Appendix 4E
Preliminary Final Report

1. Company details

Name of entity:	Spenda Limited
ABN	67 099 084 143
Reporting period:	For the year ended 30 June 2025
Previous period:	For the year ended 30 June 2024

2. Results for announcement to the market

	Year ended 30 June 2025 $	Year ended 30 June 2024 $	Movement $	%
Revenues from ordinary activities	11,083,812	5,375,010	5,708,802	106%
Loss from ordinary activities after tax attributable to the owners of Spenda Limited	(24,309,737)	(13,205,019)	(11,104,817)	84%

Refer to commentary on the results of the period within the review of operations and results of the period contained within the financial report.

3. Net tangible assets

	30 June 2025 cents	30 June 2024 cents
Net tangible assets (liabilities) per ordinary security	**(0.001)**	0.001

4. Control gained over entities

Limepay Pty Ltd.
Limepay Credit Pty Ltd.
April Solutions Limited.

5. Loss of control over entities

Not applicable.

6. Dividends

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

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7. Dividend reinvestment plans

Not applicable.

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8. Details of associates and joint venture entities

Not applicable.

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9. Compliance Statement

This report has been prepared in accordance with AASB standards, other AASB authoritative pronouncements and interpretations or other standards acceptable to the ASX. No other standards have been applied. This report and the accounts upon which the report is based use the same accounting policies. This report gives a true and fair view of the matters disclosed.

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10. Audit qualification or review

This preliminary financial report is based on accounts that are in the process of being audited. No disputes or qualifications are likely to occur, as the Company and its controlled entities are not yet profitable and are currently reliant on debt or equity funding to continue as a going concern, as emphasis of matter paragraph, which is not a qualification, regarding going concern is likely to be included in the audit report.

Signed on behalf of the Board of Spenda Limited

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Justyn Stedwell

Company Secretary

29 August 2025

Spenda Limited ABN 67 099 084 143

Preliminary Final Report for the period ended 30 June 2025

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FY25

spenda

Corporate directory

Directors	Peter Richards (Non-Executive Chairman) Adrian Floate (Managing Director and Chief Executive Officer) Stephen Dale (Non-Executive Director)
Company secretary	Justyn Stedwell
Registered office	Building B, The Garden Park 355 Scarborough Beach Road Osborne Park, Perth, Western Australia 6017
Principal place of business	Building B, The Garden Park 355 Scarborough Beach Road Osborne Park, Perth, Western Australia 6017
Share registry	Automic Registry Services Level 5, 126 Philip Street Sydney, New South Wales 2000 Phone (local): 1300 288 664 Phone (international): +61 (2) 9698 5414 www.automic.com.au
Lawyers	Kings Park Legal Pty Ltd 25 Richardson Street West Perth, WA 6005
Bankers	Australia & New Zealand Banking Group Limited 833 Collins Street, Melbourne, Victora 3000
Stock exchange listing	Spenda Limited's shares are listed on the Australian Securities Exchange (ASX code: SPX)
Website	www.spenda.co

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Principal activities

The Group offers an integrated platform that enables businesses across the supply chain to sell better and get paid faster. Spenda is both a software solutions provider and a payment processor, delivering the essential infrastructure to streamline processes before and after the payment event.

The payments solution has two components – Software, Payments and Lending – and enables end to end e-invoicing integration, rapid ordering, digital trust and automated reconciliation. Spenda creates an industry standard operating environment ('SoE') that enables the effective and seamless transfer of data from multiple, disparate software systems in one standardised technology solution. Spenda provides the services of five vendors into one solution with end-to-end software and supply integration as well as ledger-to-ledger integration to improve operational efficiency for all trading parties in the supply chain.

Spenda captures transactions and payments through the value chain, generating layered revenue streams from SaaS, both B2B and B2C payments and B2B supply chain finance. Spenda's ability to analyse and understand payment flows throughout these networks enables the Company to offer customised financing solutions to clients, to improve their working capital efficiency and cash utilisation throughout their operations.

Dividends

The Company did not pay any dividends during the 2025 financial year (2024: $nil). The Directors do not recommend the payment of a dividend in respect to the 2025 financial year.

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Review of results and operations

Results summary

The below table details key financial information for the year ended 30 June 2025 (FY25), with FY24 comparative:

	30 June 2025	30 June 2024	Movement
	$	$	$
Revenue – SaaS and Payments	**7,989,053**	2,842,535	5,146,518
Revenue – Loan Interest	**3,094,759**	2,532,475	562,284
Other income	**2,384,716**	163,702	2,221,014
Total income	**13,468,528**	5,538,712	7,929,816
Cost of services rendered	**(6,128,935)**	(2,246,013)	(3,882,922)
Employee and directors' benefits expense	**(5,609,292)**	(5,545,952)	(63,340)
Other expenses	**(4,258,866)**	(2,919,176)	(1,339,690)
Less: non-cash expenses/benefits			
Share-based payment expense	**(2,488,368)**	(1,823,051)	(665,317)
Fair value adjustment on non-current asset	**(300,000)**	(1,725,000)	1,425,000
Depreciation and amortisation expense	**(4,803,194)**	(3,662,728)	(1,140,466)
Borrowing costs	**(318,146)**	(773,652)	455,506
Impairment of assets	**(13,838,599)**	-	(13,838,599)
Income tax expense	**(32,865)**	(48,159)	15,294
Statutory net loss after income tax expense	**(24,309,737)**	(13,205,019)	(11,104,718)

Revenue for FY25 was $11.1m compared to FY24 revenue of $5.4m, representing an increase of $5.7m or 106%. This increase was predominantly driven by the expansion of services provided to key strategic customers, the acquisition of Limepay Pty Ltd and new revenue streams generated through blending Software, Payments and Lending.

