

Vonex Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Vonex Limited
ABN:	39 063 074 635
Reporting period:	For the year ended 30 June 2025
Previous period:	For the year ended 30 June 2024

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	7.05% to	44,792,210
Revenue and other income from ordinary activities	down	4.52% to	46,481,607
Loss from ordinary activities after tax attributable to members	down	91.18% to	(118,137)
Net Loss for the year attributable to members	down	91.18% to	(118,137)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$118,137 (30 June 2024: loss of \$1,340,113).

Further details of the results for the year can be found in the “Review of operations” section of the Director’s report in the attached 2025 Financial Report and ASX announcement accompanying this report.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.02)	(7.97)

4. Earnings Per Share

	Reporting period Cents	Previous period Cents
Basic and diluted earnings/ (loss) per share	(0.024)	(0.370)

5. Control gained over entities

Not applicable.

6. Loss of control over entities

Not applicable.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Not applicable.

10. Audit qualification or review

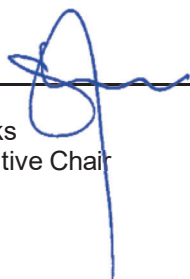
The financial statements have been audited and an unqualified opinion has been issued, but with an emphasis of matter in relation to a material uncertainty related to going concern.

11. Attachments

The Directors Report and Annual Financial Statements of Vonex Limited for the year ended 30 June 2025 is attached.

11. Signed

Signed



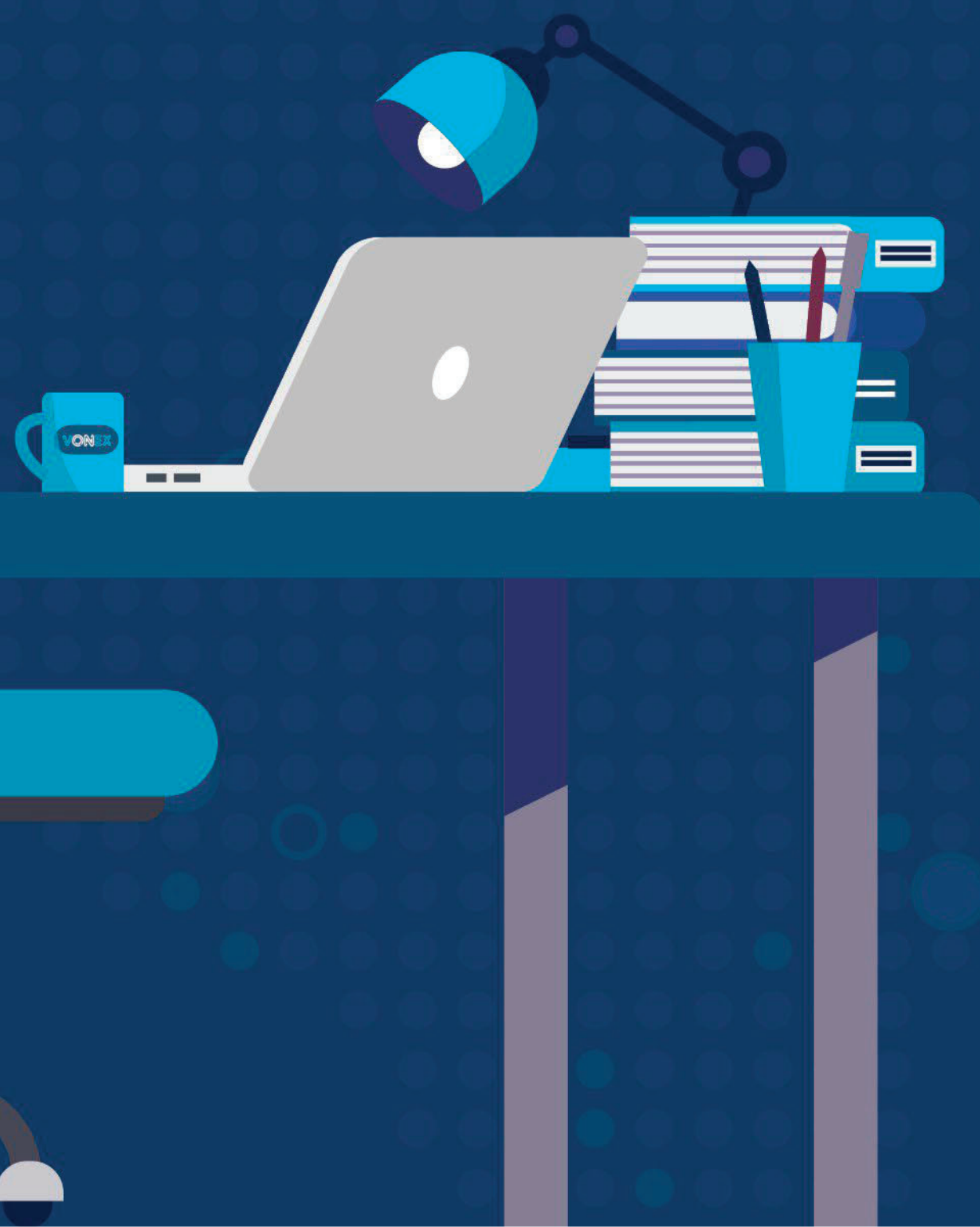
Stephe Wilks
Non- Executive Chair

Date: 26 August 2025

For the Year Ended
30 June 2025



Annual Financial Report



Vonex Limited

ABN 39 063 074 635

Contents

For the Year Ended 30 June 2025

	Page
Financial Statements	
Corporate Directory	1
Directors' Report	2
Auditor's Independence Declaration	16
Statement of Profit or Loss and Other Comprehensive Income	17
Statement of Financial Position	18
Statement of Changes in Equity	19
Statement of Cash Flows	20
Notes to the Financial Statements	21
Consolidated Entity Disclosure Statement	64
Directors' Declaration	65
Independent Auditor's Report	66

Corporate Directory

30 June 2025

Directors

Stephe Wilks (Non-Exec. Chair)
Brent Paddon (Non-Exec. Director)
Jason Gomersall (Non-Exec. Director)
Michael Blake (Exec. Director)

Company Secretary

Mike Stabb

Registered Office

Level 6, 303 Coronation Drive
Milton QLD 4064
Tel: 1800 828 668
Fax: 1300 997 999

Principal place of business

Level 6, 303 Coronation Drive
Milton QLD 4064
Tel: 1800 828 668
Fax: 1300 997 999

Share register

Computershare Investor Services Pty Limited
Level 11, 172 Georges Terrace
Perth WA 6000
Tel: +61 8 9393 2000
Fax +61 8 9323 2033

Auditor

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

Solicitors

Stefan Luke Lawyers
117 Pring Street
Tarragindi QLD 4121

Bankers

Westpac Bank

Stock exchange listing

Vonex Limited shares are listed on the Australian Securities Exchange (ASX:VN8)

Website

www.vonex.com.au

Corporate Governance Statement

www.vonex.com.au/corporate-governance

Vonex Limited

ABN 39 063 074 635

Directors' Report

30 June 2025

The directors present their report, together with the financial statements on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Vonex Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the financial year ended 30 June 2025.

Directors

The following persons were directors of Vonex Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Names	Position
Mr Stephe Wilks	Non-Executive Chair
Mr Jason Gomersall	Non-Executive Director
Mr Brent Paddon	Non-Executive Director
Mr Michael Blake	Executive Director (appointed 1 March 2025)

Principal activities

Vonex is a full service, award-winning telecommunications service provider focused on delivering state of the art cloud-based solutions predominately to the small to medium enterprise ("SME") customer under the Vonex brand. The Company also provides a full range of traditional telecommunications products such as mobile and internet. Our wholesale customers, such as internet service providers, can access the core Vonex PBX, call termination services, hardware, mobile and internet at wholesale rates via a white label model. Vonex also delivers custom built software solutions to wholesale customers to facilitate projects of scale.

Dividends

There were no dividends declared or paid by the Company during the year and no dividend is recommended (2024: Nil)

Review of operations

The last twelve months was a pivotal year for Vonex, marked by significant progress in strengthening the company's capital structure, leadership, and operational foundations. These developments have positioned Vonex to operate more efficiently and with greater strategic clarity as it prepares for its next phase.

In February 2025, Vonex successfully completed a fully underwritten 1-for-1 non-renounceable entitlement offer, raising approximately \$13.89 million at \$0.037 per share. Strong shareholder support: particularly from the company's largest shareholder, Maxo Telecommunications Pty Ltd enabled Vonex to retire approximately \$13 million in debt owed to Longreach. This materially improved the company's capital structure and financial flexibility.

Following this, the remaining \$10 million in debt was refinanced through a new facility with Westpac, featuring improved terms and a maturity date of March 2028. As of 30 June 2025, Vonex had further reduced its outstanding debt to \$9.64 million, reflecting ongoing discipline in capital management.

Operationally, Vonex focused on improving customer experience, system efficiency, and organisational capability. The Company was publicly recognised by the Australian Communications and Media Authority (ACMA) for having the lowest number of Telecommunications Industry Ombudsman (TIO) complaints per 10,000 services in operation for three consecutive quarters! highlighting strong service performance.

Strategically, Vonex expanded its network footprint by establishing new Points of Presence (PoPs) in Perth and Adelaide, reducing latency, and improving reliability for NBN services delivered to both wholesale and retail customers in those regions.

Directors' Report

30 June 2025

Review of operations (Continued)

The company also undertook a leadership transformation, with Michael Blake appointed as Chief Executive Officer from 1 March 2025. With new executive appointments including a Chief Brand and Product Officer to drive product innovation and go-to-market strategy, and a Chief Process and Compliance Officer to enhance regulatory frameworks and operational efficiency.

A full internal systems audit commenced during Q4, designed to strengthen compliance, improve toolsets, and streamline workflows across all departments. Complementing this was the implementation of a new Delegations of Authority policy, clarifying operational decision-making structures and ensuring scalable governance.

Overall, FY25 was a year of strategic reset. Vonex has emerged with a stronger balance sheet, improved leadership capability, and a focused operational model, providing a solid foundation for future growth

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the consolidated entity during the reporting period.

Events after the reporting date

There are no matters or circumstances that has arisen since 30 June 2025 that have or may significantly affect the operations, results, or state of affairs of the consolidated entity in the future financial periods.

Likely developments and expected results of operations

As announced on 4 July 2025, Vonex entered into a revised Scheme Implementation Deed with Maxo Telecommunications Pty Ltd for the acquisition of 100% of Vonex's issued capital by way of a court approved scheme of arrangement. The scheme is currently anticipated to be implemented by late October 2025, subject to shareholder approval, final court approval, and satisfaction of other customary conditions. On 21 August 2025, the Supreme Court of Western Australia granted approval to convene the Scheme Meeting of shareholders. The Scheme Booklet, incorporating the Independent Expert's Report, has been released to shareholders in conjunction with the court's approval.

In the interim, the company remains focused on delivering operational improvements and strengthening its underlying business. Revenue growth is expected to remain modest but stable, with a continued emphasis on disciplined cost management, improved cashflow generation, and ongoing investment in product and network capability.

