

Dataworks Group Limited

ABN 85 612 182 368

Annual Report - 30 June 2025

Dataworks Group Limited
Corporate directory
30 June 2025

Directors	Julian Babarczy (Executive Chairman) Freya Smith (Non-Executive Director) Ian Penrose (Non-Executive Director)
Company secretary	David Franks
Registered office and Principal Place of Business	Level 11 201 Miller Street North Sydney, NSW, 2060 Telephone +61 2 8206 8888 Email: contact@Dataworks.com
Share register	Automic Group Limited Level 5, 126 Philip Street Sydney NSW 2000 Telephone +61 2 8072 1400 Email: info@automic.com.au
Auditor	Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco WA 6008
Solicitors	Thomson Geer
Bankers	St George Bank Limited
Stock exchange listing	Dataworks Group Limited shares are listed on the Australian Securities Exchange. ASX code: DWG
Website	www.dataworksgroup.com.au
Place of Incorporation	Victoria, Australia

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

Directors

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

Julian Babarczy	Executive Chairman
Freya Smith	Non-Executive Director
Ian Penrose	Non-Executive Director

Dividends

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

Result of operations

Driven by the Company's foundational contracts in Australia and Canada and supported by significant business restructuring and efficiency initiatives during the year, operating losses on a normalised basis have been substantially reduced. The reported loss for the consolidated entity after providing for income tax amounted to \$10,033,239 (30 June 2024: \$10,278,358). With these contracts continuing to provide a solid revenue base, together with ongoing efficiency programs, the Company now expects to achieve cashflow positivity during the first half of FY26.

Review of operations

During the year, Dataworks Group continued to operate the world-leading BetStop™ National Self Exclusion Register - a state-of-the-art, Centralised Self Exclusion (CSE) platform that enables problem gamblers in Australia to self-exclude from all iGaming service providers for a minimum of 3 months and up to a lifetime. Operated on behalf of the Australian Government via the Australian Communications and Media Authority, BetStop has delivered robust operating metrics, with increased platform usage by problem gamblers and consistently high levels of system uptime and availability.

Highlights of the year include:

- Secured A\$10m Ontario Self Exclusion Contract
- Secured early extension of the BetStop NSER Contract with initial 2-year renewal.
- Deployment of Core Tech integrated with Microsoft Azure with multi-year SEAF Agreement
- Successful raise of over \$5.0m via Share Placements
- Appointment of Greg Nichelsen as CIO and transition of Julian Babarczy to Executive Chairman
- Realignment of cost base to match revenue generating contracts underpinning a path to cash breakeven in FY26
- Optimisation of business divisions to support focus on the RegTech division, which is seen as the key driver of shareholder value creation

Awarded A\$10m online gambling self-exclusion contract in Ontario, Canada

On the 2nd of August 2024 the company announced that, in conjunction with its North American partner IC360, it has been awarded an initial 5-year contract to provide an online gambling centralised self-exclusion platform for the Canadian province of Ontario.

The contract was awarded to IXUP and IC360, by Ontario's online gaming government agency, iGaming Ontario, after a highly competitive Request for Proposal (RFP) process to provide a new state-of-the-art CSE which will enable the effective self-exclusion of problem gamblers from the Ontario online gambling market.

Secures early extension of BetStop NSER Contract

In March 2025, the Company secured a two-year extension of its exclusive contract to operate BetStop™, Australia's National Self-Exclusion Register (NSER), from the Australian Communications and Media Authority (ACMA). This extension, which runs until at least June 2027 with further renewals anticipated, reinforces DataWorks Group's position as a global leader in Centralised Self-Exclusion (CSE) technology.

The extension is expected to generate at least \$4.25 million in annual revenue, providing reliable recurring income and a strong foundation for the Company's pathway to cash breakeven. It reflects both the robust operational performance delivered to date and the social impact of BetStop, which empowers Australians to safeguard themselves from gambling harm.

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The Board believes this outcome validates the Company's strategy of leveraging its RegTech expertise to deliver secure, scalable, and socially responsible solutions. The proven performance of BetStop not only strengthens our domestic market leadership but also provides a competitive advantage as we pursue new opportunities in Australia and internationally.

Regtech leadership underpinned by strong BetStop execution

The BetStop – National Self-Exclusion Register™ – continues to demonstrate world-class performance as the Company advances its position as the global leader in Centralised Self-Exclusion (CSE) technology.

Following the initial contract renewal in early 2025, BetStop remains in a state of highly successful execution, providing meaningful and recurring cash generation for DataWorks Group. The platform has now:

- Registered more than **45,000 individuals**, with over **30,000 currently active** self-exclusions.
- Completed more than **28 billion verification checks** since launch in August 2023, with response times averaging under **5 milliseconds per check**.
- Achieved **100% system uptime** since inception, underscoring the robustness and reliability of the DataWorks Matching Service.
- Successfully integrated with **202 licensed operators**, including most of the major international gambling organisations (149 currently active).

This proven track record highlights DWG's unique position as the world's sole provider of advanced CSE solutions for the iGaming industry. The continued success of BetStop strengthens the Company's competitive advantage and provides a solid foundation for expanding into new regulatory and commercial opportunities, both domestically and internationally.

Deployment of Dataworks Secure Data Engine Integrated with Microsoft Azure and multi-year SEAF Agreement

On the 11th of September 2024 the company announced the finalisation multi-year contract with Western Australian Biodiversity Science Institute (WABSI) to deploy the Company's Secure Data Engine technology, as well as automated data sharing agreements powered with DWG's Five Safes governance framework, as part of the Shared Environmental Analytics Facility (SEAF) project.

Successful capital raisings to support execution and growth

In September and December 2024, the Company announced two separate capital raisings totalling more than \$5.0 million (before costs) from professional and sophisticated investors. The Placements received strong support from both new and existing institutional investors, including a leading funds management organisation attracted to Dataworks strong social purpose and financial potential.

Proceeds from these raisings have supported the Company's business restructuring efforts and provided a clear pathway toward cash breakeven, while also strengthening the balance sheet and positioning DataWorks Group for future growth.

Appointment of CIO Greg Nichelsen and transition of Julian Babarczy to Executive Chairman

On the 14th of November 2024 the company announced the appointment of Greg Nichelsen as Chief Information Officer (CIO). Mr Nichelsen brings 25 years of leadership in data analytics, having driven transformative data initiatives for major financial institutions globally.

On the 31st of December 2024 the company announced that Mr. Julian Babarczy transitioned from his role as Non-Executive Chairman to Executive Chairman effective from 1 January 2025. This move expands the executive leadership ranks to underpin anticipated growth.

Company Name Change and Share Consolidation

On the 17th of March 2025 the company's shareholders approved a change of company name to Dataworks Group Limited as well as a share consolidation, which were two strategic initiatives that position the Company for its next phase of growth and align with its transition towards greater institutional and potential international investor ownership.

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Financial position

The Company reported sales revenue of \$7,203,965 (30 June 2024: \$6,630,857) for the financial year ended 30 June 2025. The Company continues to invest in its technology platform and at 30 June 2025 had cash and term deposits of \$404,599 (30 June 2024: \$1,147,951).

During the year the Company received an Australian Tax Office R&D tax rebate and other government rebates of \$1,146,903 (30 June 2024: \$1,582,688).

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

On 4 September 2025, 1,652,833 options with an exercise price of \$2.00 expired without exercise or conversion.

On 5 September 2025, the Company entered into a short term working capital/liquidity management facility for \$250,000 which assists with the timing difference between cash inflows and outflows and is contracted to be paid within 90 days.

No other matters or circumstances have arisen since 30 June 2025 that have significantly affected, or may significantly affect the consolidated Company's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Since the listing, the Company has been focused on building out its team, developing its product, defining its brand and expanding its capability to commercialise the Dataworks platform.

The Company continues to progress discussions with potential users of the Dataworks platform and to progress discussions with potential partners as well as explore additional opportunities in the market.

Environmental, Social and Governance

Our environmental commitment

Dataworks is committed to being a responsible and sustainable business. We believe it makes good business sense to have environmental, social and governance (ESG) policies and programs where doing the right thing by our people, our partners, our environment and the communities in which we operate is part of our ethos.

Although the consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth State or Territory law, the Company is seeking to undertake in the future, an analysis of Company objectives that can reduce its environmental footprint.

Risk Management

Identifying and mitigating business risks that may affect the Company's strategy and financial performance is an essential part of the governance framework. This section outlines some of the key risks identified by the Company. They are not listing in importance or likelihood to materialize

RISK AREA	DESCRIPTION
TECHNOLOGY AND SOFTWARE	The Company's business is based on software, source code, technology and computer programs which comprise it's data privacy platforms. There is a risk that this technology and/or software may be superseded or displaced in the market by new technology offerings or software which customers perceive have advantages over the Company's offerings. Furthermore the Company's systems can be affected by numerous factors including by not limited to data losses, computer system faults, failures of or suspension from key data feeds, data network failures, and catastrophic events such as a natural disaster, computer viruses or power failure.
INTELLECTUAL PROPERTY AND OBLIGATIONS	There is a risk that failure or inability to protect intellectual property rights may have a significant adverse effect on operations, financial performance and competitive advantage. Further, there is a risk that the operations, products, services or platforms may infringe the intellectual property rights of third parties. If any claim of litigation is brought against the Company which alleges an infringement on another party's intellectual property rights, this could result in the Company being subject to significant liability for damages or losing the right to use the intellectual property.
REGULATION	Regulation relating to the privacy of personal data continues to evolve in various jurisdictions. Accordingly, there is an exposure to a range of risks relating to compliance with, changes to, or uncertainty in, the relevant legal and regulatory regimes in those jurisdictions. Changes to laws and regulations or failure to comply may have a material adverse effect on the Company's business, financial position and prospects.
SECURITY SOFTWARE TECHNOLOGY BREACHES AND IMPROPER ACCESS TO PERSONAL DATA	By their nature, information technology systems are susceptible to cyber-attacks with third parties seeking unauthorized access to data, networks, systems and databases. Further third party suppliers may receive and store information from the company or its customers and although this information is limited and subject to confidentiality obligations, if third party suppliers fail to adopt or adhere to robust security practices, any such information may be improperly accessed, used or disclosed.
CUSTOMER ENVIRONMENT	The Company provides its customers with technology and data solutions that support data protection and ability to securely share data between different customers. Changes in relation to customers perception of the ability to protect data and cost associated with that may have a direct financial impact on the Company customers and therefore an indirect on the Company's financial performance.

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Corporate Governance

Dataworks Board of Directors is responsible for the corporate governance of Dataworks Group Limited. The Board guides and monitors the business affairs of the Group on behalf of stakeholders and its activities are governed by the Constitution.

Our Corporate Governance Statement is founded on the ASX Corporate Governance Council's principles and recommendations. The statement is periodically reviewed and, if necessary, revised to reflect the changing nature of the industry.

The responsibilities of the Board of Directors and those functions reserved to the Board, together with the responsibilities of the Chief Executive Officer are set out in our Board Charter. To assist with governance Dataworks has established policies.

For copies of policies and charters notes in this section, please visit the Dataworks website and navigate to Investors > Corporate governance.

