ASX CODE

AXI

ISSUED CAPITAL

Ordinary Shares
545.6M

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31 July 2026

ASX ANNOUNCEMENT

ACTIVITIES REPORT AND APPENDIX 4C QUARTERLY CASH FLOW REPORT JUNE 2026

Sydney, Australia: Axtec Limited (ASX:AXI) (Axtec or the **Company)** lodges the attached Appendix 4C Quarterly report for entities admitted on the basis of commitments for the quarter ended 30 June 2026.

Cash and cash equivalents at quarter end were $354k (31 March 2026: $614k). Investment in the Group's technology platform continued during the quarter as the Company advanced its AI-enabled automation capabilities and progressed key commercial partnerships to support near-term revenue generation. Major shareholder Oriental University City Holdings (H.K.) Limited invested a further $1,000,000 by way of short-term loan facility which will be converted into a 5-year convertible note subject to Shareholder Approval to be sought at the Company's AGM in November.

The Company continues to manage its corporate cost base, with the annualised cost reductions delivered earlier in FY26 continuing to flow through into Q1 FY27 at full run-rate.

Details of the Company's business activities for the quarter are as follows:

Real Flow Strategic Partnership – Settled, with Client Transition Complete
During the quarter, Axtec completed settlement of the Strategic Partnership between its wholly-owned subsidiary, PaySure Retail Finance Pty Ltd (PaySure), and Real Flow Holdings Pty Ltd (Real Flow), with settlement occurring on 30 April 2026. Under the transaction, PaySure's consumer credit loan book was sold to Real Flow, which assumed ownership, servicing and management of the loans, while Axtec transitioned to a capital-light distribution model under a long-term Strategic Partnership Agreement.

The transition of the client base to Real Flow progressed strongly throughout the quarter and was successfully completed subsequent to quarter end. As a result, the performance conditions attaching to the deferred component of the equity consideration have been satisfied in full, with 100% of the equity consideration under the transaction, being $360,000 in Real Flow shares, comprising the $100,000 base consideration and the full $260,000 performance-linked component, earned by Axtec. In addition, the Company has signed new client and partner referral arrangements under the Real Flow distribution partnership. These arrangements are expected to commence generating distribution revenue for Axtec in Q1 FY27.

Securexchange Deposit Payments Gateway (InfoTrack)
The Securexchange deposit payments gateway, released under a soft-launch program in the previous quarter, progressed during the period, with the first deposit payments processed through the gateway and the first Settlement Advance transactions generated through the channel.

The Company continued to engage with InfoTrack throughout the quarter regarding pathways to expand the services offered under the partnership, including broadening the scope of the payment gateway across InfoTrack's client base and extending the range of financial products delivered through the channel.

MRI Software Master Partnership Agreement (Subsequent to Quarter End)
Subsequent to quarter end, Axtec signed a Master Partnership Agreement with MRI Software Australia Pty Limited (MRI), one of Australia's largest providers of real estate software. The Agreement provides for the integration of Axtec's product suite across MRI's Australian platforms, commencing with PaySure within Property Tree, MRI's property management platform, under an initial three-year term commencing 1 August 2026.

Pipeline and Platform
The Company's commercial pipeline continued to broaden during the quarter at both enterprise partner and agency client level. Engagement continued at the corporate level with a number of large real estate networks regarding potential network-wide rollouts of the Company's product suite and proposals are under negotiation with a range of multi-office agency groups and independent agencies.

Beyond the agency channel, the Company is progressing multiple licensing negotiations with industry technology platforms and ecosystem partners (data providers, banks, mortgage brokers). The combination of products and services to be deployed under each of these opportunities will be finalised as discussions progress. No binding agreements in respect of these opportunities have been executed at the date of this report, and further updates will be provided as appropriate.

Corporate Funding
During the quarter the Company received an additional $1,000,000 funding commitment from major shareholder Oriental University City Holdings (OUC) by way of short-term loan facility which will be converted into a 5-year convertible note subject to Shareholder Approval to be sought at the Company's AGM in November.

Authorised for release by the Board.

Appendix 4C
Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Axtec Limited

ABN	Quarter ended ("current quarter")
40 009 063 834	30 June 2026

	Consolidated statement of cash flows	Current quarter $A'000	Year to date (12 months) $A'000
1	**Cash Flow from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for:		
	(a) research and development		
	(b) product manufacturing and operating costs		
	(c) advertising and marketing		
	(d) leased assets		
	(e) staff costs	(709)	(1,953)
	(f) administration and corporate costs	(436)	(1,802)
1.3	Dividends received (see note 3)		
1.4	Interest received	(110)	601
1.5	Interest and other costs of finance paid	(270)	(1,107)
1.6	Income taxes paid		
1.7	Government grants and tax incentives	0	254
1.8	Other (provide details if material)	3,270	4,200
1.9	**Net cash from / (used in) operating activities**	**1,746**	**192**

2	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments	-	(42)
	(e) intellectual property		
	(f) other non-current assets	(60)	(171)
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities	(387)	(528)
2.4	Dividends received (see note 3)		
2.5	Other (Distributions from Joint Venture)		
2.6	**Net cash from / (used in) investing activities**	**(448)**	**(742)**

3	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,694
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(140)
3.5	Proceeds from borrowings	200	1,475
3.6	Repayment of borrowings	(2,210)	(5,298)
3.7	Transaction costs related to loans and borrowings	229	(181)
3.8	Dividends paid		
3.9	Other (Right of Use Lease Liability / Debt from Securitisation Trust)	224	229
3.10	**Net cash from / (used in) financing activities**	**(1,557)**	**(2,221)**

