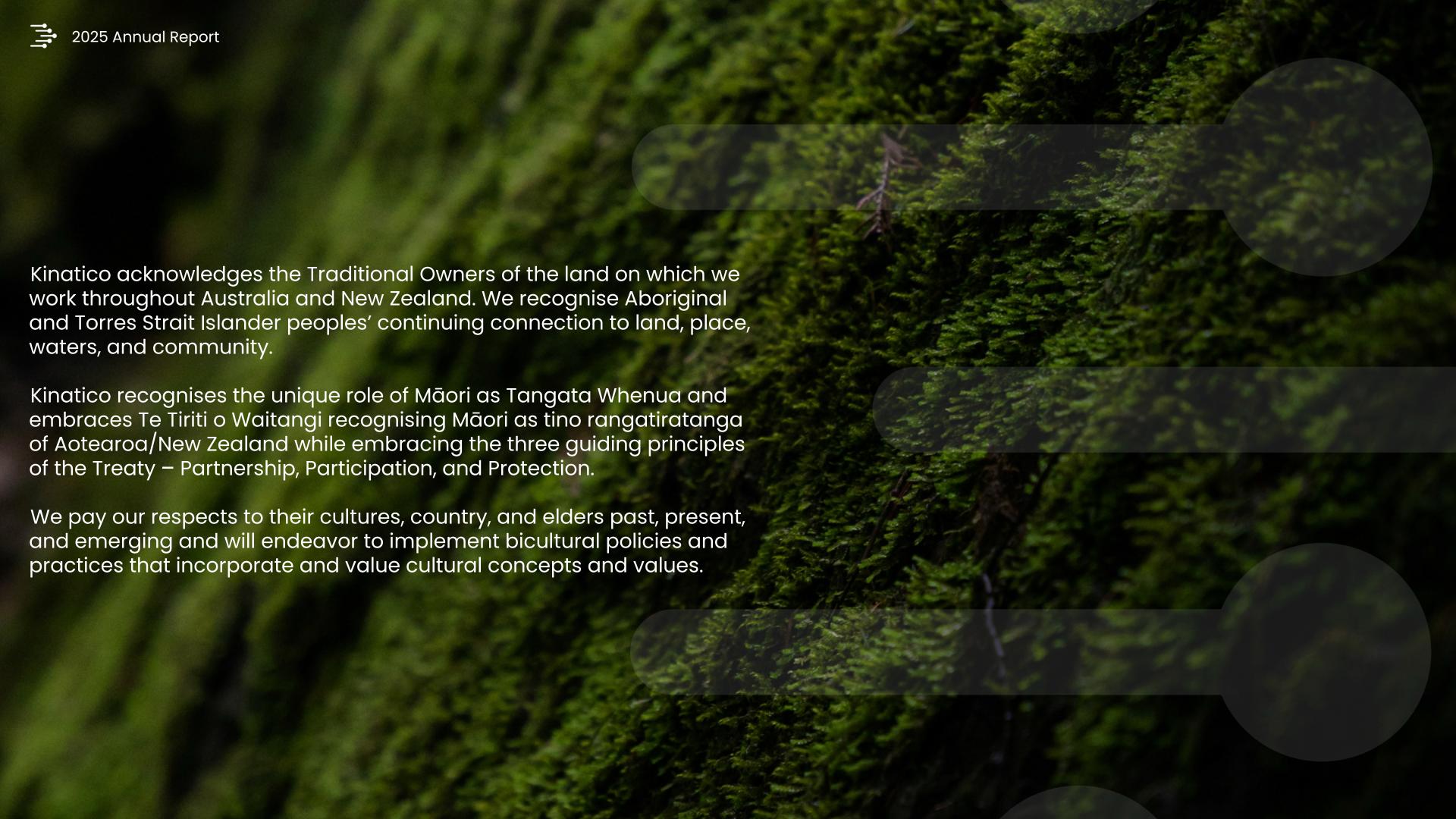
Annual Report

2025







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Powering insights for better, safer workplaces.

Mission

Our technology helps your organisation to know your people. Simply. While you focus on opportunities, we connect you to insights that lift your capability and mitigate your risk.

Vision

A world where data is trusted and organisations are freed to focus on opportunities.

Values

- The privacy of data is our highest priority
- Our team's strength comes from everyone's individuality
- Deliver the good and strive for the great
- Gaps are opportunities to make a difference





Company Directory

Australian Company Number

111 728 842 Kinatico Limited is a Public Company, domiciled in Australia.

Registered Office

Level 4, 999 Hay Street, Perth, WA, 6000 Australia Telephone (+61) 8 9388 3000

Website

www.kinatico.com

Securities Quoted

Australian Securities Exchange (Code: KYP) 418,591,984 Ordinary Fully Paid Shares 7,750,000 Escrow Shares Tranche A 5,750,000 Escrow Shares Tranche B

Share Registry

Automic Pty Ltd Level 5/191 St Georges Terrace Perth, WA, 6000 Australia

Company Secretary

Craig Sharp

Directors

Ivan Gustavino
Oliver Stewart
Jonathan Birman
Georg Chmiel
George Cameron-Dow

Non-executive Chairman
Non-executive Director
Non-executive Director
Non-executive Director
Non-executive Director
(resigned 25 October 2024)

Auditor

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

Solicitor

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



Chairman's Letter



Dear Shareholders,

I am pleased to present to you the 2025 Annual Report of Kinatico Ltd ('Kinatico' or 'the Group').

Compliance Reimagined

In the 12 months since our last annual report, the Group has committed to, built, and delivered, our new SaaS compliance management solution.

Kinatico Compliance offers simplified people management workflow to streamline the entire employee lifecycle. By reimagining compliance in a seamless, secure solution that is synchronised with multiple compliance sources, our solution provides the real-time visibility our customers crave.

The Group is confident that Kinatico Compliance will accelerate Kinatico's progress towards the Board's strategic vision of becoming a leading provider of SaaS-based compliance solutions.

At the same time, the underlying technology of the new solution offers opportunities to rationalise the underlying cost base of the existing products, which will further enhance Kinatico's ability to invest in and grow its innovative solutions.

Financial results

Whilst delivering Kinatico Compliance, the Group has delivered yet another round of outstanding results for the financial year. Kinatico's total revenue for the 2025 financial year was a

record \$32.1m, an increase of 12% on FY24. Included in that revenue was \$14.9m SaaS revenue, which represents growth of 54% on the previous year.

This revenue allowed Kinatico to generate net profit after tax of \$1.1m, also a record and an increase of 45% on FY24. Just as impressively, despite investment in Kinatico Compliance, the Group generated \$5.3m from operations, a 26% increase on the previous year.

This allowed us to close the year holding \$10.2m in cash and cash equivalents, an increase of \$0.5m on the opening balance on 1 July 2024.

Teamwork

The Board has consciously set a strategic vision that challenges the business to stretch for results that optimise growth in shareholder value.

On behalf of my fellow directors, I want to take this opportunity to thank Michael, our CEO, and our teams in every aspect of the business for their belief in that vision, their unwavering commitment, and their sheer hard work. Thanks to the collective efforts during a successful 2025 financial year, we are well on our way to realising our vision. I also want to

acknowledge and thank the many other stakeholders in the business – our customers, our partners and, of course, our shareholders. Your trust and support in Kinatico is always appreciated.

As we continue to innovate and grow, we remain committed to ensuring that our solutions provide tangible benefits, reimagining compliance and allowing each of you to Know Your People.

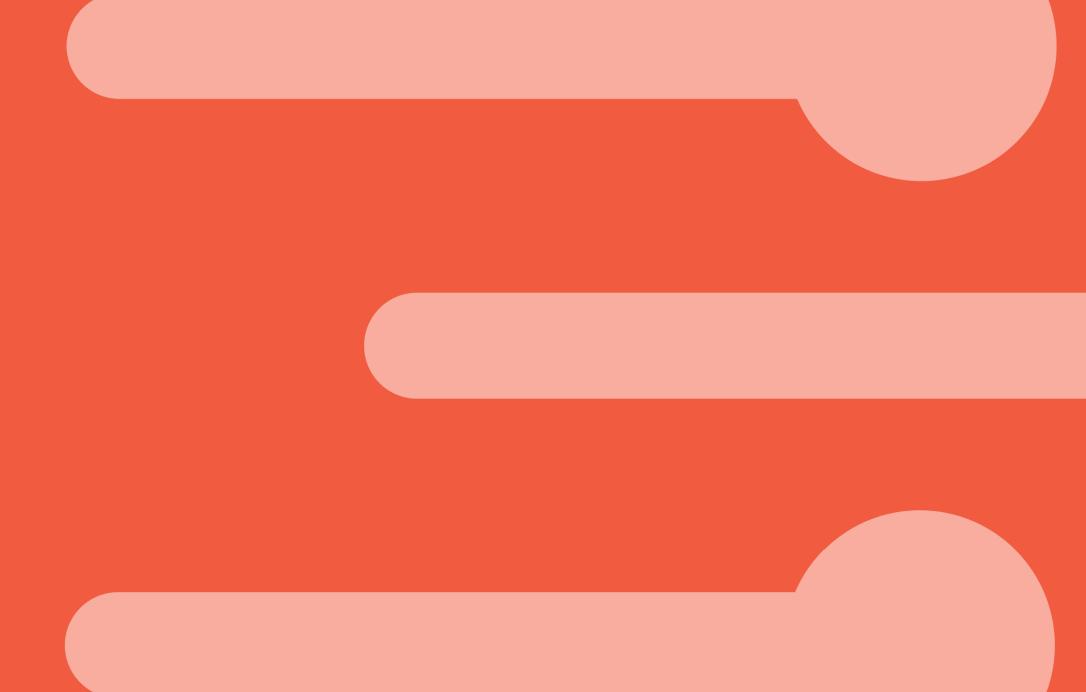
Thank you for your continued support and your confidence in Kinatico Limited.

Ivan Gustavino, Non-executive Chairman 26 August 2025





Chief Executive Officer's Report







Following the transformative period of recent years, FY25 has been a year of outstanding delivery for Kinatico. We have successfully maintained strong operational performance whilst delivering record financial results and fundamentally reimagining how organisations approach workforce compliance with the development and launch of Kinatico Compliance.



\$32.1m | Revenue | 12% from \$28.7m

\$14.9m | SaaS revenue 54% from \$9.7m

Financial Performance: Record Results Across All Key Metrics

Our FY25 results demonstrate the successful execution of our dual strategy - maintaining strong core business performance whilst investing in value-enhancing innovation. The numbers confirm exceptional performance across every key financial metric.

Kinatico grew its total revenue by 12% from last year's result, to achieve a record \$32.1m. Even more impressively, the SaaS revenue component of that number grew by 54% to reach \$14.9m, which was 46% of the total revenue. SaaS growth gathered momentum through the year. In Q4, SaaS revenue was more than 50% of total revenue and represented an annualised rate of \$17.5m in SaaS revenue.

The transformation to SaaS has also driven improved profitability. In FY25, Kinatico earned \$1.1m NPAT, another

record, and growth of 45% on last year. EBITDA of \$4.3m was a 19% improvement from the FY24 result. Kinatico's net assets grew \$1.5m to reach \$27.2m and the business finished the year with cash and cash equivalents of \$10.2m. This is an improvement of \$0.5m over the 12 months.

Operating cash flow improved 26% to reach \$5.3m over the year. The business generated \$0.3m in net cash and cash equivalents representing a 240% on last year, achieved after investing \$3.7m in technology development. The ability to fund future growth whilst simultaneously generating cash is a feat of which we are particularly proud.

Ultimately, these results have raised earnings per share by 45% and once again improved the return on equity we are able to report.

Strategic SaaS Transformation: Accelerating Market Leadership

SaaS Revenue Momentum

Our SaaS transformation has exceeded expectations, with SaaS revenue in FY25 of \$14.9m, representing 46% of total revenue – a landmark achievement demonstrating the success of our strategic pivot to recurring revenue.

SaaS revenue grew 54% year-on-year and the shift towards SaaS revenue gained momentum through the year. In the final quarter of FY25, SaaS revenue was more than 50% of the Group's revenue, and the annualised SaaS run-rate was an impressive \$17.5m.

Providing the value to enable more customers to commit to SaaS contracts has enabled Kinatico to achieve industry-leading retention rates that in turn support more predictable revenue streams.



Revolutionary Platform Launch

After extensive development throughout FY25, we successfully launched Kinatico Compliance. This new product represents a fundamental reimagining of workforce compliance management by delivering:



Seamless Integration

Through a solution that offers simple integrations with existing HRIS for easy set up and onboarding; as well as being synchronised with multiple compliance sources to provide real-time visibility



Streamlined Workflow

Offering simplified people management across the entire employee lifecycle, from recruitment, on-boarding, employment and offboarding; all monitored through realtime dashboards that customers can configure to suit their own needs



Scalable Technology

In a platform that is designed to support future growth of each customer and feature expansion and growth of Kinatico's solutions



Market Differentiation

Leveraging Kinatico's unique positioning as an industry-agnostic comprehensive compliance management solution



Operational Excellence: Driving Efficiency and Innovation

Technology Investment and Development

FY25 saw our most important technology investment to date, with \$3.7m invested in a new platform, primarily focused on Kinatico Compliance development.

The business's development priorities were consciously aligned with both customer feedback and market needs. The investment brought significant improvements to existing product features whilst simultaneously opening opportunities for new and exciting markets and laying the foundation to support future growth by leveraging recent developments in scalable technology platforms.

Following the investment in a new technology platform, intangible assets increased to \$19.4m.

Working Capital Management

Kinatico's strategic investments in future growth complemented strong working capital discipline throughout FY25, demonstrating our ability to execute on both fronts simultaneously. The new platform, Kinatico Compliance, was successfully funded from operational cashflow.

Sales & Marketing Excellence

Customer Acquisition and Retention

FY25 was a milestone year for Kinatico, with financial results that underscore the strength of our strategic execution and market positioning.

Kinatico's suite of compliance solutions continue to demonstrate value across industry sectors and to customers of all sizes. The legacy Kinatico products – CVCheck, Cited & Enable - have a recognised strong

position across aged care, energy & industrial, education, and government sectors, the Group continues to attract customers from defence to retail and all sectors in between. Similarly, Kinatico solutions are used by large marquee customers including BHP, nbn, Kmart, and NSW government, but also serve more than 10,000 smaller customers, from large enterprises through to individual customers. Supported by ongoing innovation, such as Al-driven customer support, the solutions continue to meet the needs of existing customers. The existing relationships and brand awareness across the 10,000 customers using legacy products will in turn become a ready-made robust pipeline and avenue for conversations to lift appropriate customers higher up the Kinatico product ladder by introducing the benefits of the higher value Kinatico Compliance product. This ability to meet the many and varied compliance needs of customers becomes a further reason why we maximise customer retention.

Our sales organisation has established itself as a premier advisory team, leveraging cutting-edge sales methodologies and technology platforms to deliver consultative expertise that educates and empowers our clients. Through systematic implementation of data-driven insights and proven sales frameworks, our team consistently demonstrates thought leadership in the marketplace, positioning themselves as trusted advisors who guide clients toward optimal solutions rather than simply promoting products. This consultative approach, supported by best-in-class tools and continuous professional development, has enabled us to achieve exceptional results while building lasting partnerships founded on education, trust, and mutual value creation.

\$5.3m

Operating cash flow \$\frac{1}{26}\% from \$4.2m

240%

Net increase in cash and cash equivalents from \$0.1m FY24

0.27¢

Earnings per share 1 45% from 0.186 cents

Brand Authority and Market Position

Kinatico has established itself as the definitive voice in compliance RegTech through our comprehensive content leadership initiative. Our strategic focus on publishing authoritative insights, engaging with premier industry events, and delivering exclusive executive briefings has transformed our market presence. By evolving our participation in marquee industry conferences to focus on technology and SaaS-based events, rather than industry-specific venues, Kinatico is better positioned to meet the demands of the changing compliance market.

The business has also established strategic partnerships with leading service providers to strengthen our go-to-market capabilities and provide comprehensive support for our expansion initiatives. We have established transformative alliances with industry-leading organisations to expand our market reach and create a comprehensive technology ecosystem.

Our partnership portfolio includes seamless integrations with premier HR management platforms, enhanced

connectivity with critical information sources such as AHPRA and the National Police Checking Service, and collaborative go-to-market initiatives that have significantly strengthened our competitive positioning.

Our unified sales and marketing team has successfully positioned Kinatico for sustained market leadership in the evolving compliance technology landscape. The launch of Kinatico Compliance represents a pivotal moment in our strategic transformation, addressing increasing customer demand for integrated enterprise solutions that extend beyond traditional transactional pre-employment screening solutions.

We maintain market leadership while monitoring emerging competitors including specialised aged care and disability solutions providers. Our comprehensive platform approach and enterprise integration capabilities provide significant competitive differentiation in an increasingly fragmented market.

People & Culture

Driving Value Through Workforce Excellence

Our disciplined approach to people and organisational development delivered exceptional financial returns and risk mitigation throughout FY25, positioning the Group for sustained profitable growth and competitive advantage.