The statutory net loss after income tax expense for FY25 was $24.3m (FY24: loss of $13.2m). The FY24 results included the following non-cash items:

- $13.8m impairment on goodwill and intangible assets;
- $2.4m share-based payments expense;
- $0.3m fair value adjustment through profit or loss;
- $4.8m depreciation and amortisation expense; and
- $0.3m borrowing costs.

Excluding the impact of accounting adjustments, the Company achieved substantial revenue growth with minimal increase in overhead expenses and intends to replicate this outcome in FY26.

Operations summary

In FY25, Spenda built on the foundations from the previous year to achieve long-term, sustainable revenue and earnings. In the past year, Spenda acquired Limepay Pty Ltd ('**Limepay**'), sold it's invoice finance book to Grapple Fund Pty Ltd ('**Grapple**') and entered into a technology services agreement with APG Pay Pty Ltd ("**APG**") to develop and commercialise a closed loop corporate credit and payments platform. Additionally, the company continued to scale all product lines and increased payments volumes across the platform.

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Spenda's One Platform Strategy

Across all partnerships, Spenda is focused on a '**One Platform'** strategy whereby Spenda's goal is to deliver a single integrated platform that streamlines business across the entire supply chain drivind liquidity and payment. We do this by transforming the way businesses trade and get paid by automating workflow processes between and within a business, and improving the organisational visibility, efficiency and cash flow.

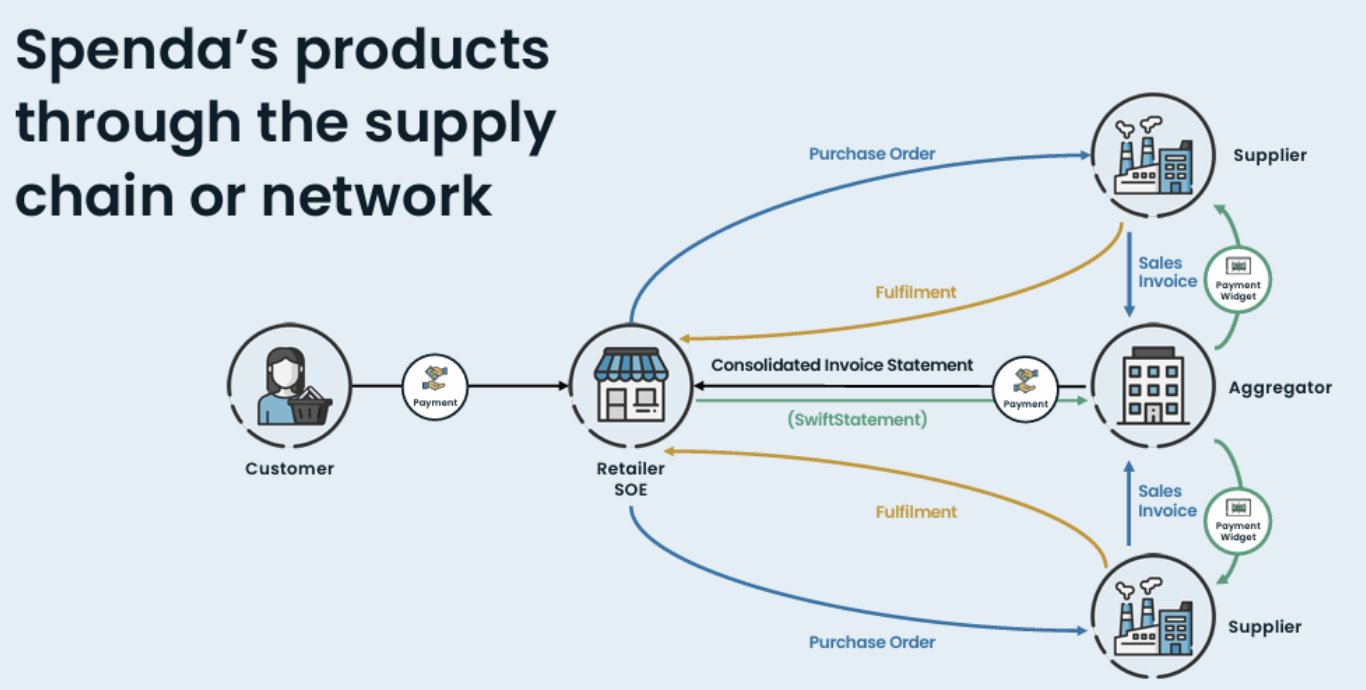

Figure 1. Spenda's One Platform Model

Spenda's strategy is to disintermediate supply chains and aggregator networks with an ecosystem that solves problems throughout the whole supply chain or network.

We do this by end to end digital workflow, with the system providing the quote, invoice payment and reconciliation. Additionally, all data is sync'd seamlessly through real time ledger to ledger integration. It also provides choice, with flexible finance options via embedded payment and credit choices. Finally, it provides a consolidated invoice statement (Swift Statement), which delivers the invoice, full reconciliation and payment all in one.

What this model does is provide business with faster payment flows, reduced operation and administrative costs, automates invoicing and reconciliation and provides enhanced financial insights.

