and middle management positions.** All metrics reflect total employee number by gender and region and percentage of women employees.

1. 1. According to the Global Gender Gap Report (2025), women make up only 28 % of the STEM workforce

Outlook

Knosys enters FY27 with a firm focus on the further international commercialisation of Libero, with detailed go-to-market plans underway. Marketing activities in the US commenced in Q1 FY27, including the launch of a new US website, the activation of a US-based telemarketing team to introduce Libero to the market, and the preparation for relocation of resources from Australia to the US to support the sales process during the year. Knosys is already tendering for the use of the Libero solutions in the US library market.

In addition, Knosys is working on the next generation Libero 7 program, which is expected to be ready for commercial sale in FY27. Libero 7 is the next generation library management solution, featuring enhanced automation and personalisation, enabling replacement of 2-5 patron-facing systems with a primary focus on public libraries.



John Thompson
Managing Director

27 August 2026
Melbourne

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Board of Directors

Information on directors



Phillip Carter Non-Executive Chairman

Dr Phillip Carter has developed a portfolio career comprising investment management and non-executive Appointments and has been a partner in Kestrel Capital, a Sydney-based specialist alternatives manager, since 2006, where he has raised several funds from institutional and private investors, including the Commonwealth Government; super funds; major banks, and several Australian and International family offices.

Before joining Kestrel in 2006, Phillip was a director of a leading UK-based investment management and strategy consulting practice. During this time, Phillip managed the InterTechnology Fund, recognised by the EVCA as one of the most active development capital funds in Europe. He also assisted growth companies and blue-chip companies in formulating strategies and implementing them through direct investment, M&A, licensing, joint ventures, and partnering.

Phillip holds a Bachelor of Engineering, a Doctor of Philosophy (Engineering) and Master of Finance. He is a Fellow of the Institute of Company Directors, a Fellow of the Chartered Institute for Securities and Investment, and a Senior Fellow of the Financial Services Institute. Phillip is based in Sydney and has been a executive director and Chairman since 13 October 2025.

Directorships held in other listed entities in the last 3 years	Field Solutions Holdings Limited
Interests in shares	2,145,000 ordinary shares
Interests in options	2,000,000 Options



Hon. Alan Stockdale AO Non-Executive Director

Hon. Alan Stockdale AO served as Treasurer in the Victorian Government from 1992 to 1999 and his responsibilities included the Government reform agenda and general financial management. As Treasurer, Alan was responsible for the privatisation of $A30 billion of Government business enterprises. He was also Minister for IT and Multimedia from 1996 to 1999, promoting Victoria as a leader in the application of multimedia and new information technologies.

In the private sector, Alan was employed by Macquarie Bank for a total of six years, co-leading the Macquarie team that successfully bid to acquire Sydney Airport. Taking on a number of other corporate advisory roles, he was involved in a wide range of infrastructure transactions, especially in the power, gas and transport sectors in Australia and overseas. Alan has developed a career as a company Chairman and director of a number of ASX-listed companies and of various unlisted companies and not-for-profit organisations. He is Chairman of X2M Connect Limited and has been Chairman of Axon Instruments Inc (incorporated in the USA and listed on the ASX), Symex Holdings Limited, Senetas Corporation Limited and a director of Marriner Financial Limited - all companies listed on the ASX. He was previously a consultant to Metro Trains, a consultant to Maddocks Lawyers, a member of the Advisory Board of Lazard Australia and Chairman of the Medical Research Commercialisation Fund. He was Federal President of the Liberal Party from 2008 to 2014. Alan holds a Bachelor of Laws and a Bachelor of Arts, both completed at the University of Melbourne, is a Barrister of the Supreme Courts of Victoria and NSW and the High Court of Australia and was a Fellow of the Australian Institute of Company Directors. Alan is based in Victoria and has been a director of Knosys since 30 April 2015 and is a member of its Audit Committee

Directorships held in other listed entities in the last 3 years	X2M Connect Limited
Interests in shares	250,000 ordinary shares
Interests in options	Nil Options

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John Thompson Managing Director

John Thompson (BEng Hons, MBA) has held the role of CEO since 18 July 2016. Mr. Thompson brings a wealth of leadership experience having worked for more than 20 years at the helm of renowned technology companies. Most recently, Mr. Thompson spent 11 years as CEO of Sigtec and 5 years as CEO of Wavenet International, in addition to 5 years with CS Communications and Systems in New York and London. Mr. Thompson received a first class honours degree in Engineering from the Queensland University of Technology and a Master of Business Administration from the City University Business School in London. Mr. Thompson has a strong record of driving sales and revenue and has extensive experience as a capable CEO providing pivotal leadership expertise across UK, US, Australia and New Zealand markets for multi-national, listed, IPO and start-up technology companies. John is based in Melbourne and has been a director since 26 September 2018.

Directorships held in other listed entities in the last 3 years	Nil
Interests in shares	2,473,576 ordinary shares
Interests in options	5,940,000 Options

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Directors' Report

Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Knosys Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Directors

The following persons were directors of Knosys Limited during the period from 1 July 2025 to the date of this report, unless otherwise stated:

Phillip Carter	Non-executive Chairman (appointed 13 October 2025)
Hon. Alan Stockdale	Non-executive Director
John Thompson	Managing Director
Kathrin Mutinelli	Non-executive Director (resigned 14 October 2025)
Neil Wilson	Non-executive Director (resigned 13 October 2025)

Each of Phillip Carter, Alan Stockdale, Kathrin Mutinelli and Neil Wilson are considered to be independent directors.

Review of operations and financial performance

Refer to Managing Directors Report on page 7.

Material business risks

The material business risks faced by the consolidated entity that could have an effect on its financial prospects include:

Growth, profitability and positive cashflow

The ability of the consolidated entity to self-fund its operations and strategic plans is dependent on its ability to maintain and grow its revenue line and its ability to manage operational expenses to achieve positive or near breakeven operational results and cashflows.

The consolidated entity monitors revenues, expenses and cashflows on a monthly basis, adjusting operational expenses and cash flows, if needed, to maintain self-funded operations. The consolidated entity is ASX listed and has access to capital markets, if required.

Loss of key customers

The consolidated entity's top two enterprise customers contribute 20.7% and 12.9% of annual revenue respectively. The loss of the commercial relationship with either one of these customers could cause a material reduction in annual revenue, if not replaced with new business, and would require the company to reduce its operational costs accordingly.

The consolidated entity continues to pursue the expansion and diversification of its customer base and geographic markets, broaden its product offerings, invest in technological innovation and provide dedicated customer service.

The consolidated entity has and continues to expand its customer base, broaden its product offerings, invest in technological innovation and provide dedicated customer service.

Technological advancements

The consolidated entity operates in the information technology environment which is subject to rapid changes and developments in products and solutions. Without an appropriate level of research and development by the consolidated entity's its solutions risk becoming outdated and uncompetitive.

The consolidated entity engages in market research, seeks customer feedback and invests in technological research and development in order to maintain its technological competitiveness.

Competitive environment

Existing competitors and new entrants to the market who may have greater resources and/or new leading edge technologies could reduce the competitiveness of the consolidated entities solutions and pose a risk to it maintaining and growing recurring revenues.

The consolidated entity continually researches the market in order to understand and adapt to the competitive environment in which it operates.

Access to capital markets

The consolidated entity's ability to grow rapidly or to deal with unforeseen adverse commercial outcomes may depend in part on its ability to access equity funding. There can be no assurance that any such equity funding will be available to the consolidated entity on favourable terms and, if so, the consolidated entity may not be able to take advantage of growth opportunities or respond fully to adverse circumstances.

The consolidated entity has the flexibility to adjust its expenditure to match the level and availability of internal and external funding sources and has the ability to self-fund selected growth initiatives.

Legislative change

The consolidated entity is subject to the general legislative frameworks of the markets in which it operates and is therefore affected by any legislative changes, along with its

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competitors. The consolidated entity invests in research and development and regularly receives an annual tax rebate of $500,000 or greater. The consolidated entity is currently of the size where a change in tax legislation, that adversely affects the consolidated entity's ability to claim this rebate, could compromise the consolidated entity's ability to fully fund its desired level of research and development.

The consolidated entity has the flexibility to adjust its expenditure to match the level and availability of internal and external funding sources.

Supplier relationships

The consolidated entity relies on its world leading primary hosting provider to host SaaS solutions and managed services to the majority of its customers. Should the provider suffer outages due to exceptional circumstances which cause disruption to the hosting service the consolidated entity's products and services may also be disrupted.

The consolidated entity has in place its own back-up, disaster recovery and contingency plans and the consolidated entity advises its customers that they should also put such plans in place.

Trade tariffs and other geo-political tensions

The consolidated entity could be exposed to trade tariffs and other geo-political tensions in the markets in which it operates.

The consolidated entity provides licenced software to customers in three product lines, knowledge management, intranet and library management. Approximately 70% of total income is sourced from Australia and New Zealand. The balance of 30% is sourced mainly from US, EU (Germany) and UK. Due to the limited geographic spread and the nature of the consolidated entity's software licencing business it is considered that trade tariffs and other geo-political tensions are currently not a material risk for the consolidated entity.

