ASX RELEASE
29 AUGUST 2025

Preliminary Financial Results – FY2025

InFocus Group Holdings Limited (ASX: **IFG**) (the **Company** or **InFocus**), a data analytics and software solutions company, provides its Preliminary Financial Results for FY2025 on an unaudited basis.

The Company also provides the following results for announcement to the market:

The Current Reporting Period is the twelve months ended 30 June 2025. The Prior Corresponding Period is the twelve months ended 30 June 2024.

The following table shows the change in results of the Current Reporting Period compared to the Prior Corresponding Period.

	Change	Change %	AUD
Revenue from ordinary activities	Increased	277.2	5,258,202
Net loss from ordinary activities after tax attributable to members	Increased	19.7	3,717,094

The Company provides a detailed explanation as to the above results in the Preliminary Final Report attached to this announcement.

The Net Tangible Assets per Share of the Company in the Current Reporting Period and the Prior Corresponding Period is below:

	FY2025	FY2024
Net Tangible Assets Per Share	0.022	0.104

The Preliminary Final Report is based on accounts which are in the process of being audited.

The Company has not and does not propose to pay dividends at this time.

All other information required to be included in an Appendix 4E is set out in the following Preliminary Financial Results document enclosed.

ENDS

This announcement has been approved by the Board of InFocus Group Holdings Limited.

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INFOCUS
GROUP HOLDINGS

formerly known as Frugl Group Limited
ACN 096 870 978

PRELIMINARY FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2025

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DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal activities of the InFocus Group Limited and its controlled entities (the Group) are:

- Providing digital solutions services, software development, platform development, team augmentation and external support; and
- A data analytics and business intelligence business which provides services to enterprise clients, as well as operating the Frugl grocery price comparison app, build on the data analytic technologies owned by the Company.

REVIEW OF OPERATIONS

COMPANY OVERVIEW

ACQUISITION OF PRODIGY9

On 3 October 2024, the Company announced that it had entered into a binding agreement to acquire 100% of the issued share capital of Prodigy9 Co., Ltd ("Prodigy9"), a Bangkok-based software engineering consultancy with expertise in enterprise software development, data analytics, cybersecurity, and AI/ML solutions.

Following shareholder approval at the Extraordinary General Meeting held on 8 November 2024, the acquisition was completed on 5 February 2025, with consideration comprising fully paid ordinary shares and performance rights subject to revenue and profitability milestones. The acquisition of Prodigy9 has significantly strengthened the Company's service capabilities across enterprise software engineering, digital transformation consulting, and advanced data analytics services.

REBRAND TO INFOCUS GROUP HOLDINGS LIMITED

In conjunction with the approval of the Prodigy9 acquisition and reflecting the Company's broadened strategic direction beyond retail data analytics, the Company rebranded from Frugl Group Limited to InFocus Group Holdings Limited (ASX: IFG) effective 13 November 2024. The rebrand aligns with the Company's commitment to delivering enterprise-grade technology solutions across multiple sectors, including retail, fintech, digital payments, and emerging AI services.

INFOCUS ANALYTICS AND FRUGL GROCERY APP

InFocus Analytics, the Company's retail data analytics division, continues to build on its foundation of delivering high-quality pricing, product, and shopper behaviour data to the Australian retail sector. The division leverages automated data gathering, enrichment, and machine learning to provide actionable insights for retailers, suppliers, and manufacturers.

The Frugl Grocery mobile application remains an active consumer-facing platform, providing price comparison and product data to users while also serving as a source of anonymised behavioural data to support the Company's retail intelligence offerings.

Additionally, InFocus was pleased to see the Australian Competition and Consumer Commission's Supermarket Inquiry Report recognise grocery price comparison apps like Frugl for their essential role in consumer empowerment. ACCC specifically highlighted Frugl's unique dual functionality:

DIRECTORS' REPORT (CONTINUED)

serving consumers through its comparison app while simultaneously offering valuable insights and analytics to the Australian retail sector through its InFocus Analytics business unit.

During the year, InFocus Analytics secured additional engagements with Australian retailers, expanding its suite of analytics and business intelligence tools available to clients.

TRIENTPONT INTERNATIONAL REBRANDS TO ONIFY

Trienpont International Co., Ltd, acquired in April 2024, has been rebranded to Onify Co,. Ltd effective 23 January 2025, aligning with the Company's group-wide branding strategy.

Onify operates as a digital solutions and technology services provider based in Bangkok, Thailand, specialising in software development, AI solutions, cybersecurity, and team augmentation. During FY25, Onify delivered multiple projects, including Azure-based generative AI solutions for government and private sector clients in Europe, in collaboration with MbarQ, a Belgian AI consultant.

Onify's capabilities are being leveraged across the Group to complement InFocus Analytics, enabling the delivery of integrated AI, software, and data analytics solutions to enterprise clients.

EXPANDED SERVICE OFFERING AND ETERPRISE CLIENTS

InFocus has shifted focus over the year towards enterprise-grade consultancy and technology delivery services. During the year, the Group secured key engagements, including:

- A stablecoin payment platform project with GBO Assets;
- A USD 3.25 million iGaming platform development; and
- Ongoing technology advisory engagements with clients in Australia and Southeast Asia.

These projects highlight the Company's ability to deliver complex software solutions across fintech and digital services markets, aligned with its goal of expanding recurring revenue streams.

BUSINESS STRUCTURE AND INTEGRATED MODEL

As at 30 June 2025, the Company operates four core business units under a shared services structure:

- InFocus Analytics – Retail data analytics and business intelligence;
- Frugl Grocery App – Consumer grocery price comparison and wellness data;
- Prodigy9 – Enterprise software consulting and engineering services;
- Onify – Digital solutions, AI, and cybersecurity services.

This structure enables the Group to leverage synergies across technical delivery, administration, and operational overheads, facilitating cross-selling opportunities and delivering integrated technology solutions to clients across multiple sectors.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS

Mr Kenny Woo has resigned as the company director on 30 June 2025. Mr Kenneth Tovich who is the Chief Executive Officer, has been appointed as a director of the company, and serves in an Executive capacity (as an Executive Director and CEO). There was no change to Mr Tovich's remuneration as a result of this additional role and responsibility.

No replacement appointment was made to the role of Managing Director.

FINANCIAL REVIEW

For the year ended 30 June 2025 the Group incurred a net loss of $3,683,906 (2024: $3,105,337), a net cash outflow from operating activities amounting to $740,529 (2024: $2,573,178) and had net current liabilities of $1,324,752 (30 June 2024: $641,575).

RISK MANAGEMENT

The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that activities are aligned with the risks and opportunities identified by the Board.

