



HUBiFY
UNIFYING PEOPLE AND TECHNOLOGY

ANNUAL
REPORT | FY25

TABLE OF CONTENTS

03	Corporate Directory
04	About Hubify
06	FY25 Highlights
07	Director's Review
10	Business Division Summaries
16	Our Leadership
18	Director's Report
24	Remuneration Report (Audited)
35	Auditor's Independence Declaration
36	Financial Report
80	Auditors' Report
84	Shareholding Details

CORPORATE DIRECTORY

For the Year ended 30 June 2025

Directors	Anthony Ghattas - Chairman Victor Tsaccounis - Chief Executive Officer Charbel Nader
Company secretary	Nick Fitzgerald
Registered office and principal place of business	Suite 1.01 Level 1 65 Epping Road Macquarie Park NSW 2113 Phone:(02) 9003 9573
Share register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2001
Auditor	In.Corp Audit & Assurance Pty Ltd (formerly Rothsay Audit & Assurance Pty Ltd) Level 1, 6 O'Connell Street Sydney NSW 2000
Solicitors	HWL Ebsworth Lawyers Level 14 – Australia Square 264-278 George Street Sydney NSW 2000
Bankers	National Australia Bank 85-95 Marrickville Rd Marrickville NSW 2204
Stock exchange listing	Hubify Limited shares are listed on the Australian Securities Exchange (ASX code: HFY)
Website	www.hubify.com.au
Corporate Governance Statement	www.hubify.com.au/investor-centre/

ABOUT HUBIFY

Hubify Limited (ASX:HFY) ("Hubify", or "Company"), is a leading provider of Telco, IT Technology & Managed Services to Australian businesses.

Our core services can be divided into three separate offerings, serving 1200+ customers. These offerings are IT Services, Voice & Data, and Mobility Services.

IT Services



Cyber Security



Cloud Services



End User Support



Network & Server Infrastructure



IT Projects



In-Building ICT Solutions

Voice & Data



MS Teams Calling



Hosted Voice



Unified Communications



Fibre & NBN



SIP



Starlink

Mobility Services



Mobile Voice



Mobile Data



5G Fixed Wireless Roaming



Enterprise Mobility Solutions



5G Redundancy



Machine-to-Machine (M2M)

OUR COMPANY

In addition to the suite of Hubify products, Hubify provides Virtual CIO services ensuring our clients are supported from strategy to execution across a broad range of technology services;

- IT Infrastructure
- Cloud Services
- Cybersecurity
- IT Networks
- Unified Communications
- Generative AI & Natural Language Processing



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Australian SME's are accelerating their digital transformation journeys, & **AI plays a major role.**

FY25 HIGHLIGHTS

EBITDA growth of \$0.35m, a 108% increase from last year.

Managed Services revenue is the biggest contributor of Hubify revenue with 4% growth and professional services to customers grew by 42%. The transformation of Hubify from a Mobility reseller into a full-service Technology Solutions Provider is complete.

Recurring Contracts

New Managed Services and Cyber Security recurring contracts contributed to recurring revenue at 87% of total revenue.

Business Overheads down 25%

With zero debt, a cash balance of \$2.8m, positive operating cashflow of \$0.35m, and mature processes in place the company is more focused than ever to continue its dual pronged strategy to grow both organically and acquisitively.

Organic Growth + Acquisition = Scale



Recurring revenue at 87% of total revenue.

The executive management team has successfully returned the business to profitability following its transformation. The focus remains on generating sustainable, profitable revenue while continuing to exit non-core and less profitable activities.

The Board remains confident in management's ability to drive strong organic and acquisitive growth, and to unlock further operating leverage inherent in Hubify's business strategy supported by a robust, debt-free balance sheet.



Victor Tsaccounis
CEO

DIRECTOR'S REVIEW



Anthony Ghattas
Non-Executive Chairman



Victor Tsaccounis
CEO & Executive Director

Letter to Shareholders

On behalf of the Directors of Hubify Limited, we are pleased to present the Company's Annual report for the period ended 30 June 2025.

Hubify's strategic objective is to become the most trusted partner in IT, Cybersecurity, and Communications for medium-sized Australian businesses..

Profit Growth and Positive EBITDA in FY25

Following the transformation of the business in prior years into a more sustainable and scalable Managed Service Provider (MSP) model with recurring revenue, our focus for this financial period was to deliver positive EBITDA. We are pleased to report an EBITDA of \$0.352 million, representing a 108% increase compared to the previous reporting period, and an increase in operating cash.

The positive results was driven by a reduction in administration costs from \$10.8 million to \$8.2 million and a disciplined focus on generating profitable revenue. The business has matured, exiting engagements with non-profitable customers and discontinuing less profitable physical deployment projects. Our focus has shifted solely toward recurring managed services and professional services, including ICT advisory services, AI and Cybersecurity consulting.

While total revenue declined by 9% to \$17.9 million compared to the prior year, this was a strategic outcome of prioritising sustainable profitability. Importantly, the company successfully onboarded 31 new customers, contributing \$1.95M in annualised contracted recurring revenue demonstrating the effectiveness of our sales and marketing efforts in generating profitable growth.

Recurring revenue reached \$15.5M, accounting for a strong 87% of total revenue.

Cash Position

During the period, the company generated net operating cash of \$0.34 million, in line with the EBITDA result. The closing cash balance was \$2.8 million, when financial assets of \$0.8 million in bank term deposits are included, reflecting an increase in cash year-on-year.

Current Operations

We are pleased to report that Hubify has delivered positive operating cash flow and EBITDA, closing the year with a healthy cash position, no debt and no further contingent liabilities in respect to past acquisitions.

The executive management team has successfully returned the business to profitability following its transformation. The focus remains on generating sustainable, profitable revenue while continuing to exit non-core and less profitable activities, with an ongoing focus on improving the quality of revenue. With the change in market sentiment from cost reduction to investment in areas like AI and Cybersecurity, the company is well placed to take advantage of the increasing market opportunity.

The Board remains confident in management's ability to drive profitable organic and acquisitive growth, and to unlock further operating leverage inherent in Hubify's business strategy supported by a robust, debt-free balance sheet.

We extend our sincere thanks to our customers, team, and shareholders for their continued support. We look forward to another year of growth and success at Hubify.



Anthony Ghattas
Non-Executive Chairman



Victor Tsaccounis
CEO & Executive Director



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Hubify has delivered positive operating cash flow & EBITDA, closing the year with a healthy cash position and no debt.

TRUSTED PARTNER

One trusted partner for all your IT, Cybersecurity and Communications needs.

Unifying people & technology for over 20 years.

Our customers are established and emerging Australian medium sized businesses looking to take their business technology to the next level.

What makes Hubify unique against competitor offers are underpinned by three pillars;

1

Trusted Advisor

Outcomes focused IT partner with a proactive approach

2

ASX listed

A boutique technology solutions provider

3

Tailored solutions

Broad technical capability from strategy to execution

Building from a Mobility & Voice reseller to Managed Services & Cyber, by partnering with Australian SMEs.

The ways we do business, locally & globally, are shifting.

We are agile & evolve based on customer needs. From Voice, Internet, & Networking, to becoming a full-service MSP with a comprehensive Cyber Security offering.



IT SERVICES

IT SERVICES



Cyber
Security



Cloud
Services



End User
Support



IT
Projects



AI
Advisory



IT & Advisory
Services



Network & Server
Infrastructure



In-Building
ICT Solutions

Scalable solutions
that grow with
businesses

Our expert team helps design, deploy & manage the right IT environment for small to medium & enterprise-sized businesses.

From server setups to network infrastructure & endpoint support, we provide tailored solutions that just work



132
Customers



\$10.5M
Annualised
Recurring Revenue



87%
Recurring
Revenue



53%
Gross
Margin

Partners



VOICE & DATA

VOICE & DATA



Hosted Voice



SIP



Starlink



MS Teams
Calling



Unified
Communications



Fibre &
NBN

Connectivity and
telephony, for
now & the future

Our solutions are engineered for clear calls, reliable access, and smarter communication, no matter the size or setup of your business.

We make it easy to unify your communication stack, reduce overheads, and stay connected where it counts.



635
Customers



\$4.1M
Annualised
Recurring Revenue



99%
Recurring
Revenue



42%
Gross
Margin

Partners

VOCUS

Microsoft

symbio™

3CX

MOBILITY **SERVICES**

MOBILITY SERVICES



Mobile Voice



Mobile Data



5G Redundancy



5G Fixed
Wireless Roaming



Machine-to-
Machine (M2M)



Enterprise Mobility
Solutions

Enterprise-grade
solutions that are
built for scale

Our Mobility Services are designed to give your team the freedom to work anywhere, without compromising on speed, security or stability.

We support remote teams, hybrid operations, and field-based workforces with flexible, reliable mobile solutions.



89
Customers



\$0.92M
Annualised
Recurring Revenue



61%
Recurring
Revenue



92%
Gross
Margin

Partners

VOCUS

OPTUS

symbio™

AAPT

FORTINET

OUR LEADERSHIP



Anthony Ghattas

Non-Executive Chairman

Anthony is the former CEO of ASX listed, digital and mobile content development company HWW Limited is the Founder and Managing Director of United Lifestyle Group.



Charbel Nader

Non-Executive Director

Charbel is an investment banker with extensive experience in corporate finance, strategic advisory roles and mergers & acquisitions.



Victor Tsaccounis

CEO & Executive Director

Victor Tsaccounis has operated as CEO & Executive Director of Hubify since 2019, he is a well-regarded executive with over 24 years' experience leading IT & telecommunications companies.



Nick Fitzgerald

CFO & Head of Strategy

Nick joined Hubify in March 2021 as the CFO and Strategy lead. He has worked in the healthcare industry for a number of years predominantly at J&J, in both Finance and Customer roles.



Jonathan Perrin

CRO - Partnerships

Jonathan is a Senior Executive with 20 years of experience in the telecommunications industry. Jonathan leads sales and client relations for Hubify.



DIRECTOR'S REPORT

For the Year ended 30 June 2025

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

Directors

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

Anthony Ghattas
Victor Tsaccounis
Charbel Nader

Principal activities

During the financial year the principal continuing activities of the consolidated entity consisted of:

- sale, customisation and integration of IT and telecommunications systems
- managing technology products and services for customers
- maintenance of IT and telecommunications systems
- internet based selling of hardware and software products

Dividends

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

Review of operations

Improvement in performance

HFY recorded an EBITDA of \$0.35m for FY25, up from an EBITDA loss of \$4.4m in FY24. This reflects the realisation of the strategic focus to deliver scalable MSP business with recurring revenue and highlights the success of our cost optimisation efforts.