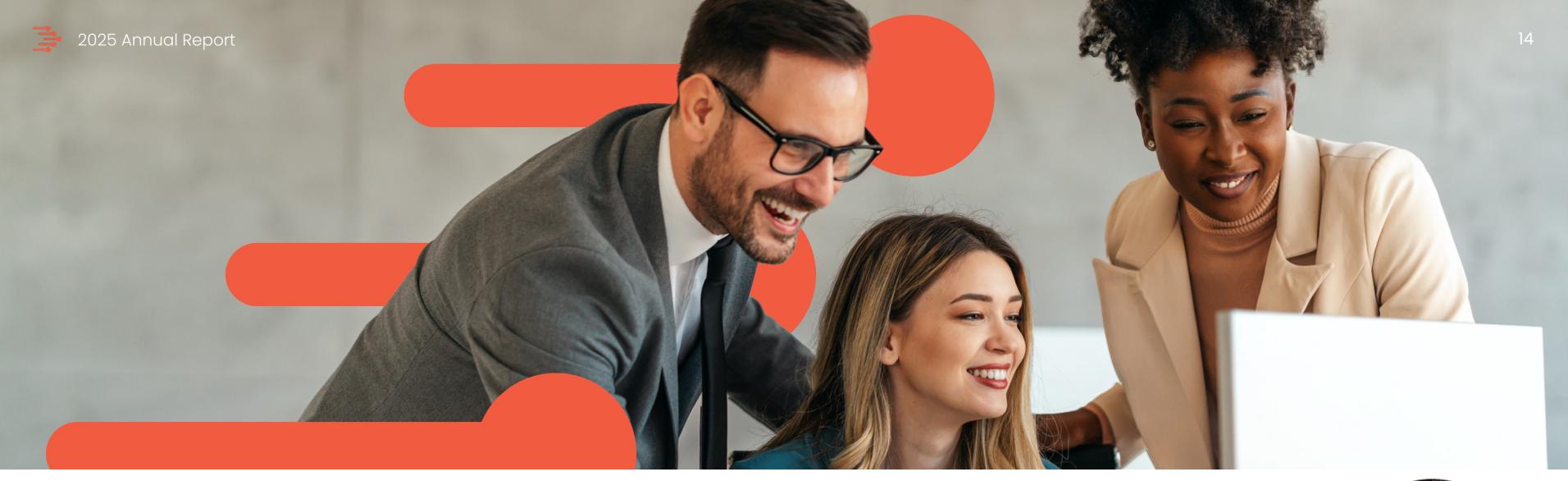
Kinatico's 'Skills Swap' resourcing approach enhanced our capability without increasing costs and saw open roles averaging less than 30 days to fill (a best-in-class result).

Despite ongoing business model transformation and reimagining of existing functions, Kinatico achieved zero industrial relations action across the year while also maintaining minimal exceptional talent turnover (<10%). This operational stability protected intellectual property, preserved customer relationships, and ensured service delivery during throughout transformation – safeguarding existing revenue streams and market position.

Competitive Advantage Through Internal Development and Diversity

Kinatico's internal mobility rate of 27% demonstrates our ability to develop and retain high-performing talent and to continue to align skill and experience needed to our evolving requirements. This has minimised recruitment costs, reduced resourcing pain points while retaining deep organisational knowledge and customer expertise. This internal capability development creates sustainable competitive advantages that are difficult for competitors to replicate. We continue to maintain an inclusive workforce that results in our diversity and reflects the customers that we serve and the community in which we all live.





Closing Reflections

FY25 represents a pivotal year in Kinatico's journey towards becoming Australia's leading workforce compliance technology platform. We have successfully demonstrated our ability to deliver record financial performance whilst making transformational investments in our future.

The launch of Kinatico Compliance, combined with our strong financial results and operational excellence, validates our strategic direction and positions us for continued success. With half our revenue now from SaaS solutions, a robust balance sheet, and proven execution capability, Kinatico is well-positioned to capitalise on the growing demand for workforce compliance technology.

Our results demonstrate that we are building a sustainable, scalable business that delivers value for all stakeholders - customers, employees, and shareholders. As we continue to execute our strategy, we remain committed to our mission of helping organisations Know Your People through innovative, reimagined compliance solutions.

Michael Ivanchenko CEO



The Directors present their financial report of the Group, being Kinatico Limited ('the Group' or 'Kinatico' or 'KYP') and its controlled entities, for the year ended 30 June 2025 and the auditor's report.



Ivan Gustavino
Non-executive Chair

Appointed to the Board: 13 August 2018

Interest in shares and options:

Direct: Nil.

Indirect: 1,146,082 ordinary shares.

Directorships held in other public entities:

Nil

Other public company directorships held during the past 3 years:

Non-Executive Director of Imdex Limited to October 2023

Qualifications:

Bachelor of Business

Experience:

Ivan has over 25 years' experience developing global technology businesses, including vast experience in leading, advising and investing in high growth technology businesses. Ivan is one of Australia's leading corporate advisors specialising in advising technology companies on growth, mergers and acquisitions. Ivan is the Managing Director of Atrico Pty Ltd and Director of Gustavino Capital Pty Ltd. Ivan is a related party to Gusfam Pty Ltd ATF Gusfam Trust.

Directors

The following persons were Directors of the Group for the entire financial year and up to the date of this report, unless otherwise stated.



Oliver Stewart
Non-executive Director

Appointed to the Board: 4 November 2020

Interest in shares and options:

Direct: Nil.

Indirect: 3,318,000 fully paid ordinary shares.

Directorships held in other public entities: Nil.

Other public company directorships held during the past 3 years:

Nil

Qualifications:

Bachelor of Business Management (Marketing) and a Bachelor of Arts (Psychology & Journalism).

Experience:

Oliver has over 20 years' experience in helping businesses drive sustainable long-term growth through Customer and Loyalty Marketing. Oliver's core competencies include strategic planning to maximise customer lifetime value across multiple product sets, marketing, and sales channels. Oliver is currently a Director at Tortoise & Hare CX Agency. He has also held senior roles at Foxtel, Qantas Frequent Flyer, Lavender, and M&C Saatchi.

Directors

The following persons were Directors of the Group for the entire financial year and up to the date of this report, unless otherwise stated.



Jon Birman
Non-executive Director

Appointed to the Board: 3 May 2021

Interest in shares and options:

Direct: Nil.
Indirect: 22.600.0

Indirect: 22,600,000 fully paid ordinary shares.

Directorships held in other public entities:

Other public company directorships held during the past 3 years:

Qualifications:

Bachelor of Arts (Politics & Industrial Relations)

Experience:

Jon has 30 years in business creation, strategy, and executive leadership. Jon was formerly Chief Executive of UGL Resources and Group and General Manager of UGL. His previous serving roles include Deputy Project Director of in Kellogg Joint Venture, managing contracts and the LNG train for Mega Project, and Vice President for International Operations of Kaiser Engineering. Jon's core competencies include strategy, human capital, risk management, HSSE and finance.



Georg Chmiel
Non-executive Director

Appointed to the Board:

19 September 2023

Interest in shares and options:

Direct: Nil.

Indirect: 1,600,000 fully paid ordinary shares.

Directorships held in other public entities:

Chair of Spacetalk (ASX:SPA); chair of Centrepoint Alliance Ltd (ASX:CAF); Non-executive director of Xamble Group Ltd (ASX:XGL).

Other public company directorships held during the past 3 years:
Nil.

Qualifications:

Master of Business Administration (INSEAD), Masters equivalent in Computer Science (TUM), CPA, FAICD, ICDM(F)

Experience:

Georg has a unique combination of experience in technology businesses, international enterprises, and boards of ASX-listed companies. He is currently co-founder and chair of Juwai-IQI, Asia's leading PropTech group. Georg's past executive roles includes positions as Executive Chair of iCar Asia Limited (ASX:ICQ), MD/CEO of the iProperty Group (ASX:IPP), MD/CEO of LJ Hooker Group, and CFO of REA Group (ASX:REA).

Directors and Officers

The following persons were Directors and Officers of the Group for the entire financial year and up to the date of this report, unless otherwise stated.



Craig Sharp
General Counsel & Company Secretary

Appointed to the role: 3 June 2021

Directorships held in other public entities: Nil.

Oualifications:

Master of Laws, Bachelor of Jurisprudence, and a Graduate of the Australian Institute of Company Directors.

Experience:

Craig is an admitted solicitor with over 30 years' postadmission experience, including 11 years in the background screening industry and 9 years as legal counsel in a public company environment.



George Cameron-Dow Non-executive Director

Appointed to the Board:

16 February 2017, resigned 25 October 2024

Interest in shares and options:

Direct: Nil. Indrect: Nil.

Directorships held in other public entities:

Nil.

Other public company directorships held during the past 3 years:

Non-Executive Director and Chair of Eve Health Group Limited to 30 June 2022.

Qualifications:

Master of Management (cum laude), Stanford Executive Program, Graduate of the Australian Institute of Company Directors

Experience:

George has extensive experience as an Executive and Non-Executive Director. In addition to his experience with large corporations, he has served as Chair of a number of ASX listed companies, retirement funds and a private health insurance fund. He is a founding director of Fleming Funds Management Pty Ltd (previously St George Capital Pty Ltd) and Fleming SG Capital Pty Ltd. George is a director and beneficiary of Dhow Nominees Pty Ltd ATF Dhow Trust.



Meeting of Directors

The number of Director's meetings (including meetings of committees of directors) and the number of meetings attended by each of the Directors of the Group during the financial year are:

Roard Meetings

	Boardiv	leetings	Addit & Risk Committee		Remuneration Committee		
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended	
Ivan Gustavino	8	7	_	_	3	3	
Oliver Stewart	8	8	3	3	_	_	
Jon Birman	8	8	3	3	2	2	
Georg Chmiel	8	8	2	2	-	_	
George Cameron-Dow*	3	3	1	1	1	1	

Audit & Risk Committee

Remuneration Committee

The Group is a global aggregator of regulatory technology (RegTech), providing know your people compliance software solutions. Kinatico reimagines the process of managing daily people workflow compliance.

From single pre-employment screening and verification of candidate information, through to complex solutions combining certifications and compliance data with business policy and legislative requirements, Kinatico's suite of software solutions enables scalable compliance monitoring spanning pre-employment to real-time requirements related to geo-location, roles and activities applicable across a wide range of industries.

With a best-of-breed employment screening and verification platform and a track record of customer service excellence, Kinatico continues to grow its position as the pre-eminent background screening brand in Australasia. It is planning its global expansion of its growing suite of RegTech solutions that are reimagining compliance making it simple, seamless, swift, synchronised and secure.

Principal Activities

^{*}Resigned 25 October 2024

Financial And Operating Review

Financial Review

Kinatico's FY25 results demonstrate strategic execution and financial resilience. Kinatico has delivered another outstanding financial year, solidifying its position as a leading RegTech provider. the Group reported a consolidated revenue of \$32,134,853, a significant increase of \$3,417,757 or 12% year-on-year (FY24: \$28,717,096). This growth underscores Kinatico's successful execution of strategy of legacy revenue conversion and growth in new SaaS markets.

FY25 saw the remarkable increase in SaaS revenue, to \$14,936,664, a 54% increase from the previous year (FY24: \$9,699,728). This impressive growth reflects The Group's maturity as a leader in RegTech, offering simplified and scalable monitored compliance solutions.

Net Profit for the year amounted to \$1,128,454, an increase of 45% on the previous year's \$780,723, demonstrating the achievement not only of SaaS revenue growth but also efficiencies in its service delivery.

The 0.084 cents rise in basic earnings per share to 0.270 cents (FY24: 0.186 cents) represents a 45% increase and further confirms the Group's commitment to driving shareholder returns.

The Group continues to manage its expenses prudently, whilst investing in its industry lead compliance management solutions. With non-cash expenses including share-based payments amounting to \$368,076 (FY24: \$217,126) and depreciation and amortisation at \$3,419,584 (FY24: \$3,124,134).

Kinatico concluded FY25 with a fortified balance sheet and a robust cash position.

Kinatico closed the year with cash and cash equivalents of \$10,218,007 (FY24:\$9,752,262), an improvement of 4.8% on FY24. This result underscores Kinatico's effective cash management strategies and operational efficiency.

Investment of \$3,664,237 (FY24: \$3,163,179) in ongoing technology innovation delivered the following key achievements:



Launch of Kinatico Compliance



Implementation of enhanced biometric verification;



New ACIC compliance requirements implemented;



API Integration enhancements;



SSO integration capabilities added within our application suite;



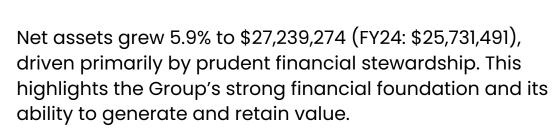
Monitored compliance enhancements for recurring verification, and support for multiple organisation submissions;



Enable subcontractor workflow implementation;



User Interface, Dashboards and Experience (UI/UX) enhancements delivering further simplified compliance management.



With a proven track record of growth and operational excellence, Kinatico is well positioned for continued success and offers a compelling investment opportunity for those looking to capitalise on the booming RegTech sector in an increasingly complex world.





Deferred Taxes

The Group has recognised a deferred tax balance of \$20,953 (FY24: \$14,933) relating to temporary differences in its New Zealand subsidiary.

The Group maintains significant accumulated tax losses but has not recognised the associated deferred tax assets due to the timing of future taxable profits against which these losses can be utilised. In accordance with accounting standards, deferred tax assets are only recognised when it is probable that sufficient taxable profit will be available.

At the reporting date, unrecognised deferred tax assets attributable to accumulated tax losses total approximately \$4,434,812 (FY24: \$4,319,052), calculated at the applicable corporate tax rate of 25%. The underlying tax losses are primarily held at the base rate entity level, where losses can be carried forward indefinitely and utilised against future taxable income of the same entity, subject to continuity of ownership and business tests under relevant tax legislation.

These tax benefits will be recognised in future periods when the Group generates sufficient taxable income to utilise the underlying losses, subject to relevant tax legislation requirements.

Operating Review

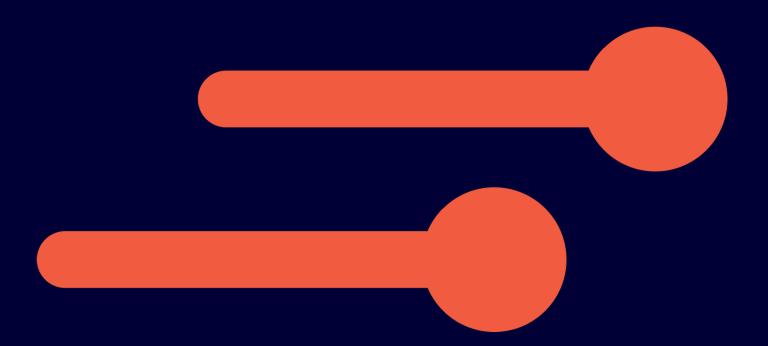
A Year Of Successful Delivery

This year, whilst Kinatico has delivered a stellar performance across a number of financial metrics, we have also simultaneously delivered significant improvements our product offering. Notably, the build and delivery of Kinatico Compliance, but also in the delivery of additional features in the existing products, such as the roll out of Al-assisted self-help in the CVCheck product.

Compliance reimagined

Our new product, Kinatico Compliance, offers simplified people management workflows to streamline the entire employee lifecycle. By reimaging compliance in a seamless, secure solution that is synchronised with multiple compliance sources, our solution provides the real time visibility sought by our customers.

We are confident that this new product will greatly assist Kinatico's progress towards becoming a leading provider of SaaS-based compliance solutions. Simultaneously, the underlying technology will facilitate cost reduction across the business, allowing Kinatico to invest in and grow its innovative solutions.



Corporate Activities

On 14 November 2024, the Group bought back and then cancelled 1,500,000 loan-funded shares that had been issued to an employee under the Group's employee incentive plan in January 2024. The relevant shares had been subject to vesting conditions that expired unvested.

Dividends

The Directors do not recommend the payment of a dividend. No dividends were paid or declared since the end of the previous financial year.

Events After The Reporting Date

There are currently no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the affairs of the Group in the future financial years.

Significant Changes In State Of Affairs

Other than as disclosed elsewhere in this Annual Report there have been no other significant changes in the state of affairs of the Group during the financial year.

Likely Developments

Information about likely developments in the operations of the Group and the expected results of those operations in future financial years is provided in the Chairman's Report and this Directors' Report.

Material Business Risks

The business strategies, assets and future performance of the Group are subject to various risks, including the material risks summarised in the following pages.

The Group identifies, assesses, and manages these risks (as described in the Corporate Governance Statement) and operates under the Board approved Risk Management Framework, Risk Management Review Procedure and Internal Compliance and Control Policy.

The summary in the following pages refers to material risks and an outline of adopted mitigation measures identified from a whole of entity perspective. The list is not exhaustive of the risks faced by the Group or investors, nor are the risks listed in order of precedence and or importance.

Material Business Risks Continued

Business Model (Business, Customer, Regulatory & Sector)

Risk

There is a risk of not being able to respond to market conditions, the rate of technological change, or to customers' expectations of service delivery. The concept of "Know Your People" software solutions remains relatively recent for the corporate sector. While sign-up rates have been positive, corporate sector engagement requires continuing development of customer interfaces through its technology platform and integrations with other platforms.

There is always a risk that change in laws and regulations might affect the Group's business and its 'licence to operate' both directly and indirectly, including additional costs to comply with any changes or conditions which are applied or result in a reduction in business.