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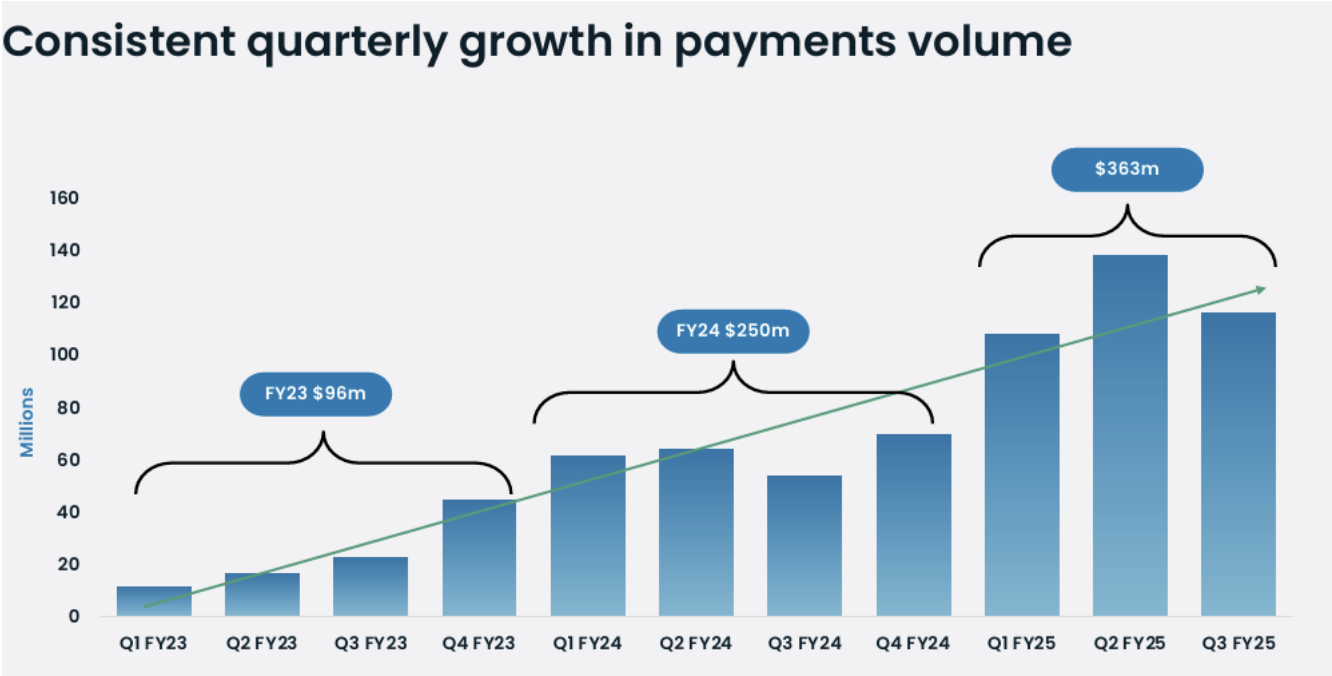

Figure 2: Payments volumes on Spenda platform over past three financial years

Total payment volume on Spenda's platform was up 101% on pcp, from $96m in FY23, $250m in FY24 and $363m in FY25 primarily due to increased volumes through the Carpet Court network and the acquisition of Limepay.

Significant changes in the state of affairs

During the financial year, the Company made a number of strategic initiatives to further refine it's focus on key revenue drivers and bolster its service offerings to its customers.

As announced on July 2024, the Company signed a binding Share Sale Agreement ("**SSA**") to acquire 100% of the issued capital of Limepay Pty Ltd ("**Limepay**"), for up to $8m, in an all-script transaction. The acquisition was completed on the 20th September 2024.

Additionally, the Company executed an asset sale agreement to sell its invoice financing portfolio to Grapple Fund Pty Ltd ('**Grapple'**) for a consideration of $2m, of which $1.5m is deferred in 10 equal instalments to be paid no later than 1 year from completion date.

Lastly, the company entered into a working capital facility of $3m with Capricorn Society Limited ('**Capricorn'**), repayable in quarterly equal instalments commencing April 2027.

Other than as referred to elsewhere in this report, there have been no other significant changes in the state of affairs.

Matters subsequent to the end of the financial year

On August 19th 2025, the Company entered into and drew down funding of a convertible note from Obsidian Global GP, LLC for a total of $1.25M of a total facility limit of $3.5M.

The terms of the note are as follows : -

- Maturity date of 2 years
- Face value of $1.20 per note
- Issue of 100,000,000 placement shares with the investor given the right to buy these shares at a price equal to 90% of the average of the lowest 3 daily VWAP during 15 actual trading days prior.

Apart from the above, no material matters occurred subsequent to the end of the financial year.

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Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

	Note	**30 June 2025** $	**Consolidated** 30 June 2024 $
Revenue			
Revenue – SaaS and Payments		**7,989,053**	2,842,535
Revenue – Loan interest		**3,094,759**	2,532,475
Total revenue	2a	**11,083,812**	5,375,010
Other Income	2b	**2,384,716**	163,702
Expenses			
Cost of services rendered		**(6,128,935)**	(2,246,013)
Employee and directors' benefits expense	3a	**(5,609,292)**	(5,545,952)
Depreciation expense and amortisation expense	3b	**(4,803,194)**	(3,662,728)
Fair value adjustment on non-current asset		**(300,000)**	(1,725,000)
Consulting expense		**(1,307,598)**	(692,282)
Impairment expense	3c	**(13,838,599)**	-
Legal and other professional expense		**(624,066)**	(402,659)
Regulatory listing expense		**(105,356)**	(109,120)
Occupancy expenses		**(252,340)**	(194,390)
Share-based payment expense	11	**(2,488,368)**	(1,823,051)
Other expenses		**(1,681,692)**	(1,476,389)
Finance costs	3d	**(605,960)**	(817,988)
Loss before income tax from continuing operations		**(24,276,872)**	(13,156,860)
Income tax expense	4	**(32,865)**	(48,159)
Loss after income tax for the year		**(24,309,737)**	(13,205,019)
Loss after income tax for the year attributable to owners of Spenda Limited		**(24,309,737)**	(13,205,019)
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign subsidiaries		**(41,028)**	25,153
Total comprehensive loss for the year attributable to owners of Spenda Limited		**(24,350,765)**	(13,179,866)
Loss per share for the year ended attributable to the members of Spenda Limited			
- Basic loss per share (cents per share)	5	**(0.53)**	(0.33)
- Diluted loss per share (cents per share)	5	**(0.53)**	(0.33)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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Consolidated statement of financial position