The statutory loss for the consolidated entity after providing for income tax amounted to \$813,909 (30 June 2024: \$4,720,513). The difference in the statutory loss to EBITDA is largely related to amortisation of customer lists bringing revenue into the entity. Customer lists are due to be fully amortised by March 2027.

Review of operations (continued)

Importantly, the company successfully onboarded 31 new customers, contributing to \$1.95m in annualised contracted revenue demonstrating the effectiveness of our sales and marketing efforts in generating sustainable, profitable growth.

Total revenue for the period was \$17.9m, a 9.4% decrease compared to the prior year due to less one-off hardware sales and exit of Call Centre Lead Generation business provided to mobility customers. The company has continued to be active in shedding non-core customers to align with its IT technology and managed services provider business model. Some legacy customers were not sustainable on their existing technology platforms and HFY is resourced to delivered accretive earnings across all customer segments.

The closing cash balance was \$2.8 million, which includes financial assets of \$0.8 million held in bank term deposits. The company remains debt-free, with zero bank debt.

Reconciliation of loss before income tax to EBITDA:

	2025	2024
	\$	\$
Profit / (loss) before income tax expense	(1,077,075)	(6,080,566)
Finance costs	130,068	120,650
Interest revenue	(41,682)	(60,523)
Depreciation expense	369,504	371,611
Amortisation expense	970,957	1,274,319
EBITDA	<u>351,772</u>	<u>(4,374,509)</u>

EBITDA is a non-IFRS earnings measures which does not have any standardised meaning prescribed by IFRS and therefore may not be comparable to EBITDA presented by other companies. These measures, which are unaudited, are important to management as an additional way to evaluate the consolidated entity's performance.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Material business risks

Hubify Limited operates within a highly competitive, technology based industry and is exposed to a range of risks that have the potential to impact on the financial, operational, and strategic performance of the business. Members of the Executive are responsible for implementing risk management within their business and operational units and report regularly to the Chief Executive Officer and Board of Directors. It is not possible to identify every risk that could affect the business and the actions taken to mitigate these risks cannot provide absolute assurance that a risk will not materialise. Material business risks that could impact the consolidated entity's performance are described below.

Macroeconomic Risks	Hubify's financial performance can be impacted by current and future economic conditions which it cannot control, such as increases in interest rates and inflation. The company stays abreast of these conditions, focuses on its internal debtor controls and diversifies its customer base by industry segment to help manage these risks.
Industry, Market and Customer Demand change	<p>Due to the nature of the technology industry and its ever changing environment, there may be external environmental changes which affect the business' core offering. These can be changes in industry standards, competitor offerings, changes to popular technology/software and a shift in customer demands.</p> <p>Hubify identifies the threats posed to its business through external risks such as changes in the industry, market, and customer demand. A flexible scalable business model has been developed which facilitates changes to current and future products to accommodate changes in technology trends.</p>
Supplier and Vendor Relationship	<p>Hubify relies on key supplier relationships in certain parts of its business. The loss or impairment of a key relationship could impact Hubify's business.</p> <p>A dedicated procurement team together with executive sponsored account management reviews with key suppliers maintains and develops productive partnerships.</p>

Loss of Key Enterprise Partners	<p>Hubify generates a substantial portion of its revenue from Key Enterprise Partners and the loss of business would impact Hubify's business and financial results.</p> <p>Hubify has dedicated relationship managers engaged with key enterprise partners and perform regular reporting against annual objectives to shape these partnerships.</p>
Cyber Threats	<p>Hubify relies on the availability of its websites, hosting servers and the websites and systems of various third-party partners to provide services to existing and new clients. Such websites, servers and systems could be subject to data theft, disruption, or denial of service (DoS) attacks and unauthorised access from hackers.</p> <p>Hubify has a core capability in providing to customers a full-service Cyber SaaS including Firewalls, intrusion detection & prevention and monitoring of a customer's full technology stack. This includes working with our key partners who are equipped to provide cyber threat intelligence and these measures are employed within the Hubify network to safeguard our systems and ensure we address the security of our customers data.</p>
Reputation	<p>The success of Hubify's business depends on the maintenance of good client relationships and its reputation for providing high quality products and services. Hubify's reputation could be significantly damaged if Hubify does not meet customer expectations; it is involved in litigation claims relating to its product performance or customer service; or it is subject to negative media coverage.</p> <p>Hubify currently tracks key performance metrics that include Customer analytics and measures on customer satisfaction, which identifies and highlights the ways in which we can improve. Hubify on-boards all staff to ensure they adhere to the code of conduct and conducts regular compliance updates with staff. This includes regular updates to the Corporate Governance statement, customer engagement policies and Privacy law training to ensure that the Hubify business ethics employed are of a standard exceeding customer expectations.</p>
Reliance on Key Personnel	<p>Hubify relies on the experience and knowledge of its management team and the loss of key personnel which Hubify is unable to replace with suitable staff or within a reasonable timeframe could have a materially adverse effect on Hubify's business and its operations.</p>

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	Anthony Ghattas
Title:	Non-executive Chairman
Qualifications:	None
Experience and expertise:	Anthony Ghattas is the former CEO of ASX listed, digital and mobile content development company HWW Limited. Anthony is the Founder and Managing Director of United Lifestyle Group, he has extensive experiences in direct to customer marketing in Australia and overseas which retails consumer direct wines under multiple brands in Australia and New Zealand. Over the last 17 years, Anthony has seen to the growth of United Lifestyle Group across multiple continents.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman
Interests in shares:	39,599,235
Interests in options:	Nil
Interests in rights:	1,800,000
Name:	Victor Tsaccounis
Title:	Director and Chief Executive Officer
Qualifications:	None
Experience and expertise:	Victor Tsaccounis has over 20 years' experience in the telecommunications industry. He has held senior roles including Head of Business at Vodafone where he successfully integrated his 2 business units during the merger of 3 Mobile and Vodafone in Australia.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chief Executive Officer
Interests in shares:	73,908,316
Interests in options:	Nil
Interests in rights:	4,687,500

Name:	Charbel Nader
Title:	Non-executive Director
Qualifications:	BCom (University of Melbourne), Master of Applied Finance (University of Melbourne)
Experience and expertise:	Charbel Nader is an investment banker with extensive experience in corporate finance and strategic advisory roles, including experience in mergers and acquisitions. Charbel was the Founding Chairman of Metro Media Publishing Pty Ltd. Charbel is a Director of Madman Entertainment Pty Ltd and Chairman of New Talisman Gold Mines Limited.
Other current directorships:	Chairman - New Talisman Gold Mines Limited (since 24/08/2016)
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	205,000
Interests in options:	Nil
Interests in rights:	900,000

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

'Former directorships (last 3 years)' 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 company secretary is Nick Fitzgerald. Nick brings a breadth of senior leadership experience gained across complex organisations including demonstrated capability on strategy development, financial stewardship and business growth across sales and marketing organisations. Nick holds a Bachelor of Commerce, is a member of Chartered Accountants Australia & New Zealand and is a Graduate Member of the Australian Institute of Company Directors.

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 Attended	Full Board Held	Remuneration Committee Attended	Remuneration Committee Held
Anthony Ghattas	7	7	2	2
Victor Tsaccounis	7	7	2	2
Charbel Nader	7	7	2	2

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

An Audit Committee has not been established and the role of the Audit Committee has been assumed by the full Board. The Board considers that the Company is not of a size, nor are its financial affairs of such complexity to justify the formation of an Audit Committee.

REMUNERATION REPORT

Audited

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

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

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

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

Principles used to determine the nature and amount of remuneration

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

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

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors are entitled to receive share options under the Employee Share Option Plan.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The approval of a maximum annual aggregate remuneration for non-executive directors will be tabled at a general meeting of the company. The amount paid to non-executive directors of the parent entity (Hubify Limited) during the year to 30 June 2025 was \$172,910.

Executive remuneration

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

The executive remuneration and reward framework has four components:

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

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

(i) Fixed remuneration

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

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

*(ii) Short-term incentives**Chief Executive Officer*

The Chief Executive Officer is eligible for short-term incentive (STI) cash bonus payments based on the achievement of the KPIs specified in his executive service agreement. The KPIs for bonus purposes are determined for each financial year of the term of his service agreement. The aim of the STI is to link the achievement of the consolidated entity's annual and/or immediate financial and broader operational targets with the remuneration received by the Chief Executive Officer. The total potential STI is set at a level so as to provide sufficient incentive to achieve the operational targets and at a cost to the consolidated entity that is reasonable in the circumstances. Actual STI payments awarded to the Chief Executive Officer depend on the extent to which specific targets prescribed in the performance agreement for a financial year are met and is limited to a maximum of \$75,000 (2024: \$75,000). The total cash bonus is \$75,000 if the key performance indicators are achieved.

The Chief Executive Officer was not entitled to a bonus in respect of the 30 June 2025 or 30 June 2024 financial year.

(iii) Long-term incentives

The long-term incentives include share-based payments. Options and performance rights to acquire shares may be awarded to Directors and executives. There were no options granted in the 2025 and 2024 financial years. There were no performance rights awarded to Directors or other key management personnel in the 2025 financial year (2024: 13,012,500).

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Nomination and Remuneration Committee. Refer to the section 'Additional information' below for details of

the earnings and total shareholders' return for the last five years.

Use of remuneration consultants

The company did not engage remuneration consultants during the financial year ended 30 June 2025..

Voting and comments made at the company's 17 November 2024 Annual General Meeting ('AGM')

At the 17 October 2024 AGM, 84.72% 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.

Details of remuneration

Amounts of remuneration

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

The key management personnel of the consolidated entity consisted of the following directors of Hubify Limited:

- Anthony Ghattas - Non-executive Chairman
- Victor Tsaccounis - Director and Chief Executive Officer
- Charbel Nader - Non-executive Director

And the following person:

- Nick Fitzgerald - Chief Financial Officer

	Short-term benefits		Post-employment benefits	Long-term benefits			
	Cash salary and fees	Other Benefits	Annual leave accrual (i)	Super-annuation	Long service leave (i)	Share-based payments	Total
2025	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Anthony Ghattas	98,880	2,235	-	11,371	-	3,532	116,018
Charbel Nader	49,440	-	-	5,686	-	1,766	56,892
<i>Executive Directors:</i>							
Victor Tsaccounis	295,000	-	3,092	33,925	7,892	9,223	349,132
<i>Other Key Management Personnel:</i>							
Nick Fitzgerald	321,360	-	(2,646)	36,956	-	11,037	366,707
	<u>764,680</u>	<u>2,235</u>	<u>446</u>	<u>87,938</u>	<u>7,892</u>	<u>25,558</u>	<u>888,749</u>

(i) Represents the net movement in the leave entitlement balances.