Information on directors

Name:	Julian Babarczy
Title:	Executive Chairman
Experience and expertise:	Mr. Babarczy is an experienced finance professional, having spent nearly two-thirds of his career in senior investment and leadership roles within one of Australia's largest actively managed hedge funds. Over this time, he was responsible for investments across a broad range of sectors in both listed and unlisted companies, holding positions including Analyst & Portfolio Manager and Head of Australian Equities.
	In recent years, Mr. Babarczy has transitioned to board positions with both listed and unlisted companies and remains an active investor in high-growth businesses.
	Mr. Babarczy holds a Bachelor of Business, completed the Chartered Financial Analyst (CFA) program, and has completed a Graduate Diploma in Mineral Exploration Geosciences from Curtin University.
Other current directorships:	Perpetual Resources Limited (ASX: PEC), Lincoln Minerals Limited (ASX:LML), OreZone Gold Corporation (ASX:ORE).
Former directorships (last 3 years):	nil
Special responsibilities:	Member of the Audit and Risk Committee and Member of the Nomination and Remuneration Committee
Interests in shares:	1,610,487
Interests in options:	1,268,199
Interests in rights:	Nil
Name:	Freya Smith
Title:	Non-Executive Director
Experience and expertise:	Ms. Freya Smith is currently the Chief Legal and People Officer and Company Secretary General Counsel and Company Secretary for Cuscal Limited, an ASX Listed Australian payments company. Before joining Cuscal, Freya was the Group General Counsel and Company Secretary for Claim Central Consolidated, a global insurtech business and prior to that she was Chief Legal Officer and Company Secretary for ASX listed global payments company of OFX Group Limited
	Ms. Smith holds a Bachelor of Commerce and a Bachelor of Laws (Hons), a Master of Laws (High Distinction) and a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia. She is also a member of the Association of Corporate Counsel; Fellow of the Governance Institute of Australia; and a member of the Australian Institute of Company Directors.
Other current directorships:	Nil
Former directorships (last 3 years):	Nil
Special responsibilities:	Chair of the Audit and Risk Committee and Member of the Nomination and Remuneration Committee
Interests in shares:	Nil
Interests in options:	250,000
Interests in rights:	Nil

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Name: Ian Penrose
Title: Non-Executive Director
Experience and expertise: Mr. Penrose is a highly experienced international board member and executive who brings over 25 years of leadership experience in global gambling, technology and sporting sectors. He has significant knowledge of the markets in North and South America, Europe and Australia, and has been licensed by numerous National, State and Provincial Regulators around the world. Ian is also a Chartered Accountant.

Mr. Penrose has a Bachelor of Science (Management Sciences) from the University of Manchester. He has been licensed by regulators in several countries and is also a chartered Accountant.

Other current directorships: Playtech plc - Senior Independent Director

Former directorships (last 3 years): Nil
Special responsibilities: Chair of the Nomination and Remuneration Committee
Interests in shares: 1,192,041
Interests in options: 1,507,030
Interests in rights: Nil

'Other current directorships' quoted above are current directorships for listed entities only and exclude directorships of all other types of entities.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and exclude directorships of all other types of entities, unless otherwise stated.

Company secretary

David Franks from the Automic Group acting as Company Secretary.

David Franks is a Principal of the Automic Group. He is a Chartered Accountant, Fellow of the Financial Services Institute of Australia, Fellow of the Governance Institute of Australia, Justice of the Peace, Registered Tax Agent and holds a Bachelor of Economics (Finance and Accounting) from Macquarie University. With over 30 years' experience in finance, governance and accounting, Mr. Franks has been CFO, Company Secretary and/or Director for numerous ASX listed and unlisted public and private companies, in a range of industries covering energy retailing, transport, financial services, mineral exploration, technology, automotive, software development and healthcare. Mr. Franks is currently the Company Secretary for the following ASX Listed entities: Applyflow Limited, COG Financial Services Limited, Cogstate Limited, Exopharm Limited, IRIS Metals Limited, JCurve Solutions Limited, Noxopharm Limited, Nyrada Inc, White Energy Company Limited and ZIP Co Limited. He was also a Non-Executive Director of JCurve Solutions Limited from 2014 to 2021.

Meetings of directors

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

	Full Board		Audit and Risk Committee		Nomination and Remuneration Committee	
	Attended	Held	Attended	Held	Attended	Held
Julian Babarczy	10	10	5	4	2	2
Freya Smith	10	9	5	5	2	2
Ian Penrose	10	9	5	5	2	2

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

Remuneration report (audited)

The remuneration report details the Key Management Personnel (KMP) remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors. In this report "Executive KMP" refers to members of the Executive team that are KMP and includes Mr. Alastair Watson for the period in which he was Chief Executive Officer for the reporting period, and Mr. Matthew Johnson as Chief Financial Officer.

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 KMP

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's Executive KMP reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns Executive KMP 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 ensures that Executive KMP 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 KMP. 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 reward framework is designed to align Executive KMP 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 share price growth and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- 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; and
- 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 Director's 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 by the Board. 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.

ASX listing rules require the aggregate Non-Executive Directors' remuneration be determined periodically by a general meeting. As outlined in the prospectus dated 3 October 2017 released to the ASX on 14 November 2017, the aggregate remuneration of Non-Executive Directors has been set at an amount not to exceed \$500,000 per annum.

Executive KMP remuneration

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

- Base pay and non-monetary benefits;
- Short-term performance incentives;
- Share-based payments; and
- Other remuneration such as superannuation and long service leave.

The combination of these comprises the Executive KMP's total remuneration.

Fixed remuneration, comprising of base salary, superannuation and non-monetary benefits, is reviewed annually by the Board based on individual and business performance and benchmarking.

Executive KMP may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the company and provides additional value to the Executive KMP.

The short-term incentive ('STI') plan is designed to align the targets of the business with the performance hurdles of Executive KMP. STI is an annual "at risk" opportunity awarded to Executive KMP based on specific annual targets and key performance indicators. Performance conditions are clearly defined and measurable and designed to support the financial and strategic direction of the business and in turn translate to shareholder return. STI is currently awarded to Executive KMP in 100% cash.

The long-term benefits ('LTB') plan includes long service leave and share-based payments. Options and Performance Rights are awarded to Executive KMP over a period of three years based on long-term incentive measures. These include increase in shareholder value relative to the entire market and the increase compared to the consolidated entity's direct competitors.

Details of remuneration

Amounts of remuneration

Details of the remuneration of KMP of the consolidated entity are set out in the following tables.

The KMP of the consolidated entity consisted of the following directors of Dataworks Group Limited:

- Julian Babarczy – Executive Chairman
- Freya Smith - Non-Executive Director
- Ian Penrose - Non-Executive Director
- Alastair Watson - CEO
- Matthew Johnson – CFO

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	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled \$	Total \$
2025							
Alastair Watson	400,000	-	-	46,000	-	52,522	498,522
Freya Smith	56,757	-	-	6,527	-	15,975	79,259
Julian Babarczy*	176,667	-	-	-	-	100,513	277,180
Ian Penrose	138,063	-	-	-	-	564,938	703,001
Matthew Johnson	<u>300,000</u>	<u>25,000</u>	<u>100,000</u>	<u>37,149</u>	<u>-</u>	<u>224,162</u>	<u>686,311</u>
	<u>1,071,487</u>	<u>25,000</u>	<u>100,000</u>	<u>89,676</u>	<u>-</u>	<u>958,110</u>	<u>2,244,273</u>

* Paid through Jigsaw Consulting Pty Ltd a company associated to Julian Babarczy.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled \$	Total \$
2024							
Alastair Watson	33,333	-	-	3,667	-	-	37,000
Freya Smith	56,757	-	-	6,243	-	50,000	113,000
Julian Babarczy*	191,667	-	-	-	-	250,000	441,667
Ian Penrose	59,838	-	-	-	-	250,000	309,838
Matthew Johnson	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>33,000</u>	<u>-</u>	<u>-</u>	<u>333,000</u>
	<u>641,595</u>	<u>-</u>	<u>-</u>	<u>42,910</u>	<u>-</u>	<u>550,000</u>	<u>1,234,505</u>

* Paid through Jigsaw Consulting Pty Ltd a company associated to Julian Babarczy.

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The proportion of remuneration paid 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
Alastair Watson	60%	100%	-	-	40%	-
Freya Smith	100%	56%	-	-	-	44%
Julian Babarczy	100%	43%	-	-	-	57%
Ian Penrose	100%	20%	-	-	-	80%
Matthew Johnson	62%	100%	-	-	38%	33%

Service agreements

Remuneration and other terms of employment for Executive KMP are formalised in service agreements. Details of these agreements are as follows:

Name:	Alastair Watson
Title:	Chief Executive Officer
Agreement commenced:	The principal terms of the Executive Director agreement for Mr. Watson were as follows:
Term of agreement:	(i) A base salary of \$400,000 per annum (exclusive of statutory superannuation). (ii) Entitlement to participate in employee and executive incentive plans and the Company to provide additional bonus and incentives. Mr. Watson has been granted with 1,750,000 Performance Rights. (iii) The agreement has no fixed term and may be terminated with a 3 month notice by either party.
Name:	Matthew Johnson
Title:	Chief Financial Officer
Agreement commenced:	06 December 2021
Term of agreement:	The principal terms of the Executive agreement for Mr. Johnson were as follows:
	(i) A base salary of \$300,000 per annum (exclusive of statutory superannuation). (ii) Entitlement to participate in employee and executive incentive plans and the Company to provide additional bonus and incentives. Mr. Johnson has been granted with 200,000 Performance Rights and 1,250,000 options. (iii) The agreement has no fixed term and may be terminated with a 3 month notice by either party.

The Constitution of the Company provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by a general meeting of Shareholders or, until so, by the Directors. The aggregate remuneration for Non-Executive Directors as outlined in the Prospectus dated 3 October 2017 has been set at an amount not to exceed \$500,000 per annum. The Board has resolved that the Non-Executive Directors' base fee will be \$65,000 per annum for Non-Executive Directors (inclusive of statutory superannuation) and an additional \$10,000 per annum (inclusive of statutory superannuation) for each Board committee that they participate in commencing on Official Quotation. Mr. Penrose and Ms. Smith are Non-Executive Directors as at the date of this report.

Share-based compensation

Issue of shares

There were 5,000,000 (250,000 consolidated) shares issued to the CFO as part of compensation during the year ended 30 June 2025.

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Share-based compensation (Cont.)