Vonex will progress further stages of its national network expansion, including continued development of new Points of Presence (PoPs) to enhance NBN performance for direct and wholesale customers. Operational governance will continue to strengthen through the rollout of recently implemented delegations of authority and the ongoing internal systems audit, aimed at streamlining tools, increasing security, and boosting productivity across all functions.

In parallel, Vonex will continue to develop its product suite, particularly through the leadership of its newly appointed Chief Brand and Product Officer, with further enhancements planned for our systems and tools, including more self-service functions for direct and wholesale customers.

Vonex Limited

ABN 39 063 074 635

Directors' Report 30 June 2025

Information on directors Stephe Wilks

Qualifications, experience and expertise

Non-Executive Chair

Stephe Wilks is an experienced company director with a long record leading successful global technology companies in high growth and disruptive industries. He has headed several Australian and international telecommunications and technology companies, including as Regional Director (Asia and Japan) Regulatory Affairs for BT Asia Pacific, Managing Director of XYZed Pty Ltd (an Optus company where Stephe developed and managed Australia's first competitive broadband wholesaler), Chief Operating Officer of both Nextgen Networks and Personal Broadband Australia, and as Consulting Director of NM Rothschild and Sons. Stephe's extensive technology leadership, strategic finance, M&A and governance expertise provide a useful foundation to contribute to achieving Vonex's strategic goals. Based in Sydney, he has Science and Law degrees from Macquarie University and a Master of Laws from the University of Sydney.

Interest in Shares and Performance Rights

Nil

Other current directorships

Non-Executive Director of Buglass Limited

Special Responsibilities

Member of the Audit & Risk Committee

Directorships held in other listed entities during the three years prior to the current year

Non-Executive Director of 1st Group Limited, Non-Executive Chair of Over the Wire Holdings Limited

Jason Gomersall

Qualifications, experience and expertise

Non-Executive Director

Mr Gomersall is a former Director of 2SG Wholesale and is the Founder, former CEO and current Executive Director of iSeek Pty Ltd. He has long been at the forefront of the telecommunications industry and the mobile phone market since being one of the foundation franchisees of the Optus World chain of retail stores in the 1990s.

Interest in Shares and Performance Rights

Nil

Special Responsibilities

Chair of the Audit & Risk Committee

Brent Paddon

Qualifications, experience and expertise

Non-Executive Director

Mr Paddon is an experienced company director and manager with over 25 years experience in the telecommunications and IT services sectors. After completing a Bachelor of IT from QUT in 1996, Mr Paddon co-founded Brisbane Internet Technology, which was sold to Asia Online in 1999. He then held senior management roles at WebCentral and PIPE Networks and subsequently co-founded Over the Wire (OTW) in 2007, which listed on the ASX in 2015. Mr Paddon has detailed knowledge of the telecommunications industry and hands-on experience in starting and scaling successful businesses in that space. Based in Brisbane, he additionally holds a Graduate Diploma in Business Administration from QUT.

Interest in Shares and Performance Rights

Nil

Special Responsibilities

Member of Audit & Risk Committee

Directorships held in other listed entities during the three years prior to the current year

Non-Executive Director of Over the Wire Holdings Limited

Directors' Report

30 June 2025

Information on directors (Continued)

Michael Blake

Executive Director

Qualifications, experience and expertise

Mr Blake is a seasoned entrepreneur, senior executive, and director with over 20 years of experience in telecommunications and cybersecurity. He has a strong track record in driving growth, leading technical development, and executing strategic mergers and acquisitions. Before Vonex, Michael was General Manager at Maxo Telecommunications, where he was instrumental in the company's rapid expansion. His career highlights also include co-founding NuSkope, where, as CTO, he established and grew the South Australian-based wireless internet service provider into a successful business, ultimately attracting acquisition by Superloop Home Broadband (ASX SLC). Subsequently, Michael served as Chief Operating Officer at Superloop, building the company's consumer broadband business from the ground up.

Interest in Shares and Performance Rights

Nil

Special Responsibilities

Nil

Directorships held in other listed entities during the three years prior to the current year

Nil

Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Directorships held in other listed entities during the three years prior to the current year quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Mike Stabb is a finance executive with over 30 years of Australian and international experience. He is a Fellow of the Institute of Chartered Accountants, graduated with Distinction from QUT with a Bachelor of Business (Accy & BusLaw), is a registered tax agent and a member of the Australian Institute of Company Directors. He has been the company secretary since 2023. Prior to this role, Mike Stabb worked in London and on Wall Street, and held CFO and senior finance roles in the telecommunications and radio communications industries in Australia. Most recently, he was CFO and Company Secretary of Over the Wire Holdings Limited (ASX:OTW).

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee	
	Attended	Held	Attended	Held
Mr Stephe Wilks	14	14	2	2
Mr Jason Gomersall	12	14	1	2
Mr Brent Paddon	13	14	2	2
Mr Michael Blake	4	4	N/A	N/A

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Directors' Report

30 June 2025

Remuneration report (audited)

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

- A. Remuneration Governance
- B. Remuneration Structure
- C. Details of Remuneration
- D. Shared-based compensation
- E. Equity instruments issued on exercise of remuneration options
- F. Value of options to Directors
- G. Equity instruments disclosures relating to key management personnel
- H. Other transactions with key management personnel
- I. Additional statutory information

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001. The remuneration arrangements detailed in this report are for the key management personnel ("KMP") of the Group as follow:

Mr Stephe Wilks - Non-Executive Chair
Mr Jason Gomersall - Non-Executive Director
Mr Brent Paddon - Non-Executive Director
Mr Ian Porter - Chief Executive Officer (resigned on 28 February 2025)
Mr Michael Blake - Executive Director and Chief Executive Officer (appointed on 1 March 2025)

Use of remuneration consultants

The Company did not employ services of consultants to review its existing remuneration policies.

Voting and comments made at the Company's 2024 Annual General Meeting

At the 2024 AGM, 95.38% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

A. Remuneration governance

Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel comprise the Directors of the Group and Executives of the Group. The performance of the Group depends upon the quality of its key management personnel. To prosper the Group must attract, motivate and retain appropriately skilled directors and executives.

The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality. The Group does not engage the services of any remuneration consultant.

B. Remuneration Structure

Non-Executive remuneration arrangements

The remuneration of Non-Executive Directors (NED) consists of Directors' fees, payable in arrears. They serve on a month-to-month basis and there are no termination benefits payable. Non-Executive Directors are able to participate in share option- based incentive programs in accordance with Group policy.

Directors' Report

30 June 2025

B. Remuneration Structure (Continued)

When required to spend time on Group Business outside of NED duties, Directors are paid consulting fees on time spent and details of which are contained in the Remuneration Table disclosed in Section C of this Report. Remuneration of Non- Executive Directors are based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors.

The Group has provided variable remuneration incentive schemes to certain Non-Executive Directors as detailed in Note 32.

Non-Executive Directors' fees are determined within an aggregate directors' fee pool limit, which will be periodically recommended for approval by shareholders. The maximum currently stands at \$500,000 per annum as per Section 15.7 of the Company's constitution and may be varied by ordinary resolution of the shareholders in general meeting.

C. Details of remuneration for the year ended 30 June 2025

The key management personnel ("KMP") of the Group are the Directors and management of Vonex Limited detailed in the table below. Details of the remuneration of the Directors of the Group are set out below:

	Short term		Post employment benefits		Share based payments		Percentage of remuneration consisting of performance rights/options for the year
	Salary & Fees	Cash bonus	Long Service Leave	Superannuation	Performance Rights/Options	Total	
2025	\$	\$	\$	\$	\$	\$	\$
Directors and Executives							
Mr Gomersall	60,000	-	-	6,900	-	66,900	-
Mr Wilks	120,000	-	-	13,800	67,589	201,389	34%
Mr Paddon	60,000	-	-	6,900	28,966	95,866	30%
Mr Porter*	98,168	-	-	11,284	96,555	206,007	47%
Mr Blake**	63,846	-	-	7,342	-	71,188	-
Total	402,014	-	-	46,226	193,110	641,350	30%

* Resigned 28 February 2025 ** Appointed 1 March 2025

Directors' Report

30 June 2025

C. Details of remuneration for the year ended (Continued) 30 June 2025

	Short term			Post employment benefits	Share based payments		Percentage of remuneration consisting of performance rights/options for the year
2024	Salary & Fees	Cash bonus	Long Service Leave	Superannuation	Performance Rights/Options	Total	\$
Directors and Executives	\$	\$	\$	\$	\$	\$	
Mr Gomersall	60,000	-	-	6,600	-	66,600	-
Mr Wilks	120,000	-	-	13,200	16,318	149,518	11%
Mr Paddon	60,000	-	-	6,600	6,993	73,593	10%
Mr Porter	150,000	-	-	16,500	23,311	189,811	12%
Total	390,000	-	-	42,900	46,622	479,522	10%

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

	Fixed		At risk - LTI **	
	2025	2024	2025	2024
	%	%	%	%
Mr Gomersall	100.00	100.00	-	-
Mr Wilks	66.00	89.00	34.00	11.00
Mr Paddon	70.00	90.00	30.00	10.00
Mr Porter	53.00	88.00	47.00	12.00
Mr Blake	100.00	-	-	-

*Fixed Remuneration includes short term benefits and post-employment benefits

Performance rights are at risk - **Long term incentives are provided by way of the performance rights issued with long term performance milestones. The percentages disclosed reflect the fair value of remuneration based on the value of the performance rights at grant date subject to future vesting conditions.

Directors' Report

30 June 2025

Remuneration Policy

Non-Executive Directors

Total remuneration for all Non-Executive Directors, is not to exceed \$500,000 per annum as approved by shareholders. This does not include Consulting Fees.

Non-Executive Directors received a fixed fee for their services of \$60,000 per annum (excl. GST) plus superannuation for services performed. The Non-Executive Chair receives a fixed fee for his services of \$120,000 per annum (plus GST) plus superannuation for services performed.

The Group has provided variable remuneration incentive schemes to certain Non-Executive Directors as detailed in Note 32. There are no termination or retirement benefits for non-executive directors (other than statutory superannuation).

Chief-Executive Officer - Mr Ian Porter

Outlined below is a summary of the material provisions of the Executive Services Agreement between the Company and Mr Ian Porter. Mr Porter will receive an annual salary of \$150,000 plus statutory superannuation. Either party can terminate the Executive Services Agreement by giving six (6) months written notice.

Mr Porter resigned on 28 February 2025.

Executive Director and Chief Executive Officer – Mr Michael Blake

Outlined below is a summary of the material provisions of the Executive Services Agreement between the Company and Mr Michael Blake. Mr Blake will receive an annual salary of \$200,000 plus statutory superannuation. Either party can terminate the Executive Services Agreement by giving six (6) months written notice.

D. Share-based Compensation

Short-term and long-term incentives

On 11 December 2023, Mr Wilks, Mr Paddon and Mr Porter were issued performance rights incentives for their work and ongoing commitment and contribution to the Company. The performance rights were issued in three tranches, each with different performance milestones. All tranches have now vested following a change of control and ordinary shares were issued on 15 January 2025 in relation to the conversion of the performance rights.

No options were issued to directors during the year.