The key risks that the Board has currently identified are:
- Technology Risk
- Intellectual Property Rights
- Competition Risk
- Reliance on Key Personnel Risk; and
- Sovereign Risk

The Group believes that it is crucial for all Board members to be part of the process of managing risks through governance and oversight, and as such the Board has not established a separate risk management committee.

The Company is exposed to revenue concentration risk as a significant portion of its revenue is derived from a limited number of clients. Dependence on a small client base increases the Company's exposure to risks such as:
- **Loss of a Key Client** – If any of these clients reduce or terminate their business relationship, the Company may experience a material decline in revenue and profitability.
- **Bargaining Power** – A concentrated client base may exert greater pressure on pricing, payment terms, or service requirements.
- **Industry or Client-Specific Risks** – Financial difficulties, operational changes, or regulatory impacts on these clients could directly affect the Company's financial performance.
- Management monitors this concentration closely and is actively pursuing diversification by expanding its customer base, developing new service lines, and entering new markets to mitigate this risk over time.

Furthermore, the Board has a number of mechanisms in place to ensure management's objectives and activities are aligned to the Board. These include the following:
- Board approval of a strategic plan, which encompasses strategy statements designed to meet stakeholders needs and manage business risk.
- Implementation of Board approved operating plans and Board monitoring of the progress against budgets.

DIRECTORS' REPORT (CONTINUED)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Board expects that the Group's near-term focus will remain on consolidating the acquisitions of Onify (formerly Trienpont International) and Prodigy9. Integration activities are progressing in line with plan, with management devoting significant time to aligning delivery teams, embedding a shared services model, and harmonising systems and processes. While integration of operations across jurisdictions presents inherent challenges, the Board is encouraged by early progress, including improved collaboration, efficiencies in resource allocation, and cross-selling opportunities across client bases. These efforts are expected to yield operational benefits and create a stronger platform for growth in the medium term.

Looking ahead, the Group intends to improve the predictability of its financial performance by rebalancing its revenue mix. Current revenues remain weighted to project-based consulting, which can be variable in timing and margin. To enhance visibility of earnings, the Company will continue to pursue longer-term enterprise contracts, managed service engagements, and annuity-style revenues. The Directors believe that this approach will help mitigate revenue volatility and provide a more stable foundation to support investment in innovation.

The Group is also exploring opportunities to diversify its revenue streams through selective acquisitions in adjacent or frontier technology domains, as well as through the further internal development of proprietary products and services. In particular, additional investment in the Frugl grocery application is under consideration, building on its dual role as both a consumer comparison tool and a source of valuable data for retail intelligence. The Company also continues to monitor market opportunities in artificial intelligence, data analytics, and digital transformation services, areas where management believes long-term demand trends remain favourable.

These initiatives are expected to require additional funding. As such, the Board anticipates that the Group may continue to access external capital to support its strategy, whether through equity, debt or other financing structures. The Company's ability to secure such funding on acceptable terms, together with its capacity to effectively manage expenditures, will remain key factors in achieving its pathway to profitability.

The Directors consider that, if executed effectively, the integration of acquisitions, a stronger focus on recurring revenue, disciplined expansion through selective acquisitions, and continued product development will place the Group in a stronger position to capture long-term growth opportunities in its chosen markets. However, outcomes will remain subject to factors including competitive intensity, client demand, availability of skilled personnel, successful execution of integration activities, and prevailing market and economic conditions.

Accordingly, while the Board is confident that the Group's strategy provides a credible pathway to sustainable growth and improved financial performance, the precise timing and scale of such improvements cannot be guaranteed.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group's activities to date have not been subject to any particular and significant environmental regulation under Laws of either the Commonwealth of Australia or a State or Territory of Australia.

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 8 July 2025, the Company announced that Obsidian agreed to amend the Convertible Securities Agreement (CSA) for the ability to draw a further AUD$450,000, pursuant to which further notes will be issued. The first tranche of additional notes has raised AU$200,000 with a further AU$250,000 being raised subject to shareholder approval. The maximum number of share the first tranche of additional notes can convert into a maximum of 6,600,000 shares. Subject to shareholder approval, the Company may issue to Obsidian a further 25,000,000 shares under the amended CSA. Further details on this are set out in the 8 July 2025 announcement.

Additionally, on 8 August 2025, the Company released a Notice of Extraordinary General Meeting which, amongst other things, proposes the issue of a total of ~160 million new shares (inclusive of the amounts noted above). The proposed issuances relate to service providers and other engagements.

Finally, on 28 August 2025, the Company entered a trading halt pending the completion of a capital raising, which at the date of signing is still ongoing.

There has been no other matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

INDEMNITIES AND INSURANCE OF DIRECTORS AND OFFICERS

During the reporting period and up to the date of this report, the Group has paid premiums insuring all the directors of Frugl Group Limited against costs incurred in defending conduct involving a breach of duty and/or a contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The Group has agreed to indemnify all directors and executive officers of the Group against liabilities to another person (other than the Group or a related body corporate) that may arise from their position as directors of the Group, except where the liability has arisen as a result of a wilful breach of duty in relation to the Group. The agreement stipulates that the Group will meet the full amount of any such liabilities, including costs and expenses. The Group has paid a total of $49,515 in insurance premiums, relating to Director and Officer insurance, during the financial year (2024: $68,675).

DIVIDENDS

No dividends were paid or declared during the financial year and no recommendation for payment of dividends has been made.

FOREIGN ENTITIES ACCOUNTING FRAMEWORK

Foreign entities comply with International Financial Reporting Standards (IFRS).

COMPLIANCE STATEMENT

This report is based on accounts which are in the process of being audited. The Company expects the final audit report to contain an unmodified opinion which includes a note to there being a material uncertainty section as to going concern.

