



ANNUAL REPORT **FY25**

HIGHLIGHTS FROM A YEAR OF **ACHIEVEMENTS**



# Our vision is to advance mission-critical connectivity through remarkable innovation.

Our mission is to put high-speed internet and reliable communications into the hands of those who need it most – whenever they need it.

We are an Australian mission-critical communications company that delivers smart connectivity for frontline public safety organisations and businesses with operations in remote areas. As a Starlink Authorised Reseller and Integrator, we develop plug-and-play and bespoke communications solutions that are saving lives and transforming businesses around the world.

As we reflect on the past year's achievements, challenges and milestones, we are excited to share our journey to date and give you a glimpse of what's coming next.

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# Our year through the CEO's eyes

## **Dear Shareholders,**

I am honoured to present Hypha's FY2025 Annual Report. Your unwavering support has been instrumental to our success, and I am pleased to report that this year has been one of **strong operational performance, improved financial resilience, and significant progress across our strategic priorities.** Despite challenges in the global business environment, we have built on last year's foundations to strengthen Hypha's position for sustainable growth.

## **Growth and Scale**

FY2025 was another year of exciting growth — in ideas, in capability, and in the scale of our business. What began as a small start-up has grown into a thriving enterprise of nearly 40 talented employees who now drive our vision forward. Our expansion has required us to move into two buildings, with plans already underway to further increase capacity to accommodate new talent and operations. These “growing pains” are a testament to the demand for Hypha's services and the opportunities ahead.

## **People and Culture**

Recruiting the right people remains one of our most important and rewarding challenges. We believe that culture is the cornerstone of our success, and one of our greatest strengths lies in the world-class team we have assembled. Their creativity, dedication, and pursuit of excellence continue to define Hypha's reputation and differentiate us in the market.

We remain committed to creating a workplace where people are empowered to innovate, collaborate, and deliver at the highest standards. Our investment in people is not just about filling roles — it is about fostering a culture that sustains long-term growth and performance.

## **Strategic and Financial Performance**

Throughout the year, Hypha has remained focused on delivering value to our stakeholders through strategic initiatives, disciplined execution, and prudent financial management.

**Financial Strength:** We closed the year with a stronger balance sheet than in FY2024, reflecting disciplined cost management alongside revenue growth. This resilience positions us to reinvest in growth while maintaining stability.

**Operational Excellence:** Across all parts of the business, we achieved key technical and commercial milestones, strengthening our ability to deliver world-class solutions.

**Innovation Pipeline:** Our commitment to research and development ensures that Hypha remains at the forefront of our industry. FY2025 saw us invest in scalable platforms and new product capabilities that will underpin future growth.

## **Expanding Our Horizons**

In FY2025, we accelerated our efforts to explore international opportunities. We made important progress in identifying potential partnerships in the United States, the Middle East, and Europe.

These discussions open the door to scaling Hypha's solutions globally and building long-term relationships with large and influential businesses.

While these opportunities are exciting, we remain clear-eyed about our approach. Growth will be pursued responsibly, with an unwavering commitment to quality, professionalism, and shareholder value.

### Challenges and Opportunities Ahead

One of the paradoxes of our success is that the opportunities before us may exceed the pace at which we can responsibly execute. We are determined not to compromise quality for expediency. This disciplined approach ensures that every project and partnership undertaken strengthens Hypha's reputation and delivers enduring results.

The broader economic environment remains dynamic, with shifting global markets, evolving customer needs, and rapid technological change. We see these not as obstacles but as opportunities to differentiate Hypha through **innovation, agility, and customer focus**.

“

With a clear strategic vision, a strong financial position, and a deeply committed team, Hypha is exceptionally well-positioned for FY2026 and beyond.

”

### Looking Forward

Our priorities in the year ahead include:

**1. Scaling Internationally** – advancing partnerships and entry into new markets.

**2. Deepening Innovation** – continuing to invest in technical excellence and product development.

**3. Strengthening Culture** – ensuring our people and values grow alongside our business.

**4. Sustainable Growth** – maintaining financial discipline while seizing opportunities that create long-term value.

Finally, I extend my heartfelt gratitude to the entire Hypha team. Their tireless efforts, creativity, and passion have driven our success and will continue to shape our future. I also thank our shareholders for their continued trust and confidence. Your support empowers us to dream bigger, reach further, and create solutions that test the boundaries of what is possible.