	Short-term benefits		Post-employment benefits	Long-term benefits			
	Cash salary and fees	Other Benefits	Annual leave accrual (i)	Super-annuation	Long service leave (i)	Share-based payments	Total
2024	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Anthony Ghattas	98,880	4,669	-	10,877	-	3,545	117,971
Charbel Nader	49,440	-	-	5,438	-	1,773	56,651
<i>Executive Directors:</i>							
Victor Tsaccounis	291,875	-	(7,253)	32,106	18,771	9,231	344,730
<i>Other Key Management Personnel:</i>							
Nick Fitzgerald	318,270	-	2,919	35,010	-	11,078	367,277
	<u>758,465</u>	<u>4,669</u>	<u>(4,334)</u>	<u>83,431</u>	<u>18,771</u>	<u>25,627</u>	<u>886,629</u>

(i) Represents the net movement in the leave entitlement balances.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed Remuneration		At risk - STI		At risk - LTI	
	2025	2024	2025	2024	2025	2024
<i>Non-Executive Directors:</i>						
Anthony Ghattas	97%	97%	-	-	3%	3%
Charbel Nader	97%	97%	-	-	3%	3%
<i>Executive Directors:</i>						
Victor Tsaccounis	97%	97%	-	-	3%	3%
<i>Other Key Management Personnel:</i>						
Nick Fitzgerald	97%	97%	-	-	3%	3%

Service agreements

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

Name:	Victor Tsaccounis
Title:	Chief Executive Officer
Agreement commenced:	22 October 2019
Term of agreement:	On-going
Details:	Base salary of \$295,000 (2024: 295,000) per annum to be reviewed annually by the Board and an annual cash bonus of up to \$75,000. The cash bonus is dependent on the achievement of KPI's. The contract may be terminated by the company giving 12 months' notice and the CEO giving the greater of 4 weeks and the notice required under the Fair Work Act. There is no provision in the contract for a payout on termination other than accrued pay, leave entitlements or other statutory payments.
Name:	Nick Fitzgerald
Title:	Chief Financial Officer
Agreement commenced:	1 March 2021
Term of agreement:	On-going
Details:	Base salary of \$321,360 (2024: 321,360) per annum to be reviewed annually by the Board and an annual cash bonus of up to \$100,000. The cash bonus is dependent on the achievement of KPI's. The contract may be terminated by either party giving to the other party notice in accordance with an applicable Industrial Instrument of the Fair Work Act. There is no provision in the contract for a payout on termination other than accrued pay, leave entitlements or other statutory payments.

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

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025 (2024: nil).

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025 and 30 June 2024.

Performance rights

On 31 October 2023, 13,012,500 of the performance rights previously granted to the company's Directors and the Chief Financial Officer were cancelled and re-issued under new terms with each of the holders due to changes in the company's strategy and the subsequent exit from the Optus mobility small business market.

Victor Tsaccounis (Chief Executive Officer) was granted a limited recourse interest-free loan for \$46,875 to purchase 4,687,500 performance rights on 31 October 2023. The loan will only become repayable once the performance rights have vested, and the underlying shares have been sold. If the performance rights do not vest, the loan amount will be forgiven. Under this arrangement, no loan receivable has been recognized and the re-issued performance rights have been accounted for as an option to acquire shares in the company.

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant Date	Vesting date and exercisable date	Expiry date	Share price hurdle for vesting	Fair value per right at grant date
31/10/2023	30/06/2026	30/06/2026	\$0.05	\$0.009

Performance rights granted carry no dividend or voting rights.

The number of performance rights over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

Name	Number of right granted during the year 2025	Number of right granted during the year 2024	Number of right vested during the year 2025	Number of right vested during the year 2024
Anthony Ghattas	-	1,800,000	-	-
Charbel Nader	-	900,000	-	-
Victor Tsaccounis	-	4,687,500	-	-
Nick Fitzgerald	-	5,625,000	-	-

There were no performance rights that lapsed during the current and prior financial years.

Additional information

The earnings of the consolidated entity for the five years to 30 June 2024 are summarised below:

	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Sales revenue	17,858,602	19,721,226	25,771,129	23,806,140	16,667,014
EBITDA	351,772	(4,374,509)	3,304,302	341,507	2,063,681
EBIT	(988,689)	(6,020,439)	1,455,355	(1,411,140)	1,263,159
Profit/(loss) after income tax	(813,909)	(4,720,513)	512,322	(1,236,888)	918,913

Additional disclosures relating to key management personnel*Shareholding*

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Anthony Ghattas	39,599,235	-	-	-	39,599,235
Victor Tsaccounis	73,908,316	-	-	-	73,908,316
Charbel Nader	205,000	-	-	-	205,000
Nick Fitzgerald	1,458,961	-	-	-	1,458,961
	<u>115,171,512</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,171,512</u>

Performance rights holding

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

	Balance at the start of the year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the year
<i>Performance rights over ordinary shares</i>					
Anthony Ghattas	1,800,000	-	-	-	1,800,000
Charbel Nader	900,000	-	-	-	900,000
Victor Tsaccounis	4,687,500	-	-	-	4,687,500
Nick Fitzgerald	5,625,000	-	-	-	5,625,000
	<u>13,012,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,012,500</u>

Loans to key management personnel and their related parties

There were no loans owing by key management personnel of the group, including their close family members and entities related to them, at 30 June 2025 and 30 June 2024.

Other transactions with key management personnel and their related parties

The consolidated entity sold telephone and internet services during the year in the sum of \$100,549 (2024: \$115,934) to an entity in which Anthony Ghattas is a director and a controlling shareholder and \$3,356 (2024: \$2,864) to an entity in which Victor Tsaccounis is a director and a controlling shareholder. The consolidated entity sold telephone, internet and managed IT services during the year in the sum of \$88,696 (2024: \$61,597) to an entity in which Nick Fitzgerald is a director. The contracts were based on normal commercial terms and conditions.

The consolidated entity leased an office from Madman Entertainment Pty Ltd, an entity in which Charbel Nader is a director and controlling shareholder. The office is leased on a month-to-month basis for monthly rent of \$5,698 until April 2024 when the rent increased to \$5,723. From April 2025 the number of parking spaces reduced, so monthly rent reduced to \$4,578. Rent paid during the year ended 30 June 2025 totalled \$65,236 (2024: \$68,445).

The consolidated entity leased office space to Cook N Grow Pty Ltd, an entity in which Victor Tsaccounis is a director and controlling shareholder. The office space is leased on a month-to-month basis for monthly rent of \$1,145. Other income received during the year ended 30 June 2025 totalled \$4,580 (2024: \$nil).

Aggregate amounts of each of the above types of other transactions with key management personnel and their related entities:

Amounts recognised as revenue

Services: \$192,601 (2024: \$180,395)

Amounts recognised as expenses

Occupancy: \$60,656 (2024: \$68,445)

Amounts recognised as trade and other receivables

Trade receivables: \$25,745 (2024: \$21,253)

There were no other transactions with key management personnel of the consolidated entity, including their close family members and entities related to them, during the financial year ended 30 June 2025.

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of Hubify Limited under option outstanding at the date of this report.

Shares under performance rights

Unissued ordinary shares of Hubify Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Expiry Price	Number under rights
31 October 2023	30 June 2026	\$0.05	13,012,500

Shares issued on the exercise of options

There were no ordinary shares of Hubify Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Hubify Limited issued on the exercise of performance rights during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

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

Proceedings on behalf of the company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 27 to the financial statements.

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 27 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.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Victor Tsaccounis
Director

28th August 2025
Sydney

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION
307C OF THE CORPORATIONS ACT 2001**

To the Directors of Hubify Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the year ended 30 June 2025 there have been:

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

This declaration is in relation to Hubify Limited and the entities it controlled during the year.

In.Corp Audit & Assurance Pty Ltd



Graham Webb
Director

Sydney, 28 August 2025

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

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FINANCIAL REPORT

Consolidated statement of profit or loss and other comprehensive income	37
Consolidated statement of financial position	38
Consolidated statement of changes in equity	39
Consolidated statement of cash flows	40
Notes to the consolidated financial statements	41
Directors' declaration	79
Independent auditor's report to the members of Hubify Limited	80
Shareholder information	84

General information

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

Hubify Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 1.01, Level 1
65 Epping Road
Macquarie Park
NSW 2113

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28th August 2025. The directors have the power to amend and reissue the financial statements.

Consolidated Statement of profit or loss and other comprehensive income**For the year ended 30 June 2025**

	Note	2025 \$	2024 \$
Revenue	4	17,858,602	19,721,226
Other income	5	975	102,592
Interest revenue		41,682	60,523
Expenses			
Administration		(8,151,609)	(10,841,266)
Cost of sales		(8,061,442)	(8,599,899)
Impairment of intangible assets	16	-	(1,855,894)
Marketing		(244,635)	(251,552)
Net fair value loss on financial assets at fair value through profit or loss	12	-	(1,147,892)
Occupancy		(156,900)	(270,536)
Restructuring charges		-	(209,064)
Other expenses		(2,233,680)	(2,668,154)
Finance costs	6	(130,068)	(120,650)
Total expenses	6	(18,978,334)	(25,964,907)
Loss before income tax (expense)/benefit		(1,077,075)	(6,080,566)
Income tax (expense)/benefit	7	263,166	1,360,053
Loss after income tax (expense)/benefit for the year attributable to the owners of Hubify Limited		(813,909)	(4,720,513)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Hubify limited		<u>(813,909)</u>	<u>(4,720,513)</u>
		Cents	Cents
Basic earnings per share	35	(0.2)	(1.0)
Diluted earnings per share	35	(0.2)	(1.0)