The Group competes with several other companies and government agencies in its sector. The Group remaining competitive and being able to successfully compete is always a risk.

There is also a risk that certain government or quasi government agencies may benefit from any legal, regulatory or policy changes which effectively mandate a government or quasi-government monopoly.

Response

The Board and executive closely monitor the technological and legal landscapes in which the Group operates, identifying likely key trends, engaging with leaders and regulators as appropriate, and adjusting the business focus accordingly.

Group executives are active members of relevant industry groups such as the PBSA and the RegTech Association.

Kinatico actively works to put the voice of the customer at the heart of all product decisions, ensuring that Kinatico solutions continue to meet genuine customer needs and intrinsically add value for our customers.

The launch of Kinatico Compliance offers a unique compliance management solution to meet an identified customer need.

Reputational Risks

Risk

The Group operates in an online and fast changing environment that is regulated. Negative publicity can spread quickly, whether true or false.

Disgruntled users posting negative comments about the Group in public fora may have a disproportionate effect on reputation and ability to generate revenues and profits.

Response

Kinatico engages a dedicated in-house marketing team who continue to communicate with customers and investors, addressing any concerns and ensuring the many successful stories are heard.

Economic, Financial and Capital Markets Risks

Risk

Market, financial or economic conditions may be affected by a range of factors including general economic outlook, investor sentiment and consumer confidence, changes to legislation including tax reform, monetary factors (including interest rate risk, inflation, foreign exchange risk, credit risk and supply or demand of capital), liquidity risk or other general factors such as terrorism or pandemics.

There is always increased risk due to changes in market, business or economic conditions which may result in: the Group's business being impacted either directly or indirectly; the value of investment being affected; the Group's exposure to share market volatility increasing; and as the business is still in growth mode, access to additional funding remains a risk.

Response

The board and executive ensure that the broader market financial or economic conditions are always considered in relevant business decisions. As Kinatico solutions address gaps in monitoring compliance, they speak directly to our customers' management of risk and offer value in tough times as well as the good.

Data Management and Security

Risk

There is a risk that the collection, usage and management of customer data is not consistent with the regulatory obligations or that it does not meet the expectations of customers.

With growth in volume of orders and traffic to the Group's websites, cyber infiltration or attack is a risk. Data security is critical to the Group. The Group relies on the availability of its websites, and the website of various third-party providers and integrations with other platforms to provide services to users, its corporate clients and to attract new business.

Hackers could render the websites unavailable through distributed denial of service or other disruptive attacks including accessing of confidential data. Although the Group has a range of strategies in place to minimise the threat of any of these attacks, as cyber-attacks are becoming more sophisticated and are increasing in frequency, these strategies may not be successful. This could result in the functionality of the Group's websites being compromised or confidential data being accessed.

The Group heavily relies on the automation of many of its processes, but some elements do rely on human interaction. There is always the risk of human error in the handling of such data.

Response

Recognising that information security is the Group's greatest risk, the Board has ensured that Kinatico has adequately prioritised its response.

Kinatico has engaged staff whose roles are focused on information security and cyber security; the Group holds and maintains accreditation to ISO27001, an international standard; an Information Security Committee, chaired by a member of the executive, meets monthly; external consultants and specialist third-party tools are engaged to independently challenge our security framework regularly; and the audit and risk committee of the Board oversees management of information and cyber security risks and responses.

Kinatico officers and staff live our values. The privacy of data is our highest priority.

Reliance on Third-Party Suppliers or Contractors

Risk

Where the Group uses third party suppliers of information, there is a risk they may not continue to allow the Group to access the information.

While all care is taken to contract with third parties that have appropriate expertise and experience, there are no guarantees that those third parties will perform as expected or required. The Group also relies on third party government bodies for data provision for some checks. Denial of information access, non or poor performance by third-party suppliers or contractors may have a material adverse effect on the Group.

Response

The Group takes a risk-based approach to assessing, reviewing and engaging all suppliers across the business. Kinatico has and enforces a supplier review policy. All supplier contracts are reviewed by legal advisers and negotiated accordingly.

Reliance on Third-Party Infrastructure

Risk

Reliance upon telecommunications systems collectively supplied by government and third-party providers is an integral feature of providing software as a service. The Group is also increasing its platform integration with other platforms. As such, the Group places reliance on the proper operation and maintenance of those facilities outside of its direct control in order to deliver its product to market. Non-performance of, or the lack of availability of, third party infrastructure may have a material adverse effect on the Group.

Response

In choosing its cloud hosting and telecommunications partners, the Group prioritises scale and reliability. All supplier contracts are reviewed by legal advisers and negotiated accordingly.

Management of Growth

Risk

Management of growth is critical to the business. The Group has experienced periods of variable growth, and this fluctuating growth rate has placed pressure on resourcing.

Response

Building scalability (in infrastructure, systems and processes) and people capability are vital; the Group continues to implement initiatives in a timely manner to manage growth.

Loss of key leadership and talent

Risk

The Group's ability to deliver success is reliant on attracting and retaining experienced, skilled and motivated personnel in key roles, including leadership roles, through the business. Inability to retain key talent can hamper the Group's ability to deliver on key initiatives and successfully pursue its goals.

Response

The Group has engaged a Chief People Officer as a core member of the executive team who is empowered to deliver initiatives to recruit and retain key talent.

Merger and Acquisition

Business growth may come from a combination of organic growth (building the Group's own customer base) and merging with or acquiring other businesses in similar or adjacent markets. Acquisition of other businesses can result in varying rates of return on investment that may be impacted by a range of factors including due diligence practices, over-estimating or failing to capture synergies, differences in workplace cultures, integration and change management practices, and unforeseen threats or costs to the combined businesses.

Response

The Board of directors ensures that all acquisition activity is undertaken in a planned and managed manner, with appropriate internal or external advice taken and followed.

Project Risks

Risk

Risk

A significant element of the Group's growth strategy is predicated on continuing to increase the level of automation used in the business, ongoing agile development of technology and or software. Failure to sustain or a delay in development and implementation may result in lower than expected growth, and increased risks due to exposure of human error.

The Group has retained appropriate project management skills that are utilised as appropriate.

Technology and Intellectual Property Risks

Risk

Ability to compete may be compromised if the Group's proprietary rights are not adequately protected. There are risks associated with disruption to technology platform and systems, as these could affect the Group's reputation and financial performance.

The Group takes and follows appropriate legal advice to protect intellectual property rights in all transactions.

Environmental Regulation

The Group's operations are not subject to any significant environmental regulation and legislation. The Group conducts its activities in compliance with all environmental laws and regulations, and aims to minimise, where reasonable, the impact of any of the Group's activities on the environment including the climate.

Period in position during the year

Remuneration Report (Audited)

This Remuneration Report outlines the Director and Executive remuneration arrangements of the Group as required by the Corporations Act 2001 and its Regulations. That legislation requires this report to detail the nature and amount of remuneration of each Director of the Group and all other Key Management Personnel ('KMP').

For the purposes of this report, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Group.

Key Management Personnel

Person

Position

Ivan Gustavino	Non-Executive Chairman	Full Year
Oliver Stewart	Non-Executive Director	Full Year
Jon Birman	Non-Executive Director	Full Year
Georg Chmiel	Non-Executive Director	Full Year
Michael Ivanchenko	Chief Executive Officer	Full Year
Jason Margach	Chief Financial and Operating Officer	Full Year
Geoff Hoffmann	Chief Revenue Officer	Full Year
George Cameron-Dow	Non-Executive Director	Until 25 October 2024

Section A:

Principles Used To Determine The Nature And Amount Of Remuneration

Remuneration Policy

The remuneration policy has the aim of attracting, motivating and retaining suitably qualified Directors and executives who will create value for shareholders. The remuneration policy ensures that Non-Executive Directors and executives are appropriately remunerated having regard to their relevant experience, their performance, the performance of the Group, industry norms and standards, the financial position of the Group as a whole and the general pay environment as appropriate.

Pursuant to the existing remuneration policy, in FY25, the Board approved a Short-Term Incentive (STI) plan in respect of Company and employee performance during the year. After balance date, the Board approved payments to be made under the STI plan. STI payments have been made to key executives in the Group as well as other eligible employees of the Group. No STI payment was made to directors.

Remuneration Committee

The Remuneration Committee is a Committee of the Board. The primary purpose of the Committee is to support and advise the Board in fulfilling its responsibilities to shareholders by:

- (i) reviewing and approving the executive remuneration policy to enable the Group to attract and retain executives and Directors who will create value for shareholders;
- (ii) ensuring that the executive remuneration policy demonstrates a clear relationship between key executive performance and remuneration;
- (iii) recommending to the Board the remuneration of executive Directors (if any);
- (iv) fairly and responsibly rewarding executives having regard to the performance of the Group, the performance of the executive and the prevailing remuneration expectations in the market;

- (v) reviewing the Group's recruitment, retention and termination policies and procedures for senior management;
- (vi) reviewing and approving the remuneration of direct reports to the Chief Executive Officer, and as appropriate other senior executives or key persons to the Group; and
- (vii) reviewing and approving any equity-based plans and other incentive schemes, including overseeing the remuneration policy and for recommending or making such changes to the policy, as it deems appropriate.

Non-Executive Directors

Objective

The remuneration policy ensures that the Non-Executive Directors are appropriately remunerated having regard to their relevant experience, their performance, the performance of the Group, external market comparatives, and the general pay environment as appropriate.

Structure

Non-Executive Directors are remunerated by way of fixed cash fees plus superannuation, or fixed fees plus goods and services tax. Other than superannuation under the Superannuation Guarantee Contribution Act, there are no retirement benefits payable to Non-Executive Directors.

Subject to shareholder approval, an issue of equity to Directors may occur if the Board believes it is in the best interest of the Group to do so, particularly where the cash remuneration otherwise required to be paid to attract the appropriate calibre of Directors is reduced, or where there are exceptional circumstances. An issue of equity to Directors may also occur if approved by shareholders at the Annual General Meeting.

The maximum aggregate amount that can be paid to Non-Executive Directors is currently \$500,000 per annum inclusive of superannuation which has been determined in accordance with the Group's Constitution (originally set at \$250,000 and which in accordance with the terms of the Constitution was varied by shareholder approval at the Annual General Meeting in 2017). The apportionment of the aggregate remuneration amongst Non-Executive Directors is reviewed periodically.

The Board is responsible for reviewing its own performance. Board and Board Committee performance is monitored on an informal basis throughout the year, with a formal review conducted during the subsequent financial year.

Key Management Personnel (KMP)

Objective

The remuneration policy ensures that Directors and other KMP are appropriately remunerated to their relevant experience, their performance, the performance of the Group, industry norms and standards and the general pay environment as appropriate.

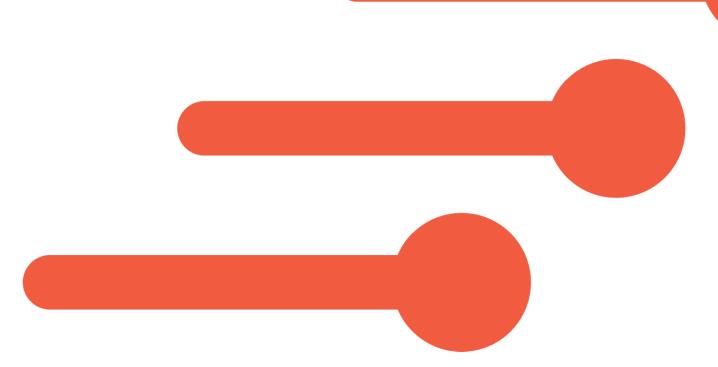
Structure

The Non-Executive Directors are responsible for evaluating the performance of the Chief Executive Officer who in turn evaluates the performance of the executive management, including CFOO and CRO as KMP. The evaluation process is intended to assess the Group's business performance, and whether long-term strategic and individual performance objectives are achieved.

The performance of the Chief Executive Officer and other Key Management Personnel are monitored on an informal basis throughout the year. A formal evaluation is performed annually.



Section A:
Principles Used To Determine
The Nature And Amount Of Remuneration Continued



Remuneration Component	Vehicle	Purpose	Link to Performance
Fixed Remuneration	Comprised of base salary and superannuation	To provide competitive fixed remuneration set with reference to role, market and experience.	Individual performance is considered during the annual remuneration review.
Short term incentive	Performance based bonus Paid in cash at the conclusion of performance period.	Rewards Key Management Personnel for their contribution to achievement of priority Company outcomes in the financial year.	Linked to measures set by the board including a mix of Company and personal performance metrics.
Short term incentive	Commissions Paid in cash at the conclusion of performance period.	Rewards Key Management Personnel for their contribution to achievement of priority Company outcomes in the financial year.	Linked to performance metrics including relevant revenue targets.
Long term incentive	Zero Priced Performance Shares Performance Shares Awards are made in the form of rights to performance shares which vest after 3 years.	Reward the Chief Executive Officer for his continued service.	Vesting of awards is dependent on continued service.
Long term incentive	Loan Funded Shares These are entitlement will vest after 3 years.	Rewards Executives for their contribution to the creation of shareholder value over the longer term and/or continued service.	Vesting of awards is dependent on share price growth and continued service.

Section A: Principles Used To Determine The Nature And Amount Of Remuneration Continued

Use of remuneration consultants

During the financial year ended 30 June 2025, the group did not engage any remuneration consultants.

Voting and comments made at the Group's 2024 Annual General Meeting (AGM)

At the 2024 AGM held on 25 October 2024 91% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Group did not receive any specific feedback at the AGM regarding its remuneration practices.

Section B: Contractual arrangements for Directors and KMP

Remuneration and other terms of employment for Key Management Personnel are formalised in service agreements for their Executive roles, as summarised below. Additional information on remuneration for the key management personnel can be found in Section C.

Non-Executive Directors

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration.

Key Management Personnel

Additional information on remuneration for the key management personnel can be found in Section C.

Section C:

Details of Remuneration for the years ended 30 June 2025 and 30 June 2024

The remuneration for each Director and each of the other Key Management Personnel of the Group (as defined in AASB 124 Related Party Disclosure) are set out in the following tables.

Non-Executive Directors Statutory Remuneration Schedule

The following table details the statutory remuneration disclosures prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards.



		Short term benefits	Post-Employment benefits	Share-based payments		
	Year	Board & Committee fees	Superannuation	Options and Rights	Total Remuneration	Performance related
Ivan Gustavino	FY25	133,200	_	_	133,200	0%
Ivan Gustavino	FY24	133,200	_	-	133,200	0%
Oliver Stowart	FY25	65,000	7,475	-	72,475	0%
Oliver Stewart	FY24	65,000	7,156	-	72,156	0%
lon Dirnogn	FY25	69,173	7,955	_	77,128	0%
Jon Birman	FY24	65,000	7,156	_	72,156	0%
Coord Chroial	FY25	76,192	_	_	76,192	0%
Georg Chmiel	FY24	50,917	_	-	50,917	0%
Coorgo Camoron Dow	FY25	25,961	2,986	_	28,947	0%
George Cameron-Dow	FY24	75,000	8,257	_	83,257	0%
Total	FY25	369,526	18,416	_	387,942	0%
Total	FY24	389,117	22,569	_	411,686	0%



Section C:

Details of Remuneration for the years ended 30 June 2025 and 30 June 2024 Continued

Executives Remuneration Outcomes Schedule

The following table sets out the actual take-home pay and share-based payments that have vested for each executive during FY25 and FY24 followed by the statutory remuneration schedule which includes the technical accounting treatment of cancelled (i.e non vested) share-based payments for options and rights. The remuneration outcomes table differs from statutory remuneration table below, which are prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards.

			Non-Cash Component					
			Short term benefits		Post-employment benefits		Share-based payments	
Executives	Year	Salary & other benefits	Performance based bonus and commission	Annual Leave*	Superannuation	Total	Loan Funded Shares, and Rights vested**	Total remuneration
Michael Ivanchenko Chief Executive Officer	FY25 FY24	422,500 422,500	100,000 98,499	5,115 26,252	27,500 27,500	555,115 574,751	_ _	555,115 574,751
Jason Margach Chief Financial and Operating Officer	FY25 FY24	252,347 234,850	60,000 60,000	2,042 (3,712)	30,000 27,500	344,389 318,638	- -	344,389 318,638
Geoff Hoffmann Chief Revenue Officer	FY25 FY24	255,660 254,827	199,187 129,636	(7,389) (2,569)	30,000 27,500	477,458 409,394	_ _	477,458 409,394
Total	FY25 FY24	930,507 912,177	359,187 288,135	(232) 19,971	87,500 82,500	1,376,962 1,302,783	<u>-</u>	1,376,962 1,302,783

^{*} The Group's ongoing focus on reducing leave liabilities is highlighted by the amount of leave taken from previously accrued resulting in a net leave cost for the current financial year.

^{**} No options or rights were vested during the current year or prior year and are excluded from the above table.



Section C:

Details of Remuneration for the years ended 30 June 2025 and 30 June 2024 Continued

Executives Statutory Remuneration Schedule

The following table details the statutory remuneration disclosures prepared in accordance with the Corporations Act 2001 and Australian Accounting Standards. This table differs from the above remuneration outcomes schedule, due to the accounting treatment of share-based payments.