Together, we will continue to pursue excellence, expand our impact globally, and build lasting value for all stakeholders.

Sincerely,

Neil Jamieson  
**Chief Executive Officer**



# Inside Operations:

## A year of growth and Impact

### COO's report

#### **Dear Stakeholders,**

As the Chief Operations Officer for the Group, it is my pleasure to provide an update on the things we have done, the successes we have delivered, the milestones we have achieved during the year.

As you know, our biggest and most ambitious project that we have undertaken has been the Rural Fire Service (RFS) contract which was awarded to Hypha last year. During the course of this financial year, we have been awarded the Works packages which details the scope and extent of the work to be done. RFS has been an enormous project for us where we act not only as supplier but a partner delivering the outcomes as agreed with RFS.

#### **NSW Rural Fire Project Report**

Its been a big year for the Rural Fire Project of over 5,000 vehicles being equipped with the Hypha VaaN (VaaN) solution. Throughout the year a firm partnership has been established between NSW RFS and Hypha to achieve a comms enabled workforce everywhere they operate.



In the first period of design and production around 1,000 Hypha VaaN units have been built in the Hypha factory with nearly 250 units installed by the customer in the rural fire vehicles. The speed of field rollout across rural NSW, by RFS, has shown to be less than hoped for due to the large variation in vehicle models and ages. This was hampering the ability of the RFS to deliver the efficiency benefits and safety of the crew and public.



In response to this Hypha developed the Hypha-ONE, an 'All in One' solution that replaces the existing VaaN design. This design fits inside one enclosure and is simply mounted on the roof of the fire vehicle and power is added. This greatly accelerates the installation time and will remove years off the forecast rollout and is an example of the partnership between Hypha and the NSW Rural Fire Service team. Comprising over 100 parts and detailed software configurations

Hypha expect to be producing testing and commissioning in the order of 300 of these units for the RFS project each month.



### Real life results

As a company we feel a true sense of pride when the Hypha VaaN solution proves its ability save lives and improve public safety outcomes. Several cases have already been reported in areas where the RFS crews were able to manage serious incidents to the benefit of crews and the public in areas where there was no communication without the VaaN units.



### Ten Mile Hollow

A 64-year-old man suffered serious injuries after a fall near his campground. The area is notoriously remote with no mobile or radio coverage. The incident occurred on a cold June night, escalating the urgency. RFS deployed a vehicle equipped with Hypha VaaN solution which enabled real time connectivity in terrain with zero comms infrastructure. The VaaN created a critical link between the RFS crew, the RFS Communication Centre, the NSW Ambulance command and medical expertise. The RFS crew were able to work directly with Ambulance Control staff to triage injuries. They further learned of an unexpected delay with

the ambulance further informing triage decisions.

Without the Hypha VaaN solution the RFS crews would have been making medical triage decisions in isolation with no idea of when assistance might arrive with potential for a very different outcome.



The crew would have been isolated both physically and technologically...



**Nathan Barnden**  
Hills District Inspector

We look forward to a strong year ahead with the Hypha-ONE and other project software and hardware progression.

### Hypha RFS team.

## **We've got you (and each other)**

We're reliable, trustworthy and stand behind our work, because clients depend on us to save lives.

## **We aren't afraid to tell it like it is**

We're transparent and ethical. It's safe to speak up honestly within the team and expected that we're upfront with clients.

# OUR FAVORITE

## **We push the boundaries**

Our company started because of a lack of progress in the industry. Everything we do must be ambitious and innovative.

## **We put family first – always**

We never put work before family, and our inclusive team respects people for who they are and what they bring to the table.

# In memory of **Ray Barnes**

**The passing of Ray has created a profound void within our Hypha community. His innovative spirit and unmatched expertise have not only enriched our team but have also paved the way for countless advancements within our organisation.**

Ray's legacy will forever inspire the innovation and ingenuity he brought to Hypha. His "never say can't" attitude has been central to our success, and without it, Hypha wouldn't be where it is today. Though Ray is no longer with us, his spirit remains a guiding force, and his influence will always be recognised and remembered.

As we reflect on his contributions, we're reminded of the lasting impact he had on our company's culture and vision. Ray's presence continues to be deeply missed, but his memory and technical brilliance will continue to drive Hypha forward, inspiring us to achieve new heights in innovation and excellence.





we are  
**trusted**  
by



**St John**



# Strategic Plan

Hypha's strategy for the coming years is centered on sustainable growth, innovation, and international expansion, underpinned by operational excellence and disciplined execution. To achieve this, we are focusing on six key priorities:



**1 Strengthening Manufacturing Capability:** We will continue to invest in our manufacturing capacity for the Hypha One product line. Enhancing production capability will allow us to meet growing demand, improve efficiency, and ensure consistent delivery of high-quality solutions to customers worldwide.