In prior financial years, all directors were issued options for their work and ongoing commitment and contribution to the Company. Refer to Note 32 for further details in respect to the options granted.

E. Equity Instrument Issued on Exercise of Remuneration Options

No equity instruments were issued during the year to Directors or key management personnel as a result of exercising remuneration options (2024: Nil).

F. Value of options and Performance Rights to Directors and Executives

Options - Directors & Executives

No options were issued to directors during the year.

Directors' Report

30 June 2025

F. Value of Options and Performance Rights to Directors and Executives (Continued)

Performance Rights - Directors and Executives

On 11 December 2023, 14,473,143 performance rights were issued to Directors, Stephe Wilks and Brent Paddon, and the Chief Executive Office, Ian Porter, following shareholder approval at the AGM and valued using the Monte Carlo Simulation ("MCS") Methodology valuation model as follows:

- Stephe Wilks: 5,065,602
- Brent Paddon: 2,170,971
- Ian Porter: 7,236,570

Total fair value of performance rights granted was \$239,771. The share-based expense is recognised proportionally over the vesting period of three years and resulted in \$193,109 being recognised as an expense during the reporting period.

The performance rights were valued using the MCS valuation model as follows:

Grant Date	Number Issued	Expiry Date	Share Price on Grant Date	Exercise price	Barrier Price (15 day VWAP)	Expected Future Volatility	Risk Free Rate	Dividend Yield	Value per Right	Valuation
11 December 2023	Tranche - 1 - 4,824,381	11 December 2026	\$0.021	\$0.00	\$0.04	90%	4.22%	Nil	\$0.0178	85,874
11 December 2023	Tranche - 2 - 4,824,381	11 December 2026	\$0.021	\$0.00	\$0.05	90%	4.22%	Nil	\$0.0165	79,602
11 December 2023	Tranche - 3 - 4,824,381	11 December 2026	\$0.021	\$0.00	\$0.06	90%	4.22%	Nil	\$0.0154	74,295

On 17 December 2024, on the change of control of the company, all 14,473,143 of performance rights on issue vested. On 15 January 2025, 14,473,143 ordinary shares were issued in relation to the conversion of the performance rights.

As at reporting date the company had no performance rights on issue.

G. Equity instruments disclosures relating to key management personnel

Share holdings

The numbers of shares in the Company held during the financial year by each Director and other key management personnel of the Group are set out below.

Directors' Report

30 June 2025

G. Equity instruments disclosures relating to key management personnel (Continued)

30 June 2025	Opening Balance No.	Received Remuneration No.	Received During Year of Exercise of Options No.	Net Change Other No.	Closing Balance No.
Directors and Executives					
Jason Gomersall	16,354,579	-	-	(16,354,579)	-
Stephe Wilks	-	-	-	-	-
Brent Paddon	450,000	-	-	(450,000)	-
Ian Porter	-	-	-	-	-
Michael Blake	-	-	-	-	-
	16,804,579	-	-	(16,804,579)	-

Performance Rights

The table shows how many deferred KMP performance rights have been granted, vested and forfeited during the period:

30 June 2025	Opening Balance No.	Expired During the Period No.	Issued During the Period No.	Net Change Other No.	Closing Balance No.
Directors and Executives					
Jason Gomersall	-	-	-	-	-
Stephe Wilks	5,065,602	-	-	(5,065,602)	-
Brent Paddon	2,170,971	-	-	(2,170,971)	-
Ian Porter	7,236,570	-	-	(7,236,570)	-
Michael Blake	-	-	-	-	-
	14,473,143	-	-	(14,473,143)	-

Options

No options were held, granted, vested or forfeited by KMP during the reporting period.

Other transactions with key management personnel and their related parties

There were no transactions with Key Management Personnel (KMP) or their related parties during the financial year other than those disclosed as remuneration. No loans were made, received, or outstanding with KMP or their related parties.

Vonex Limited

ABN 39 063 074 635

Directors' Report

30 June 2025

H. Additional statutory information

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

	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Sales revenue	44,792,210	48,190,776	45,454,008	33,616,139	18,259,243
Profit/(loss) for the year	(118,137)	(1,340,113)	(22,816,233)	251,685	(3,984,964)

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

	2025	2024	2023	2022	2021
Share price at financial year end (cents per share)	2.0	3.5	3.0	6.6	12.5
Basic Earnings per Share (cents per share)	(0.024)	(0.370)	(6.825)	0.08	(2.1)

End of Audited Remuneration Report

Directors' Report

30 June 2025

Environmental Regulation

The consolidated entity is not subject to any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Officer's Indemnification and Insurance

The Company has paid a premium for a contract insuring all Directors and executive officers of the Company and certain related bodies corporate against all liabilities and expenses arising as a result of work performed in their respective capacities to the extent permitted by law. The Directors have not included in this report details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors and executive officers insurance liability contract as disclosure is prohibited under the terms of the contract.

The Company has agreed to indemnify each person who is, or has been a director, officer or agent of the Company and/or of certain of its related bodies corporate against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as director, officer or agent, except where the liability arises out of conduct involving a lack of good faith. The Company is required to meet the full amount of any such liabilities, including costs and expenses for a period of seven years.

No liability has arisen since the end of the previous financial year which the Company would, by operation of the above indemnities, be required to meet.

Indemnity and insurance of auditor

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

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

Options

At the date of this report, the Company has no options on issue.

Performance Rights

At the date of this report, the Company has no performance rights on issue. On 17 December 2024, on the change of control of the company, all 22,473,143 of performance rights on issue vested. On 15 January 2025, 14,473,143 ordinary shares were issued in relation to the conversion of the performance rights. The remaining 8,000,000 performance rights were settled in cash outside of the normal course of business.

Vonex Limited

ABN 39 063 074 635

Directors' Report

30 June 2025

Proceedings on behalf of company

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

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

Non-Audit services

The Company may decide to employ the Auditor on assignments additional to their statutory audit duties.

Details of the amounts paid or payable to the Auditor for audit and non-audit services provided during the year are set out.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 8 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved 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 (including Independence Standards) 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 company, acting as advocate for the company or jointly sharing economic risks and rewards.

The following fees were paid or payable to the external auditors for non-audit services provided during the year ended 30 June 2025:

	2025	2024
	\$	\$
Assurance Services: Audit Services		
RSM Australia Partners	142,500	156,000
Total remuneration for audit and assurance services	142,500	156,000

Corporate Services:

The external auditor did not provide any non-audit services to the Company during the reporting period (2024: Nil).

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

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

Auditor

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

Vonex Limited

ABN 39 063 074 635

Directors' Report

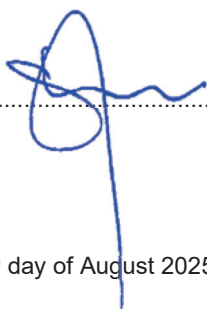
30 June 2025

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 is included within this financial report.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Director:

A handwritten signature in blue ink, consisting of a large, stylized 'S' or 'G' shape with a long vertical stroke extending downwards.

Dated this 26th day of August 2025

RSM Australia Partners

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

T +61 (0) 8 9261 9100

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Vonex 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.

A handwritten signature in black ink that reads 'RSM'.

RSM AUSTRALIA

A handwritten signature in black ink, appearing to read 'James Komninos'.

JAMES KOMNINOS
Partner

Perth, WA
Dated: 26 August 2025

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

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

Vonex Limited

ABN 39 063 074 635

Statement of Profit or Loss and Other Comprehensive Income For the Year Ended 30 June 2025

		2025	2024
	Note	\$	\$
Sales revenue	4	44,792,210	48,190,776
Cost of sales	5	(24,911,600)	(26,773,102)
Gross profit		19,880,610	21,417,674
Other income	4	1,689,397	491,668
Administration expenses		(3,421,378)	(2,885,015)
Amortisation	5	(2,192,218)	(2,135,434)
Account and audit fees		(228,827)	(416,863)
Bad & doubtful debt expenses		(55,470)	(721,147)
Contractor expenses		(1,948,494)	(2,071,512)
Dealer commissions		(1,069,647)	(1,042,644)
Depreciation expense	5	(1,122,305)	(1,037,372)
Director's fees		(278,750)	(263,250)
Employee expenses		(7,623,533)	(8,403,805)
Finance costs	5	(2,581,521)	(4,234,739)
Insurance expense		(283,396)	(350,415)
Impairment expense	14	-	-
Legal fees		(537,134)	(176,607)
(Loss)/gain on disposal of non-current assets		(547)	(6,652)
Occupancy costs		(164,418)	(85,379)
Repairs and maintenance		(30,714)	(57,118)
Share based payment expense	32	(193,150)	(46,622)
Travel expenses		(40,850)	(48,195)
Loss before income tax		(202,345)	(2,073,427)
Income tax benefit	6	84,208	733,314
Net loss for the year		(118,137)	(1,340,113)
Other comprehensive loss, net of income tax			
Total comprehensive loss for the year		(118,137)	(1,340,113)
Basic and diluted earnings/(loss) per share of profit/(loss) attributable to the owners of Vonex Limited (cents per share)	9	(0.024)	(0.370)

The accompanying notes form part of these financial statements.

Vonex Limited

ABN 39 063 074 635

Statement of Financial Position

As At 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	2,880,177	2,928,337
Trade and other receivables	11	1,472,337	2,359,769
Contract assets	12	27,277	43,474
Other assets	13	965,165	751,336
TOTAL CURRENT ASSETS		5,344,956	6,082,916
NON-CURRENT ASSETS			
Intangible assets	14	22,949,064	25,141,281
Property, plant and equipment	17	1,070,496	1,109,951
Contract assets	12	21,429	21,997
Right-of-use assets	18	1,992,620	2,621,267
Other assets	13	351,458	343,924
TOTAL NON-CURRENT ASSETS		26,385,067	29,238,420
TOTAL ASSETS		31,730,023	35,321,336
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	5,695,632	9,016,327
Borrowings	21	1,408,677	-
Provisions	19	1,207,954	1,336,467
Lease liabilities	22	420,412	741,843
TOTAL CURRENT LIABILITIES		8,732,675	11,094,637
NON-CURRENT LIABILITIES			
Provisions	19	284,344	136,478
Borrowings	21	8,180,188	22,677,363
Deferred tax liabilities	23	2,845,458	2,928,713
Lease liabilities	22	1,742,143	2,162,556
TOTAL NON-CURRENT LIABILITIES		13,052,133	27,905,110
TOTAL LIABILITIES		21,784,808	38,999,747
NET ASSETS / (LIABILITIES)		9,945,215	(3,678,411)
EQUITY			
Issued capital	24	80,686,144	66,587,445
Reserves	25	18,506	614,948
Accumulated losses	28	(70,759,435)	(70,880,804)
TOTAL EQUITY		9,945,215	(3,678,411)

The accompanying notes form part of these financial statements.