Foreign currency exchange rate fluctuations

The consolidated entity's revenues and expenses could be impacted by material fluctuations in foreign exchange rates.

The consolidated entity sources approximately 70% of its total reported income in Australian dollars, including the invoicing of certain foreign customers in AUD. The balance of 30% of total income is sourced in foreign currency. A 10% appreciation or depreciation in the Australian dollar would result in an annual impact of approximately 3% of total income. The company also has a natural hedge against the majority of its foreign currency income, with certain expenses sourced in US and EU currency. It is considered that foreign currency exchange rate fluctuations are not a material risk for the consolidated entity.

Data security and privacy requirements

The consolidated entity operates in the information technology sector, which potentially has higher exposure to data security risks and to risks of breach of privacy requirements.

The consolidated entity does not store sensitive data on behalf of customers, nor does it hold personal information (within the meaning of the Privacy Act 1988) other than normal employee data for its employees. The consolidated entity has in place its own back-up, disaster recovery and contingency plans, which are normal business practice for its industry. It is considered that data security and privacy requirements are not a material risk for the consolidated entity.

Principal activities

During the financial period the principal continuing activities of the consolidated entity were computer software development and licencing.

Dividends

No dividends were paid or declared during the financial year.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year, other than those matters mentioned above.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 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.

Likely developments and expected results of operations

Knosys expects a continued expansion of the library and knowledge management markets and the adoption of its range of software solutions designed to boost productivity, collaboration and connectivity in the digital workplace. The Company is well placed to expand its customer base, in particular in Australia, US and Europe, and to enhance its product offerings through internal developments and further advances in technologies.

The consolidated entity plans to continue its investment in product development in its library management services product in the year to June 2027 in order to enable the

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Company to take advantage of its position in the local and global library management solutions market. The consolidated entity plans to pursue revenue growth in the US through the marketing and sale of its Libero library management software solution to the US library market.

The consolidated entity has a growing sales pipeline in its global markets. The Company plans to continue the acceleration of its investment in product development in its library management services product in the year to June 2026 in order to enable the Company to take advantage of its position in the library management solutions market.

Given the size and competitive nature of the market in which the consolidated entity operates, further information on likely sales opportunities, planned product development and the expected results of operations of the consolidated entity have not been included in this report. The directors have utilised the exemption in s299A(3) and have not disclosed further details as they believe it would be likely to result in competitors gaining a commercial advantage and could lead to unreasonable prejudice to the operations and financial prospects of the consolidated entity.

Environmental regulation

There are no environmental regulations under Australian Commonwealth or State laws that have a material impact on the consolidated entity.

Information on directors

Refer to pages 18-19 of the annual report for director information.

Company Secretary and Chief Financial Officer

Stephen Kerr (BCom, CS, FGIA) has held the role of CFO and Company Secretary since July 2015. Stephen Kerr is a qualified accountant and chartered company secretary. He is an experienced CFO and governance professional, having held senior finance positions in private and publicly listed company environments across Australia and New Zealand for over 25 years. Stephen holds a Bachelor of Commerce from the University of Melbourne, was a member of Chartered Accountants Australia and New Zealand for over 35 years and is currently a Fellow of the Governance institute of Australia and a member of The Australian Institute of Company Directors.

Meetings of directors

Director attendance at Board and standing Board committee meetings held from 1 July 2025 to 30 June 2026, is set out in the table below:

	FULL BOARD		AUDIT COMMITTEE	
	Attended	**Held**	**Attended**	**Held**
Phillip Carter	9	9	1	1
Hon. Alan Stockdale	16	16	2	2
John Thompson	16	16	-	-
Kathrin Mutinelli	7	8	1	1
Neil Wilson	8	8	1	1

Held: represents the number of meetings held during the time the director held office.

Remuneration Report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The executive remuneration framework is structured to be market competitive and complementary to the strategy of the consolidated entity.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. No such advice was sought for the financial year ended 30 June 2026. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The current maximum aggregate remuneration payable to non- executive directors of the consolidated entity in any financial year is $500,000.

Executive remuneration

The consolidated entity aims to reward executives with a level and mix of remuneration based on their position and responsibility, which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay, superannuation and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual performance and the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business with the targets of those executives responsible for meeting those targets. STI payments are granted to executives based on specific targets and/or key performance indicators ('KPI's') being achieved. These targets are discussed in further detail in the description of service agreements which forms part of this Remuneration Report.

The long-term incentives ('LTI') include long service leave and share-based payments. Options are awarded to executives, vesting over a period of three years based on elapsed time and/or achievement of long-term incentive measures.

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Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity.

A portion of cash bonus and incentive payments are dependent on defined revenue and earnings targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Board.

In considering the performance of the consolidated entity and benefits for shareholder wealth, the remuneration committee have regard to the following indices in respect of the current financial year and the previous financial years.

	2026	2025	2024	2023	2022
	$	$	$	$	$
Revenue	9,668,604	9,837,057	9,630,249	9,947,859	8,916,995
Profit / (loss) before transaction costs and income tax expense	(2,431,589)	(1,521,721)	245,694	(2,121,481)	(2,535,746)
Profit / (loss) attributable to owners of the parent entity	(2,457,996)	(1,553,640)	195,187	(2,195,604)	(3,050,548)
Dividends paid	-	-	-	-	-
Revenue growth	(1.7%)	2.1%	(3.2%)	11.6%	94.1%
Change in operating result	(59.3%)	(896%)	108.9%	28.0%	(461%)
Change in share price	(24%)	0%	(42%)	(3.2%)	(59%)
Return on capital employed	(51.9%)	(23.1%)	2.7%	(27.0%)	(32.5%)

Revenue and profit before transaction cost and income tax are two of the financial performance targets considered in setting the Short-Term Incentive (STI). Revenue and profit before tax amounts are in accordance with Australian Accounting Standards (AASB's). Operating result is operating profit or loss as reported in the statement of profit or loss.

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Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity during the year to 30 June 2026 consisted of the following directors of Knosys Limited:

- Phillip Carter – Non-Executive Chairman and Member of the Audit Committee (appointed 13 October 2025)
- Alan Stockdale - Non-Executive Director and Chairman of the Audit Committee
- John Thompson - Managing Director
- Kathrin Mutinelli - Non-Executive Director and Member of the Audit Committee (resigned 14 October 2025)
- Neil Wilson - Non-Executive Director and Chair of the Audit Committee (resigned 13 October (2025)

And the following person:

- Stephen Kerr - Company Secretary and Chief Financial Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
2026	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Non-Executive Directors:							
Phillip Carter (Chairman)	66,922	-	-	-	-	3,545	70,467
Alan Stockdale	65,080	-	-	7,810	-	-	72,889
Kathrin Mutinelli	16,760	-	-	2,011	-	-	18,771
Neil Wilson	21,371	-	-	-	-	-	21,371
Managing Director:							
John Thompson	362,646	83,315	15,221	29,892	9,041	1,685	501,800
Other Key Management Personnel:							
Stephen Kerr	286,440	70,552	8,819	29,983	5,943	12,328	414,064
	819,219	153,867	24,040	69,695	14,984	17,558	1,099,363

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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	Total
2025	$	$	$	$	$	$	$
Non-Executive Directors:							
Alan Stockdale	82,960	-	-	9,540	-	-	92,500
Kathrin Mutinelli	58,296	-	-	6,704	-	-	65,000
Neil Wilson	75,000	-	-	-	-	-	75,000
Executive Director:							
John Thompson	358,444	48,500	32,625	29,998	8,003	154	477,724
Other Key Management Personnel:							
Stephen Kerr	286,440	41,200	4,850	29,999	8,672	6,099	377,260
	861,140	89,700	37,475	76,241	16,675	6,253	1,087,484

For the financial year, the actual proportions of fixed remuneration and of remuneration linked to performance are as follows:

2026	**Fixed remuneration**	**At risk - STI**	**At risk - LTI**
Non-Executive Directors:			
Phillip Carter (Chairman)	95%	-%	5%
Alan Stockdale	100%	-%	-%
Kathrin Mutinelli	100%	-%	-%
Neil Wilson	100%	-%	-%
Managing Director:			
John Thompson	83%	17% (23% available)	-%
Other Key Management Personnel:			
Stephen Kerr	80%	17% (22.5% available)	3%

2025	**Fixed remuneration**	**At risk - STI**	**At risk - LTI**
Non-Executive Directors:			
Alan Stockdale (Chairman)	100%	-%	-%
Kathrin Mutinelli	100%	-%	-%
Neil Wilson	100%	-%	-%
Managing Director:			
John Thompson	90%	10% (20.4% available)	-%
Other Key Management Personnel:			
Stephen Kerr	87%	11% (19.2% available)	2%

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Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	John Thompson
Title:	Chief Executive Officer
Agreement commenced:	18 July 2016
Term of agreement:	No fixed term
Details:	Annual base salary package for the year ending 30 June 2026 of $406,256 including superannuation. Remuneration to be reviewed annually by the Board, 6-month termination notice by either party, STI performance bonus of up to $125,000 (including statutory superannuation) based on financial and non-financial KPI's, non-disclosure, non-solicitation and non-compete clauses. An amount of $83,315 relating to performance in the 2026 financial year was assessed as a bonus entitlement for the 2026 financial year.