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

Consolidated statement of financial position**As at 30 June 2025**

	Note	2025 \$	2024 \$
Assets			
Current Assets			
Cash and cash equivalents	8	2,035,057	2,785,939
Trade and other receivables	9	1,191,382	1,429,251
Contract assets	10	337,718	418,950
Inventories	11	23,070	53,905
Financial assets at fair value through profit or loss	12	13,200	12,225
Income tax receivable	7	-	33,949
Financial assets	13	793,338	-
Other	14	103,627	107,260
Total current assets		<u>4,497,392</u>	<u>4,841,479</u>
Non-current assets			
Trade and other receivables	9	-	39,342
Plant and equipment	15	794,659	1,109,889
Intangibles	16	3,440,715	4,411,672
Deferred tax	7	1,586,071	1,624,926
Other	14	177,695	210,765
Total non-current assets		<u>5,999,140</u>	<u>7,396,594</u>
Total assets		<u>10,496,532</u>	<u>12,238,073</u>
Liabilities			
Current liabilities			
Trade and other payables	17	1,577,422	1,888,198
Contract liabilities	18	45,126	66,725
Borrowings	19	50,403	45,345
Lease liabilities	20	267,956	237,024
Income tax	7	-	3,379
Provisions	21	797,333	812,849
Total current liabilities		<u>2,738,240</u>	<u>3,053,520</u>
Non-current liabilities			
Borrowings	19	78,667	128,362
Lease liabilities	20	515,130	783,087
Deferred tax liabilities	7	510,734	809,377
Provisions	21	45,592	67,207
Total non-current liabilities		<u>1,150,123</u>	<u>1,788,033</u>
Total liabilities		<u>3,888,363</u>	<u>4,841,553</u>
Net assets		<u>6,608,169</u>	<u>7,396,520</u>
Equity			
Issued capital	22	8,753,280	8,753,280
Reserves	23	107,474	141,597
Accumulated losses		<u>(2,252,585)</u>	<u>(1,498,357)</u>
Total equity		<u>6,608,169</u>	<u>7,396,520</u>

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

Consolidated statement of changes in equity**For the year ended 30 June 2025**

	Issued capital \$	Reserves \$	Retained profits/ (accumulated losses) \$	Total equity \$
Balance at 1 July 2023	8,303,280	135,970	3,202,156	11,641,406
Profit after income tax expense for the year	-	-	(4,720,513)	(4,720,513)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(4,720,513)	(4,720,513)
Transfer to accumulated losses for expired options	-	(20,000)	20,000	-
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 22)	450,000	-	-	450,000
Share-based payments (note 23)	-	25,627	-	25,627
Balance at 30 June 2024	<u>8,753,280</u>	<u>141,597</u>	<u>(1,498,357)</u>	<u>7,396,520</u>

	Issued capital \$	Reserves \$	Retained profits/ (accumulated losses) \$	Total equity \$
Balance at 1 July 2024	8,753,280	141,597	(1,498,357)	7,396,520
Profit after income tax expense for the year	-	-	(813,909)	(813,909)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(813,909)	(813,909)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 23)	-	25,558	-	25,558
Transfer between reserves and accumulated losses for expired options	-	(59,681)	59,681	-
Balance at 30 June 2025	<u>8,753,280</u>	<u>107,474</u>	<u>(2,252,585)</u>	<u>6,608,169</u>

Consolidated statement of cash flows**For the year ended 30 June 2025**

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		19,971,474	21,879,827
Payments to suppliers and employees (inclusive of GST)		(19,581,982)	(23,744,744)
		389,492	(1,864,917)
Interest received		41,682	60,523
Interest and other finance costs paid		(96,120)	(120,650)
Income taxes paid		-	(33,949)
Net cash from operating activities	34	335,054	(1,958,993)
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired		-	(753,408)
Payments for financial assets		(750,000)	-
Payments for plant and equipment		(54,274)	(34,301)
Payments for intangibles	16	-	(9,251)
Proceeds from disposal of plant and equipment		-	6,000
Proceeds for release of security deposits		-	184,852
Net cash used in investing activities		(804,274)	(606,108)
Cash flows from financing activities			
Repayment of principal portion of leases	34	(237,025)	(220,163)
Repayment of borrowings	34	(44,637)	(41,403)
Net cash from/(used in) financing activities		(281,662)	(261,566)
Net increase/(decrease) in cash and cash equivalents		(750,882)	(2,826,667)
Cash and cash equivalents at the beginning of the financial year		2,785,939	5,612,606
Cash and cash equivalents at the end of the financial year	8	2,035,057	2,785,939

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

NOTES

To the consolidated financial statements

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. None of the new standards and amendments to standards affected any of the amounts recognised in the current period or any prior period.

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

Going concern

For the year ended 30 June 2025 the consolidated entity incurred a loss after income tax of \$813,909 (2024: \$4,720,513) and net cash inflows from operating activities of \$335,054 (2024: net cash outflows of \$1,958,993).

The loss in the prior year includes a \$1,855,894 impairment of intangibles (note 16) and a \$1,147,892 fair value decrement on investments (note 12). The loss for the year ended 30 June 2025 is attributable to \$1,340,461 in non-cash items associated with amortisation and depreciation.

The ability of the consolidated entity to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on the consolidated entity having sufficient working capital to fund its activities.

The Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:

- At 30 June 2025, the consolidated entity held cash at bank balances totalling \$2,035,057.
- The consolidated entity is in a net current asset position at 30 June 2025 of \$1,759,152.
- The Group's budget for the next 12 months indicates that the Group will have sufficient cash to pay their debts for the next 12 months from the date of the signing of this financial report.
- Management are focusing on the managed services business & are continuing with restructuring & cost saving initiatives. Management have projected an increase in EBITDA in FY26.

Notes to the consolidated financial statements - 30 June 2025**Note 1. Material accounting policy information (continued)**

Based on the above, the Directors are of the opinion that at the date of signature of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of signature of this financial report, and have accordingly prepared the financial report on a going concern basis.

Should the consolidated entity 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 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 consolidated entity be unable to continue as a going concern and meet its debts as and when they fall due.

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, financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

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

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 31.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Hubify Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Hubify Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or the 'group'.

Notes to the consolidated financial statements - 30 June 2025**Note 1. Material accounting policy information (continued)****New Accounting Standards and Interpretations not yet mandatory or early adopted**

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. Based on the preliminary analysis performed, the consolidated entity does not expect that any of these standards and interpretations will have a material impact on the consolidated entity's financial report.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Estimation of useful lives of assets

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

Goodwill impairment

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment. 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.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Future taxable amounts are expected to be utilised in the financial year ending 30 June 2027.

Notes to the consolidated financial statements - 30 June 2025**Note 2. Critical accounting judgements, estimates and assumptions (continued)***Lease term*

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 3. Operating segments*Identification of reportable operating segments*

Operating segments are identified based on separate financial information which is regularly reviewed by the Board of Directors, representing the consolidated entity's Chief Operating Decision Makers (CODM), in assessing performance and determining the allocation of resources.

The consolidated entity operates in primarily one geographical segment, namely Australia. Revenue from overseas customers is not material to the consolidated entity. The primary business segment is telecommunications namely voice, data and value added services. As the consolidated entity operates in only one segment, the consolidated results are also its segment results.

Major customers

All revenue of the consolidated entity is from external customers. During the current and prior financial periods, there were no transactions with a single external customer that amounted to 10 per cent or more of the consolidated entity's revenues.

Notes to the consolidated financial statements - 30 June 2025

Note 3. Operating segments (continued)*Accounting policy for operating segments*

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 4. Revenue

	2025 \$	2024 \$
Sale of goods	1,472,533	1,918,859
Services	<u>16,386,069</u>	<u>17,802,367</u>
Revenue	<u><u>17,858,602</u></u>	<u><u>19,721,226</u></u>

Disaggregation of revenue

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

	2025 \$	2024 \$
<i>Major product lines</i>		
Mobility	2,125,617	2,097,226
Voice & Data	4,459,297	5,345,630
Managed Services	11,273,688	11,203,695
Other	<u>-</u>	<u>1,074,675</u>
	<u><u>17,858,602</u></u>	<u><u>19,721,226</u></u>

Timing of revenue recognition

Goods transferred at a point in time	1,472,533	1,918,859
Goods transferred over time	918,367	1,777,694
Services transferred over time	<u>15,467,702</u>	<u>16,024,673</u>
	<u><u>17,858,602</u></u>	<u><u>19,721,226</u></u>

Notes to the consolidated financial statements - 30 June 2025

Note 4. Revenue (continued)

Accounting policy for revenue recognition

The consolidated entity recognises revenue as follows:

Sale of goods (telecommunications hardware)

Revenue from the sale of goods is recognised when control of the products has transferred to the customer. This will usually occur on delivery of the goods. Amounts disclosed as revenue are net of sales returns and trade discounts.

Rendering of services

The consolidated entity generates revenues from after-sales service and maintenance provided as well as construction contracts for telecommunication solutions. Consideration received for those services is initially deferred, included in other liabilities and is recognised as revenue in the period when the service is performed. In recognising after-sales service and maintenance revenues, the consolidated entity considers the nature of the service and the customer's use of the related products, based on historical experience.

Contracts for telecommunication solutions

Construction contracts for telecommunication systems specify a fixed price for the development and installation of IT and telecommunication systems. When the outcome can be assessed reliably, contract revenue and associated costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Revenue is measured at the fair value of consideration received or receivable in relation to that activity. When the consolidated entity cannot measure the outcome of a contract reliably, revenue is recognised only to the extent of contract costs that have been incurred and are recoverable. Contract costs are recognised in the period in which they are incurred. In either situation, when it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately in profit or loss.

Note 5. Other income

	2025 \$	2024 \$
Net fair value gain on financial assets (note 12)	975	-
Gain on settlement of contingent consideration*	-	96,592
Net gain on disposal of plant and equipment	-	6,000
	<u>975</u>	<u>102,592</u>
Other income	<u>975</u>	<u>102,592</u>

*During the year ended 30 June 2024, the contingent consideration relating to the Connected Intelligence acquisition was settled. A gain of \$96,592 was recognised upon reduction of the contingent consideration payable and the remaining \$1,203,408 was settled in cash (\$753,408) and ordinary shares (\$450,000) (refer note 22).