Options over equity instruments

The terms and conditions of each grant of options and performance rights over ordinary shares affecting remuneration of directors and Executive KMP in this financial year or future reporting years are as follows:

	FINANCIAL YEAR	OPENING NO.	OPTIONS AWARDED DURING THE YEAR NO.	NO. OF LAPSED DURING YEAR	CLOSING NO. (AFTER 20:1 CONSOL	AWARD DATE	FAIR VALUE PER OPTION AT DATE (\$)	VESTING DATE	EXERCISE PRICE	EXPIRY DATE	VALUE OF OPTIONS GRANTED DURING THE YEAR	VALUE OF OPTIONS EXERCISED DURING THE YEAR
JULIAN BABARCZY	2025	10,000,000	-	10,000,000	-	16/12/22	\$0.014	16/12/22	\$0.06	16/12/24	-	-
	2024	-	25,000,000	-	1,250,000	7/6/24	\$0.010	7/6/24	\$0.60	31/5/27	\$250,000	-
IAN PENROSE	2025	15,000,000	-	15,000,000	-	16/12/22	\$0.014	16/12/22	\$0.06	16/12/24	-	-
	2025	-	25,000,000	-	1,250,000	7/6/24	\$0.010	7/6/24	\$0.60	31/5/27	\$250,000	-
FREYA SMITH	2025	6,000,000	-	6,000,000	-	16/12/22	\$0.014	16/12/22	\$0.06	16/12/24	-	-
	2024	-	5,000,000	-	250,000	7/6/24	\$0.010	7/6/24	\$0.60	31/5/27	\$50,000	-
MATTHEW JOHNSON	2025	-	625,000	-	625,000	24/7/24	\$0.2319	24/7/24	\$0.60	31/5/27	\$144,945	-
	2025	-	625,000	-	625,000	25/11/24	\$0.1267	17/12/24	\$0.60	31/5/27	\$79,217	-

Performance rights

Performance rights over ordinary shares issued to directors and Executive KMP as part of compensation that were issued during the year ended 30 June 2025 are as follows:

	FINANCIAL YEAR	TRANCHE	PERFORMANCE RIGHTS (PR) AWARDED DURING THE YEAR NO.	FAIR VALUE PER PR AT DATE (\$)	EXERCISE PRICE	EXPIRY DATE	NO. OF VESTED DURING YEAR	NO. OF LAPSED DURING YEAR	VALUE OF PR GRANTED DURING THE YEAR	VALUE OF PR EXERCISED DURING THE YEAR
JULIAN BABARCZY	2021*	Tranche 2	2,000,000	\$0.093	-	3/2/26	2,000,000	-	-	\$27,995
	2021*	Tranche 3	2,000,000	\$0.091	-	3/2/26	2,000,000	-	-	\$18,185
MATTHEW JOHNSON	2023**	-	4,000,000	\$0.125	-	3/2/26	-	-	-	-
IAN PENROSE	2022***	Tranche 1	2,500,000	\$0.210	-	31/3/25	2,500,000	-	-	\$525,000
	2022***	Tranche 2	2,500,000	\$0.210	-	31/3/25	-	2,500,000	-	-
	2022***	Tranche 3	6,000,000	\$0.210	-	31/3/25	-	6,000,000	-	-
ALASTAIR WATSON	2025****	Tranche 1	1,250,000	\$0.44	-	31/5/27	-	-	-	-
	2025****	Tranche 2	250,000	\$0.33	-	31/5/27	-	-	\$27,756	-
	2025****	Tranche 3	250,000	\$0.30	-	31/5/27	-	-	\$24,767	-

*Julian Babarczy was issued 6,000,000 performance rights on 3 February 2021 (2,000,000 Tranche 1 Performance Rights vested in FY22; 2,000,000; Tranche 2 Performance Rights which vest on the last to occur of: (i) the date the customer goes live on commercial use of the Company's core technology pursuant to a commercial contract; (ii) the 20 day VWAP of the Company's shares being equal to or greater than \$0.10; and 2,000,000 Tranche 3 Performance Rights which vest on the last to occur of: (i) DATAWORKS achieving revenue in any financial year equal to, or greater than, \$5 million; and (ii) the 20 day VWAP of the Company's shares being equal to or greater than \$0.125.)

**Matthew Johnson was issued 4,000,000 performance rights on the 3rd of February 2023. All rights will vest in the measurement period a) Signed commercial revenue generating contracts; b) Revenue targets c) Successful US Pilot and d) Individual KPI's

***Ian Penrose was issued 11,000,000 performance rights on 7 October 2021. (5,000,000 Class A Rights where a) 2.5m Rights vest upon introduction and completion of 1 or more transactions that add an aggregate of at least A\$2.5m in revenue to the Group in any Measurement Period; b) 2.5m Rights vest upon introduction and completion of 1 or more transactions that add an aggregate of at least A\$6.5m in revenue to the Group in any Measurement Period; and c) provided that, as soon as the A\$6.5m revenue threshold above is reached or exceeded in a particular Measurement Period as a result of one or more transactions introduced, all 5m Rights vest) (6,000,000 Class B Performance Rights, upon the last to occur of each of a) the VWAP of DATAWORKS shares trading on ASX during any rolling period of 20 continuous trading days meets or exceeds a level which is 33% higher than the closing price for DATAWORKS shares as at the grant date; b) the Group achieves revenue of at least A\$5m in any Measurement Period; and c) the recipient has been engaged by the Group for a continuous period of 3 yrs.)

**** Alastair Watson was issued 1,750,000 performance rights on the 18 July 2024. 1.25m these are subject to operational milestones to be determined. 250k of these are subject to achieving a share price of \$0.60c and 250k of these are subject to achieving a share price of \$0.90.

Additional information

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

	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Revenue	7,203,965	6,630,857	1,256,161	977,172	16,750
Profit/(loss) after income tax	(10,033,239)	(10,278,358)	(26,561,261)	(13,662,608)	(5,424,785)

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

	2025	2024	2023	2022	2021
Share price at financial year end (\$)	0.08	0.80	1.00	1.00	3.80
Basic earnings per share (cents per share)	(10.9)	(17.4)	(53.6)	(31.8)	(17.6)

During the financial year shares were consolidated 20:1, prior year balances have been adjusted to reflect.

Additional disclosures relating to KMP

Shareholding

The number of shares in the Company held during the financial year by each director and Executive KMP 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>					
Julian Babarczy*	28,209,758	4,000,000	-	30,599,271	1,610,487
Ian Penrose**	11,315,040	-	12,500,000	22,622,999	1,192,041
Matthew Johnson	415,178	5,000,000	-	5,144,420	270,758
	<u>39,939,976</u>	<u>9,000,000</u>	<u>12,500,000</u>	<u>58,366,690</u>	<u>3,073,286</u>

* Julian Babarczy holds his interests in shares indirectly through Vaucluse Investment Holdings of which he is a beneficiary.

** Ian Penrose holds 64,430 shares indirectly through Dunaswood Limited of which he and his wife are controlling parties

Option holding

The number of options over ordinary shares in the Company held during the financial year by each director and Executive KMP of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Freya Smith	11,000,000	-	-	10,750,000	250,000
Julian Babarczy*	35,363,997	-	-	34,095,798	1,268,199
Ian Penrose	40,140,308	-	-	38,633,278	1,507,030
Matthew Johnson	-	25,000,000	-	23,750,000	1,250,000
	<u>86,504,305</u>	<u>25,000,000</u>	<u>-</u>	<u>107,229,076</u>	<u>4,275,229</u>

* Julian Babarczy holds his interests in shares indirectly through Vaucluse Investment Holdings and Jigsaw Investments Holdings both of which he is a beneficiary.

Performance rights

The number of performance rights over ordinary shares in the company held during the financial year by each Director and Executive KMP of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Performance rights</i>					
Freya Smith	-	-	-	-	-
Alastair Watson	-	35,000,000	-	(33,250,000)	1,750,000
Matthew Johnson	4,000,000	-	-	(3,800,000)	200,000
Julian Babarczy*	4,000,000	-	(4,000,000)	-	-
Ian Penrose	11,000,000	-	(2,500,000)	(8,500,000)	-
	<u>19,000,000</u>	<u>35,000,000</u>	<u>(6,500,000)</u>	<u>(45,550,000)</u>	<u>1,950,000</u>

* Julian Babarczy holds his interests in shares indirectly through Vaucluse Investment Holdings of which he is a beneficiary.

During the financial year shares were consolidated 20:1, balances have been adjusted to reflect.

This concludes the remuneration report, which has been audited.

Dataworks Group Limited
Directors report
30 June 2025

Shares under option

Unissued ordinary shares of Dataworks under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
20 December 2023	20 December 2025	\$1.60	150,000
16 December 2022	3 October 2025	\$0.40	3,080,819
2 June 2023	30 June 2026	\$1.20	375,000
13 June 2023	18 September 2026	\$0.40	8,874,998
4 September 2023	4 September 2025	\$2.00	1,652,833
6 June 2024	31 May 2027	\$0.60	7,949,999
30 June 2023	13 November 2027	\$0.60	2,000,000
6 June 2024	18 March 2028	\$0.60	1,750,000
			<u>25,833,649</u>

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights

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

Grant date	Expiry date	Exercise price	Number under rights
3 February 2023	3 February 2026	\$0.00	944,702
24 July 2024	31 May 2027	\$0.00	1,750,000
			<u>2,694,702</u>

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Dataworks 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 Dataworks 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 (Cth) 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

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former directors of Hall Chadwick WA Audit Pty Ltd

There are no officers of the company who are former directors of Hall Chadwick WA Audit Pty Ltd.

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.

Auditor

Hall Chadwick WA Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

Dataworks Group Limited
Directors report
30 June 2025

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

A handwritten signature in black ink, appearing to read "Julian Babarczy".

Julian Babarczy
Chairman

30 September 2025

To the Board of Directors,

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

As lead audit director for the audit of the financial statements of Dataworks Group Limited and its controlled entities for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 30th day of September 2025
Perth, Western Australia

Dataworks Group Limited
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30 June 2025

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General information

The consolidated financial report covers Dataworks Group Limited (the "Company"/"Dataworks") and its controlled entities (together the "Consolidated Entity" or "Group").

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

Level 11
201 Miller Street
North Sydney, NSW, 2060

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 29 September 2025. The directors have the power to amend and reissue the financial statements.

Corporate Governance Statement

The Corporate Governance Statement is available on the Company's website at <http://www.Dataworksgroup.com.au>.

Dataworks Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Revenue			
Revenue	4	7,203,965	6,630,857
Cost of sales	5	(887,775)	(1,264,841)
Gross profit		6,316,190	5,366,016
Interest revenue calculated using the effective interest method		20,196	7,946
Research & Development Tax rebate		1,146,903	1,582,688
Expenses			
Employee benefits expense	5	(7,341,964)	(6,302,128)
Share-based costs	5/35	(2,253,626)	(2,004,893)
Depreciation and amortisation expense	5	(1,626,105)	(1,907,546)
Occupancy cost	5	(4,740)	643
Loss on Investments	5	(359,020)	-
Administration costs	5	(5,798,929)	(6,221,675)
Finance costs	5	(132,144)	(799,409)
Loss before income tax expense		(10,033,239)	(10,278,358)
Income tax (expense)/benefit	6	-	-
Loss after income tax expense for the year attributable to the shareholders of Dataworks Group Limited	21	(10,033,239)	(10,278,358)
Other comprehensive income for the year, being foreign exchange, net of tax		78,162	(265,637)
Total comprehensive loss for the year attributable to the shareholders of DATAWORKS Limited		<u>(9,955,077)</u>	<u>(10,543,995)</u>
		Cents	Cents
Basic earnings per share	34	(10.9)	(17.4)
Diluted earnings per share	34	(10.9)	(17.4)