Vonex Limited

ABN 39 063 074 635

Statement of Changes in Equity

For the Year Ended 30 June 2025

2025	Issued Capital	Accumulated Losses	Reserves	Total
	\$	\$	\$	\$
Balance at 1 July 2024	66,587,445	(70,880,804)	614,948	(3,678,411)
Total comprehensive loss for the year	-	(118,137)	-	(118,137)
Transactions with owners in their capacity as owners				
Performance rights vested during the year			202,836	202,836
Conversion of performance rights to ordinary shares	239,772		(239,772)	-
Settlement of performance rights outside of the normal course of business			(320,000)	(320,000)
Reversal of reserve in excess of performance rights settled		239,506	(239,506)	-
Shares issued through Entitlement offer	13,923,165			13,923,165
Capital raising costs	(64,238)			(64,238)
Balance at 30 June 2025	80,686,144	(70,759,435)	18,506	9,945,215
2024				
Balance at 1 July 2023	66,045,470	(70,751,691)	1,779,326	(2,926,895)
Total comprehensive loss for the year	-	(1,340,113)	-	(1,340,113)
Transactions with owners in their capacity as owners				
Reversal of option expired during the year	-	1,211,000	(1,211,000)	-
Shares issued in acquisition settlement of Network Technology (Aust) Pty Ltd	541,975	-	-	541,975
Performance rights issued during the year	-	-	46,622	46,622
Balance at 30 June 2024	66,587,445	(70,880,804)	614,948	(3,678,411)

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		49,632,638	53,646,883
Payments to suppliers and employees		(47,048,182)	(48,579,010)
Interest received		29,071	16,288
Interest paid		(19,311)	(296,484)
Net cash provided by operating activities	27	2,594,216	4,787,677
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for physical non-current assets		(177,446)	(91,219)
Other investing Cashflow		-	(6,889)
Net cash used in investing activities		(177,446)	(98,108)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payment of transaction and finance costs		(2,103,880)	(2,705,212)
Proceeds from borrowings		10,000,000	-
Repayment of borrowings		(23,162,956)	-
Share issues		13,858,928	-
Leasing payments		(1,057,022)	(849,050)
Net cash used in by financing activities		(2,464,930)	(3,554,262)
Net (decrease)/increase in cash and cash equivalents held		(48,160)	1,135,307
Cash and cash equivalents at beginning of year		2,928,337	1,793,030
Cash and cash equivalents at end of financial year	10	2,880,177	2,928,337

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 30 June 2025

The consolidated financial statements and notes represent those of Vonex Limited and the entities it controlled during the year ("the consolidated entity"). Vonex Limited is a public company, incorporated and domiciled in Australia. The address of the Company's registered office and principal place of business is Level 6, 303 Coronation Drive, Milton, Qld.

The separate financial statements of the parent entity, Vonex Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue by the Board on 26 August 2025.

1 Basis of Preparation

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

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are disclosed in Note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 16.

Material accounting policy information relating to the preparation of these financial statements are presented below, and are consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Principles of consolidation

The consolidated financial statements incorporate the assets, liabilities and result of entities controlled by Vonex Limited at the end of the reporting period. A controlled entity is an entity over which Vonex Limited has the ability or right to govern the financial and operating policies so as to obtain benefits from the entity's activities. In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated entity have been eliminated in full on consolidation. Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities is included only for the period of the year that they were controlled.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(b) Business combinations

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated financial statements, and subject to certain limited exceptions, the fair value of the identifiable assets acquired and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact on the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer. Fair value uplifts in the value of pre-existing equity holdings are taken to the statement of profit and loss and other comprehensive income. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of profit and loss and other comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

(c) Income tax

The income tax expense (revenue) recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(c) Income tax (Continued)

Current and deferred income tax expense (revenue) is charged or credited outside profit or loss when the tax related to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value, less, where applicable, any accumulated depreciation and impairment losses. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed included the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss.

Depreciation

The depreciable amount of plant and equipment is depreciated on the straight-line method over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(d) Property, plant and equipment (Continued)

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Furniture, Fixtures and Fittings	5% - 100%
Plant and Equipment	8% - 100%
Leasehold improvements	2.5% - 33%
Motor Vehicles	16% - 25%
Computer Equipment	4% - 100%

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

i. Plant and Equipment

The asset's residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

ii. Impairment of Assets

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss and other comprehensive income immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss and other comprehensive income immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

Impairment testing is performed annually for intangible assets with indefinite useful lives.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(e) Employee benefits

Provision is made for the consolidated entity's obligation for short-term employee benefits. Short-term employee benefits are benefits that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The consolidated entity's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current trade and other payables in the statement of financial position. The consolidated entity's obligations for employees' annual leave entitlements are recognised as provisions in the statement of financial position.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are 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.

Defined contribution superannuation expense

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

(f) Provisions

Provisions are recognised when the consolidated entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(g) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(g) Investments and other financial assets (Continued)

1. Fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

2. Financial assets through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

3. Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(h) Cash and cash equivalents

Cash and equivalents include cash on hand, deposits held at call with banks and other short term highly liquid investments. For the purpose of the statement of cash flows, cash includes deposits at call, which are readily convertible to cash on hand and subject to an insignificant risk of changes in value.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(i) Revenue and other income

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative standalone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method.

The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Rendering of telecommunications services

Revenue from the rendering of retail telecommunications services includes the provision of data, internet, voice and other services. Revenue from the rendering of data and internet services to consumers and corporate customers is recognised on a straight-line basis over the period the service is provided. Revenue for voice services is recognised at completion of the call. Revenue from wholesale hosted PBX service customers is charged based on the number of PBX registrations recorded on a daily basis and invoiced monthly in arrears.

Where revenue for services is invoiced to customers and/or received in advance, the amount that is unearned at a reporting date is recognised in the statement of financial position as deferred income, and its recognition in the profit or loss is deferred until the period to which the invoiced amount relates.

Sale of goods

Revenue from the sale of goods represents sales of customer equipment to consumer and corporate customers. Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods or service.

Revenue arrangements with multiple deliverables

Where two or more revenue-generating activities or deliverables are sold under a single arrangement, each deliverable is considered to be a separate unit of accounting and is accounted for separately.

Interest

Revenue is recognised as the interest accrues using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(j) Contract assets

Contract assets are recognised when the consolidated entity has satisfied the performance obligations in the contract and either has not recognised a receivable to reflect its unconditional right to consideration or the consideration is not due. Contract assets are treated as financial assets for impairment purposes.

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use of sale.

All other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs predominately consist of interest and other costs that the company incurs in connection with the borrowing of fund.

(l) Trade and other payables

These amounts represent liabilities for goods, services and other commitments provided to the consolidated entity at the end of the reporting period that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms. Trade payables are predominately unsecured.

(m) Trade and other receivables

All trade receivables are recognised initially at the transaction price (i.e. cost) less expected credit losses for any uncollectable amounts. Receivable terms for the consolidated entity are due for settlement within 4-30 days from the date of the invoice. Collectability of trade debtors is reviewed on an ongoing basis.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income. When identified, debts which are known to be uncollectable are written off.

(n) Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(o) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(p) Right-Of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(q) Intangible assets

Goodwill

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

Customer List

Customer List is amortised on a straight-line basis over the life of the contracts. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Trademarks

Trademark is amortised on a straight-line basis over the period of 10 years from April 2013. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Patents

Patent is amortised on a straight-line basis over the period of 10 years from April 2013. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Customer & Supply contracts (2SG)

The customer and supply contract is being amortised on a straight-line basis over two periods dependent on contract terms (5 years and 10 years). The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(q) Intangible assets (Continued)

Customer & Supply contracts (Nextel)

The customer and supply contract is being amortised on a straight-line basis on contract terms 5 years. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Customer contracts & Channel Partners (MNF)

The customer and supply contract is being amortised on a straight-line basis over two periods, dependent on contract terms 5 years and customer attrition related to Channel Partners of 12 years. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Customer contracts & developed software (Voiteck)

The customer contracts & developed software are being amortised on a straight-line basis over 8.5 years. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

Customer contracts (OntheNet)

The customer contracts are being amortised on a straight-line basis over 10 years. The residual values and useful lives are reviewed annually at each balance date and adjusted, if appropriate.

(r) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(s) Issued capital

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.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(t) Earnings per share

i. Basic earnings per share

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

(u) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

(v) Goods and services tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated 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.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(w) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

(x) Adoption of new and revised accounting standards

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. There is no material impact of these new or amended Accounting Standards and Interpretations.

(y) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The consolidated entity has incurred a net loss of \$118,137 during the year ended 30 June 2025 and, as of that date, the consolidated entity's current liabilities exceeded its current assets by \$3,387,719.

Whilst the above condition indicates a material uncertainty which may cast significant doubt over the consolidated entity's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

- Vonex has entered a Scheme Implementation Deed (SID) with Maxo Telecommunications Pty Ltd for the acquisition of 100% Vonex's issued capital by way of a Court approved scheme of arrangement for a cash price of 3.60 cents per Vonex share;
- The Directors expect the consolidated entity to continue operating with positive cash flows, noting cashflows from operating activities generated \$2,594,216 for the twelve months ended 30 June 2025;
- Despite the net current liability position of \$3,387,719, the consolidated entity's suppliers remain supportive of the business; and
- The consolidated entity has the ability to raise capital through the issue of equity should shareholders not vote in favour of the scheme.

Notes to the Financial Statements

For the Year Ended 30 June 2025

2 Material Accounting Policy Information (Continued)

(y) Going concern (Continued)

On this basis, the Directors are of the opinion that the financial statements should be prepared on a going concern basis and that the consolidated will be able to pay its debts as and when they fall due and payable.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

3 Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity.

There have been no judgements, apart from those involving estimation, in applying accounting policies that have a significant effect on the amounts recognised in these financial statements. Following is a summary of the key assumptions concerning the future and other key sources of estimation at reporting date that have not been disclosed elsewhere in these financial statements.

Share based payment transactions

The consolidated entity measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by management using an appropriate valuation model that use estimates and assumptions. Management exercises judgement in preparing the valuations and these may affect the value of any share-based payments recorded in the financial statements (refer to note 32 for further details).

Impairment

The consolidated entity assesses impairment at the end of each reporting period by evaluation conditions and events specific to the consolidated entity that may be indicative of impairment triggers. Validity for future operations are all elements that are considered. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. 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. Refer to note 14 for further information.

Notes to the Financial Statements

For the Year Ended 30 June 2025

3 Critical Accounting Estimates and Judgments (Continued)

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

The consolidated entity 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 consolidated entity 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.

4 Revenue

	2025	2024
	\$	\$
Revenue from customers		
- Sales revenue	44,792,210	48,190,776

Disaggregation of revenue

	2025	2024
	\$	\$
Major service lines		
- Telephony / Internet	39,748,613	42,699,692
- Hardware / Software	590,653	539,709
- Infrastructure/Projects/Support	1,740,300	2,116,170
- Hosted PBX	2,691,652	2,834,142
- Other	20,992	1,063
	<u>44,792,210</u>	<u>48,190,776</u>

	2025	2024
	\$	\$
Revenue Stream		
-Revenue recognised over time	43,495,392	47,237,699
-Revenue recognised at a point in time	1,296,818	953,077
	<u>44,792,210</u>	<u>48,190,776</u>

The entity does not disaggregate its revenue by geographical information; all revenue is derived within Australia.