Notes to the consolidated financial statements - 30 June 2025

Note 6. Expenses

	2025 \$	2024 \$
Loss before income tax includes the following specific expenses:		
<i>Aggregate employee benefits expense</i>		
Defined contribution superannuation expense	628,251	815,914
Employee benefits expenses	<u>7,262,354</u>	<u>9,783,183</u>
	<u>7,890,605</u>	<u>10,599,097</u>
<i>Impairment</i>		
Goodwill	-	421,827
Patents, trademarks and other rights	-	8,073
Web development costs	-	68,394
Customer lists	-	1,350,477
Software	<u>-</u>	<u>7,123</u>
Total impairment	<u>-</u>	<u>1,855,894</u>
<i>Depreciation</i>		
Leasehold improvements	29,659	29,659
Plant and equipment	9,111	7,477
Furniture, fixtures and fittings	33,091	15,498
Computer equipment	67,774	77,672
Right-of-use assets - property leases	<u>229,869</u>	<u>241,305</u>
Total depreciation	<u>369,504</u>	<u>371,611</u>
<i>Amortisation</i>		
Web development	-	58,573
Customer lists	970,957	1,215,274
Software	<u>-</u>	<u>472</u>
Total amortisation	<u>970,957</u>	<u>1,274,319</u>
<i>Finance costs</i>		
Interest on lease liabilities	73,140	91,855
Interest on other borrowings	22,517	28,795
Interest on BAS and payroll tax	<u>34,411</u>	<u>-</u>
Finance costs expensed	<u>130,068</u>	<u>120,650</u>

Notes to the consolidated financial statements - 30 June 2025

Note 7. Income tax

	2025 \$	2024 \$
<i>Income tax benefit</i>		
Deferred tax - origination and reversal of temporary differences	(259,957)	(1,371,014)
Adjustment recognised for prior periods	(3,209)	10,961
Aggregate income tax benefit	<u>(263,166)</u>	<u>(1,360,053)</u>
Deferred tax included in income tax expense/(benefit) comprises:		
Decrease/(increase) in deferred tax assets	38,686	(381,581)
Decrease in deferred tax liabilities	<u>(298,643)</u>	<u>(989,433)</u>
Deferred tax - origination and reversal of temporary differences	<u>(259,957)</u>	<u>(1,371,014)</u>
<i>Numerical reconciliation of income tax benefit and tax at the statutory rate</i>		
Loss before income tax benefit	<u>(1,077,075)</u>	<u>(6,080,566)</u>
Tax at the statutory tax rate of 25%	(269,269)	(1,520,142)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Tax effect on non-assessable income	254	23,834
Other non-deductible / (assessable) items	9,059	125,294
Sundry items	<u>(3,379)</u>	<u>-</u>
	(263,335)	(1,371,014)
Prior year deferred tax assets not recognised now recognised	<u>169</u>	<u>10,961</u>
Income tax benefit	<u>(263,166)</u>	<u>(1,360,053)</u>
	2025 \$	2024 \$
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	1,096,753	992,531
Employee benefits	210,731	239,039
Lease liability	195,772	255,028
Accrued expenses	37,346	74,622
Other	<u>45,469</u>	<u>63,706</u>
Deferred tax asset	<u>1,586,071</u>	<u>1,624,926</u>
Movements:		
Opening balance	1,624,926	1,254,306
(Charged) / Credited to profit or loss	(38,686)	381,581
Adjustment for prior periods	<u>(169)</u>	<u>(10,961)</u>
Closing balance	<u>1,586,071</u>	<u>1,624,926</u>

Notes to the consolidated financial statements - 30 June 2025

Note 7. Income tax (continued)

	2025 \$	2024 \$
<i>Deferred tax liabilities</i>		
Deferred tax liabilities comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Plant and equipment, and Intangibles	358,803	599,978
Right-of-use asset	151,931	209,399
Deferred tax liability	<u>510,734</u>	<u>809,377</u>
Movements:		
Opening balance	809,377	1,798,810
Credited to profit or loss	(298,643)	(989,433)
Closing balance	<u>510,734</u>	<u>809,377</u>

	2025 \$	2024 \$
<i>Income tax refund due</i>		
Income tax refund due	<u>-</u>	<u>33,949</u>

	2025 \$	2024 \$
<i>Provision for income tax</i>		
Provision for income tax	<u>-</u>	<u>3,379</u>

Accounting policy for income tax

Hubify Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Note 8. Cash and cash equivalents

	2025 \$	2024 \$
<i>Current assets</i>		
Cash at bank	<u>2,035,057</u>	<u>2,785,939</u>

Notes to the consolidated financial statements - 30 June 2025

Note 9. Trade and other receivables

	2025 \$	2024 \$
<i>Current assets</i>		
Trade receivables	1,249,182	1,647,821
Less: Allowance for expected credit losses	(71,391)	(218,570)
	<u>1,177,791</u>	<u>1,429,251</u>
Other receivables	<u>13,591</u>	<u>-</u>
	<u>1,191,382</u>	<u>1,429,251</u>
<i>Non-Current Assets</i>		
Other receivables	<u>-</u>	<u>39,342</u>
	<u>1,191,382</u>	<u>1,468,593</u>

Allowance for expected credit losses

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

	2025 \$	2024 \$
Past due 90+ days	<u>71,391</u>	<u>218,570</u>

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

	2025 \$	2024 \$
Opening balance	218,570	102,985
Additional provisions recognised	158,481	183,365
Receivables written off during the year as uncollectable	(143,988)	(67,780)
Reversal of provisions previously recognised	<u>(161,672)</u>	<u>-</u>
Closing balance	<u>71,391</u>	<u>218,570</u>

Accounting policy for trade and other receivables

Trade receivables are generally due for settlement within 30 days.

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

Notes to the consolidated financial statements - 30 June 2025

Note 10. Contract assets

	2025 \$	2024 \$
<i>Current assets</i>		
Contract assets	<u>337,718</u>	<u>418,950</u>

The contract assets are made up of accrued income relating to government training incentives and accrued upfront revenue receivable relating to customer installations.

Note 11. Inventories

	2025 \$	2024 \$
<i>Current assets</i>		
Stock on hand - at cost	<u>23,070</u>	<u>53,905</u>

Note 12. Financial assets at fair value through profit or loss

	2025 \$	2024 \$
<i>Current assets</i>		
Investment in listed equity securities - held for trading	3,200	2,225
Investment in unlisted entity	<u>10,000</u>	<u>10,000</u>
	<u>13,200</u>	<u>12,225</u>

Reconciliation

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

Opening fair value	12,225	1,160,117
Revaluation increments	975	-
Revaluation decrements	<u>-</u>	<u>(1,147,892)</u>
Closing fair value	<u>13,200</u>	<u>12,225</u>

The investment in the unlisted entity represents shares held in Internet 2.0 Pty Ltd. As at 30 June 2024, there was insufficient information available to assess the fair value of Internet 2.0. As a result, a fair value decrement of \$1,146,634 was recognised leaving a nominal balance of \$10,000. No further information was available to reassess the fair value as at 30 June 2025. As such, the nominal balance of \$10,000 remains unchanged.

Refer to note 26 for further information on fair value measurement.

Notes to the consolidated financial statements - 30 June 2025

Note 13. Financial assets

	2025	2024
	\$	\$
<i>Current assets</i>		
Term deposits		
	<u>793,338</u>	<u>-</u>

The term deposits have a maturity of between 6 and 12 months from the date of deposit. During the year ended 30 June 2025, \$43,338 was transferred from bank guarantees to term deposits.

Note 14. Other

	2025	2024
	\$	\$
<i>Current assets</i>		
Prepayments		
	<u>103,627</u>	<u>107,260</u>
<i>Non-current assets</i>		
Security deposits		
	<u>177,695</u>	<u>210,765</u>
	<u>281,322</u>	<u>318,025</u>

Notes to the consolidated financial statements - 30 June 2025

Note 15. Plant and equipment

	2025 \$	2024 \$
<i>Non-current assets</i>		
Leasehold improvements - at cost	148,294	148,294
Less: Accumulated depreciation	<u>(69,231)</u>	<u>(39,572)</u>
	<u>79,063</u>	<u>108,722</u>
Plant and equipment - at cost	85,013	84,173
Less: Accumulated depreciation	<u>(77,758)</u>	<u>(68,647)</u>
	<u>7,255</u>	<u>15,526</u>
Furniture, fixtures and fittings - at cost	124,052	123,041
Less: Accumulated depreciation	<u>(118,314)</u>	<u>(85,223)</u>
	<u>5,738</u>	<u>37,818</u>
Computer equipment - at cost	507,897	455,474
Less: Accumulated depreciation	<u>(413,017)</u>	<u>(345,243)</u>
	<u>94,880</u>	<u>110,231</u>
Right-of-use assets - property leases	1,149,343	1,149,343
Less: Accumulated depreciation	<u>(541,620)</u>	<u>(311,751)</u>
	<u>607,723</u>	<u>837,592</u>
	<u>794,659</u>	<u>1,109,889</u>

Reconciliations

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

	Leasehold improvements	Plant and equipment	Furniture, fixtures & fittings	Computer equipment	Right-of-use assets - property leases	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	138,381	21,106	51,878	156,937	1,164,675	1,532,977
Additions	-	1,897	1,438	30,966	-	34,301
Disposals	-	-	-	-	(85,778)	(85,778)
Depreciation expense	<u>(29,659)</u>	<u>(7,477)</u>	<u>(15,498)</u>	<u>(77,672)</u>	<u>(241,305)</u>	<u>(371,611)</u>
Balance at 30 June 2024	108,722	15,526	37,818	110,231	837,592	1,109,889
Additions	-	840	1,011	52,423	-	54,274
Depreciation expense	<u>(29,659)</u>	<u>(9,111)</u>	<u>(33,091)</u>	<u>(67,774)</u>	<u>(229,869)</u>	<u>(369,504)</u>
Balance at 30 June 2025	<u>79,063</u>	<u>7,255</u>	<u>5,738</u>	<u>94,880</u>	<u>607,723</u>	<u>794,659</u>

Notes to the consolidated financial statements - 30 June 2025

Note 15. Plant and equipment (continued)*Accounting policy for plant and equipment*

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a reducing balance basis to write off the net cost of each item of plant and equipment over their expected useful lives as follows:

Leasehold improvements	Lease term (5 years)
Plant and equipment	20% - 50%
Furniture, fixtures and fittings	10% - 50%
Computer equipment	50%
Right-of-use assets - property leases	Lease term (5 years)