DIRECTORS' REPORT (CONTINUED)

For, and on behalf of, the Board of the Company,

Kit Weng Yip
Chairman
Perth, Western Australia this 29th day of August 2025

PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the financial year ended 30 June 2025

	Notes	2025 $	2024 $
Revenue from contracts with customers	3	4,403,868	796,599
Other income		57,386	47,628
R+D Tax Rebate		731,110	397,659
Net gain on fair value on contingent consideration		72,500	-
Net gain on fair value of embedded derivatives	11	-	151,944
		5,264,864	**1,393,830**
Direct product costs		(223,356)	(108,120)
Research and development costs, materials and consultants		(2,341,658)	(1,606,939)
Directors' fees, salaries, superannuation and consulting expenses		(465,315)	(319,000)
Depreciation and amortisation expenses		(382,734)	(162,122)
Public company costs, fees, share registry, shareholder expenses		(98,056)	(98,314)
Occupancy expenses		(78,574)	(105,602)
Employee expenses		(2,126,951)	(1,206,394)
Legal fees		(39,091)	(108,504)
Accounting, tax and audit fees		(148,277)	(103,696)
Insurances		(79,916)	(68,675)
Interest expenses		(171,790)	(82,072)
Corporate and investor relations expenses		(224,050)	(147,426)
Share-based payments	15.3	(476,173)	(131,796)
Finance Expenses	11	(582,497)	(189,232)
Net loss on fair value of embedded derivative	11	(314,622)	-
Impairment expense – Investment	6	(1,052,901)	-
Marketing and investor relations expenses		(869)	(2,035)
Other expenses from ordinary activities		(141,940)	(59,240)
Total expenses		**(8,948,770)**	**(4,499,167)**
Loss before income tax expense		**(3,683,906)**	(3,105,337)
Income tax expense		**-**	-
Loss after income tax expense		**(3,683,906)**	**(3,105,337)**
Loss after income tax expense for the year attributable to the owners of the Company		**(3,683,906)**	**(3,105,337)**
Other comprehensive income, net of tax:			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		19,234	4,255
Total comprehensive loss for the year		**(3,664,672)**	**(3,101,082)**
Earnings/ (loss) per share from continuing operations			
Basic and diluted loss per share (cents per share)	4	(0.022)	(0.104)

The Preliminary Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes, which form an integral part of the financial report.

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Notes	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents		552,832	652,910
Trade and other receivables	8	1,649,977	189,747
Other assets		712,875	107,739
Total current assets		2,915,684	950,396
Non-current assets			
Plant and equipment	7	159,245	146,388
Right- of-use assets	5	350,707	584,584
Intangible Assets	6	3,468,266	3,225,617
Total non-current assets		3,978,218	3,956,589
Total assets		**6,893,902**	**4,906,985**
Liabilities			
Current liabilities			
Trade and other payables	9	2,177,017	834,655
Borrowings	10	1,494,344	518,505
Finance lease liabilities	12	264,162	176,173
Other Liability		232,000	-
Employee entitlements		72,913	62,638
Total current liabilities		4,240,436	1,591,971
Non-current liabilities			
Convertible notes	11	352,435	401,512
Finance lease liabilities	12	137,881	370,448
Total non-current liabilities		490,316	771,960
Total liabilities		**4,730,752**	**2,363,931**
Net assets		**2,163,150**	**2,543,054**
Equity			
Issued capital	13	46,781,969	43,825,487
Unissued share capital	13	60,000	42,000
Reserves	14	435,686	106,166
Accumulated losses		(45,114,505)	(41,430,599)
Total equity		**2,163,150**	**2,543,054**

The Preliminary Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes, which form an integral part of the financial report.

PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 30 June 2025

	Issued Capital $	Unissued Share Capital $	Share Based payment Reserves $	Foreign Currency Translation Reserves $	Accumulated Losses $	Total $
Balance at 1 July 2023	**39,373,453**	**-**	**52,000**	**-**	**(38,325,262)**	**1,100,191**
Loss for the year	-	-	-	-	(3,105,337)	(3,105,337)
Other comprehensive income for the year	-	-	-	4,255	-	4,255
Total comprehensive loss for the year	**-**	**-**	**-**	**4,255**	**(3,105,337)**	**(3,101,082)**
Shares/Options issued during the year	4,452,034	-	49,911	-	-	4,501,945
Share issue costs	-	42,000	-	-	-	42,000
Balance at 30 June 2024	**43,825,487**	**42,000**	**101,911**	**4,255**	**(41,430,599)**	**2,543,054**
Balance at 1 July 2024	**43,825,487**	**42,000**	**101,911**	**4,255**	**(41,430,599)**	**2,543,054**
Loss for the year	-	-	-		(3,683,906)	(3,683,906)
Other comprehensive income for the year	-	-	-	19,234		19,234
Total comprehensive loss for the year	**-**	**-**	**-**	**19,234**	**(3,683,906)**	**(3,664,672)**
Shares/Options issued during the year	3,318,767	(42,000)	362,286	-	-	**3,639,053**
Option Expired	-	-	(52,000)	-	-	**(52,000)**
Shares to be issued	-	60,000	-	-	-	**60,000**
Share issue costs	(362,285)	-	-	-	-	**(362,285)**
Balance at 30 June 2025	**46,781,969**	**60,000**	**412,197**	**23,489**	**(45,114,505)**	**2,163,150**

[1] Balances for the year ended 30 June 2023 has been restated in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. Refer to Note 8.

The Preliminary Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes, which form an integral part of the financial report.

PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 30 June 2025

	Notes	2025 $	2024 $
Cash flows from operating activities			
Payments to suppliers and employees		(5,125,836)	(3,712,988)
Receipts from customers		3,690,312	751,733
Interest received		3,802	7,930
Interest paid		(39,917)	(17,512)
R&D Tax Rebate		731,110	397,659
Net cash used in operating activities		(740,529)	(2,573,178)
Cash flows from investing activities			
Payments for property, plant and equipment		(272,821)	(190,248)
Payments for software development		(550,930)	-
Cash acquired from acquisition of subsidiary		46,976	120,608
Net cash used in investing activities		(776,775)	(69,640)
Cash flows from financing activities			
Proceeds from issues of shares	13.1	1,322,125	662,850
Payments of share issue costs	13.1	(7,574)	-
Proceeds from exercise of options	13.1	-	87,500
Proceeds from borrowings	10	1,235,733	790,412
Proceeds from convertible note facility	11	-	904,023
Repayments of borrowings	10	(647,351)	(307,863)
Repayment of Convertible note facility	11	(241,351)	-
Payments of borrowing costs		(30,346)	(20,075)
Payment for principal portion of lease liabilities		(232,372)	(146,667)
Net cash generated by financing activities		1,398,864	1,970,180
Net (decrease)/increase in cash and cash equivalents		**(118,440)**	**(672,638)**
Cash and cash equivalents at the beginning of the year		652,910	1,298,006
Effect pf exchange rate changes on cash		18,362	27,542
Cash and cash equivalents at the end of the year		**552,832**	**652,910**

The Preliminary Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes, which form an integral part of the financial report.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the financial year ended 30 June 2025

1. GENERAL INFORMATION

InFocus Group Holdings Limited (formerly known as Frugl Group Limited) (**the Company**) is a limited company incorporated in Australia. The principal activities in the financial year were:

- Providing digital solutions services, including software development, platform development, team augmentation and external support; and
- A data analytics and business intelligence business which provides services to enterprise clients, as well as operating the Frugl grocery price comparison app, built on the data analytics technologies owned by the Company.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Company and its controlled entities (**collectively the Group**).