			Short term benefits			Post-employment benefits Share-based payments				
Executives	Year	Salary & other benefits	Cash Bonus	Other Benefits	Annual Leave*	Superannuation	Long Service Leave	Loan Funded Shares, and Rights	Total	Performance related
Michael Ivanchenko	FY25	422,500	100,000	-	5,115	27,500	-	175,410	730,525	38%
Chief Executive Officer	FY24	422,500	98,499	-	26,252	27,500	-	125,808	700,559	32%
Jason Margach Chief Financial and Operating Officer	FY25 FY24	252,347 234,850	60,000 60,000	-	2,042 (3,712)	30,000 27,500	- -	45,333 21,487	389,722 340,125	27% 24%
Geoff Hoffmann	FY25	255,660	-	199,187	(7,389)	30,000	-	79,333	556,791	50%
Chief Revenue Officer	FY24	254,827	-	129,636	(2,569)	27,500	-	37,602	446,996	37%
Total	FY25	930,507	160,000	199,187	(232)	87,500	-	300,077	1,677,039	39%
	FY24	912,177	158,499	129,636	19,971	82,500	-	184,897	1,487,680	32%

^{*} The Group's ongoing focus on reducing leave liabilities is highlighted by the amount of leave taken from previously accrued resulting in a net leave cost for the current financial year.

Performance Based Compensation

Share-based payments: Loan Funded Shares During 2024, 10,500,000 ordinary shares were issued to the executive KMP's under the Group's loan funded share plan subject to vesting conditions.

The Loan Funded Shares were provided at no costs to the recipients. However, the Loan Funded Shares have an

attaching non-recourse loan which must be repaid following vesting. Until such time as the loan is repaid a holding lock remains in place. There were no alterations to the terms and conditions of Loan Funded Shares issued as remuneration since their grant/issue dates.

Grant Date	Expiry Date	Number	Share at Grant Date Per Share	Exercise Price Per Share	Expected Volatility	Divided Yield	Risk Free Interest	Fair Grant Cents Share
15-Jan-24	15-Jan-29	6,250,000	12	12	70%	-	3.72%	6.9
15-Jan-24	15-Jan-29	4,250,000	12	12	70%	-	3.72%	6.7

Share-based payments: Entitlement to Performance Shares – Zero Priced Performance Shares (ZPPS) As announced on 4 August 2021, pursuant to his contract of employment, subject to the Group meeting various performance criteria, up to a maximum of 6,000,000 Performance Shares may become available to Michael Ivanchenko in relation to his role as Chief Executive Officer. The issue of any Performance Shares may also be subject to any shareholder approval or regulators if required.

During the 2024 year, the Board resolved to make further changes to the incentive offering. The terms of those ZPPS have been amended to remove the share price hurdle and to become:

- The ZPPS will be issued to the CEO in FY2027, subject to the CEO remaining in continued employment with the Group for three years;
- If the Group becomes subject to a change of control event prior to the date three years from the grant of loan funded shares (see below), the CEO can immediately compel the issue of all 4,000,000 ZPPS.

There were no new performance shares issued during the 2025 financial year.

Grant Date	Expiry Date	Number Share at Grant Date Per Share		Exercise Price Per Share	Expected Volatility	Divided Yield	Risk Free Interest	Fair Grant Cents Share
24-Jan-24	24-Jan-29	4,000,000	12	12	70%	_	3.72%	10.6

Short-term incentive

During FY25, the Board approved a Short-Term Incentives (STI) for all staff and executives which included some of the Key Management Personnel (KMP). After balance date, the Board approved payments to be made under the STI plan. STI payments have been made to key executives in the Group as well as other eligible employees of the Group. No STI payment was made to directors.

Employment Contract of Chief Executive Officer

On 1 August 2021, the Group entered into an agreement with Mr Ivanchenko that set out the terms and conditions of his appointment as a Chief Executive Officer (Agreement). The Agreement was varied on 9 January 2024 with effect from 1 July 2023.

Base Salary

Effective 1 July 2023, remuneration for Mr Ivanchenko has been increased to \$422,500 per annum (base salary) with superannuation contributions remain fixed at \$27,500 per annum.

Short-term incentive

Mr Ivanchenko was invited to participate in the FY25 short term incentive plan as approved by the Board. Under this plan, he will be eligible to receive up to \$100,000, linked to measures set by the board including a mix of Company and personal performance metrics.

Long term incentive Entitlement to Performance Shares - Zero Priced Performance Shares (ZPPS)

Under the terms of his previous contract, he has the ability to earn up to 4,000,000 ZPPS. The terms of those ZPPS were amended to remove the share price hurdle and to become:

- The ZPPS will issue to the CEO in FY27, subject to the CEO remaining in continued employment with the Group for three years from the grant of loan funded shares (see below);
- and If the Group becomes subject to a change of control event prior to the date three years from the grant of loan funded shares (see below), the CEO can immediately compel the issue of all 4,000,000 ZPPS.

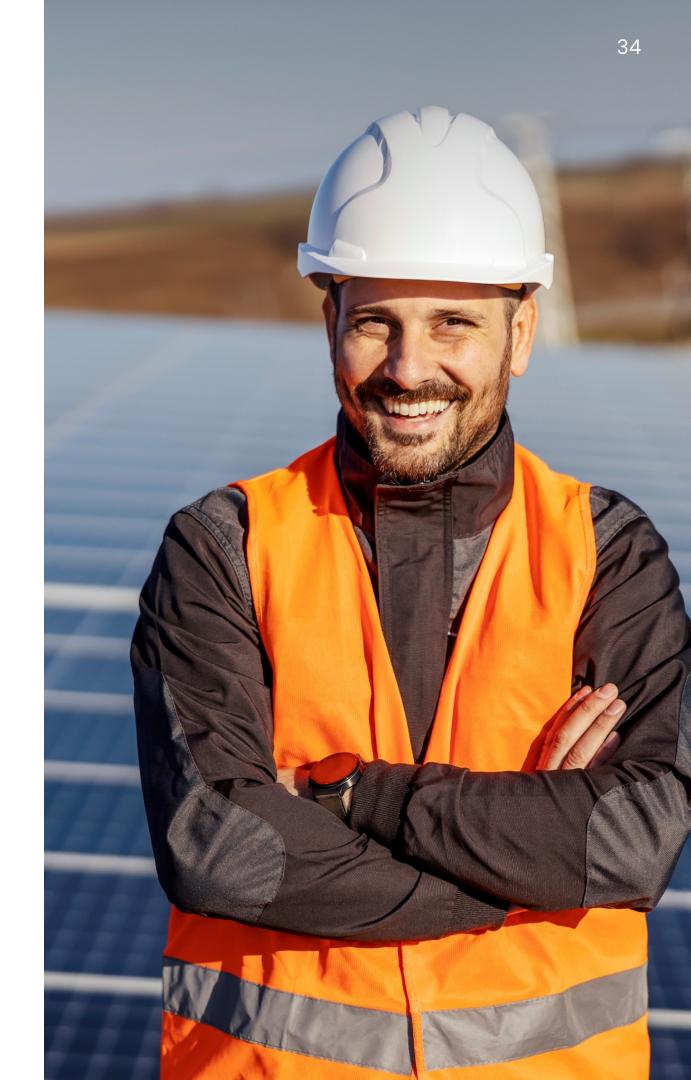
Long term incentive Loan Funded Shares

Further to the above in FY24, Mr Ivanchenko participated in the Kinatico Loan Funded Share Plan for 5,000,000 loan funded shares. These shares comprise:

- 2,000,000 retention shares which are dependent on his retention for three years;
- 3,000,000 incentive shares, all of which are dependent on his retention for three years and half of which are also dependent on the Group achieving a 16c share price.

Termination

The Group may terminate the contract with Mr Ivanchenko by giving six months written notice. Mr Ivanchenko may terminate his tenure by giving three months written notice to the Group. The Group may decide to pay in lieu of notice for part or all of the period of notice. If the Group decides to pay in lieu of notice, it will calculate the payment on the basis of the Mr Ivanchenko's gross annual salary paid to the Employee at the time of the termination.



Employment Contract of Chief Financial & Operations Officer

On 1 October 2021, the Group entered into an agreement with Mr Margach that set out the terms and conditions of his appointment as a Chief Financial & Operating Officer. The Agreement was varied with effect from 4 September 2023 and 1 September 2024.

In consideration for the appointment of Mr Margach, the Group has agreed to pay the following:

 Remuneration of a base salary of \$235,620 per annum from 4 September 2023, increasing to 255,000 per annum from 1 September 2024 and superannuation contributions in accordance with the Employer Superannuation Guarantee.

Short term incentive

Mr Margach was invited to participate in the FY25 short term incentive plan as approved by the Board. Under this plan, he will be eligible to receive up to \$60,000, linked to measures set by the board including a mix of Company and personal performance metrics.

Long term incentive Loan Funded Shares

Further to the above in FY24, Mr Margach participated in the Kinatico Loan Funded Share Plan for 2,000,000 loan funded shares. These shares comprise:

- 1,000,000 retention shares which are dependent on his retention for three years;
- 1,000,000 incentive shares, all of which are dependent on his retention for three years and half of which are also dependent on the Group achieving a 16c share price.

Termination

His contract is an ongoing contract.

The Group may terminate the contract with Mr Margach by giving six months written notice. Mr Margach may terminate his tenure by giving three months written notice to the Group. The Group may decide to pay in lieu of notice for part or all of the period of notice. If the Group decides to pay in lieu of notice, it will calculate the payment on the basis of the Mr Margach's gross annual salary paid to the Employee at the time of the termination.

Mr Margach has a post-employment competition clause for a period of up to six months after the termination of his contract.

Employment Contract of Chief Revenue Officer

On March 2022, the Group entered into an agreement with Mr Hoffmann that set out the terms and conditions of his employment. The contract was varied with effect from 19 January 2024.

Under the terms of the varied contract, Mr Hoffmann continues to be Chief Revenue Officer and the Group has agreed to pay Mr Hoffmann:

- Remuneration of a base salary of \$255,000 per annum and superannuation contributions in accordance with the Employer Superannuation Guarantee scheme; and
- Ability to earn On Target Earnings with a total pool of \$200,000. Commission to be paid proportionally to the growth of Company's total revenue target.

Long term incentive Loan Funded Shares

Further to the above in FY24, Mr Hoffmann participated in the Kinatico Loan Funded Share Plan for 3,500,000 loan funded shares. These shares comprise:

- 1,750,000 retention shares which are dependent on his retention for three years;
- 1,750,000 incentive shares, all of which are dependent on his retention for three years and half of which are also dependent on the Group achieving a 16c share price.

Termination

His contract is an ongoing contract, and his termination requires 3 months' notice from either party.

Mr Hoffmann has a post-employment competition clause for a period of up to six months after the termination of his contract.

Section D: Share, Option and Rights Holdings Shareholding

The movement during the reporting year in the number of Shares held, directly, indirectly or beneficially by each KMP, including their related parties, is as follows:

	Held at 1 July 2024	Received as part of remuneration	Purchases	Others*	Held at 30 June 2025
Directors					
Ivan Gustavino	1,068,127	-	77,955	-	1,146,082
Oliver Stewart	3,318,000	-	_	-	3,318,000
Jon Birman	22,497,811	-	102,189	-	22,600,000
Georg Chmiel	1,500,000	-	100,000	-	1,600,000
George Cameron-Dow	850,000	-	-	(850,000)	_**
Executives					
Michael Ivanchenko	105,000	-	-	-	105,000
Jason Margach	788,498	-	_	-	788,498
Geoff Hoffmann	93,000	-	-	-	93,000
Total		-	280,144	_	29,650,580

^{*} Ceased as KMP during the year.

^{**} Following cessation as KMP, the balance was reduced to nil.

Entitlement to performance shares – Zero Priced Performance Shares (ZPPS)

The movement during the reporting year in the number of Entitlement to Performance Shares - Zero Priced Performance Shares (ZPPS) held, directly, indirectly or beneficially by each KMP, including their related parties, is as follows:

	Held at 1 July 2024	Received as part of remuneration	Purchases	Disposals	Held at 30 June 2025
Directors					
Ivan Gustavino	-	-	-	-	-
Oliver Stewart	-	-	-	-	-
Jon Birman	-	-	-	-	-
Georg Chmiel	-	-	-	-	-
George Cameron-Dow	-	-	-	-	-
Executives					
Michael Ivanchenko	4,000,000	-	-	-	4,000,000
Jason Margach	-	-	_	-	-
Geoff Hoffmann	-	-	_	-	-
Total	4,000,000	-	_	_	4,000,000

Loan funded shares

The movement during the reporting year in the number of Loan Funded Shares held, directly, indirectly or beneficially by each KMP, including their related parties, is as follows:

	Held at 1 July 2024	Received as part of remuneration	Purchases	Disposals	Held at 30 June 2025
Directors					
Ivan Gustavino	-	-	-	-	-
Oliver Stewart	-	-	-	-	-
Jon Birman	-	-	-	-	-
Georg Chmiel	-	-	-	-	-
George Cameron-Dow	-	-	-	-	-
Executives					
Michael Ivanchenko	-	5,000,000	-	-	5,000,000
Jason Margach	-	2,000,000	-	-	2,000,000
Geoff Hoffmann	-	3,500,000	-	-	3,500,000
Total	-	10,500,000	-	-	10,500,000

Section E: Other transactions with Directors, KMP and their related parties

Transactions with related parties

Other than intercompany transactions there were no other transactions with related parties for the year ended 30 June 2025.

As of 30 June 2025, the balance of remuneration payable to Key Management Personnel amounted to \$384,299 (FY24: \$288,949). This is attributable to accrual for short-term incentive and on target earnings (both noted above) paid to Executive KMP.

Loan to Directors and their related parties

No loans have been made to any Director or any of their related parties during the year (FY24: Nil).

There were no further transactions with Directors including their related parties not disclosed above or in Note 25.

All transactions were made on normal commercial terms and conditions and at market rates.

Additional Information

The earnings of the Group for the five years to 30 June 2025 are summarised below:

	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Revenue	32,134,853	28,717,096	27,697,749	26,371,577	17,477,084
EBITDA	4,348,374	3,656,104	2,584,064	1,107,981	242,138
Profit/(Loss) before income tax	1,219,351	833,282	111,401	(1,316,335)	(1,070,857)
Profit/(Loss) after income tax	1,128,454	780,723	236,556	(1,503,267)	(1,008,141)

The factors that are considered to affect total shareholders return ('TSR') are summarized below:

	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Share price at the end of year (cents)	19.5	9.5	10.0	9.5	14.0
Dividends per share (cents)	-	-	-	-	-
Basic earnings/(loss) per share (cents)	0.3	0.2	(0.1)	(0.4)	(0.3)
Diluted earnings/(loss) per share (cents)	0.3	0.2	(0.1)	(0.4)	(0.3)



Indemnification And Insurance Of Directors And Other Officers

Under the Group's Constitution and to the extent permitted by law (subject to the restrictions in section 199A and 199B of the Corporations Act 2001), the Group indemnifies every person who is or has been an officer of the Group against:

- i. any liability (other than for legal costs) incurred by that person as an officer of the Group where the Group requested the officer to accept appointment as Director.
- ii. reasonable legal costs incurred in defending an action for a liability incurred by that person as an officer of the Group.

The Group has insured its Directors, the Group Secretary and executive officers. Under the Group's Directors' and Officers' Liability Insurance Policy (D&O Policy), the Group cannot release to any third party or otherwise publish details of the nature of the liabilities insured by the policy or the amount of the premium. Accordingly, the Group relies on section 300(9) of the Corporations Act 2001 to exempt it from the requirement to disclose the nature of the liability insured against and the premium amount of the relevant policy.

The Group also has in place a Deed of Indemnity, Access and Insurance with each of the Directors. This Deed:

- indemnifies the Director to the extent permitted by law and the Constitution against certain liabilities and legal costs incurred by the Director as an officer of any Group Company;
- ii. requires the Group to maintain, and pay the premium for, a D&O Policy in respect of the Director; and
- ii. provides the Director with access to particular papers and documents requested by the Director for a Permitted Purpose (as defined in the deed);

both during the time that the Director holds office and for a seven-year period after the Director ceases to be an officer of any Group Company, on the terms and conditions contained in the Deed.

Auditors

RSM Australia Partners ('RSM') continues in office in accordance with Section 327 of the Corporations Act 2001.

Indemnification and Insurance of Auditor

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

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

Shares held in escrow

As at the date of this report, shares issues on escrow as part of the loan funded shares incentive were:

Class	Date of Expiry	Exercise Price (Cents)	No. Under Option
Ordinary Shares	15 January 2029	12	13,500,000

Shares Issued as a Result of the Exercise of Options

No shares were issued as a result of exercise of options over ordinary shares during the year. (FY24: Nil).

Shares issued as a result of performance shares - Zero Priced Performance Shares (ZPPS)

Subject to the CEO remaining under remaining in continued employment with the Group up to FY27, 4,000,0000 ZPPS will be converted to shares. The issue of Performance Shares may also be subject to any shareholder approval or regulators if required.

Proceedings On Behalf Of The Group

No proceedings have been brought or intervened in or on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

From time to time in the ordinary course of business, the Group may be involved in litigation or regulatory actions arising from a wide range of matters.