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

Dataworks Group Limited
Consolidated statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	7	404,599	1,147,951
Trade and other receivables	8	1,118,113	1,508,041
Work in Progress		20,481	-
Prepayments		-	28,128
Total current assets		<u>1,543,193</u>	<u>2,684,120</u>
Non-current assets			
Property, plant and equipment	9	180,901	302,454
Right-of-use assets	10	663,221	862,188
Intangibles	11	961,169	2,241,459
Investments	12	-	359,020
Deposits	13	<u>270,737</u>	<u>269,939</u>
Total non-current assets		<u>2,076,028</u>	<u>4,035,060</u>
Total assets		<u>3,619,221</u>	<u>6,719,180</u>
Liabilities			
Current liabilities			
Trade and other payables	14	2,244,278	2,296,271
Lease liabilities	15	234,580	223,370
Provisions	16	445,948	444,301
Total current liabilities		<u>2,924,806</u>	<u>2,963,942</u>
Non-current liabilities			
Borrowings	17	-	194,705
Lease liabilities	18	496,886	672,718
Provisions	19	<u>35,254</u>	<u>119,679</u>
Total non-current liabilities		<u>532,140</u>	<u>987,102</u>
Total liabilities		<u>3,456,946</u>	<u>3,951,044</u>
Net assets		<u>162,275</u>	<u>2,768,136</u>
Equity			
Issued capital	20	68,361,060	61,778,002
Reserves	21	12,974,974	17,069,687
Accumulated losses	21	<u>(81,173,759)</u>	<u>(76,079,553)</u>
Total equity		<u>162,275</u>	<u>2,768,136</u>

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

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	52,355,200	18,219,805	(68,590,332)	1,984,673
Loss after income tax expense for the year	-	-	(10,278,358)	(10,278,358)
Other comprehensive income for the year, net of tax	-	(265,637)	-	(265,637)
Total comprehensive loss for the year	-	(265,637)	(10,278,358)	(10,543,995)
Issue of shares	7,219,523	(374,310)	-	6,845,213
Share issue costs - Cash	(942,782)	523,787	-	(418,995)
Conversion of Convertible notes into Shares	2,999,714	(249,714)	-	2,750,000
<i>Transactions with shareholders in their capacity as shareholders:</i>				
Share-based payments (note 35)	-	2,004,893	-	2,004,893
Options Expired	-	(2,789,137)	2,789,137	-
Contingent consideration for DataPOWA acquisition	146,347	-	-	146,347
Balance at 30 June 2024	<u>61,778,002</u>	<u>17,069,687</u>	<u>(76,079,553)</u>	<u>2,768,136</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	61,778,002	17,069,687	(76,079,553)	2,768,136
Loss after income tax expense for the year	-	-	(10,033,239)	(10,033,239)
Other comprehensive income for the year, net of tax	-	78,162	-	78,162
Total comprehensive loss for the year	-	78,162	(10,033,239)	(9,955,077)
Issue of shares	6,781,814	(1,633,314)	-	5,148,500
Share issue costs	(571,458)	268,548	-	(302,910)
Conversion of Convertible notes into Shares	272,702	(22,702)	-	250,000
<i>Transactions with shareholders in their capacity as shareholders:</i>				
Share-based payments (note 35)	100,000	2,153,626	-	2,253,626
Options and performance rights expired/lapsed	-	(4,939,033)	4,939,033	-
Balance at 30 June 2025	<u>68,361,060</u>	<u>12,974,974</u>	<u>(81,173,759)</u>	<u>162,275</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		7,532,847	6,724,189
Interest and other finance costs paid		-	(418,925)
Payments to suppliers and employees		(14,027,405)	(14,155,245)
Interest received		15,654	7,947
Government grants and tax incentives (R&D Incentive, JobKeepers Rebate, Cash Boost, EMD Grant)		<u>1,179,477</u>	<u>1,582,688</u>
Net cash used in operating activities	32	<u>(5,299,427)</u>	<u>(6,259,346)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	9	(22,623)	(316,333)
Payments for investments in term deposits		-	(226,998)
Proceeds from term deposits		-	28,625
Other - DataPOWA cash on acquisition		<u>-</u>	<u>-</u>
Net cash used in investing activities		<u>(22,623)</u>	<u>(514,706)</u>
Cash flows from financing activities			
Proceeds from issue of shares		5,148,500	6,845,214
Payment for share and issue transaction costs		(307,106)	(418,995)
Proceeds from issue of options		-	-
Proceeds of issue of Convertible Note		-	-
Repayment of borrowings		(22,459)	(9,955)
Repayment of lease liabilities		<u>(223,370)</u>	<u>(144,060)</u>
Net cash from financing activities		<u>4,595,565</u>	<u>6,272,204</u>
Net increase in cash and cash equivalents		(726,485)	(501,848)
Cash and cash equivalents at the beginning of the financial year		1,147,951	1,642,869
Effects of exchange rate changes on cash and cash equivalents		<u>(16,867)</u>	<u>6,930</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>404,599</u></u>	<u><u>1,147,951</u></u>

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

Note 1. Material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, 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.

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

Going concern

The financial report has been prepared on a going concern basis which assumes the settlement of liabilities and the realisation of assets in the normal course of business.

The Group has incurred a loss of \$10,033,239 (2024: \$10,278,358) and experienced net cash outflows from operating activities of \$5,299,427 (2024: \$6,259,346). As at 30 June 2025, the Group had cash and cash equivalents of \$404,599 (2024: \$1,147,951).

The Group's ability to continue as a going concern, to recover the carrying value of its assets and meet its commitments as and when they fall due is dependent on the ability of the Group to raise additional capital or obtain external financing in the next few months. The Board is assessing capital raising opportunities as at the date of this report.

The Directors believe that the Group will be able to continue as a going concern after consideration of the following factors:

- The ability of the Company to raise the additional capital, for which it has a successful history in doing so;
- Commercialisation of its intellectual property, to deliver future revenue; and
- Recognising that the priority of the Board and management remains revenue growth and cost reductions.

Whilst the directors acknowledge there are timing risks associated with the completion of successful capital raisings which have a direct impact on the Company's ability to meet liabilities when due, the directors believe that this will be successful.

However, if the capital raising and other factors mentioned above do not eventuate, there is a material uncertainty that may cast significant doubt as to whether the Company will continue as a going concern and, therefore, whether the Company will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Basis of preparation

Dataworks Group Limited is domiciled in Australia. The consolidated financial statements comprise the results of Dataworks Group Limited ("the Company") and its controlled entities ("the Group"). The consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the valuation of share-based payments.

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 Group'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.

Note 1. Material accounting policies (Continued)

The material accounting policies adopted in the preparation of these financial statements are presented below.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 29.

Basis of consolidation

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

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Dataworks Group are eliminated in full on consolidation.

Foreign Currencies

In preparing the financial statements, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Revenue recognition

All revenue is stated net of the amount of goods and services tax (GST).

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step process outlined in AASB 15 which is as follows:

- Step 1: Identify the contract with a customer;
- Step 2: Identify the performance obligations in the contract and determine at what point they are satisfied;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations;
- Step 5: Recognise revenue as the performance obligations are satisfied.

(i) Identification of performance obligations

The Group has determined that for new software sales, the licenses and implementation services are quoted as separate line items and have separate list prices and therefore are not distinct performance obligations as the customer is purchasing customisable software which requires not only the licenses to be provisioned but the software to be installed by a qualified implementation consultant.

Licensing and technical support which is purchased by software customers to assist with their ongoing use of the software and is separate from the software implementation performance obligation.

(ii) Satisfaction of performance obligations

The performance obligation for the implemented software is satisfied at the point in time when the software has been installed and is operating materially as contractually required. It is when the customer has full access to and control of the software

The performance obligation for providing software customers with licensing and technical support remains throughout the contract period so is satisfied over the contract period.

In addition to contracts with customers, the Group receives interest income from monies held in its bank accounts. Interest income is recognised on an accruals basis based on the interest rate, deposited amount and time which lapses before the reporting period end date.

Note 1. Material accounting policies (Continued)

The expected future Research and Development incentive, for past qualifying Research and Development expenditure is accrued as other income when it is established that the conditions of the Research and Development incentive have been met and that the expected amount of the incentive can be reliably measured.

Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to the grant and that the grant will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which grants are intended to compensate. If the grant relates to expenses or losses already incurred by the entity, or to provide immediate financial support to the entity with no future related costs, the income is recognised in the period in which it becomes receivable.

Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Derivative financial instruments

Hedges of a net investment

Hedges of a net investment in a foreign operation include monetary items that are considered part of the net investment. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised directly in equity whilst gains or losses relating to the ineffective portion are recognised in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recognised directly in equity is transferred to profit or loss.

Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

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

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

Financial assets at fair value through profit or loss

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

Financial assets at fair value through other comprehensive income

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

Compound financial instruments

The component parts of convertible loan notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The Conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effect, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion

Note 1. Material accounting policies (Continued)

option is exercised, in which case the balance is recognized in equity will be transferred to the Share premium account. Where the conversion option remains unexercised at the maturity date of the convertible loan note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option. Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method. Refer to note 23 for further information on financial instruments.

Impairment of financial assets

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

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

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Impairment of non-financial assets

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

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

Trade and other receivables

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

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

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Plant and equipment are measured using the cost model.

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. An individual asset will be depreciated in full at the time of purchase if any of the following criteria is met:

Note 1. Material accounting policies (Continued)

- The cost of the asset is less than \$2,000, or
- The asset has an expected useful life of less than 12 months, or
- The asset will become technically obsolete (particularly relating to computer equipment) in less than 12 months.

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	2-7 years
Computer equipment	2-5 years

Right-of-use assets

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

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

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

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

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

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset; and
- how the intangible asset will generate probable future economic benefits.

Amortisation is recognised so as to write off the cost of internally-generated assets over their useful lives, using the straight-line method. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Note 1. Material accounting policies (Continued)

Intellectual property

Significant costs associated with intellectual property are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Trademarks and other intangibles including customer contracts

Significant costs associated with Trademarks and other intangibles are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 8 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3.33 years.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Lease liabilities

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

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

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the notes to the accounts.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The costs of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an appropriate option valuation 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 Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting

Note 1. Material accounting policies (Continued)

conditions.

The costs of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

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

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

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax liabilities are therefore measured at the amounts expected to be paid to / recovered from the relevant taxation authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Note 1. Material accounting policies (Continued)

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 2023. There are no standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 2. Critical accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, which are described in Note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. Alternatively, if the revision affects both current and future periods, the revision to the accounting estimate is recognised in the period of the revision as well as in future periods.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of useful lives of assets

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

R&D Tax Incentive

The Group applies significant judgement in determining whether its activities meet the eligibility criteria under the Research and Development Tax Incentive program, as established by the Industry Research and Development Act 1986 and associated regulations. This includes assessing whether the underlying projects constitute eligible core or supporting R&D activities, whether the activities are undertaken for the purpose of generating new knowledge, and whether the associated costs are directly attributable to those activities.

Key areas of judgement and estimation include:

- Eligibility Assessment — Determining whether specific projects meet the legislative definitions of core or supporting R&D activities.
- Attribution of Expenditure — Estimating the proportion of direct labour, overheads and other costs that are directly attributable to eligible R&D activities.
- Reasonable Assurance — Assessing the likelihood of meeting compliance requirements and receiving payment, considering prior claim history, contemporaneous documentation and, where appropriate, expert advice.
- Measurement of the Incentive — Estimating the expected receivable or refundable amount based on eligible expenditure and applicable rates, noting that amounts may change if the claim is reviewed or amended by the relevant authorities. Where the amount for the current financial year's activities cannot be reliably calculated at balance date, income recognised in the current year reflects the cash receipt (or accrual) for the prior year's activities, as determined by the lodged claim for that period.