The financial statements were authorised for issue by the directors on 29 August 2025.

2.1. BASIS OF PREPARATION

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

2.1.1. Statement of compliance

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

2.1.2. Historical cost convention

The financial report has been prepared on the accrual basis and under the historical cost convention.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.2. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights if an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether the Company's voting rights are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

2.2.1. Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

2.2.2. Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or put through profit and loss or through other comprehensive income depending on the election adopted.

2.2.3. Transactions eliminated on consolidation

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.3. TAXATION

2.3.1. Income tax

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. 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.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items 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 reporting date. Their measurement also reflects the way 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.

2.3.2. Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the consolidated statement of financial position are shown inclusive of GST.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as a current asset or liability in the consolidated statement of financial position.

Cash flows are presented in the consolidated statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

2.4. RESEARCH & DEVELOPMENT EXPENDITURE

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following has been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent to initial recognition, capitalised development costs are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit, which will normally be the useful life of the asset. During the period of development, the asset is tested for impairment annually.

2.5. TRADE AND OTHER RECEIVABLES

Trade and other receivables arise from the Group’s transactions with its customers and are normally settled within 30 days.

Consistent with both the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the assets, trade and other receivables is subsequently measured at amortised cost.

The Group determines expected credit losses based on the Group’s historical credit loss experience, adjusted for factors that are specific to the financial asset as well as current and future expected economic conditions relevant to the financial asset. When material, the time value of money is incorporated into the measurement of expected credit losses. There has been no change in the estimation techniques or significant assumptions made during the reporting period.

2.6. EMPLOYEE BENEFITS

2.6.1. Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled wholly within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers’ compensation insurance and payroll tax.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

2.6.2. Other long-term benefits

The Group's obligation in respect of long-term employee benefits other than defined benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Group's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

2.6.3. Termination benefits

When applicable, the Group recognises a liability and expense for termination benefits at the earlier of: (a) the date when the Group can no longer withdraw the offer for termination benefits; and (b) when the Group recognises costs for restructuring pursuant to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the costs include termination benefits. In either case, unless the number of employees affected is known, the obligation for termination benefits is measured on the basis of the number of employees expected to be affected. Termination benefits that are expected to be settled wholly before 12 months after the annual reporting period in which the benefits are recognised are measured at the (undiscounted) amounts expected to be paid. All other termination benefits are accounted for on the same basis as other long-term employee benefits.

2.6.4. Equity-settled compensation

The Group operates an employee share option plan. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to market conditions not being met.

2.7. SHARE-BASED PAYMENTS TRANSACTIONS

Under AASB 2 *Share-Based Payments*, the Group must recognise the fair value of options granted to directors, employees and consultants as compensation as an expense on a pro-rata basis over the vesting period in profit or loss with a corresponding adjustment to equity.

2.8. BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.9. CONVERTIBLE NOTES

Convertible notes are accounted for as follows:

- Contracts that exhibit the characteristics of equity (ie - they pass the 'fixed for fixed test') are accounted for as equity.
- Contracts that exhibit characteristics of a liability are recognised as a liability in the statement of financial position, net of transaction costs.
- Compound contracts – the embedded derivative is separated from the host contract. The derivative is initially recognised at fair value on the date a derivative contract is entered into and is subsequently remeasured to its fair value at each reporting date. The host contract is accounted for at amortised cost with the effective interest being the difference between the face value of the contract less the embedded derivative. If the contract contains one or more embedded derivatives, the Group may designate the entire contract at fair value through profit or loss.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date.

2.10. PROVISIONS

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

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

2.11. CONTINGENT LIABILITIES

Contingent liabilities are not recognised but are disclosed in the consolidated financial statements, unless the possibility of settlement is remote, in which case no disclosure is made. If settlement becomes probable and the amount can be reliably estimated, a provision is recognised.

The amount disclosed as a contingent liability is the best estimate of the settlement.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.12. EARNINGS PER SHARE

2.12.1. Basic earnings per share

Basic earnings per share is determined by dividing net profit or loss after income tax attributable to members of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

2.12.2. 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. When the Group makes a loss, the number of shares is not adjusted by the potential ordinary shares as the impact would be to reduce the loss per share.

2.13. REVENUE AND OTHER INCOME

The Group currently generates revenue from the provision of services in the areas of data analytics of its grocery comparison products, digital transformation, software development, team augmentation, artificial intelligence, machine learning and technical consulting. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the Customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group's revenue accounting policy is detailed below:

Revenue is recognised either when the performance obligation in the contract has been performed, so 'point in time' recognition or 'over time' as control of the performance obligation is transferred to the customer.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position.

2.13.1. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The Group's income from the Australian Government's Research & Development (**R&D**) Tax Incentive for as a government grant.

2.13.2. Interest income

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.14. SEGMENT REPORTING

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. The operations of the business are regularly reviewed by the Group's Managing Director to determine if segment reporting is required.

The Group operates within the geographical location of Australia and Thailand.

2.15. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Management discusses with the Board the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.15.1. Key Estimate - Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates consider both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions.

2.15.2. Key Estimate – R&D Tax Incentive

Where the Group receives the Australian Government's R&D Tax Incentive, the Group accounts for the amount refundable on accrual basis. In determining the amount of the R&D provision at year end, there is an estimation process utilising a conservative approach. Any changes to the estimation are recorded in the subsequent financial year.

2.15.3. Share-Based Payments

Goods or services received or acquired in a share-based payment transaction are recognised as an increase in equity if the goods or services were received in an equity-settled share-based payment transaction or as a liability if the goods and services were acquired in a cash settled share-based payment transaction.

For equity-settled share-based transactions, goods or services received are measured directly at the fair value of the goods or services received provided this can be estimated reliably. If a reliable estimate cannot be made the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

Transactions with employees and others providing similar services are measured by reference to the fair value at grant date of the equity instrument granted using a Black-Scholes option pricing model.

2.15.4. Identifying performance obligations

The nature of performance obligations categorised within these revenue types include the following:

a) Data analytics services which include product and competitor pricing reporting. Performance obligations are linked to an ongoing delivery basis.
b) Digital transformation and software development include bespoke builds, creative and design services. Performance obligations are linked to milestone events.
c) Technical consulting or support which is invoiced as the service is being performed with the performance obligations satisfied during the delivery of the service.

2.16. LEASES

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.

2.17. GOODWILL

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with AASB 8 Operating Segments.

Impairment is determined by assessing the recoverable amount of the cash-generating unit or groups of cash-generating units, to which the goodwill relates. When the recoverable amount of the cash-generating unit or groups of cash generating units is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash generating unit or groups of cash-generating units and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment losses recognised for goodwill are not subsequently reversed.