The Group may also be involved in investigations, inquiries or disputes, debt recoveries, commercial and contractual disputes or occupational health and safety claims. The Group has an experienced legal team that monitors and manages potential and actual claims, actions and disputes; and where cost effective, has insurance policies covering potential losses.

The Group discloses any material matters that it considers require a contingency provision.

Constitution

The Group adopted its current Constitution as per shareholder approval obtained at the 2019 AGM.



Non-Audit Services

RSM may be employed on assignments additional to their audit services.

Details of the amounts paid or payable to RSM for audit and non-audit services provided during the financial year are outlined in Note 26 to the financial statements.

The directors are satisfied that where such services are provided, the provision of non-audit services during the financial year, by the auditor, is compatible with, and did not compromise the general standard of independence for auditors imposed by the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved by the Board and the CEO to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within the financial statements and forms part of this Directors' Report.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors support and adhere to good corporate governance practices. The Group's Corporate Governance Statement is contained in the 'Corporate Governance' section of the Group's website at www.kinatico.com/investors/

Officers of the Group who are former partners of RSM Australia Partners

There are no officers of the Group who are former partners of RSM Australia Partners.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Declaration

This Directors' Report is made in accordance with a resolution of directors made pursuant to Section 298(2)(a) of the Corporations Act 2001.

Signed on behalf of the Board of Directors

Ivan Gustavino, Non-executive Chairman 26 August 2025

of Gular



Auditor's Independence Declaration



RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Kinatico Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA

AIK KONG TING

Partner

Perth, WA

Dated: 26 August 2025

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Consolidated Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	30 June 2025 (\$)	30 June 2024 (\$)
Revenue	6	32,134,853	28,717,096
Interest and other income		426,362	385,194
Expenses			
External direct costs		(11,302,698)	(9,496,669)
Director and employee benefits		(10,596,569)	(10,237,634)
Depreciation and amortisation	16,17	(3,419,584)	(3,124,134)
Advertising and marketing		(2,205,499)	(2,161,181)
Information and technology		(1,678,993)	(1,448,187)
Consultants and contractors		(612,916)	(653,355)
Share-based payments	21	(368,076)	(217,126)
Insurance		(461,515)	(334,291)
Occupancy		(227,859)	(175,912)
Other expenses	7	(468,155)	(420,519)
Profit before income tax for the year		1,219,351	833,282
Income tax expense	8	(90,897)	(52,559)
Profit after income tax for the year		1,128,454	780,723
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		11,253	(9,967)
Other comprehensive income / (loss) for the year (net of tax)		11,253	(9,967)
Total comprehensive income for the year attributable to equity holders of the Parent Entity		1,139,707	770,756
Earnings per share attributable to equity holders of the Parent Entity:			
Basic earnings per Share (cents)	9	0.270	0.186
Diluted earnings per Share (cents)	9	0.269	0.186

Consolidated Statement of Financial Position

As at 30 June 2025

	Note	30 June 2025 (\$)	30 June 2024 (\$)
Current Assets			
Cash and cash equivalents	10	10,218,007	9,752,262
Trade and other receivables	11	2,933,842	2,556,575
Other current assets	12	258,875	369,103
Total Current Assets		13,410,724	12,677,940
Non Current Assets			
Plant and equipment	16	688,670	1,116,902
Intangible assets - goodwill	17	4,669,730	4,669,730
Intangible assets - others	17	14,705,325	14,011,991
Deferred tax asset	8	20,953	14,933
Other non-current assets	12	524,100	320,100
Total Non Current Assets		20,608,778	20,133,656
Total Assets		34,019,502	32,811,596
Current Liabilities			
Trade and other payables	13	3,984,379	3,872,931
Provision for employee benefits	14	939,170	1,155,029
Contract liabilities	15	1,080,938	924,036
Current lease liability	18	393,522	404,264
Income tax liability	8	64,451	12,555
Total Current Liabilities		6,462,460	6,368,815
Non Current Liability			
Non-current lease liability	18	317,768	711,290
Total Non Current Liability		317,768	711,290
Total Liabilities		6,780,228	7,080,105
Net Assets		27,239,274	25,731,491
Equity			
Issued capital	19	46,537,770	46,537,770
Reserves	19	1,883,047	1,503,718
Accumulated losses	20	(21,181,543)	(22,309,997)
Total Equity		27,239,274	25,731,491

Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Note	30 June 2025 (\$)	30 June 2024 (\$)
Cash flows from operating activities			
Receipts from customers		35,407,406	31,268,666
Payments to suppliers and employees		(30,412,842)	(27,297,437)
Finance costs paid		(62,618)	(74,572)
Interest received		389,299	422,353
Income tax paid		(44,544)	(114,511)
Net cash flows from operating activities	10	5,276,701	4,204,499
Cash flows from investing activities			
Payment for term deposits		(204,000)	-
Payment for purchases of plant and equipment		(57,178)	(26,449)
Payment for intangible assets		(3,664,237)	(3,163,179)
Net cash used in investing activities		(3,925,415)	(3,189,628)
Cash flows from financing activities			
Share buyback		-	(120,226)
Repayment for lease liabilities		(404,264)	(384,183)
Repayment of business insurance premiums		(513,541)	(383,049)
Net cash used in financing activities		(917,805)	(887,458)
Net increase in cash and cash equivalents		433,481	127,413
Cash and cash equivalents at the beginning of the year		9,752,262	9,629,066
Effects of exchange rate changes on the balance of cash held in foreign currencies		32,264	(4,217)
Cash and cash equivalents at the end of the year		10,218,007	9,752,262

Consolidated Statement of Changes in Equity

For the year ended June 2025

	Note	Issued Capital (\$)	Share-based Payment Reserve (\$)	Foreign Currency Translation Reserve (\$)	Accumulated Losses (\$)	Total (\$)
Balance at 1 July 2023		46,657,996	1,335,001	(38,442)	(23,090,720)	24,863,835
Profit for the year		-	-	-	780,723	780,723
Exchange differences on translation of foreign operations		-	-	(9,967)	-	(9,967)
Total comprehensive profit for the year		-	-	(9,967)	780,723	770,756
Transactions with owners in their capacity as owners:						
Share buyback	19	(120,226)	-	-	-	(120,226)
Share-based payments	21	-	217,126	-	_	217,126
Balance at 30 June 2024		46,537,770	1,552,127	(48,409)	(22,309,997)	25,731,491
Balance at 1 July 2024		46,537,770	1,552,127	(48,409)	(22,309,997)	25,731,491
Profit for the year		-	-	-	1,128,454	1,128,454
Exchange differences on translation of foreign operations		-	-	11,253	-	11,253
Total comprehensive profit for the year		-	-	11,253	1,128,454	1,139,707
Transactions with owners in their capacity as owners:						
Share-based payments	21	-	368,076	-	-	368,076
Balance at 30 June 2025		46,537,770	1,920,203	(37,156)	(21,181,543)	27,239,274

Notes to the Consolidated Financial Statements

Note 1 & 2

Notes to the Financial Statements

Note 1. Corporate Information

The consolidated financial statements of Kinatico Limited and its subsidiaries (collectively, the Group) for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 26 August 2025. Kinatico Limited (the Company or the parent) is a limited company incorporated and domiciled in Western Australia whose shares are publicly traded. The registered office and principal place of business is Level 4, 999 Hay Street, Perth, Western Australia.

The Group is principally engaged in the provision of screening and verification services and the provision of SaaS-based workforce management and compliance technology systems.

Note 2. Basis Of Preparation

These general-purpose financial statements of the Group have been prepared in accordance Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB). The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements. Where necessary, comparative figures have been re-stated to conform with changes in presentation for the current year.

Historical Cost

The financial statements have been prepared under the historical cost convention, except for certain financial instruments, which have been measured at fair value.

Functional and Presentation Currency

The financial statements are presented in Australian dollars, which is the Group's presentation currency and the functional currency of the Group and its subsidiaries, except for the New Zealand operations in which the functional currency is in New Zealand dollars.

Critical Accounting Judgments, 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 significant judgements, estimates and assumptions made by management in the preparation of these financial statements are outlined within the financial statement notes to which they relate.

Rounding of amounts

All amounts in the financial statements have been rounded to the nearest dollars, except as indicated in accordance with the ASIC Corporations instrument 2016/191.

Note 3. Principles & Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 30 June 2025. A list of significant controlled entities (subsidiaries) at the end of the year is contained in Note 23 and the Consolidated Entity Disclosure Statement. The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In accordance with Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 24.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee) Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

 The contractual arrangements with the other vote holders of the investee

- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the noncontrolling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.





a. Current Versus Non-current Classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Group's consolidated financial statements are presented in Australian Dollars, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's net investment in a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are

translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration.

If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

(ii) Group Companies

On consolidation, the assets and liabilities of foreign operations are translated into Australian Dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

c. Impairment of Non-financial Assets

The Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating units' (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 30 June and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 30 June at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

d. New or Amended Accounting Standards and Interpretations Adopted/Not Yet Mandatory or Early Adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory, have not been early adopted for the annual reporting period ended 30 June 2025.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 5. Segment Information Material Accounting Policy

Primary Reporting Format - Business Segments

The Group is organised into two operating segments based on geographical locations consisting of Australia and New Zealand.

Identification of Reportable Operating Segments

The operating segments are identified 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.

Performance is measured based on segment operating profit. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

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

Types of Products and Services

Both the Australian and New Zealand segments' principal products are the provision of screening and verification services and the provision of SaaS-based workforce management and compliance technology systems.

Intersegment Transactions

Intersegment transactions were made at market rates. The Australian operating segment purchases certain verification and screening products and recharges them to the New Zealand business at market price. Intersegment transactions are eliminated on consolidation.

Intersegment Receivables, Payables and Loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans are eliminated on consolidation.

Major Customers

The Group has no material reliance on a specific customer.





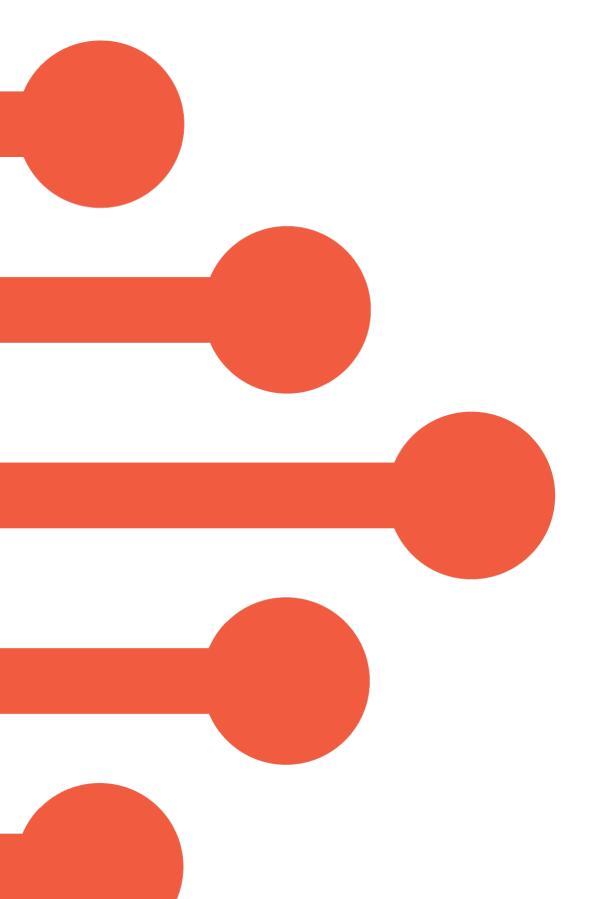
Segment Information Continued

	Australia (\$)	New Zealand (\$)	Elimination (\$)	Total (\$)
For the year ended 30 June 2025				
Revenue	29,568,420	2,566,433	-	32,134,853
EBITDA	3,148,016	1,200,358	-	4,348,374
Depreciation and amortisation	(3,370,528)	(49,056)	-	(3,419,584)
Interest income	448,625	11,934	(75,145)	385,414
Interest expense	(56,774)	(79,389)	75,145	(61,018)
Other non-operating income / (expense)	749,913	(783,748)	-	(33,835)
Profit before income tax	919,252	300,099	-	1,219,351
Income tax expense	-	(90,897)	-	(90,897)
Profit after income tax	919,252	209,202	-	1,128,454
30 June 2025				
Assets				
Segment assets	32,734,117	2,628,269	(1,342,884)	34,019,502
Total assets	32,734,117	2,628,269	(1,342,884)	34,019,502
30 June 2025				
Liabilities				
Segment liabilities	6,412,055	1,711,055	(1,342,882)	6,780,228
Total Liabilities	6,412,055	1,711,055	(1,342,882)	6,780,228



Segment Information Continued

	Australia (\$)	New Zealand (\$)	Elimination (\$)	Total (\$)
For the year ended 30 June 2024				
Revenue	25,881,297	2,835,799	-	28,717,096
EBITDA	2,216,079	1,440,025	-	3,656,104
Depreciation and amortisation	(3,057,557)	(66,577)	-	(3,124,134)
Interest income	463,116	9,263	(96,525)	375,854
Interest expense	(69,543)	(100,034)	96,525	(73,052)
Other non-operating income / (expense)	1,081,503	(1,082,993)	-	(1,490)
Profit before income tax	633,598	199,684	-	833,282
Income tax expense	-	(52,559)	-	(52,559)
Profit after income tax	633,598	147,125	-	780,723
30 June 2024				
Assets				
Segment assets	31,824,263	2,004,672	(1,017,339)	32,811,596
Total assets	31,824,263	2,004,672	(1,017,339)	32,811,596
30 June 2024				
Liabilities				
Segment liabilities	6,745,115	1,352,327	(1,017,337)	7,080,105
Total Liabilities	6,745,115	1,352,327	(1,017,337)	7,080,105



Note 6. Revenue From Contracts With Customers Material Accounting Policy

Revenue from Contracts with Customers

The Group is in the business of providing premium screening and verification and SaaS-based workforce management and compliance technology systems. Revenue from contracts with customers is recognised when services are provided at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

Screening and Verification

Revenue from pre-employment screening and workforce compliance monitoring is recognised at the point in time when the service is provided to the customer. The normal credit term is 30 to 60 days upon completion of the service. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the provision of pre-employment screening and workforce compliance monitoring, the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the customer (if any).

SaaS-based workforce management and compliance technology systems

Subscription services are treated as a single performance obligation, access to digital platforms and data under the subscription is a series of services substantially integrated with the same pattern of transfer. Accordingly, subscription revenue is recognised evenly over the subscription period.

(i) Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for the provision of services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group also provides retrospective volume rebates to certain customers once the quantity of services purchased during the period exceeds the threshold specified in the contract. The volume rebates give rise to variable consideration.

The Group applies either the most likely amount method or the expected value method to estimate the variable consideration in the contract. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The most likely amount is used for those contracts with a single volume threshold, while the expected value method is used for those with more than one volume threshold. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the expected future rebates (i.e., the amount not included in the transaction price.)

Revenue From Contracts With Customers Continued

	30 June 2025 (\$)	30 June 2024 (\$)
Type of service		
Transactional		
Criminal history checks	14,358,007	14,802,306
Other checks	2,840,182	4,215,062
	17,198,189	19,017,368
Software as a Service	14,936,664	9,699,728
Total Revenue	32,134,853	28,717,096
Geographical markets		
Australia	29,568,420	25,881,297
New Zealand	2,566,433	2,835,799
Total Revenue	32,134,853	28,717,096
Timing of revenue recognition		
Services rendered at a point in time	24,228,584	21,244,229
Services rendered over time	7,906,269	7,472,867
Total Revenue	32,134,853	28,717,096



Revenue from Contracts with Customers Continued

(ii) Significant Financing Component

The Group receives advance payments from customers for the provision of pre-employment screening and workforce compliance monitoring. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the provision service and the payment is one year or less.

Cost To Obtain A Contract

The Group pays sales commission to its employees for certain contracts that they obtain. The Group applies the optional practical expedient to immediately expense costs to obtain a contract if the amortisation period of the asset that would have been recognised is one year or less. As such, sales commissions are immediately recognised as an expense and included as part of employee benefits.

Note 7. Other Expenses

	30 June 2025 (\$)	30 June 2024 (\$)
Listing and compliance	68,518	92,518
Travel and accommodation	99,834	87,206
Interest expense	61,018	73,052
Communication	23,002	30,425
Others	215,783	137,318
Total other expenses	468,155	420,519

Note 8. Income Tax Material Accounting Policy

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Income Tax continued

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

 When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

 In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilise.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climaterelated development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Income Tax continued

Tax Consolidated Group

Kinatico Limited (the 'head entity') and its wholly owned Australian subsidiaries formed an income tax consolidated group under the tax consolidation regime. The head entity and its wholly owned Australian subsidiaries in the tax consolidated group account their current and deferred tax amounts as an aggregate amount.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Critical Accounting Estimate

The Group is subject to income taxes in Australia and other jurisdictions. Significant judgment is required in determining the provision for income taxes, including the recognition and recoverability of deferred tax assets. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Where the final tax outcome is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the determination is made. The Group regularly assesses the carrying value of deferred tax assets and liabilities based on forecast taxable income and tax planning strategies.