These judgements and estimates are reviewed periodically and updated as new information becomes available. Changes in eligibility assessments or incentive measurement may have a material impact on the reported financial results in the period in which they are determined.

Note 3. Operating segments

Identification of reportable operating segments

The Group currently operates in one operating segment being the software industry. The Group continues to consider new projects in this sector and others by way of acquisition or investment. The Group operated in three geographic segments that being Australia, UK and US.

The Group determines and presents segments based on information provided by the Board of directors who collectively are the Group's Chief Operating Decision Maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses.

Operating segment information

FY2025	AUSTRALIA	UK	US	TOTAL	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
REVENUE (\$)						
Sales to external customers	6,758,323	445,642	-	7,203,965	-	7,203,965
Interest Income	20,196	-	-	20,196	-	20,196
Total Revenue	6,778,519	445,642	-	7,224,161	-	7,224,161
Income/(Expenses)						
Other Income	1,146,903	-	-	1,146,903	-	1,146,903
Employee Expenses	(6,367,644)	(974,320)	-	(7,341,964)	-	(7,341,964)
Depreciation and Amortisation	(1,587,154)	(38,951)	-	(1,626,105)	-	(1,626,105)
Other expenses	(8,534,345)	(901,889)	-	(9,436,234)	-	(9,436,234)
Segment Profit	(8,563,721)	(1,469,518)	-	(10,033,239)	-	(10,033,239)
Total Assets	3,525,896	53,393	39,932	3,619,221	-	3,619,221
Total Liabilities	3,115,511	341,435	-	3,456,946	-	3,456,946
FY2024	AUSTRALIA	UK	US	TOTAL	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
REVENUE (\$)						
Sales to external customers	6,233,682	397,175	-	6,630,857	-	6,630,857
Interest Income	7,946	-	-	7,946	-	7,946
Total Revenue	6,241,628	397,175	-	6,638,803	-	6,638,803
Income/(Expenses)						
Other Income	1,338,689	243,999	-	1,582,688	-	1,582,688
Employee Expenses	(7,490,484)	(816,536)	-	(8,307,020)	-	(8,307,020)
Depreciation and Amortisation	(1,525,646)	(381,900)	-	(1,907,546)	-	(1,907,546)
Other expenses	(7,141,388)	(799,798)	(344,098)	(8,285,284)	-	(8,285,284)
Segment Profit	(8,577,201)	(1,357,060)	(344,098)	(10,278,359)	-	(10,278,359)
Total Assets	6,543,668	110,737	64,775	6,719,180	-	6,719,180
Total Liabilities	3,853,724	85,313	12,007	3,951,044	-	3,951,044

Note 4. Revenue

	Consolidated 2025 \$	2024 \$
Software revenue	<u>7,203,965</u>	<u>6,630,857</u>

Revenue is recognized at an amount the company expects to be entitled to over time.

Note 5. Expenses

	Consolidated	
	2025	2024
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Cost of sales</i>		
Cost of sales	(887,775)	(1,264,841)
<i>Depreciation</i>		
Depreciation	359,828	194,087
Amortisation	1,266,277	1,713,459
Total depreciation and amortisation	1,626,105	1,907,546
<i>Administrative Costs</i>		
Professional adviser and legal costs	2,231,630	3,052,563
Consulting costs paid to entities related to the directors	315,680	254,571
Recruitment costs	85,773	94,915
Advertising and promotion	81,179	44,532
Travel and accommodation	271,012	181,999
Software licenses	965,078	608,877
Insurance	401,767	359,680
Other	1,446,810	1,624,538
	5,798,929	6,221,675
<i>Employee benefits expense</i>		
Wages and salaries	6,852,459	6,007,880
Superannuation costs	572,283	535,156
Other employee benefits	(82,778)	(240,908)
	7,341,964	6,302,128
<i>Occupancy costs</i>		
Rent (short term lease payments)	4,740	(643)
Other occupancy costs	-	-
	4,740	(643)
<i>Finance costs</i>		
Interest costs	-	2,083
Interest and finance charges related to Convertible note	-	725,090
Interest and finance charges paid/payable on lease liabilities	132,144	72,236
Finance costs expensed	132,144	799,409
<i>Share-based payments expense</i>		
Share-based payments expense	2,253,626	2,004,893
<i>Loss on investments</i>		
Loss on Ziroh Investment	359,020	-

Note 6. Income tax expense

	Consolidated	
	2025	2024
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(10,033,239)	(10,278,358)
Tax at the statutory tax rate of 25% (2024: 25%)	(2,508,310)	(2,569,590)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	563,407	501,223
Non deductible Impairment of Goodwill	-	-
Non assessable other income	-	-
Non assessable Research & Development refund	286,726	395,672
	(1,658,177)	(1,672,695)
Current year temporary differences not recognised	1,658,177	1,672,695
Income tax expense/(benefit)	-	-

	Consolidated	
	2025	2024
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	50,363,738	41,108,929
Potential tax benefit at statutory tax rates	12,590,935	10,277,231

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The tax rate used for the reconciliation above is the relevant corporate tax rate payable by the Company on taxable profits under Australian tax law.

Deferred tax assets and liabilities

	Consolidated	
	2025	2024
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Employee benefits	(20,695)	(60,227)
Entertainment	(2,501)	(2,527)
Depreciation	5,102	1,722
Payroll accrual	1,448	15,070
Deferred tax assets used to offset deferred tax liabilities	24,053	23,708
Tax losses carried forward.	12,590,935	10,277,231
Deferred tax assets not brought into account	(12,598,342)	(10,254,977)
Total deferred tax assets recognised	-	-

Note 6. Income tax expense (continued)

	Consolidated 2025 \$	2024 \$
Deferred tax liability		
Accrued expenses	(24,053)	(94,833)
Acquisition of Customer Contracts	-	-
Deferred tax assets used to offset deferred tax liabilities	<u>24,053</u>	<u>94,833</u>
	<u>-</u>	<u>-</u>

Deferred tax assets have not been recognised in respect of the above items because it is not possible at this stage of development to explicitly confirm the probability that future taxable profit will be available against which the Company can utilise these benefits.

Note 7. Current assets - cash and cash equivalents

	Consolidated 2025 \$	2024 \$
Cash at bank	354,599	1,097,951
Term deposits	<u>50,000</u>	<u>50,000</u>
	<u>404,599</u>	<u>1,147,951</u>

Term deposits has an interest rate of 4.95% p.a.

Note 8. Current assets - Trade and other receivables

	Consolidated 2025 \$	2024 \$
Trade receivables	1,032,286	1,413,317
GST	85,827	94,724
Provision for doubtful debts	<u>-</u>	<u>-</u>
	<u>1,118,113</u>	<u>1,508,041</u>

Allowance for expected credit losses

The consolidated entity has recognised a doubtful debts expense of \$Nil (2024: \$NIL) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

Trade Receivables (\$)	Gross 2025	Impaired 2025	Net 2025	Past due but no impaired 2025	Gross 2024	Impaired 2024	Net 2024	Past due but not impaired 2024
Not past Due	995,042	-	995,042	-	1,001,341	-	1,001,341	-
Past due up to 30 days	15,745	-	15,745	-	398,776	-	398,776	-
Past due 31 days to 90 days	17,680	-	17,680	-	-	-	-	-
Past due over 90 days	3,819	-	3,819	-	13,200	-	13,200	-
	1,032,286	-	1,032,286	-	1,413,317	-	1,413,317	-

Note 9. Non-current assets - property, plant and equipment

	Consolidated	
	2025	2024
	\$	\$
Computer equipment - at cost.	183,880	161,717
Less: Accumulated depreciation	<u>(147,328)</u>	<u>(122,589)</u>
	<u>36,552</u>	<u>39,128</u>
Office equipment - at cost	321,078	320,618
Less: Accumulated depreciation	<u>(176,729)</u>	<u>(57,292)</u>
	<u>144,349</u>	<u>263,326</u>
	<u><u>180,901</u></u>	<u><u>302,454</u></u>

Reconciliations

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

	Computer equipment \$	Office equipment \$	Total \$
Consolidated			
Balance at 1 July 2023	53,808	3,060	56,868
Additions	11,750	304,583	316,333
Disposals	-	-	-
Exchange Differences	-	-	-
Depreciation expense	<u>(26,430)</u>	<u>(44,317)</u>	<u>(70,747)</u>
Balance at 30 June 2024	39,128	263,326	302,454
Additions	22,163	460	22,623
Disposals	-	-	-
Exchange differences	-	-	-
Depreciation expense	<u>(24,739)</u>	<u>(119,437)</u>	<u>(144,176)</u>
Balance at 30 June 2025	<u><u>36,552</u></u>	<u><u>144,349</u></u>	<u><u>180,901</u></u>

Note 10. Non-current assets - right-of-use assets

	Consolidated	
	2025	2024
	\$	\$
Right-of-use asset	994,832	994,832
Less: Accumulated depreciation	<u>(331,611)</u>	<u>(132,644)</u>
	<u><u>663,221</u></u>	<u><u>862,188</u></u>

The consolidated entity leases an office with lease terms of 5 years. The lease commenced 1 November 2023. Depreciation for the year for the right-of-use asset was \$198,967.

Note 10. Non-current assets - right-of-use assets (continued)

Reconciliations

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

Consolidated	Right-of-use asset \$	Total \$
Balance at 1 July 2023	155,024	155,024
Additions	994,832	994,832
Disposals	(155,024)	(155,024)
Depreciation expense	(132,644)	(132,644)
Balance at 30 June 2024	862,188	862,188
Additions	-	-
Disposals	-	-
Depreciation expense	(198,967)	(198,967)
Balance at 30 June 2025	<u>663,221</u>	<u>663,221</u>

Note 11. Non-current assets - intangibles

	Consolidated	
	2025	2024
	\$	\$
Goodwill - at cost	<u>406,288</u>	<u>406,288</u>
Customer Contracts - at cost	1,344,565	1,344,565
Less: Accumulated amortisation	<u>(1,344,565)</u>	<u>(713,679)</u>
	-	630,886
Website - at cost	1,194,680	1,194,680
Less: Accumulated amortisation	<u>(1,194,680)</u>	<u>(1,180,980)</u>
	-	13,700
Intellectual Property	3,014,316	3,014,316
Less: Accumulated amortisation	<u>(2,459,435)</u>	<u>(1,823,731)</u>
	<u>554,881</u>	<u>1,190,585</u>
	<u>961,169</u>	<u>2,241,459</u>

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Note 11. Non-current assets - 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:

Consolidated	Goodwill \$	Customer Contracts \$	Website \$	Intellectual Property \$	Total \$
Balance at 1 July 2023	406,288	1,344,565	431,412	1,785,457	3,967,722
Additions through business combinations (Note 32)	-	-	-	-	-
Amortisation expense	-	(713,679)	(417,712)	(594,872)	(1,726,263)
Balance at 30 June 2024	406,288	630,886	13,700	1,190,585	2,241,459
Additions	-	-	-	-	-
Amortisation expense	-	(630,886)	(13,700)	(635,704)	(1,280,290)
Impairment expense	-	-	-	-	-
Balance at 30 June 2025	<u>406,288</u>	<u>-</u>	<u>-</u>	<u>554,881</u>	<u>961,169</u>

The Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Goodwill

During the financial year 2023 the company purchased the contract to operate and develop BetStop – The National Self Exclusion register for \$1,325,000. The identification and fair value measurement of the assets and liabilities acquired from the BetStop acquisition are final. Per note 28 \$406,288 has been recognized as Goodwill in relation to the acquisition.