Other Income

	2025	2024
	\$	\$
- Interest received	29,071	18,647
- Fair value gain on contingent consideration [refer to Note 20 (i)]	1,599,331	270,987
- Other income	60,995	202,034
Total other income	<u>1,689,397</u>	<u>491,668</u>

Notes to the Financial Statements

For the Year Ended 30 June 2025

5 Profit/(Loss) for the Year

The result for the year includes the following specific expenses:

	2025	2024
	\$	\$
Cost of sales		
Cost of sales	(24,911,600)	(26,773,102)
Depreciation		
Leasehold improvements	(13,480)	(11,302)
Plant and equipment	(196,319)	(214,174)
Motor vehicles	(7,249)	(11,566)
Licenses and development	(2,473)	(2,045)
Land and buildings right-of-use assets	(832,445)	(745,105)
Plant and equipment right-of-use assets	(70,339)	(53,180)
Total depreciation	(1,122,305)	(1,037,372)
Amortisation		
Patents and trademarks	(2,657)	-
Customer and supplier contracts	(2,189,561)	(2,135,434)
Total amortisation	(2,192,218)	(2,135,434)
Finance costs		
Interest and finance charges payable/paid on lease liabilities	(334,564)	(354,840)
Interest charges on insurance premium funding and credit cards	(14,254)	(18,178)
Interest charges on Longreach debt facility & Westpac loan	(2,033,276)	(3,800,918)
Other interest	(199,427)	(60,803)
Total finance costs	(2,581,521)	(4,234,739)
Superannuation expenses		
Employee superannuation expense	(808,798)	(793,641)
Director superannuation expense	(28,750)	(26,400)
Total superannuation expenses	(837,548)	(820,041)

Notes to the Financial Statements

For the Year Ended 30 June 2025

6 Income Tax Expense

(a) Income Tax Expense

	2025	2024
	\$	\$
Deferred tax benefit		
Deferred tax benefit	(84,208)	(733,314)
Total income tax benefit	(84,208)	(733,314)

(b) Reconciliation of income tax to accounting profit:

	2025	2024
	\$	\$
Loss for the year before income tax	(202,344)	(2,073,427)
Tax	30.00 %	25.00 %
	(60,703)	(518,357)
Add:		
Tax effect of:		
Non-deductible expenses	87,446	210,055
Under provision	(954)	96,862
Effect due to change in tax rate	585,743	-
Deferred tax asset not brought to account	(695,740)	(521,874)
Income tax benefit	(84,208)	(733,314)

(c) Deferred Tax Asset

Deferred tax asset not brought to account comprises the future benefits at applicable tax rates:

	2025	2024
	\$	\$
Tax losses - revenue (resident)	6,004,124	4,997,050
Accruals and provisions	576,278	595,727
Business related costs	96,247	51,981
Prepayments	(132,467)	(82,442)
Other	74,882	38,954
	6,619,064	5,601,270

(d) Deferred Tax Liabilities

Deferred tax liability of \$2,845,458 (2024: \$2,928,713). Refer to Note 23.

Resident tax losses calculated at the Australian income tax rate of 30% (2024: 25%).

Notes to the Financial Statements

For the Year Ended 30 June 2025

6 Income Tax Expense (Continued)

The deferred tax asset has not been recognised as an asset in the statement of financial position as its realisation is not considered probable. The asset will only be obtained if:

- a) the company derives future assessable income of a nature and of an amount sufficient to enable the asset from the deductions for the loss to be realised;
- b) the company continues to comply with the conditions for deductibility imposed by the law; and
- c) no changes in tax legislation adversely affect the consolidated entity in realising the asset from deductions for the losses.

7 Key Management Personnel Remuneration

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

	2025	2024
	\$	\$
Short-term employee benefits	402,014	390,000
Post-employment benefits	46,226	42,900
Share-based payments	193,110	46,622
Total	641,350	479,522

8 Auditors' Remuneration

	2025	2024
	\$	\$
Remuneration of the auditor:		
Auditing or reviewing the financial reports	142,500	156,000
Total	142,500	156,000

9 Earnings Per Share

	2025	2024
	\$	\$
Loss for the year	(118,137)	(1,340,113)
	2025	2024
	No.	No.
Weighted average number of ordinary shares outstanding during the year		
used in calculating basic loss per share	495,259,118	361,828,620

There is no dilution of shares due to options as the potential ordinary shares are not dilutive and are therefore not included in the calculation of diluted loss per share.

Notes to the Financial Statements

For the Year Ended 30 June 2025

10 Cash and Cash Equivalents

	2025	2024
	\$	\$
Cash on hand	1,039	2,235
Cash at bank	2,879,138	2,926,102
	<u>2,880,177</u>	<u>2,928,337</u>

11 Trade and Other Receivables

	2025	2024
	\$	\$
CURRENT		
Trade receivables	1,237,476	1,713,403
Provision for impairment	(365,257)	(771,418)
	<u>872,219</u>	<u>941,985</u>
Other debtors	600,118	1,417,784
Total current trade and other receivables	<u>1,472,337</u>	<u>2,359,769</u>

The ageing of the receivables and allowance for expected credit losses provided for the above are as follows:

	0 to 3 months overdue	3 to 6 months overdue	over 6 months overdue	Total
30 June 2025				
Expected loss rate	-	58.00	89.00	
Gross carrying amount (\$)	782,074	132,921	322,481	1,237,476
ECL provision	1,918	77,667	285,672	365,257
	<u>0 to 3 months overdue</u>	<u>3 to 6 months overdue</u>	<u>over 6 months overdue</u>	<u>Total</u>
30 June 2024				
Expected loss rate	-	58.00	98.00	
Gross carrying amount (\$)	898,379	81,143	733,881	1,713,403
ECL provision	3,902	47,048	720,468	771,418

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

	2025	2024
	\$	\$
Balance at beginning of the year	771,418	415,964
Additional/(Reversals)	45,488	509,198
Receivable written off during the year as uncollectable	(451,649)	(153,744)
	<u>365,257</u>	<u>771,418</u>

Notes to the Financial Statements

For the Year Ended 30 June 2025

12 Contract Assets

	2025 \$	2024 \$
CURRENT		
Contract assets	27,277	43,474
NON-CURRENT		
Contract assets	21,429	21,997

Reconciliation:

Reconciliation of written down values at the beginning and end of the current and previous financial year are set out below:

Balance at the beginning of the year	65,471	76,326
Additional provision	39,748	65,400
Transfer to sales adjustment	(56,513)	(76,255)
Balance at the end of the year	48,706	65,471

13 Other Assets

	2025 \$	2024 \$
CURRENT		
Bonds/deposits paid/receivables	342,326	206,479
Work in progress	-	1,516
Inventory	140,374	169,896
Prepayments	449,931	346,538
Leasing receivables	32,534	26,907
	965,165	751,336
NON-CURRENT		
Bonds/deposits paid/receivables	344,678	309,806
Prepayments	6,780	1,584
Leasing receivables	-	32,534
	351,458	343,924

Vonex Limited

ABN 39 063 074 635

Notes to the Financial Statements For the Year Ended 30 June 2025

14 Intangibles

	2025	2024
	\$	\$
Patents and trademarks - at cost	222,130	222,130
Less: Accumulated amortisation	(221,107)	(218,451)
	<u>1,023</u>	<u>3,679</u>
Customer Contracts and Developed software - Voiteck	1,858,842	1,858,842
Less: Accumulated amortisation	(774,923)	(552,307)
	<u>1,083,919</u>	<u>1,306,535</u>
Customer contracts (OntheNet)	4,128,712	4,128,712
Less: Accumulated amortisation	(1,180,000)	(737,500)
	<u>2,948,712</u>	<u>3,391,212</u>
Domain name acquisition	2,071	2,071
	<u>2,071</u>	<u>2,071</u>
Goodwill (2SG & Nextel & MNF & Voiteck, OntheNet)	33,474,526	33,474,526
Less: Accumulated impairment	(20,011,347)	(20,011,347)
	<u>13,463,179</u>	<u>13,463,179</u>
Customer and Channel partnership contracts (MNF)	8,714,324	8,714,324
Less: Accumulated amortisation	(3,779,578)	(2,766,063)
	<u>4,934,746</u>	<u>5,948,261</u>
Customer & Supply contracts (2SG)	2,908,977	2,908,977
Less: Accumulated amortisation	(2,425,457)	(1,970,683)
	<u>483,520</u>	<u>938,294</u>
Customer contracts (Nextel)	278,648	278,648
Less: Accumulated amortisation	(246,754)	(190,598)
	<u>31,894</u>	<u>88,050</u>
Total Intangibles	<u><u>22,949,064</u></u>	<u><u>25,141,281</u></u>

Vonex Limited

ABN 39 063 074 635

Notes to the Financial Statements

For the Year Ended 30 June 2025

14 Intangible Assets (Continued)

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Patents and trademarks	Contracts and Developed software - Voiteck	Customer contracts - On The Net	Domain name	Goodwill	Intangible Assets - Provisionally acquired	Customer and Channel Partnership Contract - MNF	Customer and Supply Contracts (2SG)	Customer Contracts - Nextel	Total
	\$	\$	\$	\$	\$		\$	\$	\$	\$
Year ended 30 June 2025										
Balance at the beginning of the year	3,679	1,306,535	3,391,212	2,071	13,463,179	-	5,948,261	938,294	88,050	25,141,281
Transfers	-	-	-	-	-	-	-	-	-	-
Amortisation	(2,656)	(222,616)	(442,500)	(0)	(0)		(1,013,515)	(454,774)	(56,156)	(2,192,217)
Closing value at 30 June 2025	1,023	1,083,919	2,948,712	2,071	13,463,179	-	4,934,746	483,520	31,894	22,949,064
Year ended 30 June 2024										
Balance at the beginning of the year	3,679	1,529,151	3,833,712	2,071	8,228,927	5,234,252	6,907,650	1,393,066	144,208	27,276,716
Transfers	-	-	-	-	5,234,252	(5,234,252)	-	-	-	-
Amortisation		(222,616)	(442,500)	-	-	-	(959,389)	(454,772)	(56,158)	(2,135,435)
Closing value at 30 June 2024	3,679	1,306,535	3,391,212	2,071	13,463,179	-	5,948,261	938,294	88,050	25,141,281

Notes to the Financial Statements

For the Year Ended 30 June 2025

14 Intangible Assets (Continued)

(a) Impairment of goodwill

At each reporting date, the Group reviews the carrying values of its intangible assets to determine whether there is any indication that those assets have been impaired. During the period impairment indicators existed within the cash generating unit held by the Company. The recoverable amounts of the cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of assumptions and due to the changes in discount rates based on the current cost of capital and growth rates of estimated future cash flows resulted in no impairment (expense of \$nil).

The following describes the assumptions on which management has based its cash flow projections when determining its use for the cash generating unit:

Revenue Growth rate

The growth rate represents a steady indexation rate which does not exceed management's expectations of the long-term average growth for the business in which the CGU operates. The rate applied in the cash flow projection is an increase of 2.1% (2024: 1.8%) for the first year and 2.3% (2024: 3%) for future years.