2.18. GOING CONCERN

The financial report has been prepared on the going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2025 the Group incurred a net loss of $3,683,906 (2024: $3,105,337), a net cash outflow from operating activities amounting to $740,529 (2024: $2,573,178) and had net current liabilities $1,324,752 (30 June 2024: $641,575).

The Directors have reviewed the business outlook, cash flow forecasts and immediate capital requirements and are of the opinion that the use of the going concern basis of accounting is appropriate. In forming this view the Directors have taken into consideration the following:

- On 20 May 2025, the Company renewed its loan facility agreement (Facility) with Mr Kenny Woo, a (now former) Company director, which was expiring on 31 May 2025 to 31 May 2026. The facility has a principal amount of $1,000,000, bears an interest rate of 8% per annum payable monthly in arrears, unsecured and repayable on 31 May 2026. At the date of this report, the Company has drawn down **$269,023** from this facility;

- Despite ceasing to be a director, Mr Woo has not withdrawn the facility and it remains on foo on the same terms;

- Research and development expenditure projects are undertaken to which the Group will seek to apply for the R&D tax incentive rebate (R&D Rebate) at 43.5%; and

- The Group's ability to reduce operational expenditure as and when required including, but not limited to, reviewing all expenditure for deferral or elimination. This resulted in the improved trading result.

- Throughout the 2025 financial year, the company issued 82,523,415 fully paid ordinary shares in the capital of the company to Obsidian Global Partners upon the exercise of 402,160 Notes.

- On 8 July 2025, Obsidian agreed to amend the Convertible Securities Agreement (CSA) for the ability to draw a further AUD$450,000, pursuant to which further notes will be issued. The first tranche of additional notes will raise AU$200,000 with a further AU$250,000 being raised subject to shareholder approval. The maximum number of share the first tranche of additional notes can convert into a maximum of 6,600,000 shares.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The Directors have carefully assessed the uncertainties relating to the likelihood of securing additional funding and the Group's ability to effectively manage its expenditures and cash flows from operations.

Should the Group not be successful in obtaining adequate funding, or adequately reducing operational expenditure as required, there is a material uncertainty that may cast significant doubt as to the ability of the Group to continue as a going concern and whether it will be able to realise its assets and discharge its liabilities in the ordinary course of business.

2.19. FOREIGN CURRENCY TRANSLATION

Both the functional and presentation currency of InFocus Group Holdings Limited is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

All exchange differences in the consolidated financial statements are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currency of the foreign operations, Onify Co., Ltd (formerly Trienpont International Co. Ltd) & Prodigy 9 Co., Ltd is Thai Baht. "THB".

2.20. ADOPTION OF NEW AND REVISED STANDARDS

2.20.1. Standards and Interpretations applicable to 30 June 2025

In the year ended 30 June 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for the year reporting periods beginning on or after 1 July 2024.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

2.20.2. Standards and Interpretations in issue not yet adopted applicable to 30 June 2025

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Company and effective for the year reporting periods beginning on or after 1 July 2024.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Group accounting policies.

3. REVENUE

3.1. REVENUE FROM CONTRACTS WITH CUSTOMERS: CONTINUING OPERATIONS

	2025 $	2024 $
Revenue from contracts with customers	4,403,868	796,599
	4,403,868	796,599

Revenue from contracts with customers is recognised at the point in time and over time the products and services are delivered to the customer.

	2025 $	2024 $
Over Time Revenue	1,192,212	588,642
Point in Time Revenue	3,211,656	207,957
	4,403,868	796,599

4. LOSS PER SHARE

4.1. BASIC LOSS PER SHARE

	2025 Cents Per Share	2024 Cents Per Share
Loss per share	(0.022)	(0.104)

The profit/ (loss) and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	2025 $	2024 $
Loss for the year - from continuing operations	(3,683,906)	(3,105,337)
	No.	No.
Weighted average number of ordinary shares for the purposes of basic loss per share	168,934,473	29,868,001

4.2. DILUTED LOSS PER SHARE

There are no potential ordinary shares that are considered dilutive, as a result no dilutive loss per share has been disclosed.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. RIGHT-OF-USE ASSETS

	2025 $	2024 $
Balance at beginning of period	584,584	-
Additions	-	746,957
Depreciation expensed	(230,121)	(140,922)
Interest expensed	(53,664)	(21,846)
Effect of exchange rates	49,908	395
Balance at end of period	350,707	584,584

6. INTANGIBLE ASSETS

CARRYING VALUE

	2025 $	2024 $
Goodwill[1]	3,845,736	3,225,617
Accumulated impairment	(1,052,901)	-
Software Development at cost[2]	734,510	-
Accumulated Amortisation	(59,079)	-
Carrying value	3,468,266	3,225,617

RECONCILIATION

	Note	2025 $	2024 $
Opening balance		3,225,617	-
Accumulated impairment[1]		(1,052,901)	-
Acquisition through business combination	18	620,119	3,225,617
Software Development at cost[2]		734,510	-
Accumulated Amortisation		(59,079)	-
Carrying value		3,468,266	3,225,617

1. As disclosed in the annual report for the year ended 30 June 2024, the Company completed the acquisition of 100% of the issued share capital of Trienpont International Co. Ltd (Trienpont) on 29 February 2024. The acquisition was provisionally accounted for as at 30 June 2024. During the current full-year period, the Company finalised the accounting for the acquisition, which resulted in no change to the measurement of the consideration nor to the acquisition date fair values of the net assets acquired. The excess consideration paid over the net assets acquired of the consideration nor to the acquisition date fair values of the net assets acquired. The excess consideration paid over the net assets acquired has been allocated to goodwill.

   The Company is required to assess goodwill for impairment at least annually, and has done so as at 30 June 2025.

   Management completed a value-in-use calculation using a discounted cash flow model, based on a 5-year projection period approved by management, together with a terminal value.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Key assumptions used in the value-in-use calculations are those to which the recoverable amount of an asset or cash-generating unit is most sensitive. The following key assumptions were used in the discounted cash flow model:

1. 18% pre-tax discounted rate;
2. Continuing to secure new contracts resulting in a revenue increase of 10% in the 2nd year and 1% subsequently each year which will reach 13% revenue growth in the 5th year in calculating the terminal value; and
3. Growth rates of operating costs and overheads used in calculating the terminal value are in the range of 1- 10%.

The discount rate reflects management's estimate of the time value of money and the Group's weighted average cost of capital, the risk-free rate and the volatility of the share price relative to market movements.

Upon completion of the assessment, management determined that an impairment loss of $1,052,901 was recognise in the profit & loss.