The recoverable amount of the Groups acquisition of Betstop has been determined based on a value of cash flow projections based on financial forecasts approved by the Directors utilizing the following key assumptions:

- FY2025 actuals has been used at year zero and a 3% annual growth rate has been applied over a 5 year period
- Discount rate based on average cost of capital of 14.56%

Goodwill is subject to impairment testing on an annual basis or whenever there is an indication of impairment. Capitalised development costs, website and software costs are subject to impairment testing whenever there is an indication of impairment.

Customer Contracts

During the financial year 2023 the company purchased the contract to operate and develop BetStop – The National Self Exclusion register for \$1,325,000. The identification and fair value measurement of the assets and liabilities acquired from the BetStop acquisition are. Per note 28 \$1,344,565 has been recognized as Customer Contracts in relation to the acquisition.

Customer Contracts are impaired over the period of the contract length.

Website

During the year ended 30 June 2025, the gross carrying value of Website equated to \$1,194,680 (2024: \$1,194,680). This asset is being depreciated on a straight-line basis at 33% per annum.

Accumulated depreciation of this Website totaled \$1,194,680 (2024: \$1,180,980), giving net written down value of \$Nil (2024: \$13,700) at financial year end.

Intellectual Property

During the year ended 30 June 2021, the company completed the strategic acquisition of the entire intellectual property of Data Republic Pty Ltd. The acquisition is capitalised at cost of \$3,014,316 and is being depreciated on a straight-line basis at 20% per annum. During the financial period the Company purchased the trademark, URL and other intellectual property of Playpause for \$25,000 USD

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Accumulated depreciation of this Intellectual Property totaled \$2,459,435, giving net written down value of \$554,881 at financial year end.

Based on the replacement value to develop the intellectual property of Data Republic and the ongoing commercialisation of the software no indicators of impairment were identified as at 30 June 2025.

Note 12. Non-current assets - Investments

	Consolidated	
	2025	2024
	\$	\$
Investments in other entities	-	359,020

Dataworks invested in a convertible note in Ziroh Labs Inc, on 18 April 2022 for \$240k USD. The note had a 12 month maturity date, 5% per annum interest rate and option to be repaid or converted to common stock. Participation in the note allowed Dataworks to purchase a 10 year royalty free licence for Ziroh Labs Inc. products including homomorphic libraries for \$10k USD. Dataworks has written this investment off.

Note 13. Non-current assets - Deposits

	Consolidated	
	2025	2024
	\$	\$
Security Deposit	270,737	269,939

This amount represents two security deposits for the office space rented and US payroll supplier. On termination or cancellation of both contracts the deposits will be refunded.

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2025	2024
	\$	\$
Trade payables	840,943	621,822
Accrued expenses	152,514	145,709
PAYG withholding payable	1,059,869	1,348,843
Superannuation payable	147,894	142,127
Wages payable	-	12,614
Other payables	43,058	25,156
	<u>2,244,278</u>	<u>2,296,271</u>

Refer to note 23 for further information on financial instruments.

The average credit period allowed by trade creditors to the Group which are not related parties is approximately 36 days.

Note 15. Current liabilities – lease liabilities

	Consolidated	
	2025	2024
	\$	\$
Lease liability	234,580	223,370

Refer to note 23 for further information on financial instruments.

This balance relates to the application of accounting standard AASB 16 in effect from 1 July 2019. Refer to note 10 for details.

The consolidated entity leases an office with lease terms of 5 years, which commenced 1 November 2023.

Note 16. Current liabilities – provisions

	Consolidated	
	2025	2024
	\$	\$
Annual leave	367,928	391,281
Long Service Leave	78,020	53,020
	<u>445,948</u>	<u>444,301</u>

Note 17. Non-Current liabilities – Borrowings

	Consolidated	
	2025	2024
	\$	\$
Bank Loans	-	20,560
Convertible Note	-	174,145
	<u>-</u>	<u>194,705</u>

Note 18. Non-Current liabilities – lease liabilities

	Consolidated	
	2025	2024
	\$	\$
Lease liability	496,886	672,718

Refer to note 23 for further information on financial instruments.

Note 19. Non-current liabilities - provisions

	Consolidated	
	2025	2024
	\$	\$
Long service leave	35,254	119,679

Note 20. Equity - issued capital

	2025 Shares	Consolidated 2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	102,224,044	1,542,752,593	68,361,060	61,778,002

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	30 June 2023	1,035,492,675	52,355,200
Issue of shares	11 August 2023	33,333,334	2,000,000
Issue of shares	4 September 2023	12,782,644	766,959
Issue of shares	20 December 2023	3,000,000	374,310
Issue of shares	20 December 2023	2,926,939	146,347
Issue of shares	8 April 2024	144,999,997	2,175,000
Issue of shares	8 April 2024	89,736,673	1,346,050
Issue of shares	16 April 2024	182,146,998	2,732,205
Issue of shares	6 June 2024	38,333,333	575,000
Share issue costs		-	(693,069)
Balance	30 June 2024	1,542,752,593	61,778,002
Issue of shares	24 July 2024	5,000,000	100,000
Issue of shares	3 October 2024	123,233,333	1,848,500
Issue of shares	16 December 2024	320,000,000	3,200,000
Issue of shares	31 December 2024	25,000,000	272,702
Issue of shares	6 January 2025	16,000,000	1,108,314
Issue of shares	18 March 2025	10,000,000	100,000
Consolidation of shares	3 April 2025	(1,939,886,882)	-
Issue of shares	11 April 2025	125,000	525,000
Share issue costs		-	(571,458)
Balance	30 June 2025	102,224,044	68,361,060

Options

Details	Date	Options
Balance	30 June 2023	283,884,999
Cancelled due to forfeiture during the year	Various dates	(56,384,999)
Issue of plan options as part of capital raises	4 September 2024	33,058,032
Issue of plan options to consultants	20 December 2024	3,000,000
Issue of plan options to consultants and Directors	6 June 2024	105,000,000
		368,558,032
Cancelled due to forfeiture during the year	Various dates	(220,000,000)
Issue of plan options to staff	Various dates	54,000,000
Issue to Lead Managers	18 March 2025	40,000,000
Issue of plan options as part of capital raises	Various dates	226,616,664
Issue convertible note redemption	18 March 2025	12,500,000
Issue to Lead Managers	18 March 2025	35,000,000
Consolidation adjustment	21 March 2025	(490,841,047)
Balance	30 June 2025	25,833,649

Note 20. Equity - issued capital (Continued)

Performance Rights

Details	Date	Performance Rights
Balance	30 June 2023	100,757,299
Cancelled due to forfeiture during the year		(3,000,000)
Balance	30 June 2024	97,757,299
Cancelled due to forfeiture during the year	Various Dates	(60,363,263)
Exercised	6 January 2025	(18,500,000)
Issue to Staff	24 July 2024	35,000,000
Consolidation Adjustment	21 March 2025	(51,199,334)
Balance	30 June 2025	2,694,702

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.

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.

Note 21. Reserves

	Consolidated	
	2025	2024
	\$	\$
Foreign currency reserve	(231,256)	(309,418)
Equity-settled reserves	5,968,965	6,480,672
Options reserve	7,237,265	10,898,433
	<u>12,974,974</u>	<u>17,069,687</u>

Equity-settled reserve

To determine the fair value of the warrants, the Dataworks Group Limited engaged the support of a professional adviser, who estimated the fair value of the warrants using a widely accepted valuation methodology and assumptions based on historical data for similar publicly-listed securities.

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration as part of their compensation for services. It is also used to recognise the value of equity benefits issued to advisors.

Movements in reserves

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

Consolidated	Foreign currency reserve \$	Equity-settled reserve \$	Options reserve \$	Total \$
Balance at 1 July 2023	(43,781)	6,480,672	11,782,914	18,219,805
Foreign currency translation	(265,637)	-	-	(265,637)
Share based payments	-	-	2,004,893	2,004,893
Performance rights converted to shares	-	-	(374,310)	(374,310)
Share issue costs - Equity	-	-	523,787	523,787
Conversion of Convertible Note	-	-	(249,714)	(249,714)
Options Expired	-	-	(2,789,137)	(2,789,137)
Balance at 30 June 2024	(309,418)	6,480,672	10,898,433	17,069,687
Foreign currency translation	78,162	-	-	78,162
Share based payments	-	1,149,556	1,004,070	2,153,626
Performance rights converted to shares	-	(1,633,314)	-	(1,633,314)
Share issue costs - Equity	-	-	268,548	268,548
Conversion of Convertible note	-	-	(22,702)	(22,702)
Performance rights lapsed	-	(27,949)	(4,911,084)	(4,939,033)
Balance at 30 June 2025	<u>(231,256)</u>	<u>5,968,965</u>	<u>7,237,265</u>	<u>12,974,974</u>

	2025 \$	2024 \$
Accumulated losses at the beginning of the financial year	(76,079,553)	(68,590,332)
Loss after income tax expense for the year	(10,033,239)	(10,278,358)
Transfer relating to options and rights expired and/or cancelled	4,939,033	2,789,137
	<u>4,939,033</u>	<u>2,789,137</u>
Accumulated losses at the end of the financial year	<u>(81,173,759)</u>	<u>(76,079,553)</u>

Note 22. Equity - dividends

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

Note 23. Financial instruments

Financial risk management objectives

The Group's finance function provides services to the business, co-ordinates access to banking facilities, and monitors and manages the financial risks relating to the operations of the Group in accordance with the decisions of the directors.

In the reporting period, the Group was not exposed to material financial risks of changes in foreign currency exchange rates. Accordingly, the Group did not employ derivative financial instruments to hedge currency risk exposures.

	Consolidated 2025 \$	2024 \$
Financial assets		
Cash and cash equivalents	404,599	1,147,951
Other receivables	1,118,113	1,508,041
	<u>1,522,712</u>	<u>2,655,992</u>
Financial liabilities		
Trade and other payables	2,244,278	2,269,889
Lease Liabilities	731,466	896,088
	<u>2,975,744</u>	<u>3,165,977</u>

Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The group's exposure to the risk of changes in market interest rates relates primarily to the group's cash held on term deposit. A sensitivity analysis was performed and the assessment determined that a movement in interest rates is not considered to be material to the group's profit and loss.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group does not have significant credit risk exposure to any single counterparty at the reporting date.

The credit risk on liquid cash funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group is not exposed to credit risk in relation to financial guarantees given to banks, because it has no such guarantees outstanding at the reporting date.

Note 23. Financial instruments (Continued)

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. The consolidated entity has assessed the expected credit losses to trade receivables and concluded that no allowance is required.

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.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the board of directors, which periodically reviews the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities where possible.