Note 16. Intangibles

	2025 \$	2024 \$
<i>Non-current assets</i>	2,440,691	2,440,691
Goodwill - at cost	(421,827)	(421,827)
Less: Impairment	<u>2,018,864</u>	<u>2,018,864</u>
<i>Patents, trademarks and other rights - at cost</i>	-	8,073
Less: Impairment	<u>-</u>	<u>(8,073)</u>
	-	-
<i>Web development - at cost</i>	-	1,266,980
Less: Accumulated amortisation	-	(1,198,586)
Less: Impairment	<u>-</u>	<u>(68,394)</u>
	-	-
<i>Customer lists - at cost</i>	4,958,559	4,958,559
Less: Accumulated amortisation	(2,186,231)	(1,215,274)
Less: Impairment	<u>(1,350,477)</u>	<u>(1,350,477)</u>
	<u>1,421,851</u>	<u>2,392,808</u>
<i>Software - at cost</i>	-	2,729,801
Less: Accumulated amortisation	-	(2,722,678)
Less: Impairment	<u>-</u>	<u>(7,123)</u>
	-	-
	<u>3,440,715</u>	<u>4,411,672</u>

Notes to the consolidated financial statements - 30 June 2025

Note 16. Intangibles (continued)*Reconciliations*

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

	Goodwill	Patents, trademarks, and other right	Web development costs	Customer lists	Software	Total
	\$	\$	\$	\$	\$	\$
Balance at 30 June 2023	2,440,691	8,073	117,716	4,958,559	7,595	7,532,634
Additions	-	-	9,251	-	-	9,251
Impairment expense	(421,827)	(8,073)	(68,394)	(1,350,477)	(7,123)	(1,855,894)
Amortisation expense	-	-	(58,573)	(1,215,274)	(472)	(1,274,319)
Balance at 30 June 2024	2,018,864	-	-	2,392,808	-	4,411,672
Amortisation expense	-	-	-	(970,957)	-	(970,957)
Balance at 30 June 2025	<u>2,018,864</u>	<u>-</u>	<u>-</u>	<u>1,421,851</u>	<u>-</u>	<u>3,440,715</u>

Impairment testing

For the purpose of impairment testing, goodwill is allocated to a cash-generating unit or to a group of cash-generating units that are expected to benefit, among others, from the synergies of the business combination. The consolidated entity's cash-generating units are defined on the basis of the geographical market, normally country-related. The consolidated entity operates in primarily one geographical segment - Australia, and the carrying amount of goodwill has been allocated to Australia.

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1 year projection period approved by management and extrapolated for a further 5 years using a steady rate, together with a terminal value.

Notes to the consolidated financial statements - 30 June 2025**Note 16. Intangibles (continued)**

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

- (a) Pre-tax discount rate of 9% per annum (at 30 June 2024: 10%);
- (b) Revenue growth is based on 4%-8% increases for 2025 - 2030;
- (c) Budgeted gross margin of 56% for 2025-2030;
- (d) Operating expenses is based on 2-2.5% increases for 2025 - 2030;
- (e) Long-term growth rate of 2.5% (at 30 June 2024: 2.5%).

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

Management believes the 4%-8% increases through to 2030 are achievable and justified, based on the projected growth of new products and partners.

The budgeted gross margin is based on past performance and management's expectations for the future.

Operating expenses do not vary significantly with revenue. Management forecasts these costs based on the current structure of the business, adjusting for inflationary increases.

The long-term growth rate is used to extrapolate cash flows beyond the 5-year forecast and is based on external forecasts.

There were no impairments of intangibles during the year ended 30 June 2025.

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.

Development costs

Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Customer lists

Customer lists acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3-8 years.

Software and web development costs

Significant costs associated with software and web development costs are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Notes to the consolidated financial statements - 30 June 2025

Note 17. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	1,029,921	957,619
Accruals	142,011	323,963
GST payable	186,700	196,204
Other payables	<u>218,790</u>	<u>410,412</u>
	<u>1,577,422</u>	<u>1,888,198</u>

Refer to note 25 for further information on financial instruments.

Accounting policy for trade and other payables

Due to the short-term nature of these amounts they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Notes to the consolidated financial statements - 30 June 2025

Note 18. Contract liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
<i>Contract liabilities</i>	<u>45,126</u>	<u>66,725</u>

The contract liabilities relate to unearned income for mobility and managed services.

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$45,126 as at 30 June 2025 (\$66,725 as at 30 June 2024) and is expected to be recognised as revenue in future periods as follows:

	2025 \$	2024 \$
Within 6 months	42,056	61,817
6 to 12 months	3,070	4,617
Over 12 months	-	291
	<u>45,126</u>	<u>66,725</u>

Note 19. Borrowings

	2025 \$	2024 \$
<i>Current liabilities</i>		
Loan - other	<u>50,403</u>	<u>45,345</u>
<i>Non-current liabilities</i>		
Loan - other	<u>78,667</u>	<u>128,362</u>
	<u>129,070</u>	<u>173,707</u>

Refer to note 25 for further information on financial instruments.

Loan - other

On 15 November 2022, the Company entered into a loan for \$237,527. The loan is unsecured and is repayable through monthly instalments of \$4,953 (plus GST) for 60 months until 14 November 2027. Interest is charged at a rate of 9.2% per annum.

Notes to the consolidated financial statements - 30 June 2025

Note 20. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Lease liability - buildings	<u>267,956</u>	<u>237,024</u>
<i>Non-current liabilities</i>		
Lease liability - buildings	<u>515,130</u>	<u>783,087</u>
	<u>783,086</u>	<u>1,020,111</u>

Refer to note 25 for further information on financial instruments.

Buildings

The consolidated entity has leases for offices. Rental contracts are typically made for a fixed period of 3 – 5 years with options to extend. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the statement of financial position. The consolidated entity classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Note 21. Provisions

	2025 \$	2024 \$
<i>Current liabilities</i>		
Annual leave	476,158	530,241
Long service leave	<u>321,175</u>	<u>282,608</u>
	<u>797,333</u>	<u>812,849</u>
<i>Non-current liabilities</i>		
Long service leave	<u>45,592</u>	<u>67,207</u>
	<u>842,925</u>	<u>880,056</u>

Notes to the consolidated financial statements - 30 June 2025

Note 22. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	<u>511,136,295</u>	<u>511,136,295</u>	<u>8,753,280</u>	<u>8,753,280</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2023	496,136,295		8,303,280
Shares issued to vendors of Connected Intelligence Pty Ltd (a)	27 June 2024	15,000,000	\$0.03	450,000
Balance	30 June 2024	<u>511,136,295</u>		<u>8,753,280</u>
Balance	30 June 2025	<u>511,136,295</u>		<u>8,753,280</u>

(a) Shares issued to vendors of Connected Intelligence Pty Ltd

On 29 June 2024, 15,000,000 ordinary shares were issued at a deemed value of \$0.03 per share, as the final settlement of the contingent consideration payable in relation to the acquisition of on the Connected Intelligence Pty Ltd which completed on 1 April 2022.

Ordinary shares

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

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

Notes to the consolidated financial statements - 30 June 2025

Note 22. Issued capital (continued)*Capital risk management*

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

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2024 Annual Report.

The consolidated entity monitors capital on the basis of its working capital position (i.e. liquidity risk). The net working capital of the consolidated entity at 30 June 2025 was \$1,759,152 (2024: \$1,787,959).

Note 23. Reserves

	2025	2024
	\$	\$
Share-based payments reserve	<u>107,474</u>	<u>141,597</u>

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Notes to the consolidated financial statements - 30 June 2025

Note 23. Reserves (continued)

	Share-based payments reserve \$
Balance at 1 July 2023	135,970
Share-based payment expenses	25,627
Transfer to accumulated losses for expired options	(20,000)
Balance at 30 June 2024	141,597
Share-based payment expenses	25,558
Transfer to accumulated losses for expired options	(59,681)
Balance at 30 June 2025	<u>107,474</u>

Note 24. Dividends*Dividends*

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

Franking credits

	2025 \$	2024 \$
Franking credits available for subsequent financial years	<u>699,211</u>	<u>699,211</u>

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date

Note 25. Financial instruments***Financial risk management objectives***

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Risk management is carried out under policies set by the board of directors. The board provides principles for overall risk management, as well as policies covering specific areas.

Notes to the consolidated financial statements - 30 June 2025**Note 25. Financial instruments (continued)****Market risk***Foreign currency risk*

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Most of the consolidated entity's transactions are denominated in Australian Dollars.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. These exposures are not significant.

Price risk

The consolidated entity is not exposed to any significant price risk.

Interest rate risk

The consolidated entity's main interest rate risk arises from borrowings. Borrowings obtained at variable rates expose the consolidated entity to interest rate risk. Borrowings obtained at fixed rates expose the consolidated entity to fair value interest rate risk. The exposure to interest rate risk is not significant.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

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

Notes to the consolidated financial statements - 30 June 2025**Note 25. Financial instruments (continued)**

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

The consolidated entity has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as 'Trade and other receivables' is considered to be the main source of credit risk for the consolidated entity. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid.

Notes to the consolidated financial statements - 30 June 2025

Note 25. Financial instruments (continued)

		Between 1	Between 2	Over	Remaining
	1 year or less	and 2 years	and 5 years	5 years	contractual
	\$	\$	\$	\$	maturities
2025					\$
<i>Non-interest bearing</i>					
Trade and other payables	1,577,422	-	-	-	1,577,422
<i>Interest-bearing</i>					
Lease liability	321,020	332,256	219,569	-	872,845
Other loans	50,403	54,461	24,206	-	129,070
Total non-derivatives	<u>1,948,845</u>	<u>386,717</u>	<u>243,775</u>	<u>-</u>	<u>2,579,337</u>
		Between 1	Between 2	Over	Remaining
	1 year or less	and 2 years	and 5 years	5 years	contractual
	\$	\$	\$	\$	maturities
2024					\$
<i>Non-interest bearing</i>					
Trade and other payables	1,888,198	-	-	-	1,888,198
<i>Interest-bearing</i>					
Lease liability	310,165	653,275	219,569	-	1,183,009
Other loans	45,345	49,695	78,667	-	173,707
Total non-derivatives	<u>2,243,708</u>	<u>702,970</u>	<u>298,236</u>	<u>-</u>	<u>3,244,914</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

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

Notes to the consolidated financial statements - 30 June 2025

Note 26. Fair value measurement*Fair value hierarchy*

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
2025				
<i>Assets</i>				
Equity securities	3,200	-	10,000	13,200
Total assets	3,200	-	10,000	13,200
2024				
	\$	\$	\$	\$
<i>Assets</i>				
Equity securities	2,225	-	10,000	12,225
Total assets	2,225	-	10,000	12,225

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes to the consolidated financial statements - 30 June 2025

Note 26. Fair value measurement (continued)*Equity securities:*

The balance in equity securities represents shares held in Internet 2.0 Pty Ltd (an unlisted entity).