The Company completed the acquisition of 100% of the issued share capital of Prodigy 9., Ltd on 5 February 2025. The acquisition was provisionally accounted for as at 30 June 2025. The excess consideration paid over the net assets acquired of the consideration nor to the acquisition date fair values of the net assets acquired has been allocated to goodwill.

2. The Company has purchased in advance AI cloud computing processing power from cloud computing resellers from providers like Amazon Web Services and Alibaba Cloud. This strategic decision was taken due to strong demand globally for AI based cloud computing power. The Company now owns processing power on Nvidia's A100 Tensor Core GPU's ready to be deployed on its internal processes or to be resold. Given the substantial demand for AI processing power globally, it is expected that these processing instances will be consumed internally or sold to buyers at a higher price.

7. PLANT AND EQUIPMENT

30 June 2025	**Leasehold Improvements $**	**Office & Computer Equipment $**	**Total $**
Cost	106,429	123,957	230,386
Accumulated Depreciation	(31,403)	(39,738)	(71,141)
Carrying value	75,026	84,219	159,245

30 June 2024	**Leasehold Improvements $**	**Office & Computer Equipment $**	**Total $**
Cost	72,089	111,611	183,700
Accumulated Depreciation	(12,588)	(24,724)	(37,312)
Carrying value	59,501	86,887	146,388

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30 June 2025	Leasehold Improvements $	Office & Computer Equipment $	Total $
Balance at beginning of period	59,501	86,887	146,388
Additions	48,479	233,884	282,363
Depreciation expensed	(31,403)	(39,738)	(71,141)
Disposal	(4,385)	(200,000)	(204,385)
Effect of exchange rates	2,834	3,186	6020
Balance at end of period	75,026	84,219	159,245

30 June 2024	Leasehold Improvements $	Office & Computer Equipment $	Total $
Balance at beginning of period	-	1,829	1,829
Additions	72,089	102,558	174,647
Depreciation expensed	(12,588)	(8,661)	(21,249)
Effect of exchange rates	-	(8,839)	(8,839)
Balance at end of period	59,501	86,887	146,388

8. CURRENT TRADE AND OTHER RECEIVABLES

	2025 $	2024 $
Trade debtors	1,414,097	189,747
Sundry Debtor and receivable	235,880	-
	1,649,977	189,747

Trade receivable is non-interest bearing and generally on terms of 14-60 days.

All receivables are considered fully recoverable.

9. TRADE AND OTHER PAYABLES

	2025 $	2024 $
Current		
Trade creditors	1,539,707	421,334
Revenue received in advance	195,831	92,398
Sundry creditors and accruals	441,479	320,923
	2,177,017	834,655

Trade and other payables are non-interest bearing. Due to the short-term nature of these payables, their carrying amount is assumed to approximate their fair value.

10. BORROWINGS

	2025 $	2024 $
Balance at beginning of period	518,505	-
Loan from Radium Capital(i)	966,710	790,412
Loan from Director (cash)(ii)	269,023	-
Loan from Bank(iii)	327,255	-
Interest and borrowing cost capitalised	60,210	39,596
Repayments made	(647,351)	(307,863)
Repayments made (securities issued)	-	-
Effect of exchange rates	(8)	(3,640)
Balance at end of period	1,494,344	518,505

	2024 $	2023 $
Current liability	921,978	518,505
Non-current liability	572,366	297,247
	1,494,344	815,752

(i) On 24 September 2024, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd (Lender) for the amount of $79,432 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan would be repaid with the receipt of the 2024 financial year Research & Development Rebate. On 8 October 2024, the Loan was repaid in full (principal and interest).

On 29 October 2024, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd (Lender) for the amount of $97,600 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan will be repaid with the receipt the 2025 financial year Research & Development Rebate.

On 19 December 2024, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd (Lender) for the amount of $94,400 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan will be repaid with the receipt the 2025 financial year Research & Development Rebate.

On 17 April 2025, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd for the amount of $138,654 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan would be repaid with the receipt of the 2025 financial year Research & Development Rebate.

On 23 May 2025, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd for the amount of $260,012 (Loan) and bearing an interest rate of 16% per annum. As part of the Loan Agreement, the total amount drawn down under the Loan would be repaid with the receipt of the 2025 financial year Research & Development Rebate.

On 24 June 2025, the Company entered into a loan facility agreement (Loan Agreement) with Radium Capital Pty Ltd for the amount of $296,612 (Loan) and bearing an interest rate of 16%

per annum. As part of the Loan Agreement, the total amount drawn down under the Loan would be repaid with the receipt of the 2025 financial year Research & Development Rebate.

(ii) A binding loan facility agreement ("Facility") with Kenny Woo, a Company director, is available on call. The facility has a principal amount of $1,000,000, bears an interest rate of 9% per annum payable monthly in arrears and is unsecured and repayable on 31 May 2025 (Director Loan). On 18 November 2024, the Company has drawn down $79,000 from this facility. On 18 June 2025, the Company has drawn down $190,023 from this facility.

(iii) At the point of acquisition of Prodigy9 Co., Ltd, Prodigy9 had loans with Kasikorn bank for an approximate $140,252 with and interest of 11.3% & approximate A$187,003 with an interest of 9.8%.

11. CONVERTIBLE NOTE

	2025 $	2024 $
Convertible notes		
Financial liabilities at amortised cost	96,189	267,509
Embedded derivative at FVTPL	256,246	134,003
	352,435	401,512

	2025 $	2024 $
Financial liabilities at amortised cost		
Opening balance	267,509	-
Convertible note proceeds	-	904,023
Transaction costs	-	(539,799)
Derivative liability recognised at inception	192,379	(285,947)
Repayment of Convertible Notes	(241,351)	-
Conversion of Convertible Notes	(704,845)	-
Effective interest of host liability	582,497	189,232
	96,189	267,509

	2025 $	2024 $
Embedded derivative		
Opening balance	134,003	-
Derivative liability recognised at inception	(192,379)	285,947
Fair value movement	314,622	(151,944)
	256,246	134,003

On 31 May 2024, the Company entered into a $2 million convertible note facility (Note Facility) with Obsidian Global Partners (Obsidian or the Investor). The Company drew an initial $0.9 million (Tranche 1) pursuant to the Note Facility, with up to an additional $1.1 million drawable subject to certain conditions. The Note Facility is secured against Company assets and has maturity date 18 months after issue date of the Notes.

Throughout the 2025 year, Obsidian has been converting their notes into equity to reduce the amount outstanding. On 8 July 2025, Obsidian has completed the final conversion of the existing Notes. On the same day, the company extended he prior facility to enable drawing of a further

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

A$200,000 which occurred in early July 2025 and a further A$250,000 drawable subject to shareholder approval being sought in September.