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. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2025	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	840,943	-	-	-	840,943
Other payables	-	1,403,335	-	-	-	1,403,335
<i>Interest-bearing - variable</i>						
Lease liability	10.00%	234,580	234,580	262,306	-	731,466
Total non-derivatives		2,478,858	234,580	262,306	-	2,975,744
Consolidated - 2024						
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	621,822	-	-	-	621,822
Other payables	-	1,648,067	-	-	-	1,648,067
<i>Interest-bearing - variable</i>						
Lease liability	10.00%	223,370	223,370	449,348	-	896,088
Total non-derivatives		2,493,259	223,370	449,348	-	3,165,977

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

Fair value of financial instruments

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

Note 23. Financial instruments (Continued)

Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders. The capital structure of the Group consists of net cash (there were no borrowings at year end offset by cash as detailed in note 7 and equity (detailed in note 21).

As at reporting date, the Group had net assets of \$162,275 (2024: \$2,768,136) and issued capital of \$68,361,060 (2024: \$61,778,002).

Note 24. Key management personnel disclosures

Directors

The following persons were directors and KMP's of Dataworks Group Limited during the financial year:

Julian Babarczy	Chairman and Executive Director
Freya Smith	Non-Executive Director
Ian Penrose	Non-Executive Director
Alastair Watson	CEO
Matthew Johnson	CFO

Compensation

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

	Consolidated	
	2025	2024
	\$	\$
Short-term employee benefits	1,096,487	644,661
Post-employment benefits	89,676	42,910
Share-based payments	1,058,110	550,000
	<u>2,244,273</u>	<u>1,237,571</u>

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Hall Chadwick WA Audit Pty Ltd, the auditor of the Company:

	Consolidated	
	2025	2024
	\$	\$
Audit services - Hall Chadwick WA Audit Pty Ltd		
Audit or review of the financial statements	<u>40,000</u>	<u>35,000</u>

Note 26. Related party transactions

Parent entity

Dataworks Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 30.

Key management personnel

Disclosures relating to key management personnel are set out in note 26 and the remuneration report included in the directors' report.

Note 26. Related party transactions (Continued)

Transactions with related parties

Mr Julian Babarczy is one of the ultimate controlling parties of Jigsaw Consulting Pty Ltd.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The following transactions occurred with related parties and are GST inclusive:

	Consolidated	
	2025	2024
	\$	\$
Payment for goods and services:		
Payment to Jigsaw Consulting Pty Ltd for Director fees and consulting services	176,667	191,667

Receivable from and payable to related parties

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

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.

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2025	2024
	\$	\$
Loss after income tax	<u>(936,583)</u>	<u>(3,243,722)</u>
Total comprehensive loss	<u>(936,583)</u>	<u>(3,243,722)</u>

Note 27. Parent entity information (continued)

Statement of financial position

	Parent 2025 \$	2024 \$
Total current assets	1,103,820	2,443,828
Total non-current assets	1,443,646	1,674,130
Total assets	2,547,466	4,117,958
Total current liabilities	482,199	502,958
Total non-current liabilities	483,186	846,864
Total liabilities	965,385	1,349,822
Equity		
Issued capital	65,338,134	58,840,364
Equity-settled reserves	5,444,270	5,706,263
Options reserve	7,168,730	10,994,323
Accumulated losses	(76,369,053)	(72,772,814)
Total equity	1,582,081	2,768,136

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.

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.

Significant accounting policies

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.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 28. Business combinations

During the FY23 financial year the company purchased the contract to operate and develop BetStop – The National Self Exclusion register for \$1,325,000. The identification and fair value measurement of the assets and liabilities acquired from the BetStop acquisition are provisional and amendments may be made to these figures up to 12 months following the date of acquisition.

Upfront consideration

On completion of the Acquisition, the company made a cash payment to the administrator of \$1.325 million.

Note 28. Business combinations (continued)

The acquired business contributed revenues of \$6,525,750 to the consolidated entity for the period from 1 July 2024 to 30 June 2025.

Details of the acquisition are as follows:

	Fair value \$
Assets	
Contracts: National Self Exclusion Register Agreement	1,344,565
Prepayments	<u>27,976</u>
Liabilities	
Deferred Tax Liability	(336,141)
Employee Leave	<u>(117,688)</u>
Acquisition-date fair value of the total consideration transferred	<u><u>918,712</u></u>
Representing:	
Acquisition-date fair value of total consideration transferred	\$918,712
Goodwill	<u>\$406,288</u>
Net cash used to acquire business	<u><u>\$1,325,000</u></u>

The identification and fair value measurement of the assets and liabilities acquired from the BetStop acquisition are final.

Note 29. Fair value measurement

Fair value hierarchy

This financial liability is measured at fair value by applying management's assessment of the probability of the revenue target being met to maximum fair value payable. and therefore, the fair value is deemed to be a level 3 valuation under AASB 13 *Fair Value* as it is based on unobservable inputs. Change in fair value arising from changes in management's assessment of the likelihood of the target being met are recognised in profit and loss. Changes in management's assessment of the likelihood of the targets being met would change the fair value of the consideration payable in accordance with the terms summarised in Note 14.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal activities	Principal place of business / Country of incorporation	Parent	
			Ownership interest	Ownership interest
			2025 %	2024 %
Dataworks Operations Pty Ltd	Software development	Australia	100%	100%
Dataworks IP Pty Ltd	Software patents	Australia	100%	100%
DataPOWA Ltd	Software development	UK	100%	100%
Dataworks INC	Software development	US	100%	100%

Note 31. Events after the reporting period

On 4 September 2025, 1,652,833 options with an exercise price of \$2.00 expired without exercise or conversion.

On 5 September 2025, the Company entered into a short term working capital/liquidity management facility \$250,000 which assists with the timing difference between cash inflows and outflows and is contracted to be paid within 90 days.

No other matters or circumstances have arisen since 30 June 2025 that have significantly affected, or may significantly affect the consolidated Company's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 32. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2025	2024
	\$	\$
Loss after income tax expense for the year	(10,033,239)	(10,278,358)
Adjustments for:		
Depreciation and amortisation	1,626,105	1,907,546
Share-based payments	2,353,625	2,004,893
Loss on investment	359,020	-
Finance Cost	139,905	380,484
Change in operating assets and liabilities:		
(Increase)/decrease in other receivables and other assets	389,928	(529,502)
Increase in trade and other payables	(51,993)	496,450
(Decrease)/Increase in provisions	(82,778)	(240,909)
Net cash used in operating activities	<u>(5,299,427)</u>	<u>(6,259,396)</u>

Note 33. Non-cash investing and financing activities

During the current year, the Group entered into the following non-cash investing and financing activities, which are not reflected in the consolidated statement of cash flows:

During the year ended 30 June 2025, the Group entered into the following non-cash investing and financing activities, which are not reflected in the consolidated statement of cash flows:

(i) The Company issued 75,000,000 Unlisted Options to Canaccord as part of their fees for providing underwriting and offer management services.

During the year ended 30 June 2024, the Group entered into the following non-cash investing and financing activities, which are not reflected in the consolidated statement of cash flows:

(i) The Company issued 60,000,000 Unlisted Options to Cygnet Capital as part of their fees for providing underwriting and offer management services.(ii) The Company issued 3,000,000 Unlisted Options to Advisors as part of their fees for professional services.

Note 34. Earnings per share

	Consolidated	
	2025	2024
	\$	\$
Loss after income tax attributable to the shareholders of Dataworks Group Limited	<u>(10,033,239)</u>	<u>(10,278,358)</u>
	Cents	Cents
Basic earnings per share	(10.9)	(17.4)
Diluted earnings per share	(10.9)	(17.4)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>92,066,543</u>	<u>1,176,275,178</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>92,066,543</u>	<u>1,176,275,178</u>

Non-Dilutive Securities

As at reporting date, 25,833,649 Unlisted Options (which represent 25,833,649 potential Ordinary Shares) were considered non-dilutive as they would decrease the loss per share

Note 35. Share-based payments and Performance Rights

Shares under option

Unissued ordinary shares of Dataworks under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
20 December 2023	20 December 2025	\$1.60	150,000
16 December 2022	3 October 2025	\$0.40	3,080,819
2 June 2023	30 June 2026	\$1.20	375,000
13 June 2023	18 September 2026	\$0.40	8,874,998
4 September 2023	4 September 2025	\$2.00	1,652,833
6 June 2024	31 May 2027	\$0.60	7,949,999
30 June 2023	13 November 2027	\$0.60	2,000,000
6 June 2024	18 March 2028	\$0.60	1,750,000
			<u>25,833,649</u>

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights

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

Grant date	Expiry date	Exercise price	Number under rights
3 February 2023	3 February 2026	\$0.00	944,702
24 July 2024	31 May 2027	\$0.00	1,750,000
			<u>2,694,702</u>

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

A summary of the Company options and performance rights issued in the financial year is as follows:

	Class of SBP	Quantity	Share price at Grant date	Value recognized during the year	Value to be recognized in future years
Canaccord	Unlisted Options	1,750,000	\$0.60	\$67,056	\$56,105
Canaccord	Unlisted Options	2,000,000	\$0.60	\$201,492	\$25,013
Staff EIP	Performance Rights	944,795	\$0.60	\$283,411	\$-
Exec PR	Performance Rights	1,750,000	\$0.17	\$27,396	
Previous Years	Vesting of SBP			\$3,827,514	
	Forfeiture/Lapse of SBP			(2,153,243)	
	Total SBP for the year			\$	
	Share issue costs recognized as capital raising cost			-	
	Share-based payments recognized in the profit and loss			\$2,253,626	

Dataworks Group Limited
Notes to the financial statements
30 June 2025

Note 35. Share-based payments and Performance Rights (Cont.)

The fair value of the options and performance rights over ordinary shares granted to Executives, Directors and Consultants have been valued using a Black-Methodology:

	Options Issued 4 September 2023	Options issued 20 December 2023	Options issued 31 May 2024	Options issued 24 July 2024	Options issued 25 November 2024
Exercise Price	\$2.00	\$1.60	\$0.60	\$0.60	\$0.60
Grant Price	\$0.92	\$0.70	\$0.30	\$0.021	\$0.126
Grant Date	16/12/22	20/12/23	31/5/24	24/7/24	25/11/24
Volatility	90%	90%	90%	97.21%	103%
Model Used	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes	Black-Scholes
Expiry	4/9/25	20/12/25	31/5/27	31/5/27	31/5/27
Risk free interest rate	4.042%	4.348%	4.328%	4.04%	4.142%
Vesting period	-	-	-	-	-
Number of Options	500,000	150,000	5,250,000	1,350,000	1,350,000
Total Value	\$206,817	\$64,163	\$950,000	\$313,080	171,109
Value recognized during the period	\$206,817	\$64,163	\$950,000	\$313,080	171,109

A summary of the Company options and performance rights issued in the previous financial year is as follows:

	Class of SBP	Quantity	Share price at Grant date	Value recognized during the year	Value to be recognized in future years
Canaccord	Unlisted Options	1,750,000	\$0.08	\$67,056	\$56,105
Canaccord	Unlisted Options	2,000,000	\$0.08	\$201,492	\$25,013
Alastair Watson	Performance Rights	1,750,000	\$0.16	\$52,522	\$105,953
				\$321,070	\$324,571

The fair value of the options over ordinary shares granted to Executives, Directors and Consultants have been valued using a Black-Methodology:

	Options Issued 18 March 2025	Options Issued 13 November 2024
Exercise Price	\$0.60	\$0.60
Grant Price	\$0.16	\$0.24
Grant Date	17/3/25	13/11/24
Volatility	110.6%	103%
Model Used	Black-Scholes	Black-Scholes
Expiry	16/3/28	12/11/27
Risk free interest rate	3.68%	4.142%
Vesting period	-	-
Number of Options	1,750,000	2,000,000
Total Value of options	\$67,056	\$201,492
Value recognized during the period	\$56,105	\$25,013

Note 35. Share-based payments and Performance Rights (Cont.)