As at 30 June 2025

	Note	30 June 2025 $	Consolidated 30 June 2024 $
Assets			
Current assets			
Cash and cash equivalents	6	**3,691,523**	9,837,055
Trade and other receivables		**4,551,799**	276,587
Inventories		**-**	40,574
Other current assets		**450,619**	345,766
Financial assets		**184,068**	10,754,227
Total current assets		**8,878,009**	21,254,209
Non-current assets			
Plant and equipment		**47,365**	65,047
Trade and other receivables		**618,856**	594,526
Right-of-use assets	7	**331,984**	418,753
Intangible assets	9	**15,907,946**	28,714,816
Total non-current assets		**16,906,151**	29,793,142
Total assets		**25,784,160**	51,047,351
Liabilities			
Current liabilities			
Trade and other payables		**4,621,419**	1,597,418
Lease liabilities		**138,102**	106,181
Financial liabilities		**903,038**	154,105
Provisions		**757,507**	673,562
Total current liabilities		**6,420,066**	2,531,266
Non-current liabilities			
Trade and other payables		**-**	100,000
Lease liabilities		**282,820**	397,974
Financial liabilities		**3,438,464**	13,227,141
Provisions		**221,364**	286,913
Total non-current liabilities		**3,942,648**	14,012,028
Total liabilities		**10,362,714**	16,543,294
Net assets		**15,421,446**	34,504,057
Equity			
Issued capital	10	**175,858,738**	172,960,699
Reserves	11	**6,041,652**	4,217,547
Accumulated losses		**(166,478,944)**	(142,674,189)
Total equity		**15,421,446**	34,504,057

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

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Consolidated statement of changes in equity

For the year ended 30 June 2025

	Note	Issued capital $	Option Premium Reserve $	Share Based Payment Reserves $	Foreign Currency Translation Reserve $	Accumulated Losses $	Consolidated Total Equity $
Balance as at 1 July 2023		**165,030,603**	**407,158**	**10,153,947**	**3,037**	**(137,406,719)**	**38,188,026**
Loss for the year		-	-	-	-	(13,205,019)	(13,205,019)
Other comprehensive income		-	-	-	25,153	-	25,153
Total Comprehensive loss for the year		**-**	**-**	**-**	**25,153**	**(13,205,019)**	**(13,179,866)**
Transactions with owners in their capacity as owners:							
Expired options		-	-	(7,937,549)	-	(7,937,549)	-
Issue of share capital	19	7,977,321	-	-	-	-	7,977,321
Transactions costs related to share issue	19	(47,225)	-	-	-	-	(47,225)
Share-based payment transactions	20	-	-	1,565,801	-	-	1,565,801
Balance as at 30 June 2024		**172,960,699**	**407,158**	**3,782,199**	**28,190**	**(142,674,189)**	**34,504,057**
Balance as at 1 July 2024		**172,960,699**	**407,158**	**3,782,199**	**28,190**	**(142,674,189)**	**34,504,057**
Loss for the year		-	-	-	-	(24,309,737)	(24,309,737)
Other comprehensive income		-	-	-	(41,028)	-	(41,028)
Total Comprehensive loss for the year		**-**	**-**	**-**	**(41,028)**	**(24,309,737)**	**(24,322,575)**
Transactions with owners in their capacity as owners:							
Expired options		-	(407,158)	(97,824)	-	504,982	-
Issue of share capital	19	2,912,076	-	-	-	-	2,912,076
Transactions costs related to share issue	19	(14,037)	-	-	-	-	(14,037)
Share-based payment transactions	20	-	-	2,370,115	-	-	2,370,115
Balance as at 30 June 2025		**175,858,738**	**-**	**6,028,814**	**(12,838)**	**(166,478,944)**	**15,421,446**

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

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Consolidated statement of cash flows

For the year ended 30 June 2025

	Note	30 June 2025 $	Consolidated 30 June 2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**11,527,838**	5,385,006
Payments to suppliers and employees (inclusive of GST)		**(13,012,768)**	(9,874,272)
Interest received		**73,695**	141,101
Interest and other finance costs paid		**(1,337,662)**	(1,473,613)
Income taxes paid		**(23,340)**	(28,768)
Merchant funds received		**899,940**	-
Net cash used in operating activities		**(1,872,297)**	(5,850,546)
Cash flows from investing activities			
Purchase of plant and equipment		**(51,118)**	(64,308)
Net client loans and debt warehouse inflow		**(3,715,633)**	1,446,886
Payments for unlisted investment and intangibles		**(317,641)**	(700,000)
Proceeds from research and development activities		**1,599,560**	1,369,949
Payments for research and development activities		**(5,369,777)**	(3,369,212)
Proceeds from sale of loan book		**498,355**	-
Other		**210,520**	-
Net cash used in investing activities		**(7,145,735)**	(1,316,685)
Cash flows from financing activities			
Proceeds from issue of shares, net of transaction costs		**-**	7,624,600
Proceeds from borrowings		**3,875,000**	1,400,000
Payments of borrowing and costs		**(1,002,500)**	(369,500)
Net cash inflows from financing activities		**2,872,500**	8,655,100
Net (decrease)/increase in cash and cash equivalents		**(6,145,532)**	1,487,869
Cash at beginning of financial year		**9,837,055**	8,349,186
Cash at end of financial year	6	**3,691,523**	9,837,055