Income Tax continued

	30 June 2025 (\$)	30 June 2024 (\$)
Components of income tax expense / (benefit) comprise of:		
Current income tax:		
Current income tax expense	96,917	45,201
Deferred income tax:		
Relating to origination and reversal of temporary differences	445,951	233,272
Carry forward tax losses	(115,760)	(2,596)
Deferred tax not brought to account	(336,211)	(223,318)
	(6,020)	7,358
Income tax expense	90,897	52,559
Reconciliation of income tax expense to prima facie tax payable		
Profit before income tax	1,219,351	833,282
Tax at the Australian rate of 25%	304,838	208,321
Effect of tax rates in foreign jurisdictions	15,874	2,637
Tax effect:		
Non-deductible share-based payments	92,019	54,282
Other expenditure not deductible	14,377	10,637
Deferred tax not brought to account	(336,211)	(223,318)
Income tax expense	90,897	52,559
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	54,174	41,835
Provision for employee benefits	2,628	(526)
Contract liabilities	19,104	13,534
Lease liabilities	(54,953)	(39,910)
Net deferred tax asset	20,953	14,933
Movements of net deferred tax asset:		
At beginning of the year	14,933	22,229
Credited / (charged) to profit or loss	6,020	(7,296)
At end of the year	20,953	14,933
Income tax liability		
Provision for income tax	64,451	12,555

30 June 2024 (\$)

Note 8 & 9

Income Tax continued

Unrecognised Deferred Tax Balances

The Group recognised deferred tax balance of \$20,953 (FY24: \$14,933) in relation to its subsidiary in New Zealand. However, the Group does not currently recognise any deferred tax asset arising from its accumulated losses. Management estimates that the potential deferred tax assets at 25% not brought to account attributable to tax losses carried forward at reporting date is approximately \$4,434,812 (FY24: \$4,319,052).

The losses have not been brought to account because the Directors do not believe it is appropriate to regard realisation of those deferred tax assets as being probable in the near future. The benefit of these deferred tax assets will only be obtained if:

- The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the temporary differences to be realised;
- The Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- No changes in tax legislation adversely affect the entity in realising the benefit from the deductions for the temporary differences.

Note 9. Earnings Per Share Material Accounting Policy

(i) Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Kinatico Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

(ii) Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Options, performance rights and performance shares are not included in the determination of diluted earnings per share.

	σσ σαπο 2020 (ψ)	σσ σαιίο 202 ι (ψ)
Basic earnings per share - cents	0.270	0.186
Diluted earnings per share - cents	0.269	0.186
Net profit used in the calculation of basis and diluted earnings per share	1,128,454	780,723
Weighted average number of shares outstanding during the year used in the calculation of basic earnings per share	418,591,984	418,670,726
Weighted average number of shares outstanding during the year used in the calculation of diluted earnings per share	418,942,024	418,670,726

30 June 2025 (\$)

Working Capital and Provisions

This section provides further information about the Group's working capital and provisions.

Note 10. Cash And Cash Equivalents Material Accounting Policy

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

All cash balances are available for use by Kinatico Ltd. The Group's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities are disclosed in note 23.

Cash at banks earns interest at floating rates on daily bank notice deposit rates. Deposits are made for varying notice periods, depending on the immediate cash requirements of the Group and earn interest at the respective deposit rates.

Non-cash investing and financing activities

During the year, there are no non-cash investing and financing activities.

	30 June 2025 (\$)	30 June 2024 (\$)
Cash at banks	10,218,007	9,648,262
Short term deposits	_	104,000
Total cash and cash equivalents	10,218,007	9,752,262
Reconciliation of cash flows from operating activities		
Profit after income tax	1,128,454	780,723
Non-cash		
Depreciation and amortisation	3,419,584	3,124,134
Share-based payments	368,076	217,126
Loss on disposal of fixed assets	36,731	_
Foreign exchange differences	(21,013)	(4,494)
Changes in working capital		
Trade and other receivables	(377,267)	(197,493)
Other assets	577,151	361,914
Trade and other payables	152,046	394,418
Provision for Employee Benefits	(215,859)	(122,610)
Contract liabilities	156,902	(280,269)
Income tax liability	51,896	(68,950)
Cashflow from operations	5,276,701	4,204,499

Note 11. Trade And Other Receivables Material Accounting Policy

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses. They are due and demandable. The effect of discounting is not considered material. The receivable is not considered impaired.

	30 June 2025 (\$)	30 June 2024 (\$)
Trade receivables	2,944,544	2,563,855
Allowance for expected credit losses	(14,250)	(14,250)
Trade receivables net of expected credit losses	2,930,294	2,549,605
Other receivables	3,548	6,970
Total trade and other receivables	2,933,842	2,556,575

Critical Accounting Estimate

Allowance for expected credit losses

The Group applies the simplified approach under AASB 9 to measure expected credit losses (ECL) for trade receivables. This requires the recognition of a lifetime ECL at each reporting date, reflecting historical observed default rates, adjusted for forward-looking information.

Management exercises judgment in estimating the provision by considering customer credit risk, the aging profile of receivables, past default experience, and macroeconomic factors such as industry trends and economic forecasts. The estimation of ECL is inherently uncertain and actual results may differ from these estimates, particularly in times of economic volatility.

The Group has not recognised a loss in profit or loss in respect of the expected credit losses for the year ended 30 June 2025. The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected cre	edit loss rate	Carrying	g amount		ance for credit losses
	2025	2024	2025	2024	2025	2024
	%	%	\$	\$	\$	\$
0 to 30 days overdue	0%	0%	2,563,949	2,225,594	-	-
31-60 days overdue	0%	0%	146,158	163,324	-	-
61-90 days overdue	0%	0%	87,893	45,854	-	-
over 90 days overdue	9%	10%	150,092	136,053	14,250	14,250
			2,948,092	2,570,825	14,250	14,250

Movements in the allowance for expected credit losses are as follows:

	2025 (\$)	2024 (\$)
At beginning of the year	14,250	14,250
Additional provisions recognised	10,768	_
Receivables written off during the year as uncollectible	(10,768)	_
Unused amounts reversed	_	_
At end of the year	14,250	14,250

Note 12, 13 & 14

Note 12. Other Assets

	30 June 2025 (\$)	30 June 2024 (\$)
Current		
Prepaid expenses	258,875	369,103
Non-current		
Term deposit	204,000	-
Security deposit	320,100	320,100
Total other assets	782,975	689,203

The security deposit is held as bank guarantee for the lease of the Group's office premises and credit card facility.

The Group holds term deposits with original maturities greater than three months and less than 12 months. These deposits are classified as financial assets at amortised cost in accordance with AASB 9 Financial Instruments, as the Group's business model is to hold these assets to collect contractual cash flows, which are solely payments of principal and interest.

These deposits earn interest at rates between 4% and 5% per annum.

Note 13. Trade And Other Payables

	30 June 2025 (\$)	30 June 2024 (\$)
Trade payables	2,519,184	2,542,475
Accrued expenses	1,162,511	994,425
Goods and services tax ("GST")	210,811	212,326
Other payables	91,873	123,705
Total trade and other payables	3,984,379	3,872,931

Material Accounting Policy

Trade and Other Payables

Trade and other payables comprise liabilities for goods and services received by the Group prior to the end of the financial year which remain unpaid as at the reporting date. These are obligations to pay for goods and services and are typically settled within 30 days of recognition and therefore are classified as current liabilities. Trade payables are non-interest bearing and are usually settled on credit terms between 30 and 90 days.

Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 14. Provision For Employee Benefits

Material Accounting Policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(i) Short term benefits

Liabilities for wages and salaries, including nonmonetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Provision For Employee Benefits Continued

(ii) Other Long-term Benefits

The liabilities for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. A liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Defined Contribution Superannuation Expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

	30 June 2025 (\$)	30 June 2024 (\$)
Current		
Provision for annual leave	552,706	688,172
Provision for long service leave	386,464	466,857
Non-current		
Provision for long service leave	_	_
Total provision for employee benefits	939,170	1,155,029

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	30 June 2025 (\$)	30 June 2024 (\$)
Employee benefits obligation expected to be settled after 12 months	172,060	102,130

Note 15 & 16

Note 15. Contract Liabilities Material Accounting Policy

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group completes the services. Contract liabilities are recognised as revenue when the Group performs under the contract.

30 June 2025 (\$) 30 June 2024 (\$)

Balance at beginning of the year	924,036	1,205,800
Deferred during the year	13,513,122	10,710,031
Recognised as revenue during the year	(13,354,713)	(10,990,300)
Foreign exchange difference	(1,507)	(1,495)
At the end of the year	1,080,938	924,036

Unsatisfied performance obligations

The Group has elected to use the practical expedient and is not required to disclose information about remaining performance obligations for contracts with an original expected duration of one year or less, or for contracts where revenue is recognised in the amount to which the Group has a right to invoice. There are no other unsatisfied performance obligations that do not meet the criteria for the practical expedient.

Invested Capital

This section provides further information about the Group's property and equipment and intangible assets and the carrying value of these non-financial assets.

Note 16. Property, Plant And Equipment Material Accounting Policy

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such historical cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

- Computer equipment 3 to 4 years
- Plant & equipment 5 to 20 years
- Leasehold improvements 5 years
- Furniture & fittings 5 to 20 years

An item of plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Critical Accounting Estimate

Estimation of Useful Life of Assets

The Group determines the estimated useful life and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Property, Plant And Equipment Continued

Gross carrying amount and the accumulated depreciation at the beginning and end of the year

Computer equipment	Plant & equipment	Right-of-use assets	Furniture & fittings	Leasehold improvements	Total
\$	\$	\$	\$	\$	\$
392,406	1,720	1,792,734	148,158	98,623	2,433,641
(308,125)	(1,605)	(853,650)	(122,948)	(30,411)	(1,316,739)
84,281	115	939,084	25,210	68,212	1,116,902
390,277	3,469	1,635,235	4,866	59,595	2,093,442
(307,403)	(1,720)	(1,062,902)	(1,102)	(31,645)	(1,404,772)
82,874	1,749	572,333	3,764	27,950	688,670
	\$ 392,406 (308,125) 84,281 390,277 (307,403)	\$ \$ \$ 392,406 1,720 (308,125) (1,605) 84,281 115 390,277 3,469 (307,403) (1,720)	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	equipment equipment assets fittings improvements \$ \$ \$ \$ \$ 392,406 1,720 1,792,734 148,158 98,623 (308,125) (1,605) (853,650) (122,948) (30,411) 84,281 115 939,084 25,210 68,212 390,277 3,469 1,635,235 4,866 59,595 (307,403) (1,720) (1,062,902) (1,102) (31,645)



Note 16 & 17

Reconciliation of the carrying amount at the beginning and end of the year.

	Computer equipment	Plant & equipment	Right-of- use assets	Furniture & fittings	Leasehold improvement s	Total
	\$	\$	\$	\$	\$	\$
Carrying amount as at 30 June 2023	139,497	459	1,319,912	37,959	83,116	1,580,94 3
Additions	24,866	-	-	753	830	26,449
Depreciation	(78,853)	(344)	(380,721)	(13,425)	(14,668)	(488,011)
Foreign exchange difference	(1,229)	-	(107)	(77)	(1,066)	(2,479)
Carrying amount as at 30 June 2024	84,281	115	939,084	25,210	68,212	1,116,902
Additions	55,429	1,749	-	-	-	57,178
Depreciation	(57,959)	(115)	(366,666)	(11,005)	(12,936)	(448,681)
Disposal	-	-	(85)	(10,384)	(27,144)	(37,613)
Foreign exchange difference	1,123	-		(57)	(182)	884
Carrying amount as at 30 June 2025	82,874	1,749	572,333	3,764	27,950	688,670

Note 17. Intangible Assets Material Accounting Policy

Goodwill

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining

the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cashgenerating unit retained.

Critical Accounting Estimate

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated above. 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.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Material Accounting Policy Continued

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Useful Lives

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.

A summary of the policies applied to the Group's intangible assets is, as follows:

	Goodwill	Intellectual Property	Customer contracts and relationships	Product Development
Useful lives	Indefinite	Finite (9 years)	Finite (9 years)	Finite (2.5-9 years)
Amortisation method used	No amortisation	Amortised on a straight-line basis over the period of expected benefit	Amortised on a straight-line basis over the period of expected benefit	Amortised on a straight-line basis over the period of expected benefit
Internally generated or acquired	Acquired	Acquired	Acquired	Internally generated



Material Accounting Policy Continued

Product Development Costs

The Group capitalises costs for product development projects. Initial capitalisation costs is based on management's judgement that technological and economic feasibility is confirmed, the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably.

Critical Accounting Estimate

Capitalising Of Product Development Costs

Costs that are directly associated with the development of software are recognised as intangible assets where the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable economic benefits; and
- The expenditure attributable to the software product during its development can be reliably measured.

Other development expenditure that does not meet the above criteria is recognised as an expense when incurred. Development costs previously recognised as expenses are not recognised as assets in a subsequent period.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Estimation of useful life of assets

Intangible assets are also subject to critical accounting estimates. Gross carrying amount and the accumulated depreciation at the beginning and end of the year.

	Goodwill	Product development	Intellectual property	Customer contracts	Customer relationships	Total
	\$	\$	\$	\$	\$	\$
At beginning of the year						
Gross carrying amount	4,669,730	11,898,432	7,385,354	1,001,000	1,730,000	26,684,516
Accumulated amortisation	-	(4,068,254)	(2,950,008)	(360,864)	(623,669)	(8,002,795)
	4,669,730	7,830,178	4,435,346	640,136	1,106,331	18,681,721
At end of the year						
Gross carrying amount	4,669,730	15,562,669	7,385,354	1,001,000	1,730,000	30,348,753
Accumulated amortisation	-	(5,820,633)	(3,865,092)	(472,085)	(815,888)	(10,973,698)
	4,669,730	9,742,036	3,520,262	528,915	914,112	19,375,055
Carrying amount as at 30 June 2023	4,669,730	6,084,598	5,350,430	751,357	1,298,550	18,154,665
Additions	-	3,163,179	-	-	-	3,163,179
Amortisation	-	(1,417,599)	(915,084)	(111,221)	(192,219)	(2,636,123)
Carrying amount as at 30 June 2024	4,669,730	7,830,178	4,435,346	640,136	1,106,331	18,681,721
Additions	-	3,664,237	-	-	-	3,664,237
Amortisation	-	(1,752,379)	(915,084)	(111,221)	(192,219)	(2,970,903)
Carrying amount as at 30 June 2025	4,669,730	9,742,036	3,520,262	528,915	914,112	19,375,055

Goodwill acquired during previous years through business combinations has been allocated to the following cash-generating units:

	30 June 2025 (\$)	30 June 2024 (\$)
Australia	3,310,065	3,310,065
New Zealand	1,359,665	1,359,665
Total goodwill	4,669,730	4,669,730

The recoverable amount of the Group's non-financial assets has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1-year projection period approved by the Board and extrapolated for a further 4 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cashgenerating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the Australia operation:

- i. 12.2 % pre-tax discount rate (FY24: 15.1%);
- ii. Expected consistent revenue growth of 11% in the first year and minimum of 5%

(FY24: 5%) thereafter; The revenue growth rate is based on assumptions that the business will concentrate on the SAAS revenue with the launch of the new Kinatico Compliance platform;

- iii. Expected consistent gross margin of 67% in the first year and 66% thereafter (FY24: consistent at 64%);
- iv. Employee benefits costs increase by 18% (FY24: 2%) in the first year, then 3% (FY24: 3.2%) thereafter;
- v. Other operating costs and overheads increasing in line with revenue growth and the expected CPI% increase at 3% (FY24: 3.2%).

The following key assumptions were used in the discounted cash flow model for the New Zealand operation:

- i. 12.1 % pre-tax discount rate (FY24: 15.6%);
- i. Expected revenue growth of 5% (FY24: negative growth of 13%) for the first year and 2% (FY24: 2%) growth thereafter.
- iii. Gross margin remains consistent at 80% (FY24: 81%);
- iv. Employee benefits costs increase by 7% in the first year, then 2% thereafter (FY24: 2%) every year;
- v. Other operating costs and overheads increasing in line with revenue growth from years 2 to year 5 and expected CPI% increase at 2% (FY24: 3.2%).

The pre-tax discount rate of 12.2% for Australia CGU (FY24: 15.1%) and 12.1% for the New Zealand CGU (FY24: 15.6%) reflects management's estimate of the time value of money, the Group's weighted average cost of capital adjusted for the Australian and New Zealand operations and the risk-free rate.

Management believes the projected range of revenue growth is justified, based on the business achieving significantly higher growth rates after leveraging off current operations and internal developments and improvements that has occurred since.

Sensitivity

As disclosed in Note 2, the management have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur, the resulting goodwill carrying amount may decrease. The key sensitivities are as follows:

Australia operations

- If no revenue growth is projected between FY27 and FY30, then goodwill would need to be impaired, with all other assumptions remaining constant.
- ii. The gross margin rate is lower than 56% from FY27 to FY30, goodwill would need to be impaired, with all other assumptions remaining constant.

New Zealand operations

- A year-on-year revenue decline of more than 2% from FY27 to FY30, then goodwill would need to be impaired, with all other assumptions remaining constant.
- ii. The gross margin rate is lower than 72% from FY27 to FY30, goodwill would need to be impaired, with all other assumptions remaining constant.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of goodwill is based would not cause the cash-generating unit's recoverable amount to be less than the carrying amount.