Set out below are summaries of performance rights movements during the year:

2025

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/01/2021	03/02/2026	16,000,000	-	(16,000,000)	-	-
05/10/2021	31/03/2025	11,000,000	-	(2,500,000)	(8,500,000)	-
09/12/2021	31/12/2024	50,000,000	-	-	(50,000,000)	-
03/02/2023	03/02/2026	20,757,299	-	-	(19,812,597)	944,702
		-	35,000,000	-	(33,250,000)	1,750,000
		97,757,299	35,000,000	(18,500,000)	(111,562,597)	2,694,702

2024

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
29/01/2021	03/02/2026	16,000,000	-	-	-	16,000,000
13/09/2021	31/12/2023	3,000,000	-	-	(3,000,000)	-
05/10/2021	31/03/2025	11,000,000	-	-	-	11,000,000
09/12/2021	31/12/2024	50,000,000	-	-	-	50,000,000
03/02/2023	03/02/2026	20,757,299	-	-	-	20,757,299
		100,757,299	-	-	(3,000,000)	97,757,299

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.5 years (2024: 1.5 years)

For the performance rights granted or vesting 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	Vesting T1	Probability of Vesting T2	Vesting T3	Risk-free interest rate	Fair value at grant date
03/02/2023	03/02/2026	\$1.00	50.00%	-	-	4%	\$2.496
06/06/2024	18/03/2028	\$0.16	0%	-	-	4%	\$0.16

The performance rights have the following vesting conditions with a grant date of 03/02/2023.

T1 – Measured up to Year 3, a) Signed commercial revenue generating contracts; b) Revenue targets c) Successful US Pilot and d) Individual KPI's

The performance rights have the following vesting conditions with a grant date of 06/06/2024.

T1 – Measured up to Year 3, a) subject to operational milestones to be determined and achieving a share price of \$0.60c and \$0.90c

Note 36. Consolidated Entity Disclosure Statement

Consolidate entity disclosure statement:

Name of Entity	Type of Entity	Trustee, partner or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or Foreign resident	Foreign tax jurisdiction(s) of foreign resident
Dataworks Group Limited	Body Corporate	-	N/A	Australia	Australian	N/A
DATAWORKS Operations Pty Ltd	Body Corporate	-	100%	Australia	Australian	N/A
DATAWORKS IP Pty Ltd	Body Corporate	-	100%	Australia	Australian	N/A
DataPOWA Ltd	Body Corporate	-	100%	United Kingdom	Foreign	United Kingdom
DATAWORKS Inc.	Body Corporate	-	100%	United States of America	Foreign	United States of America

Certain subsidiaries within the Group are considered tax residents in more than one jurisdiction due to differing criteria applied by relevant tax authorities, these subsidiaries are:

- DataPOWA Limited (UK)
- Dataworks Incorporated (US)

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 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 2025 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 consolidated entity disclosure on page 55 is true and correct as at 30 June 2025.

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



Julian Babarczy
Chairman

30 September 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DATAWORKS GROUP LIMITED

Report on the Audit of the Financial Report

Opinion

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

In our opinion:

- a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a net loss of \$10,033,239 during the year ended 30 June 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Key Audit Matters

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

Key Audit Matter	How our audit addressed the Key Audit Matter
Accounting for share based payments As disclosed in note 5 and note 35 to the financial statements, during the year ended 30 June 2025 the Consolidated Entity incurred share based payments of \$2,253,626. Share based payments are considered to be a key audit matter due to - the value of the transactions; - the complexities involved in the recognition and measurement of these instruments; and - the judgement involved in determining the inputs used in the valuations. Management used the Black-Scholes option valuation model to determine the fair value of the options granted. This process involved significant estimation and judgement required to determine the fair value of the equity instruments granted.	Our procedures amongst others included: - Analysing agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments; - Evaluating management's Black-Scholes Valuation Models and assessing the assumptions and inputs used; - Assessing the amount recognised during the period in accordance with the vesting conditions of the agreements; and - Assessing the adequacy of the disclosures included in Note 5 and Note 35 to the financial statements.
Revenue Recognition During the year ended 30 June 2025, the Consolidated Entity generated sales revenue of \$7,203,965. Revenue recognition has been included as a key focus area in the audit report due to its financial significance and the increase in revenue during the year.	Our procedures amongst others included: - Analysing agreements to identify the key terms and conditions of sale; - Evaluated the substance of the sale using the terms and conditions of the underlying transaction agreements; - Assessed revenue recognition in accordance with <i>AASB 15 Revenue from Contracts with Customers</i> to ensure revenue was recognised in the correct accounting period; - Verify cash consideration to bank statements; and - Assessing the adequacy of the disclosures included in notes 4 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity'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, with the exception of the remuneration report and our related assurance opinion.

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error, and 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 Consolidated Entity'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 directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

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

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

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 30th day of September 2025
Perth, Western Australia

Dataworks Group Limited
Shareholder Information
30 June 2025

The shareholder information set out below was applicable as at 23 September 2025.

There is one class of quoted securities, fully paid ordinary shares.

Distribution of Equitable Securities

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

Fully Paid Ordinary Shares

	Ordinary shares Number of holders	Ordinary Shares Number of units	Ordinary shares % Issued Share Capital
1 to 1,000	442	169,349	0.17%
1,001 to 5,000	276	707,785	0.69%
5,001 to 10,000	108	843,460	0.83%
10,001 to 100,000	267	9,907,890	9.69%
100,001 and over	113	90,595,560	88.62%
	1,206	102,224,044	100.00%

Marketable Parcel

There are 726 shareholders with less than a marketable parcel (basis price of \$0.09) as at 23 September 2025.

On-Market Buy-Back

There is no on-market buy-back scheme in operation for the Company's quoted shares.

Unlisted Options

	Unlisted Options Number of holders	Unlisted Options Number of units	Unlisted Options % Issued Share Capital
Unlisted Options at \$0.40, exp 3/10/2025			
0 and up to and including 1,000	1	833	0.03%
1,001 up to and including 5,000	0	0	0.00%
5,001 up to and including 10,000	2	13,749	0.45%
10,000 up to and including 100,000	34	1,491,238	48.40%
Above 100,000	4	1,574,999	51.12%
Unlisted Options at \$1.60, exp 20/12/2025			
10,000 and over	2	150,000	100.00%
Unlisted Options at \$1.20, exp 30/6/2025			
100,000 and over	1	375,000	100.00%
Unlisted Options at \$0.40, exp 18/9/26			
10,000 up to and including 100,000	7	291,079	3.28%
100,000 and over	15	8,583,919	96.72%
Unlisted Options at \$0.60, exp 13/11/27			
100,001 and over	1	2,000,000	100.00%
Unlisted Options at \$0.03, exp 31/05/2027 (Employee Options issued under the Employee Incentive Plan)			
10,001 up to and including	11	463,987	5.84%
100,000 and over	14	7,486,012	94.16%

Unlisted Options (cont.)

Unlisted Options at \$0.60, exp 18/3/2028

100,001 and over	1	1,750,000	100.00%
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Performance Rights

	Performance Rights Number of holders	Performance Rights Number of units	Performance Rights % Issued Share Capital
Performance Rights (Employee Performance Rights issued under the Employee Incentive Plan)			
0 up to and including 1,000	1	364	0.04%
10,000 up to and including 100,000	11	637,500	67.48%
100,001 and over	2	306,836	32.48%
Performance Rights			
100,001 and over	1	1,750,000	100.00%

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	
	Number held	% of total shares issued
JAGGER HOLDINGS	8,798,056	8.61%
JONATHAN ROSHAM	8,470,620	8.29%
JOHN & MYRIAM WYLIE FOUNDATION PTY LTD	6,250,000	6.11%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,305,190	5.19%
DREAVR INVESTMENTS AUSTRALIA PTY LIMITED	4,540,262	4.44%
INTECH SOLUTIONS PTY LIMITED	3,394,620	3.32%
CITICORP NOMINEES PTY LIMITED	3,274,639	3.20%
HOLDREY PTY LTD <DON MATHIESON FAMILY A/C>	2,274,308	2.22%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	2,000,000	1.96%
FNL INVESTMENTS PTY LIMITED	2,000,000	1.96%
KEMBLA NO 20 PTY LTD <CAA A/C>	1,595,633	1.56%
JOSCELYNE INVESTMENTS PTY LIMITED	1,559,665	1.53%
WALSAL NOMINEES PTY LIMITED	1,386,133	1.36%
DR DAVID JEFFREY SIMMONS	1,380,000	1.35%
MR JOEL DAVID WEBB	1,323,251	1.29%
MR WILLIAM ROBERT WALLACE	1,311,454	1.28%
KOLLEY PTY LTD <LUCAS FAMILY A/C>	1,307,083	1.28%
DEAGUE CAPITAL PTY LTD	1,250,000	1.22%
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	1,021,706	1.00%
FNL INVESTMENTS PTY LTD <SUPERANNUATION PLAN A/C>	1,000,000	0.98%
MR PAUL ALEXANDER MCKAY ABERDEEN <PAUL ABERDEEN A/C>	895,833	0.88%
Totals	60,338,453	59.03%
Total Issued Capital	102,224,044	100.00%

Substantial holders

Substantial holders in the Company are set out below:

	Number held	Ordinary Shares % of total shares issued	Date of ASX notice
DECK CHAIR HOLDINGS PTY LTD	8,798,056	8.61%	07/06/24
JONATHAN SAUL ROSHAM	8,470,620	8.29%	26/06/23
JOHN & MYRIAM WYLE FOUNDATION PTY LTD	6,250,000	6.11%	13/12/24
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	5,305,190	5.19%	13/08/24

Restricted Securities

There are no restricted securities on issue.

There are no other classes of equity securities.

Voting Rights

Fully Paid Ordinary Shares

There are 1,274 holders of ordinary shares. On a show of hands every member present at a meeting in person or by proxy will have one vote and upon a poll each share shall have one vote.

Unlisted Options

There are no voting rights attached to Unlisted Options.

Performance Rights

There are no voting rights attached to Performance Rights.

Convertible Notes

There are no voting rights attached to Convertible Notes.

Corporate Governance

The Company's Corporate Governance Statement as at 30 June 2025 as approved by the Board can be viewed at <https://investors.Dataworks.com/investor-centre/?page=corporate-governance>

Stock Exchange on which the Company's Securities are Quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange

Review of Operations

A review of operations is contained in the Directors Report.

Annual General Meeting

The Company advises that the Annual General Meeting ('AGM') of the company is scheduled for 21 November 2025.

Further to Listing Rule 3.13.1, Listing Rule 14.3 and clause 6.2(f) of the Company's Constitution, nominations for election of directors at the AGM must be received not less than 35 Business Days before the meeting, being no later than Monday, 6 October 2025.