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

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Notes to the consolidated financial statements

For the year ended 30 June 2025

Note 1 Corporate Information

Spenda Limited (referred to as '**Spenda**' or the '**Company**') is a listed public company limited by shares, incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX: SPX). The consolidated financial statements of the Company as at and for the year ended 30 June 2025 comprise the Company and its subsidiaries (collectively referred to as the '**Group**').

A description of the nature of the Group's operations and its principal activities is included in the 'Review of results and operations' in the Directors' Report, which does not form part of this financial report.

Note 2 Revenue and other income

	Consolidated	
	2025	2024
	$	$
2a Revenue		
Recognised at point in time		
Hardware revenue	**-**	136,878
Implementation fees	**38,000**	83,632
License fees	**-**	400,000
Payments revenue	**3,587,455**	404,391
Support services	**102,336**	149,707
Service charges and other fees	**218,273**	234,625
	3,946,064	1,409,233
Recognised over time		
Software as a Service	**1,347,335**	132,259
Software development	**2,695,654**	1,301,043
Loan interest (client loans – note 11)	**3,094,759**	2,532,475
	7,137,748	3,965,777
Total Revenue	**11,083,812**	5,375,010
2b Other Income		
Interest income	**73,749**	161,013
Fair value gain on deferred consideration	**398,227**	-
Gain on disposal of non-current asset held for sale [1]	**1,728,915**	-
Other income	**183,825**	2,689
	2,384,716	163,702

The group derives revenue from the transfer of goods and services over time and at point in time from a single geographical location.

The aggregate amount that has not been recognised is deferred income of $282,658 (FY24: $86,124).

[1] During the financial year ended 30 June 2025, following a strategic review of operations by the Company, management concluded that the invoice finance loan book was unlikely to contribute to the Company's long term financial goals. As such, the Company executed a sale agreement to sell its invoice financing portfolio to Grapple Fund Pty Ltd ('Grapple') for a consideration of $2 million. $500,000 has been received as at 30 June 2025.

As a result of the transaction, the company recognised a gain on its disposal of its invoice finance book as disclosed below.

	2025 $
Assets associated with asset held for sale	**9,996,957**
Liabilities associated with asset held for sale	(13,725,872)
Consideration receivable	2,000,000
Gain on disposal	**1,728,957**

Note 3 Expenses

		Consolidated 2025 $	 2024 $
3a	**Employee and directors' benefits expense**		
	Directors' remuneration [1]	**785,615**	656,484
	Employee and company secretary fees [1]	**4,823,677**	4,889,468
	Superannuation	**975,308**	4,889,468
		5,609,292	5,545,952

[1] A total of $1,488,365 (FY24: $1,195,905) of directors' remuneration and key management personnel is included as a share-based payment expense.

3b	**Depreciation expense and amortisation charge**		
	Depreciation expense	**138,648**	141,495
	Amortisation charge	**4,664,546**	3,521,233
		4,803,194	3,662,728
3c	**Impairment charge**		
	Impairment on goodwill and intangibles	**13,838,599**	-
		13,838,599	-
3d	**Finance Costs**		
	Amortisation of borrowing costs	**318,146**	773,652
	General interest charges	**273,054**	36,372
	Bank fees	**14,760**	7,964
		605,960	817,988

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Note 4 Income tax

The Company has not recognised any deferred tax assets or liabilities in respect to the current year (2024: $nil).

At 30 June 2025, the net deferred tax assets have not been brought to account as realisation is not currently regarded as probable. Deferred tax assets on losses will only be available for recoupment if:

(i) The Company derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deduction for the losses to be realised; and

(ii) The Company continues to comply with the conditions for deductibility imposed by the tax law.

Note 5 Loss per share

Basic loss per share is calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The diluted loss per share is calculated by dividing the net loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Share options are considered to be anti-dilutive.

	Consolidated	
	2025	2024
	$	$
The following reflects the income and share data used in the basic and diluted loss per share computations:		
Loss after income tax expense from continuing operations	**(24,309,737)**	(13,205,019)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	**4,547,593,876**	3,950,705,987
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share	**4,547,593,876**	3,950,705,987
Basic loss per share (cents per share)	**(0.53)**	(0.33)
Diluted loss per share (cents per share)	**(0.53)**	(0.33)

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Note 6 Cash and cash equivalents

	Consolidated	
	2025	2024
	$	$
Cash at bank and in hand	**1,839,575**	4,397,135
Restricted cash – Merchant Funds [2]	**1,851,948**	-
Restricted cash - Invoice Finance client accounts [1]	**-**	5,439,920
	3,691,523	9,837,055

[1] Spenda Cashflow Pty Ltd ("SCF"), a wholly owned subsidiary of the Company, holds 100% of the units on issue (being residual income and residual capital units) in a special purpose Australian law unit trust, called Spenda Cash Flow Trust 1 ("SCFT1").