**2 Accelerating Software Development:** Software remains core to Hypha's long-term growth. We are investing in both internal systems and customer-facing portals to streamline operations, improve scalability, and enhance the customer experience. This focus will ensure Hypha's solutions remain robust, agile, and aligned with evolving market needs.



**3 Expanding into the United States:** The US market represents a significant growth opportunity. Renewed investment will support our entry and expansion in this strategically important region, strengthening customer engagement and positioning Hypha as a trusted partner in international markets.

**4 Partnering for OEM Growth:** Strategic partnerships are central to scaling our business. By working with leading OEMs, we can expand distribution channels, accelerate revenue growth, and build a broader global presence while maintaining Hypha's commitment to quality and service.



**5 Launching New Product Lines:** Innovation is in Hypha's DNA. In the year ahead, we will continue to develop and introduce new product lines that expand our portfolio and meet the needs of diverse customer segments. This pipeline ensures we remain at the forefront of technology and can capture emerging market opportunities.

**6 Growing Our Defence Business:** Hypha's defence division is an increasingly important part of our strategy. With DISP certification and advanced security clearances in place, we are well-positioned to deliver secure, mission-critical solutions for defence and government clients. This credibility strengthens our reputation and opens new long-term revenue streams.



## Looking Forward

By investing in manufacturing, software, international expansion, new product development, OEM partnerships and defence, Hypha is building a diversified and resilient business. These priorities will allow us to capture opportunities globally while delivering sustainable value creation for our shareholders.

# A Year of ACHIEVEMENTS

Hypha has set new benchmarks in the communications industry, demonstrating our ability to rapidly transform potential into production and innovation. The successful completion of the RFS tender process in May 2024 marked a significant milestone, reflecting our capability to tender successfully and prepare for the delivery of complex projects. Throughout the year, Hypha has consistently demonstrated its operational expertise.

Our operational teams continue to seek further efficiencies and cost reductions in areas that show potential for other first responders who want to leverage the work RFS has accomplished.

## Safety and sustainability

While the year was **injury-free**, we remain focused on continuous improvement in our safety performance. Safety and sustainability are at the heart of our operations, and a relentless focus on health, safety, and environmental management will be a hallmark of the year ahead.

Our safety programs and initiatives are guiding us in the right direction, and the well-being of our employees and stakeholders will remain a top priority as we continue to grow. Our commitment to sustainable practices ensures that we minimise our environmental impact while maximising the benefits to the communities in which we operate.





## Financial and strategic management

2025 was also a year of **financial prudence and strategic planning**, ensuring that Hypha remains financially strong and poised for growth. The **strategic refinancing of our loan** in 2025 accelerated the development of our asset portfolio, allowing us to invest in critical areas such as infrastructure, technology, and software development.

Our **robust financial management** has enabled us to support ongoing and future projects with confidence. The company has also taken steps toward creating a more **tax-efficient consolidated group** and we are already seeing the benefits of these efforts. Additionally, we have initiated plans to replace stand-alone software systems with a more integrated **ERP solution**, which will support the next phase of our business strategy.

## Reinventing ourselves

Hypha engaged a marketing agency to assist with our **strategy and brand presence**. Little did we know it would lead to a full-scale rebrand including a new logo, and a reinvigorated global marketing strategy. This rebrand reflects not just a new look, but a bold new direction for the company. One that positions us as a leader in our field developing innovative products that are solving complex communication challenges.

**This transformation is just the beginning** and we look forward to continuing to strengthen our brand presence in the market. We hope our stakeholders, partners, and customers are as excited as we are about this fresh new chapter in Hypha's journey.



## Governance

We made significant strides in Corporate Governance, enhancing the leadership and oversight that will guide Hypha into the future. The addition of independent director **Stephen Copplin** to our Board in January 2024 has brought valuable expertise, further strengthening our governance framework. The Board has been instrumental in cultivating key relationships that will support the continued growth of the company.

## Looking ahead

As we look to the future, Hypha is poised for continued **growth and success**. Our strategic focus on developing an integrated business, and the RFS Project positions us to capitalise on the growing demand for satellite communications in the global market.