Discount rate

The pre-tax discount rate applied to cash flow projections is 10.80% (2024: 14.07%).

Cash flows

Value-in-use calculations use cash flow projections based on past performance and expectations on future earnings.

Sensitivities

The Board has made judgments and estimates in respect of impairment testing of goodwill. Should these judgments and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

- Revenue growth would need to decrease by approximately 1.77% (2024: 1.76%) before goodwill would need to be impaired, with all other assumptions remaining constant.
- The pre-tax discount rate would be required to increase by approximately 1.18% (2024: 4.83%) before goodwill would need to be impaired, with all other assumptions remaining constant.

Notes to the Financial Statements

For the Year Ended 30 June 2025

15 Subsidiaries

a) Parent entity

The parent entity within the Group is Vonex Ltd.

b) Subsidiaries

Subsidiaries	Principal place of business / Country of Incorporation	Percentage Owned (%) 2025	Percentage Owned (%) 2024
Subsidiaries:			
IP Voice and Data Pty Ltd (ABN 45 147 537 871)	AUS	100	100
Oper8tor Pty Ltd (ABN 14 601 220 633)	AUS	100	100
Vonex Wholesale Pty Ltd (ABN 98 138 093 482)	AUS	100	100
Voiteck Pty Ltd (ABN 45 139 880 952)	AUS	100	100
Network Technologies (Aust) Pty Ltd (ACN: 096 864 836)	AUS	100	100
Subsidiaries of Voiteck Pty Ltd			
Voiteck Mobile Pty Ltd (ABN 73 616 534 466)	AUS	100	100
Subsidiaries of IP Voice and Data Pty Ltd			
Itrinity Australia Pty Ltd (ACN 131 196 886)	AUS	100	100

16 Parent Entity

	2025 \$	2024 \$
Financial Position		
Assets		
Current assets	1,618,714	3,414,423
Non-current assets	24,853,445	29,361,708
Total Assets	26,472,159	32,776,131
Liabilities		
Current liabilities	43,173,824	33,078,490
Non-current liabilities	13,047,238	27,719,119
Total Liabilities	56,221,062	60,797,609
Equity		
Issued capital	80,686,144	66,587,445
Asset revaluation reserve	2,443	598,885
Accumulated losses	(110,437,490)	(95,207,808)
Total Equity	(29,748,903)	(28,021,478)
Financial Performance		
Total profit or loss for the year	(15,469,188)	(14,480,610)
Other comprehensive income	-	-
Total comprehensive loss for the year	(15,469,188)	(14,480,610)

Notes to the Financial Statements

For the Year Ended 30 June 2025

16 Parent Entity (Continued)

Guarantees

Vonex Ltd entered into a parental guarantee in the previous financial year for one of its subsidiaries in connection with Wholesale Broadband services being acquired from NBN Co. The Guarantee remains in place.

Commitments for expenditure

As at 30 June 2025, the Vonex Ltd had entered into two lease agreements for premises, which had not commenced as at the end of the reporting period. Accordingly, these leases have not been recognised in the consolidated financial statements.

The total future lease commitments under these non-cancellable lease arrangements, which are expected to commence in July 2025 and August 2025 respectively, amount to \$739,571 over the lease terms. These commitments will be recognised as right-of-use assets and corresponding lease liabilities on the commencement dates of the respective lease contracts.

As at 30 June 2025, Vonex Ltd is also party to ongoing legal proceedings concerning the right to contingent consideration arising from the acquisition of Voiteck Pty Ltd. The claimant asserts that the defendant engaged in conduct contrary to the terms of the share acquisition agreement, which adversely affected the claimant's ability to meet the performance milestones required for the contingent consideration. As a result, the claimant is seeking damages for the alleged breach to the amount of \$3,698,714 in addition to interest and costs.

The Company disputes the claim, asserting that the relevant performance milestones have not been achieved and that no amount is payable. The matter remains unresolved and is currently subject to legal proceedings.

The Company has assessed the claim with the assistance of external legal counsel. Based on this assessment, the Company does not consider it probable that an outflow of economic benefits will be required to settle the obligation. Accordingly, no provision has been recognised as at the reporting date. However, due to the inherent uncertainty in legal disputes, there is a contingent liability that could result in a material outflow of resources, the amount of which cannot be reliably estimated at this time.

Vonex Ltd has no other commitments to acquire property, plant and equipment, and has no other contingent liabilities (2024: nil).

Material accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity
- Investments in associates 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.

Notes to the Financial Statements

For the Year Ended 30 June 2025

17 Property, Plant and Equipment

	2025	2024
	\$	\$
Plant and equipment At cost	757,829	734,130
Accumulated depreciation	(315,344)	(238,261)
Transfer between classes	(36,214)	(36,214)
	406,271	459,655
Motor vehicles At cost	98,256	113,305
Accumulated depreciation	(66,397)	(72,837)
	31,859	40,468
Office & Computer equipment At cost	1,256,313	1,105,591
Accumulated depreciation	(889,112)	(773,636)
Transfer between classes	36,214	36,214
	403,415	368,169
License & Development (inc. software) At cost	40,923	270,250
Accumulated depreciation	(37,263)	(264,730)
	3,660	5,520
Leasehold Improvements At cost	294,141	291,572
Accumulated depreciation	(68,850)	(55,433)
	225,291	236,139
Total property, plant and equipment	1,070,496	1,109,951

Notes to the Financial Statements

For the Year Ended 30 June 2025

17 Property, Plant and Equipment (Continued)

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Plant & Equipment \$	Motor Vehicles \$	Office & Computer \$	License & Development \$	Leasehold Improvements \$	Total \$
Year ended 30 June 2025						
Balance at the beginning of year	459,655	40,468	368,169	5,520	236,139	1,109,951
Additions	23,699	-	150,722	-	2,569	176,990
Disposals / Write off	-	(1,456)	-	-	-	(1,456)
Depreciation	(77,083)	(7,153)	(115,476)	(1,860)	(13,417)	(214,989)
Balance at the end of the year	406,271	31,859	403,415	3,660	225,291	1,070,496
Year ended 30 June 2024						
Balance at the beginning of year	517,079	52,034	444,366	7,565	243,426	1,264,470
Additions	3,740	-	83,478	-	4,015	91,233
Disposals / Write off	(5)	-	(6,660)	-	-	(6,665)
Depreciation	(61,159)	(11,566)	(153,015)	(2,045)	(11,302)	(239,087)
Balance at the end of the year	459,655	40,468	368,169	5,520	236,139	1,109,951

Notes to the Financial Statements

For the Year Ended 30 June 2025

18 Right Of Use Assets

	Plant and Equipment	Land and Buildings	Total
	\$	\$	\$
Year ended 30 June 2025			
Right of Use Asset	255,618	3,957,739	4,213,357
Accumulated depreciation	(201,574)	(2,019,163)	(2,220,737)
Balance at end of year	54,044	1,938,576	1,992,620

	Plant and Equipment	Land and Buildings	Total
	\$	\$	\$
Year ended 30 June 2024			
Right of Use Asset	255,618	3,835,646	4,091,264
Accumulated depreciation	(131,235)	(1,338,762)	(1,469,997)
Balance at end of year	124,383	2,496,884	2,621,267

The consolidated entity leases land and buildings for its offices under agreements of between one to four years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The consolidated entity leases equipment under agreements of 4 years or less.

19 Provisions

	2025	2024
	\$	\$
CURRENT		
Annual leave	624,514	742,279
Long service leave	465,683	594,188
Make-good	117,757	-
	1,207,954	1,336,467
NON-CURRENT		
Long service leave	89,255	98,988
Make-good	195,089	37,490
	284,344	136,478

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

Notes to the Financial Statements

For the Year Ended 30 June 2025

19 Provisions (Continued)

(a) Movement in carrying amounts

	2025	2024
	\$	\$
Carrying amount at the start of the year	1,472,945	1,651,792
Additional provisions recognised	819,099	705,149
Amounts used	(799,746)	(883,996)
Balance at the end of the year	1,492,298	1,472,945

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 consolidated entity 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 consolidated entity does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision pertains to amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

20 Trade and Other Payables

	2025	2024
	\$	\$
CURRENT		
Trade payables	2,785,184	4,048,545
PAYG withholding	126,174	139,429
GST	390,274	544,488
Superannuation guarantee	63,370	64,687
Other payables and accruals	2,330,630	4,219,178
	5,695,632	9,016,327

Trade creditors are expected to be paid within agreed terms.

(i) Contingent consideration is measured at fair value at each reporting date with changes in fair value recognised in the profit and loss. The contingent consideration associated with the Voiteck acquisition was not deemed to be payable in accordance with the Share Acquisition Agreement. The amount has been reversed.

Notes to the Financial Statements

For the Year Ended 30 June 2025

20 Trade and Other Payables (Continued)

	2025	2024
	\$	\$
Opening Balance	1,840,000	1,840,000
Change in Fair Value recognised in Profit and Loss	(1,840,000)	-
Closing Balance of Contingent consideration - Voiteck	-	1,840,000

21 Borrowings

	2025	2024
	\$	\$
CURRENT		
Loan - secured	1,428,600	-
Accrued interest expense	-	-
Capitalised borrowing costs	(19,923)	-
	1,408,677	-
NON-CURRENT		
Loan - secured	8,214,250	22,804,719
Accrued interest expense	-	107,775
Capitalised borrowing costs	(34,062)	(235,131)
	8,180,188	22,677,363

Bank Bill Business Loan

The loan is secured via a first ranking general security interest over the business.

The key terms of the secured loan are as follows:

Maturity:	20 March 2028
Repayments:	Principal and Interest
Security:	First ranking General Security Interest
Key covenants:	Net leverage cover and debt service cover
Interest cost:	The total indicative interest rate is comprising of a variable base rate which is derived from Bank Bill Swap Bid Rate (BBSY) and a margin.

Assets pledged as security

The loan is secured via a first ranking general security interest over the business.

Financing agreement

At 30 June 2025, the unused facility limit is nil (30 June 2024: Nil).

21 Borrowings (Continued)

Loan covenants

The bank loan is subject to certain financial covenants and these are assessed at the end of each financial year. The loans will be repayable immediately if the covenants are breached. The Company is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

During the financial year, the following loans were extinguished.

Tranche A

The loan was secured via a first ranking general security interest over the business.

The key terms of the secured loan for Tranche A were as follows:

Maturity:	01 October 2025
Repayments:	Interest only
Security:	First ranking General Security Interest
Key covenants:	Net leverage cover, interest cover, debt service cover and minimum cash at bank
Interest cost:	The interest rate payable depends on the prevailing net debt/pro forma Last Twelve Months ("LTM") EBITDA.

Assets pledged as security

The loan was secured via a first ranking general security interest over the business.

Tranche B

The key terms of the secured loan for Tranche B were as follows:

Maturity:	01 October 2025
Repayments:	Interest only
Security:	First ranking General Security Interest
Key covenants:	Net leverage cover, interest cover, debt service cover and minimum cash at bank
Interest cost:	The interest rate payable depends on the prevailing net debt/pro forma Last Twelve Months ("LTM") EBITDA.

Assets pledged as security

The loan was secured via a first ranking general security interest over the business.