Restricted cash of $5,439,920 relates to monies held by SCFT1 as at 30 June 2024 for use with its Invoice Finance clients. These monies are not available for use by the Group for purposes other than invoice financing. During the year as disclosed in note 4, the Company sold it's invoice financing portfolio. Hence no restricted cash of this nature is held at 30 June 2025.

[2] Limepay Pty Ltd ("Limepay"), a wholly owned subsidiary of the Company holds monies to be sent on to merchant customers. These monies are not available for use by the Group for purposes other than merchant services, with the exception of historic profits that are held within this reserve. For the total payable balance as at 30 June 2025, refer to note 15.

Note 7 Right of use asset

	Consolidated	
	2025	2024
	$	$
Non-current		
Office space – right of use	**663,967**	628,129
Less: accumulated depreciation	**(331,983)**	(209,376)
	331,984	418,753

On 15 March 2022, the Company signed a Heads of Agreement to commence a new office lease from 1 July 2022 for its Perth based operations. Refer to note 16 for further details.

The Company leases an office located in Perth over a 6-year period. The lease has annual fixed escalation clauses. On renewal, the terms of the lease are renegotiated.

A right of use asset is recognised at the commencement date of the lease. It is measured at cost, adjusted for any lease payments made. They are depreciated on a straight-line basis.

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Note 8 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

	Country of Incorporation	Percentage Owned (%) 2025 %	2024 %
Parent Entity:			
Spenda Limited	Australia	**100%**	100%
Subsidiaries of Spenda Limited:			
Spenda Business Services Pty Ltd	Australia	**100%**	100%
Anthem Software Group Pty Ltd	Australia	**100%**	100%
Spenda Cash Flow Pty Ltd	Australia	**100%**	100%
Spenda Finance Pty Ltd	Australia	**100%**	100%
Spenda India Technologies Private Limited	India	**100%**	100%
Spenda Singapore Pte Ltd	Singapore	**100%**	100%
Spenda Cash Flow Trust 1	Australia	**100%**	100%
Spenda Cash Flow Trust 2	Australia	**100%**	100%
Limepay Pty Ltd	Australia	**100%**	-
Limepay Credit Pty Ltd	Australia	**100%**	-
April Solutions Limited	New Zealand	**100%**	-

Note 9 Intangible assets

	Consolidated 2025 $	2024 $
Software development (a)		
Software development costs	**30,285,089**	22,062,395
Less: Accumulated amortisation	**(19,119,712)**	(10,169,137)
Less: Accumulated impairment charge	**(2,914,984)**	-
	8,250,393	11,893,258
Customer contracts		
Customer contracts	**-**	611,889
Less: Accumulated amortisation	**-**	(611,889)
	-	-
Licenses		
Australian credit License ("ACL")	**110,000**	-
Australian financial service license ("AFSL")	**106,527**	-
Less : Accumulated amortisation	**(5,030)**	-
	211,497	-
Goodwill (b)		
Goodwill on acquisition of ASG (SaaS and payments CGU)	**50,908,765**	50,908,765
Goodwill on acquisition of Limepay (SaaS and payments CGU)	**1,548,113**	-
Less: Accumulated impairment charge	**(52,456,878)**	(41,533,263)
Goodwill on acquisition of Invigo (lending CGU)	**7,446,056**	7,446,056
Total Goodwill	**7,446,056**	16,821,558
Total Intangible assets	**15,907,946**	28,714,816

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(a) Software development costs

Software development costs relate to various forms of Intellectual Property, collectively referred to as the Spenda Product Suite. It comprises of customised applications that integrate data using cloud enabled technologies, payments infrastructure and various other technologies.

(b) Goodwill

Goodwill represents other intangible assets of the business not explicitly recognised on the statement of financial position and includes assembled workforce, technical expertise, distribution channels, customer service capability, product and service support and geographic presence. It will not be deductible for tax purposes. The Group tests whether goodwill has suffered any impairment on an annual basis. Goodwill on ASG relates to the goodwill acquired on the acquisition of Appstablishment Software Group Pty Ltd ('ASG') and Limepay Pty Ltd ('Limepay') and is allocated to the SaaS and payments CGU. Goodwill on Invigo relates to the goodwill acquired on the acquisition of Invigo Pty Ltd and is allocated to the lending CGU.

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Note 9 Intangible assets (continued)

Reconciliations

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

	Goodwill ASG $	Goodwill Invigo $	Goodwill Limepay $	Software Assets $	Other intangible $	Total $
Opening balance as at 1 July 2023	**9,375,502**	**7,446,056**	**-**	**13,237,648**	**177,580**	**30,236,786**
Additions	-	-	-	3,369,212	-	3,369,212
R&D tax incentive	-	-	-	(1,369,949)	-	(1,369,949)
Amortisation charge	-	-	-	(3,343,653)	(177,580)	(3,521,233)
Closing balance as at 30 June 2024	**9,375,502**	**7,446,056**	**-**	**11,893,258**	**-**	**28,714,816**
Opening balance as at 1 July 2024	**9,375,502**	**7,446,056**	**-**	**11,893,258**	**-**	**28,714,816**
Additions	-	-	-	3,262,585	216,527	3,479,112
Acquired on business combination	-	-	1,548,113	2,273,639	-	3,821,752
R&D tax incentive	-	-	-	(1,599,560)	-	(1,599,560)
Amortisation charge	-	-	-	(4,664,546)	(5,030)	(4,669,576)
Impairment	(9,375,502)	-	(1,548,113)	(2,914,984)	-	(13,838,599)
Closing balance as at 30 June 2025	**-**	**7,446,056**	**-**	**8,250,393**	**211,497**	**15,907,946**

Assessment of Impairment

The Group is required to assess the recoverable value for the goodwill that has arisen on the acquisition of Appstablishment Software Group ('**ASG**'), Limepay Pty Ltd ('**Limepay**') and Invigo Pty Ltd ('**Invigo**'). In combination, the Company has identified two separate Cash Generating Units ('CGU'). The ASG & Limepay goodwill balance is in the SaaS and Payments CGU, which is distinguished by its cash flows derived from its software as a service and merchant payments income. The SaaS and payments CGU includes the goodwill of $10,923,615 and intangible assets of $12,447,893 at balance date that are tested for recovery.