Name:	Stephen Kerr
Title:	Chief Financial Officer and Company Secretary
Agreement commenced:	9 June 2015
Term of agreement:	No fixed term
Details:	Annual base salary package for the year ending 30 June 2026 of $315,480 including superannuation, employment is for four days per week during normal working hours on days agreed with the CEO and reasonable additional hours during these days in order to perform responsibilities and duties. Remuneration is to be reviewed annually by the Board, 3-month termination notice by either party, STI performance bonus of up to $100,000 (including statutory superannuation) based on financial and non-financial KPI's, non- disclosure, non-solicitation and non-compete clauses. An amount of $70,552 relating to performance in the 2026 financial year was assessed as a bonus entitlement for the 2026 financial year.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Loan funded shares

The terms and conditions of each issue of loan funded shares which affect the remuneration of key management personnel in this financial year or future reporting years are as follows:

Grant date	Number of shares	Loan expiry date	Issue price	Fair value per loan share at grant date
May 2025	828,750	April 2030	4.0 cents	1.7 cents

No loan funded shares were granted to key management personnel in this financial year.

Participants acquire loan funded shares using a loan provided by the consolidated entity. The loan is interest-free and limited recourse in accordance with the loan terms. The loan shares are restricted securities. The loan terms require the loan to be repaid before a participant can receive any proceeds from the sale of their shares.

Refer Note 25 in the notes to the financial statements, for further details and general terms of the loan funded shares.

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Options

The terms and conditions of each issue of options which affect the remuneration of key management personnel in this financial year or future reporting years are as follows:

Grant date	Number of options	Expiry date	Exercise price	Fair value per loan share at grant date
May 2025	905,250	April 2030	4.0 cents	1.7 cents
December 2025	5,000,000	November 2029	16.0 cents	0.38 cents

3,000,000 of the above options were granted to director, John Thompson in December 2025 and 2,000,000 of the above options were granted to director, Phillip Carter in December 2025. These options vest in accordance with the terms listed in Note 25 of the financial statements.

Shares issued on the exercise of options.

No ordinary shares of Knosys Limited were issued during the year ended 30 June 2026 and up to the date of this report to key management personnel on the exercise of options granted.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company (including loan funded shares) held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Cessation as a director	Purchased on market	Lapsed / Expired	Balance at the end of the year
Ordinary shares					
Phillip Carter	-	-	2,145,000	-	2,145,000
Alan Stockdale	250,000	-	-	-	250,000
Kathrin Mutinelli	700,000	(200,000)	-	(500,000)	-
Neil Wilson	750,000	(250,000)	-	(500,000)	-
John Thompson	2,473,576	-	-	-	2,473,576
Stephen Kerr	2,978,902	-	-	-	2,978,902
	7,152,478	(450,000)	2,145,000	(1,000,000)	7,847,478

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Lapsed / Expired	Balance at the end of the year - vested	Balance at the end of the year - unvested	Balance at the end of the year
Options over ordinary shares						
Phillip Carter	-	2,000,000	-	-	2,000,000	2,000,000
John Thompson	2,940,000	3,000,000	-	2,940,000	3,000,000	5,940,000
Stephen Kerr	1,775,000	-	-	1,132,272	642,728	1,775,000
	4,715,000	5,000,000	-	4,072,272	5,642,728	9,715,000

There were no other transactions with key management personnel and their related parties

This concludes the remuneration report, which has been audited.

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Options

At the date of this report, the unissued ordinary shares of Knosys Limited under option are as follows:

Date of expiry	Option type	Exercise price	Number under options
30 April 2030	unlisted	$0.04	4,285,500
26 November 2029	unlisted	$0.16	5,000,000

Each option carries no rights other than the right, once vested, to subscribe for one fully paid ordinary share at the exercise price.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

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Non-audit services

The Board is responsible for the maintenance of audit independence. Specifically, the Board Charter ensures the independence of the auditor is maintained by:

- limiting the scope and nature of non audit services that may be provided; and
- requiring that permitted non audit services must be pre approved by the Chairman of the Board.

During the year William Buck, the consolidated entity's auditor, has performed certain other services in addition to the audit and review of the financial statements. The Board has considered the non audit services provided during the year by the auditor and in accordance with the advice provided by the Board, is satisfied that the provision of those non audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non audit services were subject to the corporate governance procedures adopted by the consolidated entity and have been reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- The non audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) as they did not involve reviewing or auditing the auditors own work, acting in a management or decision making capacity for the consolidated entity, acting as an advocate for the consolidated entity or jointly sharing risks and rewards.

Details of the amounts paid to the auditor of the consolidated entity, William Buck, for audit and non audit services provided during the year are set out in Note 18.

Auditor's independence declaration

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

Auditor

William Buck Audit (VIC) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the

Corporations Act 2001. On behalf of the directors



Dr Phillip Carter
Director

27 August 2026
Melbourne

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WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Knosys Limited

As lead auditor for the audit of the financial report of Knosys Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Knosys Limited and the entities it controlled during the year.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

Dennis Lee

W. H. D. Lee
Director
Melbourne, 27 August 2026

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Financial Statements

Consolidated

30 June 2026

ABN 96 604 777 862

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General information

The financial statements cover Knosys Limited as a consolidated entity consisting of Knosys Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Knosys Limited's functional and presentation currency.

Knosys Limited is listed on the Australian Securities Exchange (ASX:KNO) and is incorporated and domiciled in Australia.

Registered office and principal place of business

Part Level 8
31 Queen Street
Melbourne VIC 3000

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 on 27 August 2026, in accordance with a resolution of directors. The directors have the power to amend and reissue the financial statements.

Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Notes	Consolidated 2026 $	Consolidated 2025 $
Revenue	3	9,668,604	9,837,057
Research and development tax refund	2	709,435	767,219
Other income		56,689	98,303
Expenses			
Licence fee and support expense		(2,096,406)	(1,870,201)
Payments to suppliers for research and development activities		(266,662)	(67,292)
Employee benefits expense	4	(7,283,178)	(7,318,416)
Depreciation and amortisation expense		(848,996)	(871,507)
Legal and accounting expense		(354,983)	(287,415)
Travel and accommodation expense		(143,291)	(251,267)
Finance costs		(28,417)	(7,531)
Administration and corporate expense		(1,844,385)	(1,550,671)
Profit / (Loss) before income tax		(2,431,589)	(1,521,721)
Income tax expense	5	(26,407)	(31,919)
Profit / (Loss) after income tax expense for the year attributable to owners of Knosys Limited		(2,457,996)	(1,553,640)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss Foreign currency translation		1,266	11,229
Total comprehensive profit/(loss) for the year attributable to owners of Knosys Limited		(2,456,730)	(1,542,411)
Earnings per share attributable to the owners of the parent			**Cents**
Basic earnings per share	27	(1.14)	(0.71)
Diluted earnings per share	27	(1.14)	(0.71)

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

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Statement of financial position
As at 30 June 2026

	Notes	Consolidated 2026 $	Consolidated 2025 $
Assets			
Current assets			
Cash and cash equivalents		4,899,973	2,824,479
Trade receivables	6	221,877	1,696,463
Accrued research and development tax refund receivable	2	682,474	1,317,220
Prepayments & sundry receivables	7	332,625	295,284
Total current assets		6,136,948	6,133,446
Non-current assets			
Intangible assets and goodwill	8	6,053,559	6,750,017
Buildings – Right-of-use asset	9	212,917	77,101
Plant and equipment	10	47,856	62,376
Total non-current assets		6,314,333	6,889,494
Total assets		12,451,281	13,022,940
Liabilities			
Current liabilities			
Trade and other payables	11	808,263	688,588
Provisions	12	837,891	1,001,287
Lease liability	13	131,712	81,072
Contract liabilities	14	5,146,949	5,308,588
Total current liabilities		6,924,815	7,079,535
Non-current liabilities			
Provisions	12	8,776	30,043
Lease liability	13	82,976	-
Contract liabilities	14	1,884,170	-
Total non-current liabilities		1,975,922	30,043
Total liabilities		8,900,737	7,109,578
Net assets		3,550,544	5,913,362
Equity			
Issued capital	15	17,516,521	17,488,521
Share based payments reserve	25	806,279	821,162
Foreign currency translation reserve		(68,003)	(69,269)
Accumulated losses		(14,704,253)	(12,327,052)
Total equity		3,550,544	5,913,362