As at 30 June 2024, there was insufficient information available to support the fair value due to the absence of Internet 2.0 audited financial statements and the absence of share transactions in the 12 months to 30 June 2024. As a result, a fair value decrement of \$1,146,634 was recognised leaving a nominal balance of \$10,000. There was no change in the fair value as at 30 June 2025.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

	Equity securities \$	Contingent Consideration \$	Total \$
Balance at 1 July 2023	1,156,634	(1,300,000)	(143,366)
Gains recognised in profit or loss	-	96,592	96,592
Settled contingent consideration	-	1,203,408	1,203,408
Losses recognised in profit or loss	(1,146,634)	-	(1,146,634)
Balance at 30 June 2024	10,000	-	10,000
Balance at 30 June 2025	10,000	-	10,000

Contingent consideration:

The contingent consideration on the Connected Intelligence acquisition was \$1,300,000, to be settled 24 months from completion. During the prior year, the assessment of the contingent consideration was reduced by \$96,592, resulting in a gain of \$96,592. \$753,408 cash was remitted and \$450,000 was settled by issuance of ordinary shares during the year ended 30 June 2024 (note 22). There was no further contingent consideration outstanding at 30 June 2024 and 30 June 2025.

Note 27. Key management personnel disclosures*Compensation*

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

	2025 \$	2024 \$
Short-term employee benefits	767,361	758,800
Post-employment benefits	87,938	83,431
Long-term benefits	7,892	18,771
Share-based payments	25,558	25,627
	<u>888,749</u>	<u>886,629</u>

Notes to the consolidated financial statements - 30 June 2025

Note 28. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by In.Corp Audit & Assurance Pty Ltd, the auditor of the company:

	2025 \$	2024 \$
<i>Audit services - In.Corp Audit & Assurance Pty Ltd</i>		
Audit or review of the financial statements	<u>76,500</u>	<u>72,000</u>
<i>Other services - In.Corp Audit & Assurance Pty Ltd</i>		
Taxation compliance services	6,585	7,730
Company secretarial services	<u>2,101</u>	<u>130</u>
	<u>8,686</u>	<u>7,860</u>
	<u>85,186</u>	<u>79,860</u>

Note 29. Contingent liabilities

The consolidated entity had no contingent liabilities at 30 June 2025 and 30 June 2024.

Note 30. Related party transactions

Legal Parent entity

Hubify Limited is the parent entity.

Accounting parent entity

Broadland Solutions Pty Ltd is the accounting parent of the group.

Subsidiaries

Interests in subsidiaries are set out in note 32.

Key management personnel

Disclosures relating to key management personnel are set out in note 27 and the remuneration report included in the directors' report.

Transactions with related parties

The following transactions occurred with related parties:

Notes to the consolidated financial statements - 30 June 2025

Note 30. Related party transactions (continued)

	2025 \$	2024 \$
<i>Sale of goods and services:</i>		
Sale of services to related parties*	192,601	180,395
<i>Other transactions:</i>		
Rent paid to related party**	60,656	68,445

*The consolidated entity sold telephone and internet services during the year in the sum of \$100,549 (2024: \$115,934) to an entity in which Anthony Ghattas is a director and a controlling shareholder and \$3,356 (2024: \$2,864) to an entity in which Victor Tsaccounis is a director and a controlling shareholder. The consolidated sold telephone, internet and managed IT services during the year in the sum of \$88,696 (2024: \$61,597) to an entity in which Nick Fitzgerald is a director. The contracts were based on normal commercial terms and conditions.

**The consolidated entity leased an office from Madman Entertainment Pty Ltd, an entity in which Charbel Nader is a director and controlling shareholder. The office is leased on a month-to-month basis for monthly rent of \$5,698 until April 2024 when the rent increased to \$5,723. From April 2025 the number of parking spaces reduced, so monthly rent reduced to \$4,578. Rent paid during the year ended 30 June 2025 totalled \$65,236 (2024: \$68,445).

The consolidated entity leased office space to Cook N Grow Pty Ltd, an entity in which Victor Tsaccounis is a director and controlling shareholder. The office space is leased on a month-to-month basis for monthly rent of \$1,145. Other income received during the year ended 30 June 2025 totalled \$4,580 (2024: \$nil).

Receivable from and payable to related parties

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

	2025 \$	2024 \$
<i>Current receivables:</i>		
Trade receivables from related parties	25,745	21,253

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

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

Notes to the consolidated financial statements - 30 June 2025

Note 31. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2025	2024
	\$	\$
Profit/(loss) after income tax	231,630	(772,660)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	231,630	(772,660)

Statement of financial position

	Parent	
	2025	2024
	\$	\$
Total current assets	2,225,670	2,780,876
Total non-current assets	3,703,330	3,757,252
Total assets	5,929,000	6,538,128
Total current liabilities	1,909,847	1,146,403
Total non-current liabilities	510,734	1,590,612
Total liabilities	2,420,581	2,737,015
Net assets	3,508,419	3,801,113
Equity		
Issued capital	14,472,750	14,472,750
Share-based payments reserve	107,474	141,597
Accumulated losses	(11,071,805)	(10,813,234)
Total equity	3,508,419	3,801,113

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Notes to the consolidated financial statements - 30 June 2025

Note 31. Parent entity information (continued)*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024..

Legal parent entity disclosures

The above information has been extracted from the books and records of the legal parent entity, Hubify Limited. Accordingly, the information does not relate to the 'accounting parent' - Broadland Solutions Pty Ltd.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following:

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

Note 32. Interests in subsidiaries

Hubify Limited is the legal parent entity of the group and Broadland Solutions Pty Limited is the accounting parent entity

Legal subsidiaries: Name of entity	Principal place of business / Country of Incorporation	Ownership Interest	
		2025 %	2024 %
United Lifestyle Group Networks Pty Ltd	Australia	100%	100%
United Global Sim Limited*	Hong Kong	-	100%
Broadland Victoria Pty Limited**	Australia	-	100%
Broadland Solutions Pty Limited	Australia	100%	100%
Hubify Communications Pty Limited	Australia	100%	100%
ICNE Pty Limited	Australia	100%	100%
Sennah Pty Limited	Australia	100%	100%
Connected Intelligence Pty Limited***	Australia	100%	100%
Hubify ESS Nominees Pty Ltd	Australia	100%	100%

* United Global Sim Limited was a subsidiary of United Lifestyle Group Networks Pty Ltd and was deregistered on 3 September 2024

** Broadland Victoria Pty Limited was deregistered on 26 July 2024

*** Subsidiary of United Lifestyle Group Networks Pty Ltd

Note 33. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Notes to the consolidated financial statements - 30 June 2025

Note 34. Cash flow information*Reconciliation of loss after income tax to net cash from / (used in) operating activities*

	2025 \$	2024 \$
Loss after income tax benefit for the year	(813,909)	(4,720,513)
Adjustments for:		
Depreciation and amortisation	1,340,461	1,645,930
Revaluation decrement/(increment) on financial assets	(975)	1,147,892
Share-based payments	25,558	25,627
Net gain on disposal of non-current assets	-	(6,000)
Gain on settlement of contingent consideration	-	(96,592)
Impairment of intangibles	-	1,855,894
Other expenses classified as investing and financing cash flows	(10,268)	(6,491)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	277,211	338,755
Decrease in contract assets	81,232	97,134
Decrease in inventories	30,835	69,887
Increase in income tax	-	(33,949)
Decrease/(increase) in deferred tax assets	38,856	(370,620)
Decrease in prepayments and other payables	3,633	81,100
Decrease in trade and other payables	(276,828)	(713,017)
Decrease in contract liabilities	(21,599)	(137,130)
Decrease in provision for income tax	(3,379)	-
Decrease in deferred tax liabilities	(298,643)	(989,433)
Decrease in employee benefits	(37,131)	(147,467)
Net cash from / (used in) operating activities	<u>335,054</u>	<u>(1,958,993)</u>

Non-cash investing and financing activities

	2025 \$	2024 \$
Shares issued to vendors of Connected Intelligence Pty Ltd (note 22)	-	450,000

Changes in liabilities arising from financing activities

Notes to the consolidated financial statements - 30 June 2025

Note 34. Cash flow information (continued)*Changes in liabilities arising from financing activities*

	Other loan \$	Lease liability \$	Total \$
Balance at 1 July 2023	215,110	1,332,543	1,547,653
Net cash used in financing activities	(41,403)	(220,163)	(261,566)
Derecognition of right-of-use assets	-	(92,269)	(92,269)
Balance at 30 June 2024	173,707	1,020,111	1,193,818
Net cash used in financing activities	(44,637)	(237,025)	(281,662)
Balance at 30 June 2025	<u>129,070</u>	<u>783,086</u>	<u>912,156</u>

Dividends paid

There were no dividends paid, recommended, or declared during the current and prior financial period by Hubify Limited.

	2025 \$	2024 \$
Note 35. Earnings per share		
Loss after income tax attributable to the owners of Hubify Limited	<u>(813,909)</u>	<u>(4,720,513)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>511,136,295</u>	<u>496,259,583</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>511,136,295</u>	<u>496,259,583</u>
	Cents	Cents
Basic earnings per share	(0.2)	(1.0)
Diluted earnings per share	(0.2)	(1.0)

Performance rights are considered to be potential ordinary shares but were anti-dilutive in nature and were not included in the calculation of diluted earnings per share. These performance rights could potentially dilute basic earnings per share in the future.

Notes to the consolidated financial statements - 30 June 2025

Note 36. Share-based payments*(a) Options**Employee Share Option Plan*

On 17 November 2015 the company established an employee share option plan to provide eligible employees with a means of receiving options to subscribe for shares and a means of receiving rights to receive shares. Eligible employees includes:

- (a) an employee, director or secretary of the company or any subsidiary of the company;
- (b) and a contractor, consultant, agent, advisor other person retained, engaged or nominated by company or any subsidiary of the company.

The purpose of the plan is to provide eligible employees with an opportunity to share in the growth in value of the company and to encourage them to improve the longer-term performance of the company and its return to shareholders. Participation in the plan is at the Board of Director's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. The Board has the discretion to determine the exercise price of the options and any exercise conditions. Unless otherwise determined by the Board, no payment is required for the grant of options or rights under the plan. Options granted under the plan carry no dividend or voting rights.

There were no options or rights issued under the plan during the 2024 and 2025 financial year.