4	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	614	3,125
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,746	192
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(448)	(742)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,557)	(2,221)
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**354**	**354**

5	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related item in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	270	530
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Bank guarantee)	84	84
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**354**	**614**

6	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	374
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: If any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	2,275	1,475
7.2	Credit standby arrangements	-	-
7.3	Other (PaySure Securitisation Trust)	-	-
7.4	**Total financing facilities**	**2,275**	**1,475**

7.5	**Unused financing facilities available at quarter end**	**800**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Sophisticated and Professional Investors (unsecured):
The material terms of the loan facilities are:
(1) Convertible note from Startrend Investments Pty Ltd & Oriental University City Holdings (H.K.) Limited
• Amount: $1,275,000
• Interest: 10% interest per annum payable quarterly in arrears
• Security: Unsecured
• Repayment: 1 December 2028

(2) Loan from Oriental University City Holdings (H.K.) Limited
• Amount: $1,000,000
• Interest: 10% interest per annum payable quarterly in arrears
• Security: Unsecured
• Repayment: 28 June 2031

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	1,746
8.2	Cash and cash equivalents at quarter end (item 4.6)	354
8.3	Unused finance facilities available at quarter end (item 7.5)	800
8.4	Total available funding (item 8.2 + item 8.3)	**1,154**
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**1.5**

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: **No**. The Company does not expect to continue to have the current level of net operating cash flows. The operating cash outflows recorded during the June 2026 quarter reflect the Company's operating model during the period (comprising direct lending through PaySure Retail Finance Pty Ltd, the associated securitisation trust servicing and funding costs, and the corporate head-office cost base), together with finance cost payments that were concentrated in the quarter.

During the quarter major shareholder Oriental University City Holdings (H.K.) Limited (OUC) invested a further $1,000,000 by way of short-term loan facility which will be converted into a 5-year convertible note subject to Shareholder Approval to be sought at the Company's AGM in November 2026, providing additional funding support through the transition to the distribution model.

In addition, the Company has entered into a Strategic Partnership Agreement with Real Flow Holdings Pty Ltd, comprising an Asset Sale Agreement in respect of the PaySure loan book and a five-year Distribution Agreement (together, the Real Flow Transaction). Settlement of the Real Flow Transaction occurred on 30 April 2026. Following Settlement, the Company has exited direct lending and will operate a capital-light distribution and platform model. This is expected to materially reduce the Company's ongoing net operating cash outflows from Q1 FY27 onwards, as:
• the Company will no longer carry the funding, servicing and credit costs associated with the direct origination of loans;
• recurring distribution revenue share will commence under the Distribution Agreement; and
• corporate cost reductions achieved in H1 FY26 continue to flow through at full run-rate.

8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	Answer: **Yes**. The Company has taken, and proposes to continue taking, the following steps to raise cash to fund its operations: • **OUC funding support**. During the quarter, major shareholder Oriental University City Holdings (H.K.) Limited (OUC) invested a further $1,000,000 by way of short-term loan facility which will be converted into a 5-year convertible note subject to Shareholder Approval to be sought at the Company's AGM in November 2026. • **Real Flow Transaction — capital recovery**. On Settlement of the Real Flow Transaction (30 April 2026), the senior noteholder of the PaySure securitisation trust will be repaid in full and the Company will repatriate first-loss capital previously held in support of the trust. A further approximately $425,000 is receivable by the Company over a 12-month period following Settlement by way of a vendor loan advanced to Real Flow Holdings combined with receivables kept on balance sheet for collection (around $180,000). • **Real Flow Transaction — recurring revenue**. From Settlement, the Company will receive recurring distribution revenue share under the Distribution Agreement. • **Conversion of strategic pipeline**. The Company has a pipeline of contracted and advanced-stage software-as-a-service and transaction-based revenue opportunities across its PropTech and payments platforms. The Company expects progressive conversion of this pipeline during FY26 and FY27. • **Cost discipline**. The Company continues to manage its corporate cost base in line with revenue progression and the transition to the distribution model. Taken together, having regard to the additional funding support provided by OUC and the near-term cash recovery from the Real Flow Transaction, the Board considers that the steps described above are reasonably likely to be successful in meeting the Company's funding requirements for the foreseeable future.
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Answer: **Yes**. The Company expects to be able to continue its operations and to meet its business objectives, on the following basis: • during the quarter, major shareholder Oriental University City Holdings (H.K.) Limited (OUC) invested a further $1,000,000 by way of short-term loan facility which will be converted into a 5-year convertible note subject to Shareholder Approval to be sought at the Company's AGM in November 2026, providing additional funding support for the Company's operations; • settlement of the Real Flow Transaction (30 April 2026) is expected to deliver the near-term capital recovery referred to in Item 8.6.2 and to materially reduce the Company's ongoing operating cash outflows by transitioning the Company from a direct lending model to a capital-light distribution model; • following Settlement, the Company expects to receive recurring distribution revenue share under the Distribution Agreement, together with ongoing revenue from its PropTech and payments platforms, and continues to progress its strategic pipeline of software-as-a-service and transaction-based revenue opportunities; • the Company will continue to manage its corporate cost base, its capital position and its access to further debt and equity funding in line with the Company's operating requirements; and • the Board and management continue to actively monitor the Company's funding position and will take such further steps as they consider necessary or desirable to support the Company's continuing operations. On this basis, the Board has a reasonable expectation that the Company will be able to continue its operations and meet its business objectives.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date:	31 July 2026
Authorised by:	By the Board

(Name of body or officer authorising release – see note 4)

Notes

1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.