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

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Statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2024	17,488,521	1,423,161	(11,496,578)	7,415,104
Profit / (Loss) after income tax expense for the year	-	-	(1,553,640)	(1,553,640)
Foreign currency translation	-	11,229	-	11,229
Total comprehensive loss for the year	-	11,229	(1,553,640)	(1,542,411)
Transactions with owners in their capacity as owners:				
Vesting of share based payments (Note 25)	-	40,669	-	40,669
Transfer from share based payments reserve to accumulated losses on expiry of share based remuneration instruments	-	(723,166)	723,166	-
Balance at 30 June 2025	17,488,521	751,893	(12,327,052)	5,913,362

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	17,488,521	751,893	(12,327,052)	5,913,362
Profit / (Loss) after income tax expense for the year	-	-	(2,457,996)	(2,457,996)
Foreign currency translation	-	1,266	-	1,266
Total comprehensive loss for the year	-	1,266	(2,457,996)	(2,456,730)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction Costs (note)	28,000	-	-	28,000
Vesting of share based payments (Note 25)	-	65,912	-	65,912
Transfer from share based payments reserve to accumulated losses on expiry of share based remuneration instruments	-	(80,795)	80,795	-
Balance at 30 June 2026	17,516,521	738,276	(14,704,253)	3,550,544

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

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Statement of cash flows
For the year ended 30 June 2026

	Notes	Consolidated 2026 $	Consolidated 2025 $
Cash flows from operating activities			
Receipts from customers		13,355,819	9,040,236
Payments to suppliers and employees		(12,514,155)	(11,496,964)
Research and development tax refund		1,344,181	1,126,291
Interest received		56,689	98,303
Interest paid		(28,417)	(7,531)
Tax refund received / (paid)		(26,407)	22,081
Net cash (used in) / from operating activities	24	2,187,710	(1,217,584)
Cash flows from investing activities			
Payments for plant and equipment		(18,317)	(29,883)
Net cash (used in) / from investing activities		(18,317)	(29,883)
Cash flows from financing activities			
Repayment of loan on loan funded shares		28,000	-
Repayment of lease liability		(121,900)	(113,305)
Net cash (used in) financing activities		(93,900)	(113,305)
Net increase (decrease) in cash and cash equivalents		**2,075,493**	**(1,360,772)**
Cash and cash equivalents at the beginning of the financial year		2,824,479	4,185,251
Cash and cash equivalents at the end of the financial year		**4,899,973**	**2,824,479**

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

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Notes to the financial statements 30 June 2026

Note 1. Material accounting policy information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The amendment to AASB 101 'Presentation of Financial Statements' requires the consolidated entity to disclose material accounting policy information rather than significant accounting policies. Accounting policy information is material if, when considered together with other information included in the consolidated entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make based on the financial statements.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

The consolidated entity has assessed that these new or amended Accounting Standards and Interpretations will not have any material effect on the financial statements of the company for this reporting period.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2.

Legal Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the legal parent entity is disclosed in Note 21.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Knosys Limited's presentation currency. The consolidated entity operates in functional currencies relative to the specific geographical location of the entity within the consolidated entity.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or

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service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Any amounts billed in-advance of the fulfilment of the aforesaid performance obligations are deferred on the statement of financial position as a contract liability, or where billed in-arrears, as a contract asset.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

The consolidated entity earns revenues from its software services. Of these, a portion relates to licensing and support of its software, which is performed over a period of time and for which revenue is recognised over a period of time due to the customer only having a right of access over the software throughout the contract period. For software implementation services provided to the customer, which is specified in the customer contract, revenue is recognised over time as that implementation is performed and the customer can directly benefit from that implemented service without ongoing support or licensing provided by the consolidated entity.

Research and development tax refund income

Research and development tax refund income is measured on an accruals basis when the refund can be reliably determined.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Refer to Note 26 segment note for a disaggregation of revenue per geographical location.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less accumulated impairment losses. Finite life intangible assets are subsequently measured at cost less accumulated amortisation and impairment losses. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are expensed as they have not satisfied the requirement for capitalisation under AASB 138 - Intangible assets.

Impairment of non-financial assets

At each reporting date, the consolidated entity's Directors review the carrying values of the consolidated entity's tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less cost to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the statement of profit or loss and other comprehensive income.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

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Employee benefits

Share-based payments

Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Black-Scholes option pricing model, the Binomial Option Valuation model or the Hoadley Barrier option valuation model, each of which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Contract liabilities

Revenue billed in advance represents contract liabilities that the consolidated entity is obliged to transfer services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations have recently been issued or amended and have not been adopted by the consolidated entity for the annual reporting period ended 30 June 2026. These are not listed in this report because the consolidated entity has assessed that these new or amended Accounting Standards and Interpretations will not have a material effect on the financial statements of the company for the reporting period commencing 1 July 2025.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The following key judgements are relevant to these financial statements:

Estimation of accrued research and development tax refund

As at 30 June 2025 the consolidated entity had accrued $1,317,220 in accrued research and development (R&D) tax refund credits in-respect of the 2024 tax return ($617,220) and the 2025 tax return ($700,000) . The directors of the consolidated entity engaged an industry experts to prepare and lodge the R&D applications and the tax returns for these years.

An amount of $625,757 was received in August 2025 in accordance with the June 2024 tax return and R&D claim. The total amount was made up of R&D receivable of $617,220 and interest of $8,537. An amount of $729,873 was received in May

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2026 in accordance with the June 2025 tax return and R&D claim. The total amount was made up of R&D receivable of $726,961 and interest of $2,912.

Based upon the methodology adopted by the industry expert, the consolidated entity has accrued a research and development tax refund receivable of $682,474 for the June 2026 financial year. Key matters considered by the directors in calculating this accrual included the following:

- The historical success of lodging and receipting such claims;
- The quantum of eligible research and development spend made during the period; and
- A consideration of any potential change in the assessment of eligibility criteria as gazetted by the Federal government.

Over past years, the consolidated entity has successfully claimed for and receipted cash from the Australian Taxation Office (ATO) in respect of credits for its R&D program. Under the R&D Tax Incentive program, the ATO has the right, extending back 4 tax years, to investigate audit and potentially clawback these claims if they fail to meet the necessary criteria as established under the R&D credit claim legislation and regulations. It is the directors' view that there is no probable likelihood that any potential action may take place, based upon the following reasons:

- The consolidated entity engages a third party industry expert each year to advise on R&D processes and eligible R&D expenditure and to prepare and lodge the R&D claim;
- Upon submission of the R&D claim, the ATO and AusIndustry conduct an overall desktop review of the claim;
- The industry environment in which the entity deals in is known for its R&D activities which have historically been supported through R&D claims; and
- The consolidated entity has a track record, extending to its most recent claim, of not being challenged on its R&D claims by the ATO or AusIndustry.

Share based payments

As stated in Note 1, the consolidated entity has issued options and loans shares to directors, executives and staff as part of their remuneration arrangements and has issued options and shares to third parties in consideration for consultancy services received. Management judgements and estimates are required in determining the cost of these equity-settled transactions which have been measured by taking into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Determination of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent and future sales experience and historical collection rates.

Note 3. Revenue

	Consolidated	
	2026 $	2025 $
Revenue		
Licence and support fees	9,458,017	9,587,929
Rendering of services	210,587	249,128
	9,668,604	9,837,057

Refer Note 26 for segment information.

Note 4. Expenses

	Consolidated	
	2026 $	2025 $
Loss before income tax includes the following specific expenses:		
Employee benefits expense		
Superannuation expense - Accumulation fund	592,551	599,147
Share based payments expense	65,912	40,669
	658,463	639,816

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Note 5. Income tax expense

	Consolidated 2026 $	Consolidated 2025 $
Income tax expense		
Current Tax benefit expense/(benefit)	(106,463)	88,700
Deferred tax - origination and reversal of temporary differences	30,551	(13,759)
Deferred tax assets not recognised	102,319	(43,022)
Aggregate income tax expense	26,407	31,919
Unrecognised deferred tax assets		
Unused tax losses for which no deferred tax asset has been recognised	217,387	956,938
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit/(Loss) before income tax expense	(2,431,589)	(1,521,721)
Tax at the statutory tax rate of 25%	(607,897)	(380,430)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	9,273	9,731
Research and development costs	392,226	402,299
Share based payments expense	16,478	10,167
Sundry items	(177,359)	193,059
Non-assessable R&D refund	264,959	(191,059)
	(102,319)	43,022
Effect of deferred tax assets not recognised	102,319	(43,022)
Income tax paid in foreign jurisdiction	26,407	31,919
Income tax expense	26,407	31,919

Note 6. Current assets - trade receivables

	Consolidated 2026 $	Consolidated 2025 $
Trade receivables	221,877	1,696,463

The aging analysis of trade receivables is as follows:

			Past due but not impaired			
	Total $	Neither past due nor impaired $	< 30 days $	30-60 days $	61-90 days $	90+ days $
2026	221,877	221,877	-	-	-	-
2025	1,696,463	1,696,505	-	-	7,128	(7,170)

As at 30 June 2026 no trade receivables were impaired (2025: Nil)

Refer Note 2 - Allowance for expected credit losses, which explains how the consolidated entity make judgements, estimates and assumptions for trade receivables.