The integration of satellite and mesh technology, coupled with innovative software, is gaining momentum for Hypha, positioning us to play a leading role in this communications revolution. We are excited about the opportunities ahead and remain committed to delivering exceptional value for our shareholders.

Our outstanding operational performance at Rural Fire Services, driven by strategic initiatives, operational excellence, and robust financial management, has positioned us as a leader in the global communications industry.

With your continued support, we are confident that **Hypha will continue to thrive and contribute significantly to global communications**. In conclusion, the past year has been one of remarkable achievement and progress for Hypha. Thank you for your unwavering support and having the confidence in our vision.



# Leadership team

Neil has 20 years of experience in satellite communications, with leadership roles across Africa, the Middle East and Asia. He's a recognised leader in the industry and is helping shape the future of satellite push-to-talk technology.

Stephen is a very experienced and well-respected international business executive and company director, he has played a leading pivotal role as a director, mentor, investor and advisor to a portfolio of businesses in a wide variety of sectors assisting and guiding them with their growth and strategic activities.

Scott has worked on some of the largest satellite, wireless and fixed network solutions over the last 30 years. His focus on regional communications has seen a long history of successful program delivery in these sectors. His professional career spans a wide range of industry sectors, including agriculture, finance, insurance, investment banking, technology, media and creative industries.



**Neil Jamieson**  
Managing Director, CEO & Founder



**Stephen Copplin**  
Director



**Scott Geldard**  
Director of Special Projects



hypha

Voice and Data  
Beyond Networks



EVEREST

www.bremerford.com.au  
780-Y7

# Financial summary

Hypha Ltd has made substantial financial progress in FY25, supported by strong operational management and strategic initiatives. The year saw an increase in revenue, driven by key government contracts and expanding services, while careful cost management helped position the company for sustainable growth.

**Below are the key financial highlights from FY25:**



\$32.3million (FY24 \$29.6 million), reflecting strong sales in hardware, services, and software licensing.

A significant \$70 million government project was secured.



Inventory reduced significantly due to Hypha securing the first stage of the RFS contract.

Expanded the team to over 35 employees, supporting increased project demand.



Number of injuries: 0, reflecting the company's commitment to safety.

Prudent financial strategies have ensured Hypha is well-capitalised to support ongoing and future projects, with efforts in place to further streamline operations through integrated software solutions and a tax-efficient group structure.

PROCEEDINGS  
REGULATION  
CHANGES  
STANDARDS  
ACCOUNTING  
INSURANCE  
OPERATIONS  
ACTIVITIES  
EVENTS  
DEVELOPMENT  
SALES  
RESULTS  
PROFIT  
DIVIDENDS  
IMPROVEMENT  
SHARES



# Directors' Report | 30 June 2025

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

## Directors

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

- Neil Jamieson
- William Scott Geldard
- Stephen Mark Copplin

## Review of operations

The profit/(loss) for the consolidated group after providing for income tax amounted to \$858,944 (2024 \$2,005,546).

The decrease in the consolidated entity's profit during the year is due to the emphasis on investments in facilities, people and expansion into other markets such as the United States.

It is expected that the consolidated entity will continue to improve and generate positive operating cashflows in future periods with an expanded product portfolio and several large governments planned procurements for Starlink.

## 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.

## Principal activities

The consolidated entity operated predominantly in Australia but also has operations in the USA. During the financial year the principal continuing activities of the consolidated entity consisted of:

- Sale and installation of public safety communications equipment; and
- Services including provisioning of SaaS systems for agency integrations and interoperability.

The consolidated entity is involved in public safety communications and provides its technology primarily to emergency services agencies along with other government regulatory and management agencies that require mobile on the move communications.

The consolidated entity is involved in public safety communications and provides its technology primarily to emergency services agencies along with other government regulatory and management agencies that require mobile on the move communications.

The public safety communications industry can often carry long-lead times with procurement and consider solutions based on longevity and suitability for purpose. Key risks for the consolidated group are lengthening lead times on project rollouts with agencies and inventory management.

During the year, key personnel were brought into the business with considerable experience in government contracting and engagement to ensure strong project continuity focus was maintained.

In addition, considerable effort was put into enhancing the inventory module of the management information system to provide increased control and information over inventory movements and balances.

### **Events after the end of the financial year**

No circumstances have arisen since 30 June 2025 that has or may significantly affect the consolidated entity's operations, or the consolidated entity's state of affairs.