Other share options

On 21 October 2020, the Board granted 2,000,000 options at an exercise price of 15 cents per option to the advisor in relation to the company's share placement. The options were granted as more than \$4 million was raised in the placement. The options vested on 21 October 2020 and expired on 21 October 2023 without being exercised..

Set out below are summaries of options granted:

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired / forfeited/ other	Balance at the end of the year
21/10/2020	21/10/2023	\$0.150	2,000,000	-	-	(2,000,000)	-
			<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>	<u>-</u>

There were no options outstanding at 30 June 2024 and 30 June 2025.

Notes to the consolidated financial statements - 30 June 2025**Note 36. Share-based payments (continued)***(b) Performance rights*

On 16 July 2021, the Board resolved to establish a new Performance Rights Plan, under which eligible employees and directors would be offered the opportunity to be issued performance rights that will vest into shares if certain performance criteria are met.

The performance rights vest upon the satisfaction of any performance criteria or any other conditions contained in the offer, following which the trustee of the Performance Rights Plan will allocate to the participant the number of shares to which the participant is entitled under the terms of the offer.

On 31 October 2023, 13,012,500 of the performance rights previously granted to the company's Directors and the Chief Financial Officer were cancelled and re-issued under new terms with each of the holders due to changes in the company strategy and the subsequent exit from the Optus mobility small business market.

The performance criteria for the performance rights granted on 31 October 2023 are:

- Company achieving a cumulative operating profit adding back amortisation of \$6,000,000 across the 3 year period converted back to an earnings per share measure of 1.2 cents per share based on the current number of shares on issue. The measurement period commenced on 1 July 2023 and ends on 30 June 2026.
- Share price of the company increasing to \$0.05 measured on the 60 day VWAP of the company's shares during the performance period between 1 July 2025 and ending on 30 June 2026.

In addition to meeting the above performance criteria, each Director, the Chief Financial Officer, and the other key personnel must remain a Director or employee of the company as at the vesting date for the performance rights to vest.

If the above performance criteria and employment conditions are not met as at the vesting date, the performance rights will lapse.

The company will allocate one share for each performance right that vests. Shares may be issued to the trustee of the Performance Rights Plan under the relevant trust deed or acquired on market by the trustee to satisfy the entitlement to shares on vesting of the performance rights.

Victor Tsaccounis (Chief Executive Officer) was granted a limited recourse interest-free loan for \$46,875 to purchase 4,687,500 performance rights on 31 October 2023. The loan will only become repayable once the performance rights have vested, and the underlying shares have been sold. If the performance rights do not vest, the loan amount will be forgiven. Under this arrangement, no loan receivable has been recognised and the re-issued performance rights have been accounted for as an option to acquire shares in the company.

Notes to the consolidated financial statements - 30 June 2025

Note 36. Share-based payments (continued)

Set out below are summaries of performance rights granted under the plan:

2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired / forfeited/ other	Balance at the end of the year
31/10/2023	30/06/2026	\$0.05	13,012,500	-	-	-	13,012,500
			13,012,500	-	-	-	13,012,500
Weighted average exercise price			\$0.05	\$0.00	\$0.00	\$0.00	\$0.05

2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired / forfeited/ other	Balance at the end of the year
15/11/2021	30/06/2024	\$0.16	13,012,500	-	-	(13,012,500)	-
31/03/2022	30/06/2024	\$0.16	25,956,349	-	-	(25,956,349)	-
01/07/2022	30/06/2024	\$0.16	2,326,336	-	-	(2,326,336)	-
31/10/2023	30/06/2026	\$0.05	-	13,012,500	-	-	13,012,500
			41,295,185	13,012,500	-	(41,295,185)	13,012,500
Weighted average exercise price			\$0.16	\$0.05	\$0.00	\$0.16	\$0.05

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
31/03/2023	30/06/2026	\$0.021	\$0.05	100.00%	-	4.35%	\$0.009

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1 year (2024: 2 years).

Notes to the consolidated financial statements - 30 June 2025**Note 36. Share-based payments (continued)***(c) Share-based payments expense*

The total share based payments expense for the year was \$25,558 (2024: \$25,627).

Accounting policy for share-based payments

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

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

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of tax residency

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

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

(a) Australian tax residency

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

(b) Foreign tax residency

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

Notes to the consolidated financial statements - 30 June 2025

Note 36. Share-based payments (continued)

Entiy name	Entity type	Place formed / country of incorporation	Ownership interest	Tax residency
Hubify Limited (parent entity)	Body corporate	Australia		Australia
United Lifestyle Group Networks Pty Ltd	Body corporate	Australia	100%	Australia
Broadland Solutions Pty Limited	Body corporate	Australia	100%	Australia
Hubify Communications Pty Limited	Body corporate	Australia	100%	Australia
ICNE Pty Limited	Body corporate	Australia	100%	Australia
Sennah Pty Limited	Body corporate	Australia	100%	Australia
Connected Intelligence Pty Limited	Body corporate	Australia	100%	Australia
Hubify ESS Nominees Pty Ltd	Body corporate	Australia	100%	Australia

There are no trusts, partnerships or joint ventures within the consolidated entity. Accordingly, none of the above entities was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity.

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the directors



Victor Tsaccounis
Director

28th August 2025

Sydney

HUBIFY LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Directors of Hubify Limited

Opinion

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

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

- a) giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- b) 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 & 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.

In.Corp Audit & Assurance Pty Ltd
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HUBIFY LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matters

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

Key Audit Matter – Carrying Value of Intangible Assets – Note 15	How our Audit Addressed the Key Audit Matter
<p>The Group's intangible assets amount to \$3,440,715 as at 30 June 2025.</p> <p>The value of the intangible asset is assessed for recoverability by the directors at least annually or more frequently if events or changes in circumstances indicate that the assets be impaired.</p> <p>This was considered a key audit matter given the materiality of the balance and the significant judgement involved in assessing the recoverable amount of the carrying value of the group's intangible assets.</p>	<p>Our procedures in assessing carrying value of Intangible Assets included but were not limited to the following:</p> <ul style="list-style-type: none"> • We obtained management's value in use assessment and reviewed the key assumptions adopted in the assessment to support the carrying value. • We conducted a sensitivity analysis to ascertain the impact of changes in the key inputs adopted by management. • We assessed the adequacy of the disclosures included in Note 15 to the financial statements.
Key Audit Matter – Revenue Recognition – Note 4	How our Audit Addressed the Key Audit Matter
<p>The Group's sales primarily comprises of revenue from Mobility, Voice and Data, and Managed Services amounting to \$17,858,602 for the year ended 30 June 2025.</p> <p>This was considered to be a key audit matter given the significance of revenue to the Group's results and performance.</p>	<p>Our procedures in assessing revenue recognised during the year included but were not limited to the following:</p> <ul style="list-style-type: none"> • We documented and assessed the processes and controls in place to recognise revenue in the general ledger; • We verified a sample of revenue transactions and associated receipts and contracts to determine they were accurately accounted for; • We reviewed the Group's revenue recognition policy, noting that certain services are recognised overtime, while other goods and services are recognised at a point in time, and ensured that these revenue streams are accounted for in accordance with <i>AASB 15 Revenue</i>; and • We assessed the appropriateness of the disclosures included in the financial report.

HUBIFY LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

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 our auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Group 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends 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 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/auditors_responsibilities/ar2.pdf . This description forms part of our auditor's report.

HUBIFY LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Report on the Remuneration Report

We have audited the Remuneration Report for the year ended 30 June 2025. The Directors of the Group 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.

Opinion on the Remuneration Report

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

In.Corp Audit & Assurance Pty Ltd



Graham Webb

Director

Sydney, 28 August 2025

The shareholder information set out below was applicable as at 30 June 2025.

Distribution of equitable securities

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

	Ordinary shares		Performance rights over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total performance rights issued
1 to 1,000	26	-	-	-
1,001 to 5,000	17	0.01	-	-
5,001 to 10,000	100	0.18	-	-
10,001 to 100,000	194	1.51	-	-
100,001 and over	177	98.30	4	100.00
	514	100.00	4	100.00
Holding less than a marketable parcel	24	-	-	-

Equity security holders

Twenty largest quoted equity security holders

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

	Ordinary Shares	
	% of total	
	Number held	shares issued
Jonathan David Perrin	72,806,611	14.24
Tsaccounis Holdings Pty Limited	72,383,316	14.16
Shannah Avon	48,957,196	9.58
Temont Pty Ltd	38,208,124	7.48
HSBC Custody Nominees (Australia) Limited	24,113,287	4.72
Autopilot Consulting Pty Ltd	23,224,513	4.54
Shannon Avon & Heath Smith - Smith Family Super Fund A/C	17,500,000	3.42
Wicks Group Superannuation Pty Ltd - Wicks Groups Super Fund A/C	10,982,786	2.15
Ttor Pty Ltd - H M and C Petricevic SF A/C	10,355,027	2.03
Mr Aaron James Russell	9,796,466	1.92
Mr William James Willmot + Ms Tracey Lee Willmot	9,264,179	1.81
JAF Capital Pty Ltd	9,250,000	1.81
Mr Stefano Vincenzo Lorenzo Cagliostro + Mrs Alana Eloise Cagliostro - Cagliostro Family A/C	8,889,179	1.74
Jomalco Pty Ltd	8,582,640	1.68
Ilwella Pty Ltd - No 2 A/C	8,000,000	1.57
Wicks Group Pty Ltd - Wicks Family A/C	7,538,361	1.47
J Martin Super Holdings Pty Ltd - J Martin Super Fund A/C	6,148,614	1.20
J Martin Super Holdings Pty Ltd - J Martin Super Fund A/C	6,148,614	1.20
Mr Steve Stavroulis	5,655,420	1.11
Chembank Pty Limited - Cabac Super Fund A/C	5,000,000	0.98
	<u>402,804,333</u>	<u>78.81</u>

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	13,012,500	4

The following persons hold 20% or more of unquoted equity securities

Name	Class	Number held
Victor Tsaccounis	Performance rights	4,687,500
Nick Fitzgerald	Performance rights	5,625,000

Substantial holders

Substantial holders in the company are set out below:

	Ordinary Shares	% of total
	Number held	shares issued
Victor Tsaccounis	73,908,316	14.46
Jonathan David Perrin	72,806,611	14.24
Shannah Avon	48,957,196	9.58
Temont Pty Ltd	39,569,235	7.74

Voting rights

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

Ordinary shares

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

There are no other classes of equity securities.



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