The Invigo goodwill, software asset and customer list are included in the lending CGU, which is distinguished by its cash flows derived predominantly through loan interest income on lending products the Group offers. The lending CGU includes the goodwill of $7,446,056 at balance date that are tested for recovery.

Note 9 Intangible assets (continued)

Impairment testing

SaaS and Payments CGU

The recoverable amount of the Group's goodwill and other intangibles has been determined by a value-in-use calculation using a discounted cash flow model, based on a 5-year projection period approved by management, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the SaaS and Payments CGU:

- 28% (2024: 25%) low pre-tax discount rate and 31% (2024: 28%) high pre-tax discount rate;
- 1.5%(2024: 1.5%) per annum projected long term revenue growth rate used in calculating the terminal value;
- 1.5% per annum increase in operating costs and overhead used in calculating the terminal value; and
- Growth rates of 91% in 2026, 129% in 2027, 4% in 2028, 4 % in 2029, 4% in 2030 (2024: 281%, 160%, 4%, 4%, 4%).
- Cost of sales are forecast as a percentage of sales at 19% in 2026, 39% in 2027, 2028, 2029 and 2030 (2024: 44% & 49%)
- Overhead costs (largely being direct salary & wages) are forecast at $3.8m in 2026, $3.8m in 2027, $3.9m in 2028, $3.9m in 2029 and $4m in 2030 (2024 : $3.8m, $3.8m, $3.9m, $3.9m and $4m).

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

Management believes the projected revenue growth rates are prudent and justified, based on the activity and its current deal flow. The significant growth rates in FY25 and FY26 relates to the provision of additional services to two key contracted customers of the group. After the implementation of these services, the forecast growth returns to steady state growth more aligned to long term average growth rate in the industries in which Spenda operates.

There were no other key assumptions for the SaaS and payments CGU.

During this analysis, it was identified that delays in contracted and forecast revenue had led to the recoverable amount exceeding the carrying amount of this CGU.

The directors have made judgments and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur, further impairment may occur. An increase/(decrease) in the discount rate by 5% would lead to an increase/(decrease) in the impairment charge of $1,626,960. An increase/(decrease) in revenue by 5% would lead to an increase/(decrease) in the impairment charge of $1,945,625. The remaining recoverable amount of the CGU is $8.4M.

Based on the above, an impairment charge of $13,838,599 has been applied.

Lending CGU

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

- 26% (2024: 23%) low pre-tax discount rate and 31% (2024: 29%) high pre-tax discount rate;
- 5% (2024: 5%) per annum projected long term revenue growth rate used in calculating the terminal value; and
- 5% (2024: 5%) per annum increase in operating costs and overhead used in calculating the terminal value.
- Growth rates of 10% in 2026, 229% in 2027, 4% in 2028, 4% in 2029 and 4% in 2030 (2024: 110%, 137%, 4%, 4%, 4%).
- Cost of sales are forecast as a percentage of sales at 53.9% in 2026, 54.7% in 2027, 2028, 2029 and 2030 (2024 : 58% & 56%).
- Overhead costs (largely being direct salary & wages) are forecast at $624k in 2026, $654k in 2027, $685k in 2028, $717k in 2029 and $751k in 2030. (2024: $654k, $654k, $685k, $717k & $751k).

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

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Note 9 Intangible assets (continued)

Impairment testing (continued)

Management believes the projected revenue growth rate is prudent and justified, based on the activity and its current and projected deal flow. The significant growth rates in FY26 and FY27 are largely due to the key strategic relationship with APG (as noted in the review of results and operations) and the continued provision of these new services to prospective clients based on current deal flow and internal targets set.

There were no other key assumptions for the lending CGU.

The directors have made judgments and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur, further impairment may occur. An increase/(decrease) in the discount rate by 5% would lead to an increase/(decrease) in recoverable amount of $3,112,642. An increase/(decrease) in revenue by 5% would lead to an increase/(decrease) in the recoverable amount of $2,172,711.

Based on the above, no impairment charge has been applied as the recoverable amount exceeded its carrying amount for the lending CGU.

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Note 10 Contributed equity

	Consolidated	
	2025	2024
	$	$
Ordinary shares	**175,858,738**	172,960,699

Ordinary shares

Holders of ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and moneys paid up on shares held. The fully paid ordinary shares have no par value. Holders of ordinary shares are entitled to one vote, either in person or by proxy at a meeting of the Company.

			Consolidated	
Ordinary shares	**2025**		2024	
	No. Shares	**$**	No. Shares	$
Opening balance	**4,324,457,799**	**172,960,699**	3,650,186,165	165,030,603
Private placement	**-**	**-**	647,086,315	7,662,000
Issued as part of business combination	**264,462,810**	**2,644,628**	-	-
Employee share option plan/incentive plan	**23,294,871**	**237,448**	21,375,000	257,218
Issued in lieu of fees	**3,000,000**	**30,000**	5,810,319	58,103
Transactions costs related to share issue	**-**	**(14,037)**	-	(47,225)
Closing balance	**4,615,215,480**	**175,858,738**	4,324,457,799	172,960,699

Shares issued under the ESIP are valued at the date they were issued. The expense is recognised as part of the salaries and wages balance for the salary sacrificed shares and share based payment expense for ESIP shares issued.