12. LEASE LIABILITIES

	2025 $	2024 $
Current liability	264,162	176,173
Non-current liability	137,881	370,448
	402,043	546,621

13. ISSUED CAPITAL

	2025 $	2024 $
275,961,816 fully paid ordinary shares (2024: 104,716,308)	46,781,969	43,825,487
3,750,000 fully paid ordinary shares - unissued (2024: 823,151)	60,000	42,000
	46,841,969	43,867,487

13.1. FULLY PAID ORDINARY SHARES

	2025		2024	
	No.	$	No.	$
Balance at beginning of year	104,716,308	43,825,487	956,062,008	39,373,453
Issued for cash - placements	57,935,186	1,322,125	75,126,143	662,850
Issued as consideration for the acquisition of Trienpont International Co. Ltd	-	-	440,000,000	3,080,000
Issued as consideration for the acquisition of Prodigy9 Co. Ltd (Note 18)	10,000,000	210,000	-	-
Issued to supplier	27,950,000	981,000	9,836,429	81,885
Issued in lieu of Note Facility (Note 11)	71,412,303	704,845	5,397,990	539,799
Issued to employees	3,948,019	100,798	-	-
Issued on exercise of options	-	-	8,750,000	87,500
Consolidation of capital	-	-	(1,390,456,262)	-
Share issue costs	-	(362,286)	-	-
Balance at end of year	275,961,816	46,781,969	104,716,308	43,825,487

Fully paid ordinary shares carry one vote per share and carry the right to dividends. Ordinary shares participate in the proceeds on winding up of the Group in proportion to the number of shares held. Ordinary shares have no par value.

13.2. FULLY PAID ORDINARY SHARES - UNISSUED

	2025		2024	
	No.	$	No.	$
Balance at beginning of year	823,151	42,000	-	-
Transfer to issued capital	(823,151)	(42,000)	-	-
Shares to be issued	3,750,000	60,000	823,151	42,000
Balance at end of year	3,750,000	60,000	823,151	42,000

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The unissued ordinary shares relate to 3,750,000 shares to be issued to the Chief Executive Officer in lieu of a portion of his base salary relating to the period from 1 January to 30 June 2025.

14. RESERVES

	2025 $	2024 $
Share/Option based payment reserve	412,197	101,911
Foreign currency translation reserve	23,489	4,255
	435,686	106,166

Share-based Payments Reserve
This reserve is used to record the value of equity benefits provided to directors, executives and employees as part of their remuneration, as well as to consultants and advisors for provision of services.

Foreign currency translation reserve
The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.

SHARE BASED PAYMENT RESERVE

	2025 $	2024 $
Balance at beginning of year	101,911	52,000
Options issued during the year (Note 15.1)	362,286	49,911
Options expired during the period	(52,000)	-
Balance at end of year	412,197	101,911

The Option reserve arises on the grant of share options to executives, employees, consultants and advisors and upon issue of options to shareholders or buyers. Amounts are transferred out of reserve and into accumulated losses when options expire or lapse.

FOREIGN CURRENCY RESERVE

	2025 $	2024 $
Balance at beginning of year	4,255	-
Movement during the year	19,234	4,255
Balance at end of year	23,489	4,255

15. SHARE OPTIONS

Each option issued converts into one ordinary share of Frugl Group Limited on exercise. Options carry neither rights to dividends, nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15.1. MOVEMENTS IN SHARE OPTIONS DURING THE YEAR

The following reconciles the share options outstanding at the beginning and end of the year:

	2025		2024	
	Number of options	$	Number of options	$
Balance at beginning of the year	18,650,010	101,911	279,500,000	52,000
Granted during the year	27,333,334	362,286	9,000,000	49,911
Exercised during the year	-	-	(8,750,000)	-
Option Expired during the year	(1,966,675)	(52,000)	-	-
Consolidation during the year	-	-	(261,099,990)	-
Balance at end of the year	44,016,669	412,197	18,650,010	101,911
Exercisable at end of the year	44,016,669	412,197	18,650,010	101,911

15.2. SHARE OPTIONS EXERCISED DURING THE YEAR

During the year no options were converted into shares (2024: 8,750,000).

15.3. SHARE BASED PAYMENTS

Share-based payments made during the year ended 30 June 2025 are summarised below.

15.3.1. Recognised Share-Based Payment Expense

	2025 $	2024 $
Options issued to directors	-	49,911
Options issued to supplier(i)	362,286	-
Shares issued to employees	100,798	-
Less: Prior year Accrued Shares to employees	(15,000)	-
Shares issued to supplier	981,000	50,000
Prepayment of Share issued to Supplier	(590,625)	-
Shares issued	-	-
	838,459	99,911

(i) *Following shareholder approval on 28 February 2025 the Company issued 9,000,000 Options to a broker for services provided in respect of placements during the half-year. The options had no vesting conditions and vested immediately on issue. Please refer to Note 13.1*

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date on which they are granted. The fair value of the shares issued was determined by using the closing market price and the fair value of the options issued was determined by using a Black and Scholes model with the following assumptions.

The fair value of options issued to suppliers is as follows:

Number of options	Grant Date	Expiry Date	Exercise Price	Total Value	Recipients
9,000,000	27 Nov 2024	31 Dec 2027	$0.075	$307,582	Broker

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Underlying share price	Expected volatility	Expected dividends	Risk free rate	Value per option
$0.042	164%	Nil	3.968%	$0.0342

The fair value of options issued to suppliers is as follows:

Number of options	Grant Date	Expiry Date	Exercise Price	Total Value	Recipients
5,000,000	6 March 2025	31 Dec 2027	$0.070	$54,704	Supplier

Underlying share price	Expected volatility	Expected dividends	Risk free rate	Value per option
$0.019	162%	Nil	3.840%	$0.0109

The cost of these equity-settled transactions is measured by reference to the fair value of the equity instruments at the date on which they are granted. The fair value of the shares issued was determined by using the closing market price and the fair value of the options issued was determined by using a Black and Scholes model.

16. FINANCIAL INSTRUMENTS

16.1. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2021.

The Group is not subject to any externally imposed capital requirements.

16.2. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Board of directors provides services to business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include interest rate risk, liquidity risk and credit risk.

The Group seeks to minimise the effects of these risks by making use of credit risk policies and future cash requirements. These are approved by the Board of directors and are reviewed on a regular basis.

The totals for each category of financial instruments, measured in accordance with *AASB 9 Financial Instruments*, as detailed in the accounting policies to these financial statements below.