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Note 7. Prepayments and other receivables

	Consolidated	
	2026 $	2025 $
Prepayments	312,196	274,398
Other receivables	20,429	20,886
	332,625	295,284

Note 8. Intangible assets

Reconciliations of the carrying values of each class of intangible assets at the beginning and end of the current financial period, for the consolidated entity, are as follows:

	Goodwill $	Customer contracts $	Marketing assets $	Consolidated Total $
Carrying value at 1st July 2025	3,303,215	3,286,364	160,438	6,750,017
Amortisation	-	(552,997)	(143,461)	(696,458)
Carrying value at 30 June 2026	3,303,215	2,733,367	16,977	6,053,559
Cost as at 30 June 2026	3,303,215	5,533,000	790,000	9,626,215
Accumulated amortisation at 30 June 2026	-	(2,799,633)	(773,023)	(3,572,656)
Carrying value at 30 June 2026	3,303,215	2,733,367	16,977	6,053,559

The Customer Contracts and Marketing Assets are identifiable intangible assets and are subject to amortisation, at annual rates of 10% and 20% respectively, as determined by the company, with effect from acquisition date.

Impairment of intangibles

All intangible assets are assessed at each reporting period for indicators of impairment. The consolidated entity operates as a single operating segment and cash generating unit being a developer and licensor of computer software. Intangible assets with an indefinite useful life are assessed for impairment under this cash generating unit.

The recoverable amount of the cash-generating unit is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections for the next five years and the terminal value. The cash flows are discounted using estimated discount rate based on Capital Asset Pricing Model adjusted to incorporate risks associated with the software development sector.

Management has based the value-in-use calculations on five-year budget forecasts of the software developer and licencing business. Revenue has been projected on the below mentioned assumptions. Costs are calculated taking into account historical gross margins as well as estimated weighted inflation rates over the period which is consistent with inflation rates applicable to the locations in which the unit operates. Discount rates are pre-tax and reflect risks associated with the software development business.

The following assumptions were used in the value-in-use-calculations:

a. Revenue growth for year 1 is based on the Board approved budget of the consolidated entity. An average revenue growth rate of 4% per annum, which excludes the potential benefits from the enhanced Libero software development project, has been estimated for years 2 to 5 of the model (2025:5%). This is considered to be a conservative estimate of the future growth of the business.

b. Employment costs for years 1 to 5 are assumed to grow annually at the rate of inflation.

c. Projected cash flows have been discounted using a pre- tax discount rate of 13.97% (2025: 13.02%). The consolidated entity is debt free and is therefore not subject to borrowing costs and the beta used is based on market available data.

d. An annual growth rate of 2.5% (2025: 2.5%) has been estimated in the calculation of terminal value being in line with comparable market companies.

Based on the above assumptions, the recoverable amount of the cash generating unit has been determined to exceed its carrying amount as at 30 June 2026 and accordingly, no impairment loss has been recognised.

Sensitivity to changes in assumptions

The impairment model is most sensitive to the following assumptions:

- Revenue growth assumptions;
- Employment costs; and
- Discount rate.

No reasonable possible change in assumptions would result in an impairment charge being recognised.

Note 9. Right of use asset

Reconciliation of the carrying values of the Right of Use Asset at the beginning and end of the current and previous financial years, for the consolidated entity, is as follows:

	$
Carrying value at 30 June 2024	192,769
Additions	-
Depreciation	(115,668)
Carrying value at 30 June 2025	77,101
Cost as at 30 June 2025	772,670
Accumulated depreciation at 30 June 2025	(695,569)
Carrying value at 30 June 2025	77,101
Additions	255,516
Depreciation	(119,700)
Carrying value at 30 June 2026	212,917
Cost as at 30 June 2026	1,028,186
Accumulated depreciation at 30 June 2026	(815,269)
Carrying value at 30 June 2026	212,917

The consolidated entity leases its Melbourne based head office under an agreement of four years duration, with two further extensions, each of two years, on the current lease. The lease has an annual 4% escalation clause. For the reporting period, the consolidated entity paid $126,579 in lease payments and incurred $119,700 in depreciation expense related to the right of use asset and $4,684 on interest expense on lease liability. The consolidated entity leased two serviced offices under specific agreements. These agreements had short-term month to month lease arrangements and are of low-value, so have been expensed as incurred and not capitalised as right-of- use assets and are not considered material to the consolidated entity.

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Note 10. Plant and equipment

Reconciliations of the carrying values of each class of property, plant and equipment at the beginning and end of the current and previous financial years, for the consolidated entity, are as follows:

	Furniture & fittings $	Office equipment $	Consolidated Total $
Carrying value at 30 June 2024	-	77,420	77,420
Additions	12,562	17,324	29,886
Depreciation	(6,168)	(38,761)	(44,929)
Carrying value at 30 June 2025	6,394	55,983	62,377
Cost as at 30 June 2025	227,309	339,541	566,850
Accumulated depreciation at 30 June 2025	(220,915)	(283,558)	(504,473)
Carrying value at 30 June 2025	6,394	55,983	62,377
Additions	-	18,317	18,317
Depreciation	(5,297)	(27,541)	(32,838)
Carrying value at 30 June 2026	1,097	46,759	47,856
Cost as at 30 June 2026	227,309	357,858	585,167
Accumulated depreciation at 30 June 2026	(226,212)	(311,099)	(537,311)
Carrying value at 30 June 2026	1,097	46,759	47,856

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Note 11. Current liabilities - trade and other payables

	Consolidated	
	2026 $	2025 $
Trade payables	141,648	199,662
Other payables	666,615	488,926
	808,263	688,588

The table below summarises the maturity profile of the consolidated entities current trade and other payables.

	Total $	On demand $	< 3 months $	3 to 12 months $
2026	808,263	-	808,263	-
2025	688,588	-	688,588	-

Refer Note 1 - Trade and other payables, which explains how the consolidated entity manages and accounts for trade and other payables.

Note 12. Provisions

	Consolidated	
	2026 $	2025 $
Provision for employee benefits - current		
Provision for employee benefits – current	837,891	1,001,287
Provision for employee benefits – non-current		
Provision for employee benefits – non-current	8,776	30,043

Note 13. Lease liabilities

	Consolidated	
	2026 $	2025 $
Lease Liability - current		
Lease liability – current	131,712	81,072
Lease Liability – non-current		
Lease liability – non-current	82,976	-

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Note 14. Contract liabilities

	Consolidated	
	2026 $	2025 $
Contract liabilities - current	5,146,949	5,308,588
Contract liabilities- non-current	1,884,170	-
Total	7,031,119	5,308,588
Reconciliation of the values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	5,308,588	5,056,975
Transfer to revenue – performance obligations satisfied	(5,308,588)	(5,056,975)
Amounts billed in advance during the year, where the performance obligations were and will be satisfied over the FY26, FY27 and FY28 years	11,180,548	9,764,438
Transfer to revenue – performance obligations satisfied	(4,149,429)	(4,455,850)
	7,031,119	5,308,588

Note 15. Equity - issued capital

	Consolidated	
	2026 $	2025 $
Ordinary shares - fully paid	17,516,521	17,488,521

Movements in ordinary share capital

Details	No. of shares Legal Parent 2026	No. of shares Legal Parent 2025
Legal parent		
Balance at start of year	216,138,698	216,138,698
Balance at end of year	216,138,698	216,138,698

Details	2026 $	2025 $
Consolidated entity		
As at start of the financial year	17,488,521	17,488,521
Repayment of loan on loan funded shares	28,000	-
Balance as at end of the financial year	17,516,521	17,488,521

Ordinary shares

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

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

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Movements in options on issue

Details	No. of options Legal Parent 2026	No. of options Legal Parent 2025
Legal parent		
Balance at start of year	9,800,000	10,215,000
Options issued during the year	5,000,000	4,710,500
Options lapsed/expired during the year	(425,000)	(5,125,500)
Balance at end of year	14,375,000	9,800,000

All options are unlisted and are subject to a range of vesting conditions. Refer Note 25.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

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Note 16. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to two financial risks: credit risk and liquidity risk. The consolidated entity's overall risk management program, which is managed at Board level, focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include ageing analysis for credit risk and cash flow forecasting for liquidity risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits.

The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable. All amounts payable are within agreed terms. All third party payment terms are less than 60 days (2024: less than 60 days).

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities. All liabilities are to be settled within 12 months except for lease liabilities which are to be settled as per the following categories:

	Consolidated	
	2026 $	2025 $
Lease liabilities		
Payable at the reporting date:		
Within 6 months	63,881	55,120
6 to 12 months	67,831	25,952
1 to 5 years	82,976	-
	214,688	81,072

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. The consolidated entity monitors the materiality of foreign exchange transactions and balances and manages any material exposures to foreign exchange rate fluctuations. At balance date there were no material foreign currency risks.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reasonably approximate their fair value.