Note 11 Share Based Payments

	Consolidated

Share Based Payment Reserves

Share Based Payment and Option Premium Reserve	Consolidated 2025 $	2024 $
Opening Balance	**3,782,199**	10,153,947
Options (expired)/exercised	**(97,824)**	(7,937,549)
Vesting charge on issued options	**2,370,115**	1,565,801
Closing balance	**6,054,490**	3,782,199

Note 12 Segment reporting

The Group's operating segment is based on the internal reports that are reviewed and used by the Board of Directors (being the Chief Operating Decision Maker ('**CODM**')) in assessing performance and in determining the allocation of resources. The Group operates predominantly in the IT software, payments and non-bank lending industry sectors.

Segment	Principal Activities
SaaS and Payments	Provision of software as a service to business customers and merchant payment services.
Lending	Provision of lending services to business customers
Unallocated	Unallocated includes certain head office costs and costs not directly attributable to either segment.

	SaaS & Payments $	Lending $	Total $
For the year ended 30 June 2025			
Revenue	7,989,053	3,094,759	**11,083,812**
Other income	398,227	1,986,489	**2,384,716**
EBITDA	4,002,741	4,313,196	**8,573,511**
Corporate EBITDA			**(12,368,712)**
Depreciation and amortisation			**(4,803,194)**
Finance costs			**(1,839,878)**
Impairment	(13,838,599)		**(13,838,599)**
Loss before income tax	(9,835,858)	4,313,196	**(24,276,872)**
Income tax benefit			**(32,865)**
Loss after income tax	(9,835,858)	4,331,196	**(24,309,737)**

All of the Group's revenues are derived from Australian based entities. One customer generates revenue greater than 10% of the Group's total revenue in the SaaS & Payments segment.

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In the statement of profit or loss and other comprehensive income, cost of services rendered includes interest expense on borrowings. For the purpose of calculating EBITDA it has been reallocated to finance costs, as noted above.

	SaaS & Payments $	Lending $	Unallocated $	Total $
For the year ended 30 June 2025				
Total assets	14,232,034	9,638,913	**1,913,213**	**25,784,160**
Total liabilities	(952,929)	(407,684)	**(9,002,101)**	**(10,362,714)**
Net assets/(liabilities)	13,279,105	9,231,229	**(7,008,888)**	**15,421,446**

	SaaS & Payments $	Lending $	Total $
For the year ended 30 June 2024			
Revenue	2,414,315	2,960,695	**5,375,010**
Other income	-	-	**163,702**
EBITDA	(1,987,989)	1,496,165	**(7,163,053)**
Corporate EBITDA			**(6,671,229)**
Depreciation and amortisation			**(3,662,728)**
Finance costs			**(2,331,079)**
Loss before income tax	(5,270,211)	(1,072,734)	**(13,156,860)**
Income tax benefit	-	-	**(48,159)**
Loss after income tax	(5,270,211)	(1,072,734)	**(13,205,019)**

	SaaS & Payments $	Lending $	Unallocated $	Total $
For the year ended 30 June 2024				
Total assets	22,412,103	24,486,236	**4,149,012**	**51,047,351**
Total liabilities	(426,770)	(13,428,585)	**(2,687,939)**	**(16,543,294)**
Net assets/(liabilities)	21,985,333	11,057,651	**1,461,073**	**34,504,057**

All material company assets and liabilities are held in Australia.

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Note 13 Business Combination

On 20 September 2024, Spenda acquired 100% of the ordinary share capital of Limepay Pty Ltd for a total up front consideration of $2,049,587 by the issue of 204,958,678 ordinary shares and tranche 1 shares of 59,405,132. The company also agreed to deferred consideration of tranche 2 shares of $2.4M on the Company achieving annual recurring revenue of $4.8M or 3 months revenue of at least $1.2M and tranche 3 shares of $2.4M on the Company achieving annual recurring revenue of $7.2M or 3 months revenue of at least $1.8M. The goodwill of $1,548,113 represents the expected synergies from merging the business with the existing payments infrastructure that Spenda currently operates within. The acquired business contributed revenue of $3,318,550 to the Group for the period from 20 September 2024 to 30 June 2025 and net loss after tax of $1,556,847. If the acquisition had occurred on 1 July, the total contribution to the Group would have been $3,861,385 and a net loss after tax of $2,941,501. The values identified in relation to the acquisition of Limepay Pty Ltd are final as at 30 June 2025. All transaction costs incurred were expensed ($83,990).

In relation to the business acquisition, the consolidated entity has finalised the fair value of the assets and liabilities as at the date of the acquisition.

	Consolidated 2025 $
Balance Sheet	
Cash & cash equivalents	210,520
Trade & other receivables	520,055
Other current assets	165,431
Plant & equipment	6,794
Intangible assets	2,273,639
Trade & other payables	(377,788)
Other loans	(60,000)
Provisions	(214,234)
Net assets acquired	2,524,417
Excess consideration over net assets acquired	1,548,113
Acquisition date fair value of consideration	4,072,529
Representing	
Cash paid or payable to vendor	-
Share based consideration	2,644,628
Deferred share based consideration	1,427,901

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