Financing agreement

At 30 June 2024, the unused facility limit was nil (30 June 2023: Nil).

Notes to the Financial Statements

For the Year Ended 30 June 2025

22 Lease Liability

	2025 \$	2024 \$
CURRENT		
Lease liability	420,412	741,843
	420,412	741,843
NON-CURRENT		
Lease liability	1,742,143	2,162,556
	1,742,143	2,162,556

Refer to Note 31 for further information on financial instruments.

23 Deferred tax liability

Deferred tax liability comprises temporary differences attributable to:

	2025 \$	2024 \$
Amount recognised in profit or loss:		
Intangible assets	2,845,458	2,928,713
	2,845,458	2,928,713
Movements:		
Opening balance	2,928,713	3,758,888
Charged/(credited) to profit or loss	84,208	630,596
Other movements	(167,463)	(1,460,771)
Closing balance	2,845,458	2,928,713

Notes to the Financial Statements

For the Year Ended 30 June 2025

24 Issued Capital

		2025	2024
		\$	\$
752,603,526 (2024: 361,828,620) Fully paid ordinary shares		80,686,144	66,587,445
(a) Movement in Ordinary shares			
	Date	\$	No.
Balance at 30 June 2023		66,045,470	361,828,620
Transfer of restricted consideration to equity		541,975	-
Balance at 30 June 2024		66,587,445	361,828,620
Conversion of performance rights	15 January 2025	239,772	14,473,143
Shares issued – non-renounceable entitlement offer	26 February 2025	13,923,165	376,301,763
Capital raising costs		(64,238)	
Balance at 30 June 2025		80,686,144	752,603,526

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.

At the shareholders meetings each ordinary share is entitled to one vote. The company does not have authorised share capital and there is no par value for shares.

(b) Capital Risk Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

The consolidated entity monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'trade and other payables' and 'borrowings' as shown in the statement of financial position) less 'cash and cash equivalents' as shown in the statement of financial position. Total capital is calculated as 'total equity' as shown in the statement of financial position plus net debt.

The gearing ratios at 30 June 2025 and 30 June 2024 are as follows:

	2025	2024
	\$	\$
Total borrowings (including trade and other payables)	15,284,496	31,693,690
Less Cash and cash equivalents	(2,880,177)	(2,928,337)
Net debt	12,404,319	28,765,353
Equity	9,945,215	(3,678,411)
Total capital	22,349,534	25,086,942

Notes to the Financial Statements

For the Year Ended 30 June 2025

25 Reserves

	2025	2024
	\$	\$
Asset revaluation reserve	18,506	18,506
Options premium reserve	-	-
Share based payments reserve	-	596,442
Balance at the end of the year	18,506	614,948
Asset revaluation reserve		
Opening balance	18,506	18,506
Balance at the end of the year	18,506	18,506
Option reserve		
Opening balance	-	1,211,000
Options expired	-	(1,211,000)
Balance at the end of the year	-	-
Share-based payments reserve		
Opening balance	596,442	549,820
Expense related to performance rights issued 11 December 2023	193,150	46,622
Conversion of performance rights issued 11 December 2023 to ordinary shares	(239,772)	-
Settlement of performance rights issued 20 December 2022	(320,000)	-
Write-back related to performance rights issued 20 December 2022	(229,820)	-
Balance at the end of the year	-	596,442
Total	18,506	614,948

The reserve records the valuation of performance shares and performance rights issued to vendors (shares) and key management personnel (rights).

26 Contingencies

Contingent Liabilities

The consolidated entity has given bank guarantees as at 30 June 2025 of \$250,215 (2024: \$206,479).

As at 30 June 2025, the Company is a party to ongoing legal proceedings concerning the right to contingent consideration arising from the acquisition of Voiteck Pty Ltd. The claimant asserts that the defendant engaged in conduct contrary to the terms of the share acquisition agreement, which adversely affected the claimant's ability to meet the performance milestones required for the contingent consideration. As a result, the claimant is seeking damages for the alleged breach to the amount of \$3,698,714 in addition to interest and costs.

The Company disputes the claim, asserting that the relevant performance milestones have not been achieved and that no amount is payable. The matter remains unresolved and is currently subject to legal proceedings.

The Company has assessed the claim with the assistance of external legal counsel. Based on this assessment, the Company does not consider it probable that an outflow of economic benefits will be required to settle the obligation. Accordingly, no provision has been recognised as at the reporting date. However, due to the inherent uncertainty in legal disputes, there is a contingent liability that could result in a material outflow of resources, the amount of which cannot be reliably estimated at this time.

There are no other known contingent liabilities at reporting date.

Notes to the Financial Statements

For the Year Ended 30 June 2025

26 Contingencies (Continued)

Contingent Assets

There are no contingent assets at reporting date (2024: \$500,000).

As at 30 June 2024, Vonex Ltd reported a contingent asset of \$500,000 relating to a potential future receivable from the disposal of its iron ore production royalties associated with the Koolyanobbing Iron Ore Project. The \$500,000 was contingent upon the production and invoicing of five million dry metric tonnes of iron ore from mining tenement M77/1258. Following the announcement that operations of the project are to be gradually ceased, the contingent asset has been reduced to nil.

27 Cash Flow

Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2025	2024
	\$	\$
Loss for the year	(118,137)	(1,340,113)
Cash flows excluded from profit attributable to operating activities		
Adjustments for:		
- depreciation and amortisation expense	3,314,523	3,172,806
- share based payments	193,150	46,622
- loss on disposal of assets/investments	547	6,652
- bad debts	55,470	721,147
- interest & borrowing costs	2,581,521	4,234,739
- fair value earn out adjustment	(1,599,331)	(270,987)
Changes in assets and liabilities:		
- decrease in trade and other receivables	831,959	225,129
- (increase)/decrease in other assets	(197,958)	249,266
- decrease in revenue accrual	(682,262)	-
- increase/(decrease) in provisions	19,353	(368,666)
- decrease in trade and other payables	(1,721,364)	(1,058,742)
- decrease in deferred tax liability	(83,255)	(830,176)
Cashflows from operations	2,594,216	4,787,677

Vonex Limited

ABN 39 063 074 635

Notes to the Financial Statements

For the Year Ended 30 June 2025

27 Cash Flow Information (Continued)

(b) Changes in liabilities arising from financing activities

	2024	Net cash used in financing activities	Non-Cash Amort of Borrowing Costs	Payment of Borrowing Costs	New Leases	Non-Cash Rent Abatement Adjustments	Non-Cash Interest Expense	2025
	\$	\$	\$	\$	\$	\$	\$	\$
Loans	22,677,363	(13,269,644)	121,376	59,770	-	-	-	9,588,865
Lease liabilities	2,904,399	(1,057,022)	-	-	-	-	315,178	2,162,555
Total	25,581,762	(14,326,666)	121,376	59,770	-	-	315,178	11,751,420
	2023	Net cash used in financing activities	Non-Cash Amort of Borrowing Costs	Payment of Borrowing Costs	New Leases	No Cash Rent Abatement Adjustments	Non-Cash Interest Expense	2024
	\$	\$	\$	\$	\$	\$	\$	\$
Loans	21,581,658	588,075	507,630	-	-	-	-	22,677,363
Lease liabilities	1,851,760	(849,050)	-	-	1,969,337	(67,648)	-	2,904,399
Total	23,433,418	(260,975)	507,630	-	1,969,337	(67,648)	-	25,581,762

Notes to the Financial Statements

For the Year Ended 30 June 2025

27 Cash Flow Information (Continued)

(c) Non-cash financing and investing activities

	2025	2024
	\$	\$
Additions to the right-of-use assets	-	2,228,193
Leasehold improvements - lease make good	(275,357)	(561)
Transfer of restricted consideration to equity	-	(541,975)
	(275,357)	1,685,657

28 Accumulated losses

	2025	2024
	\$	\$
Accumulated losses at the beginning of the financial year	(70,880,804)	(70,751,691)
Net (loss) attributable to members of the company at end of financial year	(118,137)	(1,340,113)
Retained earnings adjustment - transfer of options valuations expired	239,506	1,211,000
Accumulated losses at end of the financial year	(70,759,435)	(70,880,804)

29 Events Occurring After the Reporting Date

As announced on 4 July 2025, Vonex entered into a revised Scheme Implementation Deed with Maxo Telecommunications Pty Ltd for the acquisition of 100% of Vonex's issued capital by way of a court approved scheme of arrangement. The scheme is currently anticipated to be implemented by late October 2025, subject to shareholder approval, final court approval, and satisfaction of other customary conditions. On 21 August 2025, the Supreme Court of Western Australia granted approval to convene the Scheme Meeting of shareholders. The Scheme Booklet, incorporating the Independent Expert's Report, has been released to shareholders in conjunction with the court's approval.

30 Related Parties

The Group's main related parties are as follows:

Parent entity

The parent entity within the Group is Vonex Ltd.

Key management personnel

Key management personnel - refer to Note 7.

Subsidiaries

Interest in subsidiaries are set out in Note 15.

Vonex Limited

ABN 39 063 074 635

Notes to the Financial Statements For the Year Ended 30 June 2025

30 Related Parties (Continued)

Transactions with related parties

The following transactions occurred with related parties:

Services provided	2025	2024
	\$	\$
Maxo Telecommunications Pty Ltd: Telecommunication services and hardware*	304,510	-
TelTel Pty Ltd (Trading as the Telco Shop): Telecommunication hardware**	24,860	-

Receivables from and payables to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2025	2024
	\$	\$
Current payables:		
Trade payables to Maxo Telecommunications Pty Ltd*	147,668	-

Term and conditions

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

* On 18 December 2024, Maxo Telecommunications Pty Ltd acquired more than 50% of the Company's issued capital through its on-market takeover offer, resulting in a change in control of the Company. Maxo Telecommunications Pty Ltd currently hold 69.38% of the voting shares in Vonex Ltd.

** TelTel Pty Ltd is a subsidiary of Maxo Telecommunications Pty Ltd.

Notes to the Financial Statements

For the Year Ended 30 June 2025

31 Financial Risk Management

The consolidated entity's financial instruments consist mainly of deposits with banks, short term investments and accounts receivable and payable, loans to and from related parties and commercial loans. The main risks the consolidated entity is exposed to through its financial instruments are interest rate risk, credit risk, liquidity risk, price risk and foreign exchange risk.

Interest rate risk

The consolidated entity's exposure to interest rate risk, which is the risk that a financial instrument will fluctuate as a result of changes in market interest rates and effective average interest rates on those financial assets and liabilities.

The majority of cash at bank held by the consolidated entity is in deposit accounts with one of the four large Australian Banks. The Board believes this was the most appropriate to ensure an adequate return being received on funds held, whilst still maintaining adequate cash for working capital.

There are inter-company loans in place within the consolidated entity and these facilities currently attract no exposure to interest rate risk.

The consolidated entity continues to manage its interest rate risk through a constant monitoring of interest rates, budgets and cash flows.

The consolidated entity's bank loans outstanding, totalling \$9,588,865 (2024: \$22,677,363), as of 20 March 2025 require payment of principal and interest. In the prior year, the entity's bank loan was interest payments only, having had the principal payments of approximately \$500,000 per month waived from March 2023. A large portion of the entity's debt was repaid during the reporting period, with the remaining refinanced under significantly better terms.