Note 17 & 18

Capital Structure

This section provides further information about the Group's contributed equity, financial liabilities, related financing costs and its exposure to various financial risks. It explains how these risks affect the Group's financial position and performance and what management does to manage these risks.

Note 18. Lease Liability Material Accounting Policy

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(I) Right-of-use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any

lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to note 16 on disclosure of right-of-use assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future

payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group has lease contracts for their office premises with lease terms of 5 years. The Group also has leases of office equipment with low value. The Group applies the "lease of low-value assets" recognition exemptions for these leases. The carrying amounts of right-of-use assets recognised and the movements during the period are shown in Note 16.

(Iii) Short-term Leases And Leases Of Low-value Assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Set out in the next page are the carrying amounts of lease and the movements during the period:

Note 18 & 19

30 June 2025 (\$)	30 June 2024 (\$)
1,115,554	1,500,687
44,124	63,073
(404,264)	(384,183)
(44,124)	(63,905)
-	(118)
711,290	1,115,554
393,522	404,264
317,768	711,290
711,290	1,115,554
	44,124 (404,264) (44,124) - 711,290 393,522 317,768

The table above is reconcilable to the changes in liabilities arising from financing activities illustrated on the Consolidated Statement of Cash Flows.

The following are the amounts recognised in profit or loss:

	30 June 2025 (\$)	30 June 2024 (\$)
Depreciation expense of right-of-use assets	366,666	380,721
Interest expense on lease liabilities	44,124	63,073
Expenses relating to leases of low-value assets	971	4,870
Total amount recognised in profit or loss	411,761	448,664

Note 19. Issued Capital And Reserves Material Accounting Policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Issued Capital

	30 June	e 2025	30 June 2024		
	No.	\$	No.	\$	
At beginning of the year	418,591,984	46,537,770	419,652,724	46,657,996	
Transactions during the year:					
Share buyback	-	-	(1,060,740)	(120,226)	
At end of the year	418,591,984	46,537,770	418,591,984	46,537,770	

During the prior year period the Group completed its on-market buyback which commenced in July 2022, where 1,060,740 shares were bought back for a total consideration of \$120,226. All shares bought back were cancelled.

Additionally to the above, the Group has the following shares held in escrow pursuant to the Loan Funded Shares Agreement. These shares

will remain in escrow until such time as the Loan Funded Shares vest in accordance with the terms of the agreement. Refer Note 22.

Escrow Shares Tranche A: 7,750,000 shares

Escrow Shares Tranche B: 5,750,000 shares

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



Note 19, 20 & 21

Reserves

	Share- based Payments	Foreign Currency Translation	Total	Share- based Payments	Foreign Currency Translation	Total	
	\$	\$	\$	\$	\$	\$	
At beginning of the year	1,552,127	(48,409)	1,503,718	1,335,001	(38,442)	1,296,559	
Share-based payments	368,076	-	368,076	217,126	-	217,126	
Movement of foreign currency translation reserve	-	11,253	11,253	-	(9,967)	(9,967)	
At end of the year	1,920,203	(37,156)	1,883,047	1,552,127	(48,409)	1,503,718	

30 June 2024

30 June 2025

Share-based payments reserve

Share-based payments reserve arises on the grant of performance rights, entitlement to performance shares, loan funded shares and options to the key management personnel and executives.

Foreign currency translation reserve

The foreign currency translation is used to record exchange differences arising from the translation of the financial statement of a foreign subsidiary. The movement arises from the translation of foreign subsidiary and the opening balance of equity.



Note 20. Accumulated Losses

	30 June 2025 (\$)	30 June 2024 (\$)
At beginning of the year	(22,309,997)	(23,090,720)
Profit for the year	1,128,454	780,723
At the end of the year	(21,181,543)	(22,309,997)

Note 21. Share-based Payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).



Material accounting policy

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that 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.

That cost is recognised in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best

estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or

service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Any dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Critical accounting estimate

The group measures the cost of equity-settled transactions with employees and Directors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black- Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating

to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Share options

During the 2025 financial year, there were no new share options issued.

	30 June 2025		30 June 2024	
	No.	\$	No.	\$
At beginning of the year	-	437,906	4,500,000	437,906
Expired / cancelled during the year	-	-	(4,500,000)	-
At end of the year	-	437,906	-	437,906

Performance rights

During the 2025 financial year, there were no performance rights issued.

	30 June 2025		30 Ju	ine 2024
	No.	\$	No.	\$
At beginning of the year	-	588,599	-	588,599
Expense recognised during the year	-	-	-	-
Expired / cancelled during the year	-	-	-	_
At end of the year	-	588,599	-	588,599

Entitlement to Performance shares – Zero Priced Performance Shares (ZPPS)

During the 2025 financial year, there were no new performance shares issued.

	30 Jun	e 2025	30 June 2024		
	No.	\$	No.	\$	
At beginning of the year	4,000,000	380,270	4,000,000	308,496	
Expense recognised during the year	-	61,411	-	71,774	
Expired / cancelled during the year	-	-	-	-	
At end of the year	4,000,000	441,681	4,000,000	380,270	

During the 2024 financial year, terms of those ZPPS have been amended to remove the share price hurdle and became:

- The ZPPS will issue to the CEO in FY27, subject to the CEO remaining in continued employment with the Group for three years from the grant of loan funded shares (see below); and
- If the Group becomes subject to a change of control event prior to the date three years from the grant of loan funded shares (see below), the CEO can immediately compel the issue of all 4,000,000 ZPPS.

The incremental fair value as a result of the modification is \$184,400.

Loan funded shares

As at 30 June 2025, the Group has 13,500,000 loan funded shares which are held in voluntary escrow and subject to restrictions. Included amongst the loan funded shares were 10,500,000 issued to Key Management Personnel.

The Loan Funded Shares were provided at no costs to the recipients. However, the Loan Funded Shares have an attaching non-recourse loan which must be repaid following vesting. Until such time as the loan is repaid a holding lock remains in place. There were no alterations to the terms and conditions of Loan Funded Shares issued as remuneration since their grant/issue dates.

If the Group becomes subject to Change of Control the Board may at its absolute discretion make a determination that some or all of the Participants Unvested Loan Funded Shares vest and provided the terms of the Loan are complied with, the Participant may dispose of their Vested Loan Funded Shares by way of sale or his/her own behalf or requesting the Group to Buy-back the Shares.

The vesting of the Loan Funded shares are as follows:

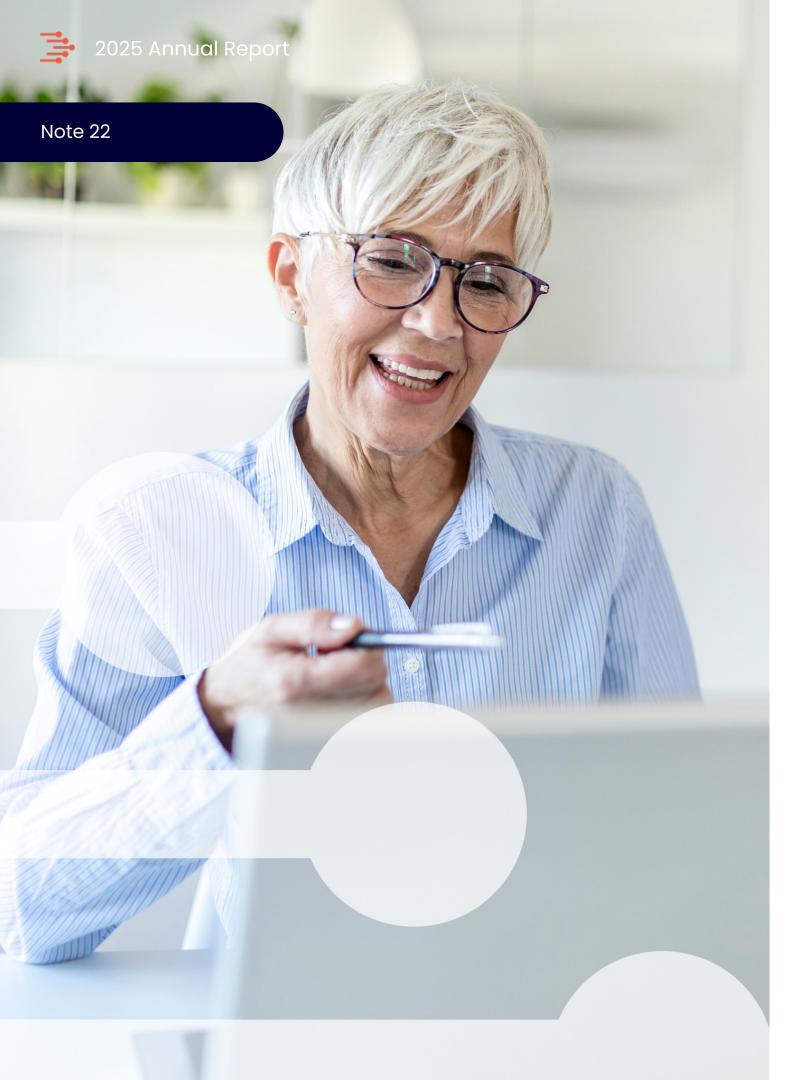
- Tranche A vesting is dependent on retention for three years;
- Tranche B vesting is dependent on retention for three years and on the Group achieving a 60-day VWAP share price of at least 16c share price in the three years starting from Grant Date.

	30 June	e 2025	30 June	e 2024
	No.	\$	No.	\$
At beginning of the year	15,000,000	145,352	-	-
Granted during the year	-	-	15,000,000	-
Cancelled during the year	(1,500,000)	-	-	-
Expense recognised during the year	-	306,665	-	145,352
At end of the year	13,500,000	452,017	15,000,000	145,352

Pricing models

The fair value of respective instruments granted under their respective plans are fair value at the grant date. The following tables list the inputs to the models.

Grant Date	Expiry Date	Number	Share Price At Grant Date Cents Per Share	Exercise Price Cents Per Share	Expected Volatility	Dividend Yield	Risk Free Interest Rate	Fair Value At Grant Date Cents Per Share
Entitlement to	performance shares	;						
24-Jan-24	24-Jan-29	4,000,000	11.5	-	70.0%	-	3.72%	10.6
Loan funded sh	nares							
15-Jan-24	15-Jan-29	8,500,000	11.5	12.0	70.0%	-	3.72%	6.9
15-Jan-24	15-Jan-29	6,500,000	11.5	12.0	70.0%	-	3.72%	6.7



Note 22. Financial Risk Management Objectives and Policies

Financial Instruments
Critical accounting estimate

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy

that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The Group's financial instruments consist of cash and cash equivalents, trade and other receivables, trade and other payables and lease liabilities. The carrying amounts of financial instruments reflect their fair value:

	30 June 2025 \$	30 June 2024 \$
Cash and cash equivalents	10,218,007	9,752,262
Trade and other receivables	2,933,842	2,556,575
Trade and other payables	3,984,379	3,872,931
Lease liabilities	711,290	1,115,554

Risk Management Policy

The Board is responsible for overseeing the establishment and implementation of the risk management system, and reviews and assesses the effectiveness of the implementation of that system on a regular basis. The Board is assisted by the Audit & Risk Committee which also regularly reviews the Group's risks, effectiveness of risk mitigation steps and processes and provides recommendations to the Board.

The Board and Senior Management identify the general areas of risk and their impact on the activities of the Group, with Management performing a regular review of:

- the major risks that occur within the business;
- the degree of risk involved;
- the current approach to managing the risk; and
- if appropriate, determine:
- · any inadequacies of the current approach; and
- possible new approaches that more efficiently and effectively address the risk.

Management report risks identified to the Board and CEO through their reports and to the CEO at relevant management meetings.

The Group seeks to ensure that its exposure to undue risk which is likely to impact its financial performance, continued growth and survival is minimised in a cost-effective manner.

Material accounting policy

Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price as disclosed in section (d) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows,

selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Initial recognition and subsequent measurement continued Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables.

Derecognition

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through

profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 30 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit

enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The Group's financial liabilities at amortised cost includes trade and other payables and lease liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

In order to maintain or achieve an optimal capital structure, the Group may issue new shares or reduce its capital, subject to the provisions of the Group's constitution. The capital structure of the Group consists of equity attributed to equity holders of the Group, comprising contributed equity, reserves and accumulated losses disclosed in Notes 19 and 20.

By monitoring undiscounted cash flow forecasts and actual cash flows provided to the Board by Management, the Board monitors the need to raise additional equity from the equity markets.

Taking account of the Group's current stage of development and the inherent business risks therein, the Board considers it inappropriate to add financial risk by introducing material levels of debt into the capital structure.

Financial Risk Management

The key financial risks the Group is exposed to through its operations are interest rate risk, foreign exchange risk, credit risk and liquidity risk.

Interest Rate Risk

The Group is exposed to interest rate risks via the cash and cash equivalents that it holds. Interest rate risk is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates. The objective of managing interest rate risk is to minimise the Group's exposure to fluctuations in interest rate that might impact its interest revenue and cash flow.

The Group has a bias to ensuring high availability of liquidity to ensure underlying business opportunities are maximised. Term deposits may be utilised from time to time to enhance interest returns over at call bank accounts; the Group's cash flow forecast forms the key consideration to the term adopted.

Interest rate risk is considered when managing Group funds. The Group considers the interest rate received by retaining cash and cash equivalents in the Group's operating account compared to placing funds into a term deposit; in recent times interest rates available to the Group for at call or near call accounts have been more attractive than those available in the term deposit market.

The Group's exposure to interest rate risk and the weighted average interest rates on the Group's financial assets and financial liabilities is as follows:

	WAVG	30 June	WAVG	30 June
	Interest	2025	Interest	2024
	Rate	\$	Rate	\$
Cash and cash equivalents	3.86%	10,218,007	3.85%	9,752,262

Interest Rate Risk Continued

There has been no material change to the Group's exposure to interest rate risk or the manner in which it manages and measures its risk in the year ended 30 June 2025.

Interest Rate Sensitivity

The sensitivity analysis in the following table illustrates the impact of 100 basis points in variable interest rate, with all other variables held constant, and would have resulted in an increase/(decrease) in the Group's loss before tax as follows:

	30 June 2025 \$	30 June 2024 \$
100bp increase	102,180	97,523
100bp decrease	(102,180)	(97,523)

Foreign Currency Risk

The Group is exposed to foreign currency risk via the trade and other receivables and trade and other payables that it holds. Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group does not have a policy to hedge overseas payments or receivables as they are highly variable in amount and timing. To date the annual total value of transactions subject to foreign currency risk has been immaterial and is monitored with monthly reporting cycles.

The following financial assets and liabilities are subject to foreign currency risk:

	30 June 2025 \$	30 June 2024 \$
Trade receivables (AUD / NZD)	255,142	210,070
Trade payables (AUD / GBP)	15,379	15,252
Trade payables (AUD / USD)	87,529	100,957
Trade payables (AUD / NZD)	66,827	44,680
Trade payables (AUD / INR)	2,114	1,918

Foreign currency risk is measured by regular review of cash forecasts, monitoring the dollar amount and currencies that payments are anticipated to be paid in. The Group also considers the market fluctuations in relevant currencies to determine the level of exposure. If the level of exposure is considered by Management to be too high, then Management has authority to take steps to reduce the risk.

Steps to reduce risk may include the acquisition of foreign currency ahead of the anticipated due date

of an invoice, or may include negotiations with suppliers to make payment in our functional currency, or may include holding receipted foreign currency funds in a foreign currency denominated bank account to make future payments denominated in that same currency. Should Management determine that the Group consider taking out a hedge to reduce the foreign currency risk, they would need to seek Board approval.

Foreign Currency Risk Continued

The Group conducts activities outside of Australia that expose it to transactional currency movements, where the Group is required to pay in a currency other than its functional currency.

There has been no change in the manner the Group manages and measures its risk in the year ended 30 June 2025.