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Note 17. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and key management personnel of the consolidated entity is set out below:

	Consolidated	
	2026 $	2025 $
Short-term employee benefits	997,126	988,315
Share based payments	17,558	6,253
Post-employment benefits	69,695	76,241
Long-term benefits	14,984	16,675
	1,099,363	1,087,484

Note 18. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (VIC) Pty Ltd ("William Buck"), the auditor of the company, its network firms and unrelated firms:

	Consolidated	
	2026 $	2025 $
Assurance services – William Buck		
Audit or review of the financial statements	72,073	64,360
Other services – William Buck		
Taxation advice	43,015	14,200

Note 19. Contingent liabilities

The consolidated entity has no material contingent liabilities at reporting date.

Note 20. Related party transactions

Legal parent entity

Knosys Limited is the legal parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 22.

Key management personnel

Disclosures relating to key management personnel are set out in Note 17 and the remuneration report in the directors' report.

Note 21. Legal parent entity information

Set out below is the supplementary information about the legal parent entity.

Statement of profit or loss and other comprehensive income

	Legal Parent	
	2026 $	2025 $
Profit (Loss) after income tax	4,990,888	307,758
Total comprehensive profit (loss)	4,990,888	307,758

Statement of financial position

	Legal Parent	
	2026 $	2025 $
Total current assets	4,407,907	2,431,883
Total assets	24,072,331	19,855,253
Total current liabilities	48,489	72,265
Total liabilities	48,489	72,265
Equity		
Issued capital	24,651,643	24,623,643
Reserves	805,373	1,534,328
Accumulated losses	(1,433,174)	(6,374,983)
Total equity	24,023,842	19,782,988

Contingent liabilities

The legal parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment

The legal parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Material accounting policy information

The accounting policies of the legal parent entity are consistent with those of the consolidated entity, as disclosed in Note 1. The consolidated entity does not designate any interests in subsidiaries as being subject to the requirements of accounting standards specifically applicable to financial statements.

Note 22. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of Knosys Limited and the following wholly-owned subsidiaries in accordance with the accounting policy described in Note 1:

Name	Principal place of business /Country of incorporation	2026 %	2025 %
Knosys Solutions Pty Ltd Principal activities – Operating company for the Knosys knowledge management business, providing operational infrastructure, employees, sales resources, Knosys Platform research, development and customer support.	Australia	100%	100%
Knosys Products Pty Ltd Principal activity – Holder of the Knosys Platform intellectual property.	Australia	100%	100%
Greenorbit Pty Ltd Principal activity - Australian operating company of the GreenOrbit business, providing operational infrastructure, employees, sales resources, research, development and customer support	Australia	100%	100%
Knosys US Inc. (formerly Greenorbit Inc.) Principal activity - Provider of sales and marketing resources to sell and support the GreenOrbit intranet software in USA	United States	100%	100%
Greenorbit Software Limited Principal activity - Provider of sales and marketing resources to sell and support the GreenOrbit intranet software in UK	United Kingdom	100%	100%
Greenorbit Software Pvt Ltd Principal activity - Non-operating subsidiary company	India	100%	100%
Libero Systems Pty Ltd Principal activity - Operating company and provider of the Libero library management software system	Australia	100%	100%
Libero IS GmbH Principal activity - Provider of sales resources for the Libero business and customer support to Libero customers	Germany	100%	100%

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Note 23. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 24. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2026 $	2025 $
(Loss)/profit after income tax expense for the year	(2,457,996)	(1,553,640)
Adjustments for:		
Depreciation and amortisation	848,996	871,507
Share based payments expense	65,912	40,669
Change in operating assets and liabilities:		
Decrease/(increase) in trade receivables	1,474,585	(1,283,434)
Increase /(decrease) in revenue billed in advance	1,722,531	251,613
(Increase/decrease) in accrued research and development tax refund receivable	634,746	359,072
(Increase)/decrease in prepayments and other debtors	(37,341)	(36,602)
Increase / (decrease) in trade and other payables	119,675	(61,679)
(Decrease) in foreign currency translation reserves	1,266	11,229
Increase in provision for employee benefits	(184,664)	183,681
Net cash used in operating activities	2,187,710	(1,217,584)

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Note 25. Share-based payments

Loan funded share plan and loan funded shares

A loan funded share plan (LFSP) has been established by the consolidated entity, whereby the consolidated entity may, at the discretion of the Board, issue loan funded fully paid ordinary shares in the company to personnel of the consolidated entity. Participants acquire loan funded shares using a loan provided by the consolidated entity. The loan is interest-free and limited recourse in accordance with the loan terms and the LFSP rules. The LFSP rules require the loan to be repaid before a participant can receive any proceeds from the sale of their shares. The Board has the discretion to impose such vesting conditions in relation to the loan funded shares as it deems appropriate. These may include conditions relating to continued employment or service, performance (of the participant, the consolidated entity or the share price) and the occurrence of specific events. The consolidated entity has also issued loan funded fully paid ordinary shares in the company to directors and executives on the same terms as the LFSP. The issuing of these loan funded shares gives rise to an ongoing employment benefit expense each financial period and this is accounted for in accordance with the accounting policy on employee benefits, as detailed in Note 1. The expense is included in the share-based payment expense amount listed in Note 4.

As at 30 June 2026 the following loan funded shares had been granted:

Grant date	Issue date	Loan expiry date	Issue price	Balance at 30 June 2025 Number	Issued during the period Number	Loan repaid during the period Number	Lapsed / Expired during the period Number	Balance at 30 June 2026 Number	Vested at end of the period Number	Share-based payments expense for 2026 $
28/11/2017	19/2/2018	18/2/2028	$0.060	1,200,000	-	-	-	1,200,000	1,200,000	-
30/1/2018	19/2/2018	18/2/2028	$0.100	1,600,000	-	-	-	1,600,000	1,600,000	-
26/11/2018	24/12/2018	26/11/2028	$0.080	250,000	-	-	-	250,000	250,000	-
24/12/2018	24/12/2018	24/12/2028	$0.080	550,000	-	-	-	550,000	550,000	-
27/11/2019	29/11/2019	29/11/2024	$0.101	150,000	-	-	(150,000)	-	-	-
27/1/2021	15/2/2021	14/2/2026	$0.175	1,000,000	-	-	(1,000,000)	-	-	-
4/6/2021	29/6/2021	28/6/2026	$0.175	375,000	-	-	-	375,000	375,000	-
5/10/2021	14/10/2021	13/10/2026	$0.150	1,592,500	-	-	-	1,592,500	1,592,500	-
4/10/2023	4/10/2023	31/10/2028	$0.050	900,000	-	-	(100,000)	900,000	900,000	-
30/5/2025	30/5/2025	2/6/2030	$0.040	3,357,500	-	-	(350,000)	3,007,500	1,033,175	25,808
Total				10,975,000	-	-	(1,400,000)	9,575,000	7,617,500	25,808
Weighted average issue price				$0.088				$0.081	$0.092	
Weighted average remaining contractual life (years)								2.20		

The 1,400,000 loan shares that lapsed during the year were sold on market, with proceeds being applied against the limited recourse loan provided under the terms of the LFSP.

There were no loan shares granted during the period.

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As at 30 June 2025 the following loan funded shares had been granted:

Grant date	Issue date	Loan expiry date	Issue price	Balance at 30 June 2024 Number	Issued during the period Number	Sold during the period Number	Lapsed / Expired during the period Number	Balance at 30 June 2025 Number	Vested at end of the period Number	Share-based payments expense for 2025 $
28/11/2017	19/02/2018	18/02/2028	$0.06	1,200,000	-	-	-	1,200,000	1,200,000	-
30/01/2018	19/02/2018	18/02/2028	$0.10	1,600,000	-	-	-	1,600,000	1,600,000	-
26/11/2018	24/12/2018	26/11/2023	$0.08	250,000	-	-	-	250,000	250,000	-
24/12/2018	24/12/2018	24/12/2023	$0.08	550,000	-	-	-	550,000	550,000	-
27/11/2019	29/11/2019	29/11/2024	$0.101	1,750,000	-	-	(1,600,000)	150,000	150,000	-
27/01/2021	15/02/2021	14/02/2026	$0.175	1,000,000	-	-	-	1,000,000	1,000,000	-
4/6/2021	29/6/2021	28/6/2026	$0.175	375,000	-	-	-	375,000	375,000	-
5/10/2021	14/10/2021	13/10/2026	$0.150	3,250,000	-	-	(1,657,500)	1,592,500	1,592,500	71
4/10/2023	4/10/2023	31/10/2028	$0.050	1,000,000	-	-	(100,000)	900,000	900,000	4,021
30/5/2025	30/5/2025	2/6/2030	$0.040	-	3,357,500	-	-	3,357,500	-	14,950
Total				10,975,000	3,357,500	-	(3,357,500)	10,975,000	7,617,500	19,042
Weighted average issue price				$0.114				$0.088	$0.110	
Weighted average remaining contractual life (years)								4.29		

Loan Shares granted to executives and employees

During the 2025 financial year 3,357,500 loan shares were granted to employees pursuant to the Knosys Loan Funded Share Plan. The loan shares were valued by an independent expert as of issue date and were issued subject to certain common vesting conditions applicable to senior employees, including market based vesting conditions, service based vesting conditions and individual KPI based vesting conditions for each employee. Details are as follows:

Tranche	Number of Loan Shares	Service based vesting date	Fair value per share at issue date	Total fair value at issue date
Tranche 1	397,800	to vest if/when 20 day VWAP>5c before 1 July 2028	$0.019	$7,558
Tranche 2	149,175	to vest if/when 20 day VWAP>6c before 1 July 2028	$0.018	$2,685
Tranche 3	149,175	to vest if/when 20 day VWAP>7c before 1 July 2028	$0.018	$2,685
Tranche 4	149,175	to vest if/when 20 day VWAP>8c before 1 July 2028	$0.017	$2,536
Tranche 5	867,425	to vest on 1 July 2025	$0.015	$13,011
Tranche 6	165,750	to vest on 1 July 2026	$0.016	$2,652
Tranche 7	718,250	to vest on 1 July 2026	$0.017	$12,210
Tranche 8	165,750	to vest on 1 July 2027	$0.017	$2,818
Tranche 9	595,000	to vest on 1 July 2027	$0.018	$10,710
Total	3,357,500			

The valuation undertaken by the independent valuer was based on the Cox-Ross-Rubenstein Binomial Model ("Binomial Model"), The inputs used in the model, in addition to the service based vesting dates in the table above, were as follows:

Grant date	Loan expiry date	Share price at grant date	Issue price	Marketability discount	Expected volatility	Dividend yield	Risk-free interest rate
30/05/2025	02/06/2030	$0.035	$0.04	0.00%	75%	0.00%	3.21% - 3.41%

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Options issued to Directors, executives and employees

Employee Incentive Plan – Options

The Knosys Limited Employee Incentive Plan (EIP) has been established by the consolidated entity, whereby the consolidated entity may, at the discretion of the Board, grant options over ordinary shares in the company to personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with time based and/or performance targets established by the Board. The consolidated entity has also issued options in the company to a director on the same terms as options issued under the EIP. The granting of these options gives rise to an ongoing employment benefit expense each financial period and this is accounted for in accordance with the accounting policy on employee benefits, as detailed in Note 1. The expense is included in the share-based payment expense amount listed in Note 4.

As at 30 June 2026 the following options had been granted:

Option grant date	Option expiry date	Exercise price	Balance at 30 June 2025 Number	Issued during the period Number	Exercised during the period Number	Lapsed / Expired during the period Number	Balance at 30 June 2026 Number	Vested and exercisable at end of the period Number	Share-based payments expenses for 2026 $
30/05/2025	30/04/2030	$0.04	4,710,500	-	-	(425,000)	4,285,500	1,422,545	34,873
26/11/2025	26/11/2029	$0.16	-	5,000,000	-	-	5,000,000	-	5,231
08/12/2021	01/07/2026	$0.15	5,089,500	-	-	-	5,089,500	5,089,500	-
Total			9,800,000	5,000,000	-	(425,000)	14,375,000	6,512,045	40,104
Weighted average exercise price			$0.10				$0.12	$0.13	
Weighted average remaining contract life (years)							2.33		

Options granted to directors

During the period 5,000,000 options were granted to directors John Thompson and Phillip Carter as approved by shareholders at general meeting. The options have been valued by an independent expert as of issue date and have been issued subject to certain vesting conditions. Details are as follows:

Options granted to John Thompson:

Tranche	Number of Options	Vesting date	Fair value per option at issue date	Total fair value at issue date
Tranche 1	1,500,000	to vest if/when 30 day VWAP>7c before 26 Nov 2029	$0.0038	$5,700
Tranche 2	750,000	to vest if/when 30 day VWAP>11c before 26 Nov 2029	$0.0038	$2,850
Tranche 3	750,000	to vest if/when 30 day VWAP>16c before 26 Nov 2029	$0.0038	$2,850
Total	3,000,000			

Options granted to Phillip Carter:

Tranche	Number of Options	Vesting date	Fair value per option at issue date	Total fair value at issue date
Tranche 1	666,666	to vest on 13 October 2026	$0.0038	$2,534
Tranche 2	666,667	to vest on 13 October 2027	$0.0038	$2,533
Tranche 3	666,667	to vest on 13 October 2028	$0.0038	$2,533
Total	2,000,000			

The valuation undertaken by the independent valuer was based on the Cox-Ross-Rubenstein Binomial Model ("Binomial Model"), The inputs used in the model, in addition to the vesting conditions and dates in the table above, were as follows:

Grant date	Option expiry date	Share price at grant date	Exercise price	Expected life (years)	Annual volatility	Dividend yield	Risk-free Interest rate
26/11/2025	26/11/2029	$0.025	$0.16	4	70%	0.00%	3.95%

The Options are not transferrable or tradeable. The Options will not automatically convert to Shares upon satisfaction of the above vesting criteria, but rather the holder of the Options must complete a notice of exercise to convert the Options to Shares, deliver this notice to the Company and pay the requisite exercise price for each Option exercised.

As at 30 June 2025 the following options had been granted:

Option grant date	Option expiry date	Exercise price	Balance at 30 June 2024 Number	Issued during the period Number	Exercised during the period Number	Lapsed / Expired during the period Number	Balance at 30 June 2025 Number	Vested and exercisable at end of the period Number	Share-based payments expenses for 2025 $
30/05/2025	30/04/2030	$0.04	0	4,710,500	-	-	4,710,500	-	21,357
08/12/2021	01/07/2026	$0.15	10,215,000	-	-	(5,125,500)	5,089,500	5,089,500	270
Total			10,215,000	4,710,500	-	(5,125,500)	9,800,000	5,089,500	21,627
Weighted average remaining contract life (years)							2.9		

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During the financial year ended 30 June 2025 4,710,500 options were granted to employees pursuant to the EIP. The options were valued by an independent expert as of issue date and were issued subject to certain common vesting conditions applicable to senior employees, including market based vesting conditions, service based vesting conditions and individual KPI based vesting conditions for each employee. Details are as follows:

Tranche	Number of Options	Vesting date	Fair value per option at issue date	Total fair value at issue date
Tranche 1	434,520	to vest if/when 20 day VWAP>5c before 1 July 2028	$0.019	$8,256
Tranche 2	162,945	to vest if/when 20 day VWAP>6c before 1 July 2028	$0.018	$2,933
Tranche 3	162,945	to vest if/when 20 day VWAP>7c before 1 July 2028	$0.018	$2,933
Tranche 4	162,945	to vest if/when 20 day VWAP>8c before 1 July 2028	$0.017	$2,770
Tranche 5	1,241,495	to vest on 1 July 2025	$0.015	$18,622
Tranche 6	181,050	to vest on 1 July 2026	$0.016	$2,897
Tranche 7	1,148,550	to vest on 1 July 2026	$0.017	$19,525
Tranche 8	181,050	to vest on 1 July 2027	$0.017	$3,078
Tranche 9	985,000	to vest on 1 July 2027	$0.018	$17,730
Tranche 10	50,000	to vest on 1 July 2028	$0.019	$950
Total	4,710,500			

The valuation undertaken by the independent valuer was based on the Cox-Ross-Rubenstein Binomial Model ("Binomial Model"), The inputs used in the model, in addition to the service based vesting dates in the table above, were as follows:

Grant date	Option expiry date	Share price at grant date	Exercise price	Expected life (years)	Annual volatility	Dividend yield	Risk-free Interest rate
30/5/2025	30/4/2030	$0.035	$0.04	0.00%	75%	0.00%	3.21% - 3.41%

The Options are not transferrable or tradeable. The Options will not automatically convert to Shares upon satisfaction of the above vesting criteria, but rather the holder of the Options must complete a notice of exercise to convert the Options to Shares, deliver this notice to the Company and pay the requisite exercise price for each Option exercised.

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Note 26. Segment information

Identification of reportable operating segments

The consolidated entity has one operating segment, being a developer and licensor of computer software, however it operates across multiple geographical regions. The 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.

Geographical information

	Sales to external customers		Geographical non-current assets	
	June 2026 $	June 2025 $	June 2026 $	June 2025 $
Australia	5,850,040	5,655,523	6,314,333	6,889,494
United States	1,373,194	1,748,688	-	-
New Zealand	941,535	896,850	-	-
Europe	889,618	911,960	-	-
Asia	446,388	431,837	-	-
Rest of World	167,829	192,199	-	-
	9,668,604	9,837,057	6,314,333	6,889,494

Concentration of key customers

The concentration of customers for the 2026 year was as follows:

- A major customer in Australia and New Zealand in the finance sector represented $2,005,107 or 20.7% of operating revenue
- A major customer in Australia in the telecommunications sector represented $1,246,581 or 12.9% of operating revenue

The concentration of customers for the 2025 year was as follows:

- A major customer in Australia and New Zealand in the finance sector represented $1,793,306 or 18.2% of operating revenue
- A major customer in Australia in the telecommunications sector represented $1,123,105 or 11.4% of operating revenue

Note 27. Earnings per share

	Consolidated	
	2026 $	2025 $
Loss after income tax attributable to the owners the parent	(2,457,996)	(1,553,640)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	216,138,698	216,138,698
	Cents	Cents
Basic profit/(loss) per share	(1.14)	(0.71)
Diluted profit/(loss) per share	(1.14)	(0.71)

The 14,375,000 options on issue at 30 June 2026 could potentially dilute basic earnings per share in the future, but are not included in the calculation of FY26 diluted loss per share because they are anti-dilutive for that period. Also, 9,800,000 options on issue at 30 June 2025 are not included in the diluted loss per share calculation, for the same reason.