An official increase/decrease in interest rates of 100 (2024: 100) basis points would have an adverse/favourable effect on profit before tax of \$95,889 (2024: \$226,774) per annum. The entity's bank loan has a maturity date of 20 March 2028.

Notes to the Financial Statements

For the Year Ended 30 June 2025

31 Financial Risk Management (Continued)

	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Within 1 Year	Fixed Interest Rate Within 1-5 Years	Non-Interest Bearing	Total
2025	%	\$	\$	\$	\$	\$
Financial Assets:						
Cash	1.00	2,879,138	-	-	1,039	2,880,177
Receivables		-	-	-	1,472,337	1,472,337
Total financial assets	-	2,879,138	-	-	1,473,376	4,352,514
Financial liabilities:						
Payables	-	-	-	-	(5,695,632)	(5,695,632)
Borrowings	13.30	(9,588,864)	-	-	-	(9,588,864)
Total financial liabilities	-	(9,588,864)	-	-	(5,695,632)	(15,284,496)
Net financial assets/liabilities	-	(6,709,726)	-	-	(4,222,256)	(10,931,982)

	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Rate Within 1 Year	Fixed Interest Rate Within 1-5 Years	Non-Interest Bearing	Total
2024	%	\$	\$	\$	\$	\$
Financial Assets:						
Cash	0.8	2,926,102	-	-	2,235	2,928,337
Receivables		-	-	-	2,359,769	2,359,769
Total financial assets	-	2,926,102	-	-	2,362,004	5,288,106
Financial liabilities:						
Payables	-	-	-	-	(9,016,327)	(9,016,327)
Borrowings	17.70	-	-	(22,677,363)	-	(22,677,363)
Total financial liabilities	-	-	-	(22,677,363)	(9,016,327)	(31,693,690)
Net financial assets/liabilities	-	2,926,102	-	(22,677,363)	(6,654,323)	(26,405,584)

Sensitivity analysis

The effect on profit and equity as a result of changes in interest rates on net financial assets is immaterial.

Notes to the Financial Statements

For the Year Ended 30 June 2025

31 Financial Risk Management (Continued)

Credit risk

Credit risk related to balances with banks and other financial institutions is managed by the board of directors in accordance with approved Board policy. Such policy requires that surplus funds are only invested with counterparties with a Standard & Poor's rating of at least AA-. The following table provides information regarding the credit risk relating to cash and money market securities based on Standard & Poor's counterparty credit ratings.

Cash and cash equivalents - AA rated as at year end is \$2,880,177 (2024: \$2,928,337). Refer to Note 10.

The maximum exposure to credit risk is the carrying amount as disclosed in the consolidated statement of financial position and notes to the financial statements.

The consolidated entity's assets have been pledged to secure borrowings and guarantees are in place for certain borrowings and supplier agreements. All repayment obligations are up to date and within terms of the individual agreements in place at balance date.

Trade and other receivables are disclosed at Note 11 and appropriate provisions for doubtful debts have been made. Carrying value approximates fair value at 30 June 2025.

Net Fair Values

The net fair value of financial assets and liabilities of the consolidated entity approximated their carrying amount. The consolidated entity has no financial assets and liabilities where the carrying amount exceeds the net fair value at reporting date. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and notes to the financial statements.

Liquidity risk

Liquidity risk arises from the possibility that the consolidated entity might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The consolidated entity manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to its operational, investing and financing activities
- obtaining funding from a variety of sources
- maintaining a reputable credit profile
- managing credit risk related to financial assets
- investing only in surplus cash with major financial institutions
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets

The consolidated entity does have indications of an exposure in terms of financial liabilities and illiquid financial assets that may lead to it experiencing difficulty at times to settle its debts or otherwise meet its obligations related to financial liabilities. Whilst there are indications as to whether the company will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report, the Directors believe that there are reasonable grounds to believe that the Group will be able to continue to manage liquidity risk, after consideration of the following factors:

- Vonex entered a Scheme Implementation Deed (SID) with Maxo Telecommunications Pty Ltd for the acquisition of 100% Vonex's issued capital by way of Court approved scheme of arrangement for a cash price of 3.60 cents per Vonex share;
- The Directors expect the consolidated entity to continue to return to operating profit, noting cashflows from operating activities generated \$2,594,216 during the 12 months ended 30 June 2025.
- The consolidated entity has the ability to raise capital through the issue of equity should shareholders not vote in favour of the scheme.

Vonex Limited

ABN 39 063 074 635

Notes to the Financial Statements

For the Year Ended 30 June 2025

31 Financial Risk Management (Continued)

The financial asset and financial liability maturity analysis are as follows:

	Within 1 Year		1 to 5 Years		Over 5 Years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$	\$	\$
Financial liabilities								
Payables	(5,695,632)	(9,016,327)	-	-	-	-	(5,695,632)	(9,016,327)
Borrowings	(1,408,677)	-	(8,180,187)	(22,677,363)	-	-	(9,588,864)	(22,677,363)
Lease liability	(420,412)	(741,843)	(1,317,453)	(1,378,896)	(424,691)	(783,660)	(2,162,556)	(2,904,399)
Total expected outflows	(7,524,721)	(9,758,170)	(9,497,640)	(24,056,259)	(424,691)	(783,660)	(17,447,052)	(34,598,089)
Financial assets								
Cash and cash equivalents	2,880,177	2,928,337	-	-	-	-	2,880,177	2,928,337
Receivables	1,472,337	2,359,769	-	-	-	-	1,472,337	2,359,769
Total anticipated inflows	4,352,514	5,288,106	-	-	-	-	4,352,514	5,288,106
Net outflow on financial instruments	(3,172,207)	(4,470,064)	(9,497,640)	(24,056,259)	(424,691)	(783,660)	(13,094,538)	(29,309,983)

Notes to the Financial Statements

For the Year Ended 30 June 2025

32 Share-Based Payments

Total expense arising from share-based payment transactions recognised during the year in relation to the performance rights, performance shares and options issued was:

Share Based Payment Expense

	2025	2024
	\$	\$
Performance Rights - Key Management Personnel - 11 December 2023	193,150	46,622
Total Share Based Payment Expense	193,150	46,622

Movement in share rights and performance shares during the period

	Number of Performance Rights	
	2025	2024
	\$	\$
Balance at beginning of period	22,473,143	8,000,000
Issued during the year	-	14,473,143
Converted to ordinary shares	(14,473,143)	-
Settled in cash outside of the normal course of business	(8,000,000)	-
Balance at end of period	-	22,473,143

Performance rights granted during the period:

No performance rights were granted during the period (2024: 14,473,143).

Options granted during the period

No options were granted during the period.

33 Contracted Commitments

As at 30 June 2025, the Group had entered into two lease agreements for premises, which had not commenced as at the end of the reporting period. Accordingly, these leases have not been recognised in the consolidated financial statements.

The total future lease commitments under these non-cancellable lease arrangements, which are expected to commence in July 2025 and August 2025 respectively, amount to \$739,571 over the lease terms. These commitments will be recognised as right-of-use assets and corresponding lease liabilities on the commencement dates of the respective lease contracts.

The Group has no other commitments at 30 June 2025 (2024: nil)

Notes to the Financial Statements

For the Year Ended 30 June 2025

34 Segment Information

The Group has identified its operating segment based on the Group's service offerings, which represents the one segment that includes all group services within the telecommunication industry. It is noted that this is a change in the accounting policy from past financial statements and is reflective of the current nature of the business and structure. The Group believe this change has no material effect on the financial statements and does not make the understanding of comparative or prior information with this change difficult or misleading. The comparative data has been changed to reflect this change in operating segments.

35 Company Details

The registered office and principal place of business of the company is:

Vonex Limited
Level 6, 303 Coronation Drive
Milton QLD 4064

Vonex Limited

ABN 39 063 074 635

Consolidated Entity Disclosure Statement

As At 30 June 2025

Entity name	Entity type	Place formed/Country of incorporation	Ownership interest %	Tax residency
Vonex Limited	Body corporate	Australia	100%	Australia
IP Voice and Data Pty Ltd	Body corporate	Australia	100%	Australia
Oper8tor Pty Ltd	Body corporate	Australia	100%	Australia
Vonex Wholesale Pty Ltd	Body corporate	Australia	100%	Australia
Voiteck Pty Ltd	Body corporate	Australia	100%	Australia
Network Technologies (Aust) Pty Ltd	Body corporate	Australia	100%	Australia
Subsidiaries of Voiteck Pty Ltd				
Voiteck Mobile Pty Ltd	Body corporate	Australia	100%	Australia
Subsidiaries of IP Voice and Data Pty Ltd				
Itrinity Australia Pty Ltd	Body corporate	Australia	100%	Australia

Vonex Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Vonex Limited

ABN 39 063 074 635

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 30 June 2025 are in accordance with the *Corporations Act 2001* and:
 - a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position as at 30 June 2025 and of its performance of the consolidated entity;
2. the Directors have been given the declarations required by Section 295A or the Corporate Act 2001 that:
 - a. the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
 - b. the financial statements and notes for the financial year comply with the Accounting Standards; and
 - c. the financial statements and notes for the financial year give a true and fair view.
3. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
4. the information disclosed in the attached consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to Section 295 (5)(a) of the Corporation Act 2001.

Chair

Date 26 August 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Vonex Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Vonex Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of 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 a summary of material accounting policies, 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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Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net loss of \$118,137 during the year ended 30 June 2025. As at that date, the Group had net current liabilities of \$3,387,719. As stated in Note 2, this condition, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Intangible Assets Refer to Note 14 in the financial statements	
The Group is required to perform an annual impairment test on the recoverability of the Group's goodwill by using a value-in-use model. In addition, the Group is required to assess whether indicators of impairment are present in relation to the Group's other intangible assets. We determined this to be a key audit matter due to the size of the balance and because management judgement is involved in: • preparing a value-in-use model of the cash generating unit (CGU) which requires estimates of the future underlying cash flows of the CGU and the discount rate applied; • assessing whether indicators of impairment are present in relation to the Group's other intangible assets; and • determining the impairment expense to be recognised, if required.	Our audit procedures in relation to goodwill include: • Assessing management's determination of the CGU; • Assessing the valuation methodology of the value-in-use model; • Checking the mathematical accuracy of the value-in-use model; • Challenging the reasonableness of key assumptions used in the value-in-use model; • Reviewing sensitivity analysis over the key assumptions used in the value-in-use model; • Reviewing the adequacy and accuracy of the relevant disclosures in the financial statements; and • Assessing the appropriateness of no impairment expense against the goodwill balance. Our audit procedures in relation to the other intangible assets included: • Critically evaluating management's assessment of whether impairment indicators were present at 30 June 2025; • Assessing management's determination of the useful life of the intangible assets; and • Checking the mathematical accuracy of the amortisation expense of the intangible assets.

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/admin/file/content102/c3/ar2_2020.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 in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Vonex 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 AUSTRALIA



JAMES KOMNINOS
Partner

Perth, WA
Dated: 26 August 2025

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