Credit Risk

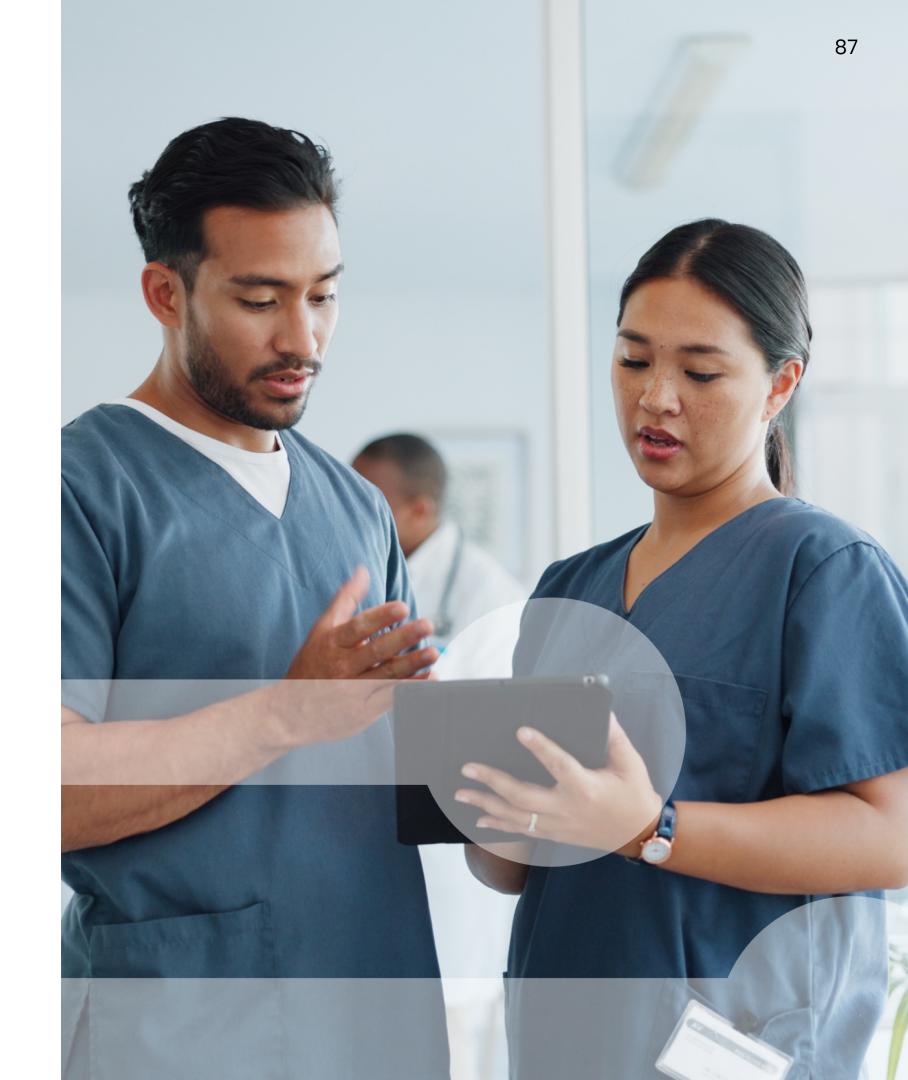
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The maximum exposure 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 Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than I year.

The Group has analysed its trade and other receivables below:

	0-30 days \$	31-60 days \$	61-90 days \$	90 + days \$
FY25 Trade and other receivables	2,563,949	146,158	87,893	150,092
FY24 Trade and other receivables	2,225,594	163,324	45,854	136,053



Liquidity Risk

The Group is exposed to liquidity risk via its trade and other payables.

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet the commitments associated with its financial instruments. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring undiscounted cash flow forecasts and actual cash flows provided to them by the Group's Management at Board meetings to ensure that the Group continues to be able to meet its debts as and when they fall due.

Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the additional activity. The Board considers when reviewing its undiscounted cash flow forecasts whether the Group needs to raise additional funding from the equity markets.

Remaining contractual maturities

The following tables detail the group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	WAVG Interest Rate	1 year or less \$	Between 1 & 2 years \$	Between 2 & 5 years \$	Over 5 years \$
Consolidated - 2025					
Non-interest bearing					
Trade payables	-	2,519,184	-	-	-
Other payables	-	1,465,195	-	-	-
Interest bearing - fixed rate					
Lease liability	4.75%	418,893	324,090	-	-
Total		4,403,272	324,090	-	-
Consolidated - 2024					
Non-interest bearing					
Trade payables	-	2,542,475	-	-	-
Other payables	-	1,330,456	-	-	-
Interest bearing - fixed rate					
Lease liability	4.75%	448,328	418,893	324,090	-
Total		4,321,259	418,893	324,090	-

Price Risk

The Group is not exposed to any significant price risk.

Note 23 & 24

Kinatico Group Structure

This section provides information on how the Group's structure affects the financial position and performance of Kinatico Limited as a whole.

Note 23. Interest In Subsidiaries

The following list contains the particulars of all the subsidiaries of Kinatico Limited.

Equity Holding

Name of Entity	Country of Incorporation	Class of Shares	30 June 2025	30 June 2024
CV Check (NZ) Ltd	New Zealand	Ordinary	100%	100%
Kinatico Compliance Pty Ltd*	Australia	Ordinary	100%	0%
Credentials Management Information Systems Pty Ltd	Australia	Ordinary	100%	100%
CI6 Pty Ltd	Australia	Ordinary	100%	100%
Bright People Technologies Pty Ltd	Australia	Ordinary	100%	100%
FIFO 360 Pty Ltd	Australia	Ordinary	100%	100%

^{*} Newly incorporated on 29 July 2024.

Other Information

This section includes other information that must be disclosed to comply with accounting standard and other pronouncements but are not considered critical in understanding the financial performance or position of the Group.

Note 24. Parent Entity Disclosure

The following information relates to the parent entity, Kinatico Limited.

	30 June 2025 \$	30 June 2024 \$
Current assets	17,668,242	14,286,110
Total assets	25,146,788	21,787,189
Current liabilities	5,847,770	5,696,916
Total liabilities	6,165,538	6,408,206
Issued capital	46,537,770	46,537,770
Reserves	1,920,204	1,552,127
Accumulated losses	(29,194,381)	(32,710,914)
Total shareholder's equity	19,263,593	15,378,983
Loss of the parent entity	3,516,523	(8,374,419)
Total comprehensive loss of the parent entity	3,516,523	(8,374,419)

Note 24 & 25

Contingent liabilities

The parent entity had a bank guarantee as of 30 June 2025 for \$524,100 (FY24: \$320,100).

Material accounting policies

The accounting policies of the parent entity are consistent with those of the Group, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 25. Related Party Disclosure

Subsidiaries

Interest in subsidiaries are set out in Note 23.

Key management personnel

Disclosures relating to key management personnel are set out in the remuneration report in the Director's Report

	30 June 2025 \$	30 June 2024 \$
Short-term employee benefits	1,658,988	1,609,400
Post employment benefits	105,916	105,069
Long-term benefits	-	-
Share-based payments	300,077	184,897
Total key management personnel compensation	2,064,981	1,899,366

Transaction with related parties

Other than intercompany transactions with wholly owned subsidiaries, there were no other transactions with related parties for the year ended 30 June 2025.

As at 30 June 2025, the balance of remuneration payable to Key Management Personnel amounted to \$384,299 (FY24: \$288,949).

Term and conditions

All transactions were made on normal commercial terms and conditions at market rates.



Note 26. Auditor's Remuneration

	30 June 2025 \$	30 June 2024 \$
Audit services - RSM Australia Partners		
Audit or review of the financial statements	86,489	88,500
Other services		
Taxation advisory and compliance	28,181	41,688
Total auditor's remuneration	114,670	130,188

Note 27. Commitments And Contingencies

Commitments

There are no capital commitments as of 30 June 2025 (FY24: NIL).

Contingent assets

There are no contingent assets as of 30 June 2025 (FY24: NIL).

Contingent liabilities

The Group had a bank guarantee as of 30 June 2025 for \$524,100 (FY24: \$320,100).

Note 28. Events After The Reporting Date

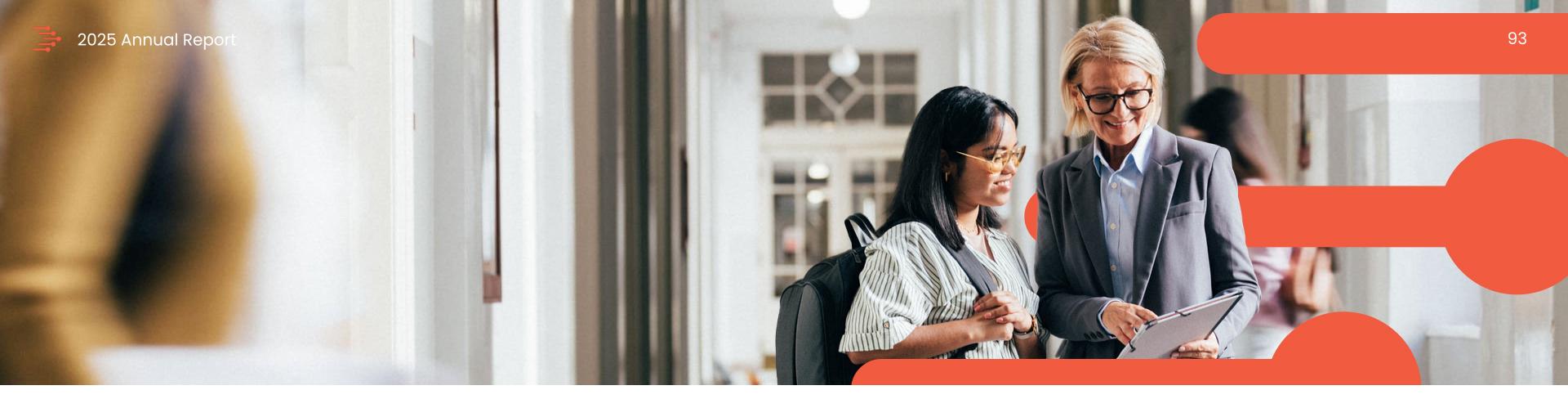
There are currently no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the affairs of the Group in the future financial years.

Consolidated Entity Disclosure Statement

As at June 2025

Name of Entity	Entity type	Place formed/ Country of incorporation	Ownership interest	Australian tax resident or foreign	Foreign Tax jurisdiction
Kinatico Limited	Body Corporate	Australia	N/A	Australia*	N/A
CV Check (NZ) Ltd	Body Corporate	New Zealand	100%	Foreign	New Zealand
Kinatico Compliance Pty Ltd	Body Corporate	Australia	100%	Australia *	N/A
Credentials Management Information Systems Pty Ltd	Body Corporate	Australia	100%	Australia *	N/A
CI6 Pty Ltd	Body Corporate	Australia	100%	Australia *	N/A
Bright People Technologies Pty Ltd	Body Corporate	Australia	100%	Australia *	N/A
FIFO 360 Pty Ltd	Body Corporate	Australia	100%	Australia *	N/A

^{*}Kinatico Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.



Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the 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 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;
- 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

Ivan Gustavino, Non-executive Chairman 26 August 2025





Auditor's Report



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INDEPENDENT AUDITOR'S REPORT

To the Members of Kinatico Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Kinatico Limited (Company) and its subsidiaries (Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including independence standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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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.

Key audit matter

How our audit addressed this matter

Revenue recognition - Refer to Note 6 and 15 in the financial statements

The Group earns revenue by providing screening and verification services and software as a service ('SAAS') based workforce management and compliance technology systems.

We determined this to be a key audit matter because it is the most significant account balance in the consolidated statement of profit or loss and other comprehensive income, and the process of revenue recognition is complex due to multiple revenue streams for services rendered or products offered. Furthermore, the revenue transactions are high volume and of low value. The revenue recognition of each revenue stream is subject to management judgements. These include:

- Determining the appropriate revenue recognition policy for each revenue stream;
- Determining the revenue recognised is for an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring services or products to a customer; and
- Revenue recognition is a presumed fraud risk under the Australian Auditing Standards.

Our audit procedures included:

- Assessing whether the revenue recognition policy complies with Australian Accounting Standards:
- Obtaining a detailed understanding of each revenue stream and the process for calculating and recording revenue;
- Performing substantive testing on each revenue stream on a sample basis to supporting documentation;
- Testing the deferred revenue calculation for revenue received in advance by assessing the extent to which performance obligations have not been satisfied at year end;
- On a sample basis, testing revenue transactions before and after year-end to ensure that revenue is recognised in the correct financial period, including credit notes issued subsequent to the year ended;
- Performing test of controls on revenue streams by determining if controls are adequate;
- Performing substantive analytical procedures on revenue streams by establishing an independent expectation of revenue, comparing revenue recognised, and investigating any exceptions; and
- Assessing the appropriateness of disclosures in the financial statements.





Impairment of intangible assets – Goodwill - Refer to Note 17 in the financial statements

As at 30 June 2025, the Group recorded goodwill of \$4,669,730 on the consolidated statement of financial position, arising from past business combinations.

Goodwill is required to be tested for impairment annually by determining the recoverable amount of each cash generating unit (CGU) to which the assets were allocated. During the financial year, management completed impairment testing for goodwill.

We determined this to be a key audit matter due to the extent of management's judgements and estimates involved in:

- Determining the attributable goodwill acquired from past business combinations;
- Testing goodwill for impairment, including determining the CGU to which the goodwill relates and determining the recoverable amount of the related CGU utilising a valuein-use model, which includes assumptions such as revenue growth rate, discount rate and terminal value growth rate; and
- Determining the carrying value of each CGU.

Our audit procedures included:

- Evaluating management's determination of allocating goodwill to each CGU in accordance with Australian Accounting Standards, based on the nature of the Group's business and the way results are monitored and reported;
- Assessing the valuation methodology used to determine the recoverable amount of goodwill;
- Challenging the reasonableness of key assumptions, including the cash flow projections, expected revenue growth rates, the discount rates, terminal value growth rate and sensitivities used:
- Assessing management's sensitivity analysis over the key assumptions used in the models;
- Assessing the appropriateness of management's determination of the carrying value of each CGU;
- Checking the mathematical accuracy of the value in use models and reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets; and
- Assessing the appropriateness of disclosures in the financial statements.

Intangible assets - others - Refer to Note 17 in the financial statements

As at 30 June 2025, the Group recorded intangible assets - others of \$14,705,325 on the consolidated statement of financial position. Intangible assets-others comprise: product development, intellectual property, customer contracts and customer relationships.

We determined this to be a key audit matter due it being the most significant balance in the consolidated statement of financial position. In addition, the capitalisation of internally developed intangible assets requires significant management judgements and estimates.

Further to that, management is required to assess any indicators of impairment at the reporting date. This assessment requires judgement, including consideration of both internal and external sources of information.

Our audit procedures included:

- Assessing whether the Group's accounting policy for these intangible assets complies with Australian Accounting Standards;
- Obtaining an understanding of the nature of the Group's product development activities and critically reviewing management assessment that they met the criteria for recognition as an intangible asset set out in AASB 138 Intangible Assets;
- On a sample basis, testing and evaluating management's judgement of costs capitalised during the current financial year;
- Assessing management's estimates in determining the useful lives of the intangible assets - others:
- Testing the reasonableness of the amortisation expense during the year in line with the Group's accounting policy;
- Assessing management's determination as to whether any impairment indicators exist and evaluating this assessment, having due consideration of the evidence supplied and any other information gathered as part of the audit process; and
- Assessing the appropriateness of disclosures in the financial statements.



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 2025 but does not include the financial report and the 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:

- a. 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
- b. 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:

- i. 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
- ii. 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.



REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Kinatico Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

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.

RSM RSM AUSTRALIA

/ AIK KONG TING

Partner

Perth, WA

Dated: 26 August 2025



Shareholder Information

The shareholder information set out below was applicable as at 18 August 2025.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

Holding Ranges	Holders	Total Units	% Issued Share Capital
Above 0 up to and including 1,000	21	2,237	0.00%
Above 1,000 up to and including 5,000	111	436,415	0.10%
Above 5,000 up to and including 10,000	184	1,493,724	0.35%
Above 10,000 up to and including 100,000	498	20,872,353	4.83%
Above 100,000	317	409,287,255	94.72%
Totals	1,131	432,091,984	100.00%

Based on the price per security, number of holders with an unmarketable holding: 23, with total 5,090, amounting to 0.00% of Issued Capital

Equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

Holder Name	Holding	% IC
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	68,794,440	15.92%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	30,935,291	7.16%
CITICORP NOMINEES PTY LIMITED	28,859,029	6.68%
JON BIRMAN	22,600,000	5.23%
MR STEVEN CAROLAN	14,000,000	3.24%
CHARLES STEWART	11,181,169	2.59%
NEAL & ALISON CONLIFFE	7,233,002	1.67%
UBS NOMINEES PTY LTD	7,072,867	1.64%
MICHAEL & JUDITH STEWART	6,479,856	1.50%
ALAN AND KERRIE PEARLMAN	6,151,010	1.42%
MYERS FAMILY	6,108,314	1.41%
HILL FAMILY	6,067,660	1.40%
BNP PARIBAS NOMINEES PTY LTD <ib au="" noms="" retailclient=""></ib>	5,692,861	1.32%
BEAUVAIS CAPITAL PTY LTD < THE REGINALD HECTOR A/C>	5,500,000	1.27%
JACQUIE MORRIS & ASSOCIATES PTY LIMITED < SPARKLE A/C>	5,361,045	1.24%
MICHAEL IVANCHENKO	5,105,000	1.18%
RODNEY AND GAYNOR SHERWOOD	5,000,000	1.16%
CRAIG SHARP	4,942,817	1.14%
STEPHENS FAMILY	4,650,000	1.08%
FRENTINA PTY LTD < DESPERADO SUPERANNUATION A/C>	4,639,242	1.07%
TOTAL	256,373,603	59.33%
TOTAL ISSUED CAPITAL - SELECTED SECURITY CLASS(ES)	432,091,984	100.00%



Unquoted equity securities

	Number on issue	Number of holders
No unquoted equity securities are on issue	0	0

Substantial holders

	Ordinary Shares		
	Number of shares	% of total shares issued	
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	68,794,440	15.92%	
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	30,935,291	7.16%	
Jon Birman (Group)	22,600,000	5.23%	

Voting Rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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.

There are no other classes of equity securities.

Escrow shares

Of the total ordinary shares on issue 13,500,000 shares are subject to voluntary escrow arrangements. These escrowed shares cannot be transferred, sold, or otherwise dealt with until the expiry of the escrow period in accordance with the relevant agreements.