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Consolidated Entity Disclosure Statement as at 30 June 2026

		Body corporates		Tax residency	
Entity name	**Entity type**	**Place formed or incorporated**	**% of share capital held**	**Australian or foreign**	**Foreign jurisdiction**
Knosys Limited	Body corporate	Australia	n/a	Australia	n/a
Knosys Solutions Pty Ltd	Body corporate	Australia	100%	Australia	n/a
Knosys Products Pty Ltd	Body corporate	Australia	100%	Australia	n/a
GreenOrbit Pty Ltd	Body corporate	Australia	100%	Australia	n/a
Knosys US Inc. (formerly Greenorbit Inc.)	Body corporate	United States	100%	Foreign	United States
GreenOrbit Software Ltd	Body corporate	United Kingdom	100%	Foreign	United Kingdom
GreenOrbit Software Pvt Ltd	Body corporate	India	100%	Foreign	India
Libero Systems Pty Ltd	Body corporate	Australia	100%	Australia	n/a
Libero IS GmbH	Body corporate	Germany	100%	Foreign	Germany

Basis of preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the consolidated entity, partners in a partnership within the consolidated entity or participants in a joint venture within the consolidated entity.

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Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Dr Phillip Carter
Director

27 August 2026
Melbourne

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Independent Auditor's Report

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William Buck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the members of Knosys Limited

Report on the audit of the financial report

Opinion

In our opinion, the accompanying financial report of Knosys Limited (the Company) and its subsidiaries (the Group), is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as 30 June 2026 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2026,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

WilliamBuck
ACCOUNTANTS & ADVISORS

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

	Area of focus (refer also to notes 1, 3 & 14)	How our audit addressed the key audit matter
Recognition of revenue under service contracts	The Group has service contracts with its customers. These service contracts have invoicing, and payment milestones included within their terms, which may or may not be directly aligned with the performance of services under the contract in accordance with *AASB 15 Revenue from Contracts with Customers* ('AASB 15'). In order to accrue revenue appropriately in the correct accounting period, management has developed a model to recognise revenue when the performance obligation is satisfied in each contract. This includes identifying the specific performance obligations within each customer agreement on commencement. There is judgement in determining the period to which the revenue should be attributed. In applying its revenue model management has considered: — When the performance obligation is identified and satisfied in respect to each component of each contract; and — The potential for any post-contract servicing work to be performed at the conclusion of the contract and whether an additional performance obligation exists. This area was considered a Key Audit Matter due to judgements involved and the significance of the revenue amount.	Our audit procedures included: — Examining management's revenue recognition model to assess if in compliance with AASB 15*;* — Examining and verifying a sample of customer contracts for the achievement of performance milestones relevant to key customer contracts; — Examining a sample of customer contracts to support the existence and completeness of revenue recognised in the period by agreeing to contract, invoices and subsequent receipts from their customers; and — Performing detailed cut-off testing to assess if revenue transactions at the year-end had been recorded in the correct financial period. We also assessed the appropriateness of financial statement disclosures at notes 1, 3 and 14 with respect to the requirements of AASB 15.

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ACCOUNTANTS & ADVISORS

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	Area of focus (refer also to notes 1 & 8)	How our audit addressed the key audit matter
Impairment of non-current assets including goodwill and intangible assets	As disclosed in Note 8, the carrying value of the Group's goodwill and intangible assets was $6.05 million. This amount is reflective of the acquisitions of the GreenOrbit Group and Libero Group completed in prior financial periods. As required by Australian Accounting Standards, the Group assesses at the end of each reporting period whether there is any indication that its non-current assets may be impaired. In addition, goodwill and indefinite life intangibles are tested for impairment at least annually. The Group continues to operate as a single Cash Generating Unit ("CGU") being a developer and licensor of computer software. Management has assessed that the activities of the acquired groups operate within this core activity segment. The recoverable amount of the CGU has been calculated based on a value-in-use discounted cashflow model, that examines the expected discounted cashflows of its sole CGU over a five-year period extending from reporting date, plus a terminal value. The Group has disclosed in note 8 the Group's impairment approach including the significant underlying assumptions applied. This area was considered a Key Audit Matter due to complexity of judgements involved in the impairment process and the significance of the carrying amounts of the balances.	Our audit procedures included: — Assessing the appropriateness of the allocation of goodwill and intangible assets to the Group's identified CGU; — An examination of the discounted cashflow model, testing for: a. its arithmetical accuracy; b. the reasonableness of key assumptions applied to approved forecasted cashflows, comparing to historical trends of the business and its pipeline of future sales transactions and the overall industry climate affecting the economics of the business model; and c. the reasonableness of key inputs into the model, including growth rates, the discount rate and the working capital levels associated with the derivation of those growth rates. — Consultation with William Buck Corporate Finance with respect to the discount rate used within the model; — Assessed the Group's current year actual results in comparison to prior year forecasts to assess forecast accuracy; and — Performed sensitivity analysis in respect of the assumptions noted above to ascertain the extent of changes in those assumptions which either individually or collectively would materially impact the recoverable amount of the CGU. We assessed the likelihood of these changes in assumptions arising. We also assessed the adequacy of disclosures in relation to the impairment testing approach and key assumptions as disclosed in notes 1 and 8 of the financial report.

WilliamBuck
ACCOUNTANTS & ADVISORS

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001,* and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

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William Buck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Knosys Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

Dennis Lee

W. H. D. Lee
Director
Melbourne, 27 August 2026

Additional information for listed companies

Corporate Governance Statement

The company's corporate governance statement can be found on the company website at https://www.knosys.co/investor-centre/

Shareholder information as at 19 August 2026

Distribution of Shareholders	Number	Number
Category (size of holding)	Holders	Ordinary Shares
above 0 up to and including 1,000	29	4,693
above 1,000 up to and including 5,000	37	135,361
above 5,000 up to and including 10,000	41	344,310
above 10,000 up to and including 100,000	171	6,698,403
above 100,000	157	208,955,931
Totals	435	216,138,698

The number of shareholdings held in less than marketable parcels is 149, with a total of 1,088,762 ordinary shares, amounting to 0.50% of issued capital.

Substantial shareholders listed in the company's register:

Shareholder	Number	
	Ordinary shares	%
Skiptan Pty Ltd <P&M Meurs Family Trust>	41,263,715	19.09

Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares

– Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

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20 Largest Shareholders — Ordinary Shares

	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	SKIPTAN PTY LTD <P&M MEURS FAMILY A/C>	41,263,715	19.09%
2	MRS DENISE JANE CAMPBELL	10,775,346	4.99%
3	MR SEAN PATRICK MARTIN <THE AVEBURY FAMILY A/C>	9,866,937	4.57%
4	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	8,225,004	3.81%
5	MOAT INVESTMENTS PTY LTD <MOAT INVESTMENT A/C>	7,801,124	3.61%
6	VABAKE PTY LTD <LEVY FAMILY A/C>	7,066,130	3.27%
7	VUE-IT PTY LTD <PATANE FAMILY AC>	6,896,551	3.19%
8	BT ADVISORY PTY LTD	5,579,815	2.58%
9	DMX CAPITAL PARTNERS LIMITED	5,266,257	2.44%
10	JET INVEST PTY LTD <RJC INVESTMENT A/C>	5,045,144	2.33%
11	GLENN JOHN CAMPBELL	4,164,830	1.93%
12	MR BENJAMIN YOUNGMAN GRAHAM & MRS CARA JANINE GRAHAM <FCV SUPER FUND A/C>	4,000,000	1.85%
13	MR ANDREW NGO	3,777,777	1.75%
14	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	3,642,449	1.69%
15	NICOLAS PASSMORE	3,450,000	1.60%
16	ADC (INVESTING) PTY LTD <AL COOK ASSET A/C>	3,315,000	1.53%
17	TDF PROPERTIES PTY LTD <TDF PROPERTY A/C>	2,950,000	1.36%
18	CIEL CAPITAL PTY LTD <JADE WEALTH HOLDING A/C>	2,822,947	1.31%
19	GRANTA CAPITAL PTY LTD	2,145,000	0.99%
20	HARRYJAMESPAG PTY LTD <J & M PAGLIARO A/C>	2,000,000	0.93%
	Total	140,054,026	64.80%
	Total issued capital - selected security class	216,138,698	100.00%

Registers of securities are held at the following address:

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000

Securities Exchange Listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited.

In accordance with ASX Listing Rule 4.10.19, the consolidated entity advises that, since listing on 9 September 2015, it has used its cash in a way consistent with its business objectives.

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