16.3. INTEREST RATE RISK

The Group is exposed to interest rate risk on its cash reserves held with the NAB or other acceptable Australian Banking entities. The risk of interest rate movements is managed by the Group by maintaining an appropriate mix between short term deposits and at call deposits.

The Group is not subject to any other interest rate risk as none of its other financial assets or liabilities is subject to variable interest rates.

The Group's exposure to interest rate on financial assets subject to variable interest rates is detailed in the interest rate risk sensitivity analysis section of this note.

13.3.1. Interest rate sensitivity analysis

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Financial assets

	Weighted average effective interest rate	2025 $	2024 $
Cash and cash equivalents	1.5%	552,832	652,910
Trade and other receivables	N/A	1,649,977	189,747
Other assets	4%	712,875	107,739
		2,915,684	950,396

16.3. INTEREST RATE RISK (CONTINUED)

Financial liabilities

	Weighted average effective interest rate	2025 $	2024 $
Trade and other payables	N/A	2,177,017	834,655
Convertible Notes	N/A	352,435	401,512
Borrowings	13.58%	1,494,344	518,505
		4,023,796	1,353,160

16.4. LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations with financial liabilities. Ultimate responsibility for liquidity risk management rests with the Board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows and identifying when further capital raising initiatives are required. The Group presently has make a progress in the source of operating income however, it is reliant on equity contributions and cooperation of creditors and lenders to continue as a going concern.

The Group is not materially exposed to liquidity risk.

16.5. CREDIT RISK

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. In respect of financing activities, the Group is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The Group's bank has an "AA-" long term issuer rating by Standards & Poors (S&P).

18. BUSINESS COMBINATION

On 3 October 2024, the Company announced that it has entered into a binding head of agreement (HOA) to acquire 100% of the issued share capital of Prodigy 9 Co. Ltd ("Prodigy9"), including Prodigy9's business and assets, from the shareholders of Prodigy9.

On 5 February 2025, the Company announced that following approval at the general meeting of shareholders held on 8 November 2024, it has issued 10,000,000 fully paid ordinary shares of which 4,500,000 out of the 10,000,000 is escrowed in the capital of the Company as part of the considerations of the acquisition of Prodigy9. Under the terms of the binding HOA entered into with Prodigy9, the Company has also issued a total 33,750,000 performance right to Prodigy9 shareholder subject to Prodigy9 hitting a certain milestone divided over Tranche A, Tranche B and Tranche C.

A final announcement was made on 5 February 2025 to confirm that the acquisition was formally completed.

Details of the purchase acquisition and net assets acquired are as follows:

	Note	$
10,000,000 fully paid shares in the capital of the Company issued to the shareholders of Prodigy9, valued at A$0.021 per share	13	210,000
33,750,000 performances right	(i)	304,500
		514,500

The assets and liabilities recognised as a result of the acquisition are as follows:

	Note	As at 5 Feb 2025 $
Cash and cash equivalents		0
Trade and other receivables		131,952
Other assets		27,178
Property, plant and equipment		11,916
Trade and other payables		(25,145)
Borrowings		(251,520)
		(105,619)
Consideration paid over net assets acquired		(514,500)
		(620,119)

(i) On 5 February 2025, the performance right will vest upon the following condition:

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- *7,500,000 Performance Right (Tranche A)- Achieving a minimum of 30,000,000THB in audited revenue in any of the FY25, FY26 and FY27*
- *12,500,000 Performance Right (Tranche B)- Achieving a minimum of 50,000,000THB in audited revenue in any of the FY25, FY26 and FY27*
- *13,750,000 Performance Right (Tranche C)- Achieving a minimum of 25,000,000THB in audited net profit in any of the FY25, FY26 and FY27*

18. SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 2.2 Details of subsidiary companies are as follows:

Entity	Incorporation	2025 Ownership	2024 Ownership
Frugl Operations Pty Ltd	Australia	100%	100%
Onify Co., Ltd (formerly Trienpont International Co. Ltd)	Thailand	99.99%	99.99%
Prodigy9 Co., Ltd	Thailand	99.99%	-
Trienpont Australia Pty Ltd (formerly Premium Pipe Services Pty Ltd)	Australia	100%	100%

19. RELATED PARTY TRANSACTIONS

The immediate parent and ultimate controlling party of the Group is InFocus Group Holdings Limited. Balances and transactions between the Group and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

19.1. LOANS TO KEY MANAGEMENT PERSONNEL AND THEIR RELATED PARTIES

There have been no loans to key management personnel during the current or prior year and no balances were outstanding as at the reporting date.

19.2. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Key management personnel related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. Transactions with key management personnel related parties are set out below.

On 10 May 2025, the Company renewed its facility with Mr Kenny Woo, a (now former) Company director, which was expiring on 31 May 2025 to 31 May 2026. The facility has a principal amount of $1,000,000, bears an interest rate of 8% per annum payable monthly in arrears, unsecured and repayable on 31 May 2026. At the date of this report, the Company has made a drawdown of $269,023, and a remaining of $730,977 is available. Despite ceasing to be a director, Mr Woo continues to extend the facility to the Company on the same terms.

PRELIMINARY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. SEGMENT INFORMATION

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates primarily in the areas of data analytics of its grocery comparison products, digital transformation, software development and technical consulting. The financial information presented in the consolidated statement of comprehensive income and the consolidated statement of financial position is the same as that presented to the chief operating decision maker.

Unless stated otherwise, all amounts reported to the Board of directors as the chief operating decision maker is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

	Australia $	Thailand $	Total $
30 June 2025			
Segment revenue	2,752,260	1,651,608	4,403,868
Segment results	(3,254,334)	(429,572)	(3,683,906)
Included within segment result:			
• R+D Tax Rebate	731,110	-	731,110
• Research and development costs, materials and consultants	2,341,658	-	2,341,658
• Depreciation and amortisation expenses	227,584	155,150	382,734
• Share-based payments	476,173	-	476,173
Segment assets	6,162,369	731,533	6,893,902
Segment liabilities	(3,454,835)	(1,275,917)	4,730,752

	Australia $	Thailand $	Total $
30 June 2024			
Segment revenue	406,959	389,640	796,599
Segment results	(3,045,360)	(59,977)	(3,105,337)
Included within segment result:			
• R+D Tax Rebate	397,659	-	397,659
• Research and development costs, materials and consultants	(1,606,939)	-	(1,606,939)
• Depreciation and amortisation expenses	(141,797)	(20,329)	(162,126)
• Share-based payments	(131,796)	-	(131,796)
Segment assets	4,320,103	586,882	4,906,985
Segment liabilities	(1,663,075)	(700,856)	(2,363,931)