### **Environmental regulation**

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

### **Likely developments and expected results of operations**

The Group will continue to pursue its strategic objectives to increase market share and profitability of hardware and airtime sales. The Group plans to continue to explore ways of reducing the Group's assembly and distribution costs to improve and enhance efficiency and maximise shareholder return.

### **Dividends**

No dividends were paid or declared during the financial year.

### **Options**

There has been no change in the number of options on issue during the year. The total issued options as at 30 June 2025 is 500,000 (2024: 500,000). No accounting expense for share-based payments has been recognised in relation to these options as the value is not deemed to be immaterial to the financial statements.

## **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.

## **Proceedings on behalf of the company**

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

The Company is presently seeking legal advice on pursuing legal action under the Bad Leaver provision against a former employee. The outcome of that advice is not yet known as the proceedings are at an early stage but the Company is hopeful of a successful outcome.

A forensic review of the company secretarial records has been completed during the year to ensure the accuracy of all capital raising calculations and lodgments.

## **Shares**

Total issued shares at 30 June 2025 were 24,513,379.

Issued shares at 1 July 2024 were 24,513,379.

During the year, there were no additional convertible notes issued.

## **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 Director's Report.

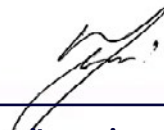
This report is made in accordance with a resolution of directors, pursuant to section 298(2) (a) of the Corporations Act 2001.

## **Company secretary**

Adam Gallagher continues to be the Company Secretary. Adam was appointed on 1st December 2023.

# Hypha Limited and Consolidated entities **Directors' Report**

On behalf of the directors,



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**Neil Jamieson**

Managing Director

23rd October 2025

## Auditor's Independence Declaration Under Section 307c of the Corporations Act 2001

To the directors of Hypha Limited

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

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

This declaration is in respect of Hypha Limited and the entities it controlled during the year.



**Terence Brueton**  
Director

Date: 23 October 2025



**Moore Australia Audit (QLD) Pty Ltd**  
Chartered Accountants

## Hypha Limited and consolidated entities

### Statement of Profit & loss and other comprehensive income for the year ended 30 June 2025

	NOTE	2025 \$	RESTATED 2024 \$
<b>Revenue</b>	4	32,981,205	32,000,441
Cost of goods sold		(22,930,801)	(22,890,523)
<b>Gross profit</b>		<b>10,050,404</b>	<b>9,109,918</b>
Finance income	5	54,032	38,940
Other income	5	2,922	161,848
Research & development costs		(1,279,592)	(1,695,430)
Marketing Expenses		(327,755)	(113,523)
Administrative expenses		(5,116,017)	(3,024,900)
Occupancy expenses		(71,186)	(63,229)
Finance costs	5	(397,771)	(519,560)
Depreciation and amortisation		(685,828)	(509,619)
Other expenses		(1,299,969)	(1,914,582)
<b>Profit/(Loss) before income tax</b>	6	<b>929,240</b>	<b>1,469,863</b>
Income tax (charge)/credit	7	(70,296)	535,683
<b>Profit/(Loss) from continuing operations</b>		<b>858,944</b>	<b>2,005,546</b>
<b>Profit/(Loss) for the year</b>		<b>858,944</b>	<b>2,005,546</b>
<b>Other comprehensive income net of income tax</b>			
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>			
Exchange differences arising on translation of foreign controlled entities		(77,365)	126,078
<b>Total comprehensive Profit/(Loss) for the year</b>		<b>781,579</b>	<b>2,131,624</b>
<b>Profit/Loss attributable to:</b>			
Members of the parent entity		870,645	2,074,137
Non-Controlling Interest		(11,701)	(68,591)
		<b>858,944</b>	<b>2,005,546</b>
<b>Total comprehensive income attributed to:</b>			
Members of the parent entity		800,313	2,187,607
Non-Controlling Interest		(18,734)	(55,983)
		<b>781,579</b>	<b>2,131,624</b>

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

# Hypha Limited and consolidated entities

## Statement of Financial Position as at 30 June 2025

	NOTE	2025 \$	RESTATED 2024 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	6,734,404	5,966,408
Trade and other receivables	9	3,382,132	1,562,372
Inventories	10	4,933,732	8,995,067
Financial assets	11	704,719	140,251
Loans and Advances	12	13,781	-
Other assets	13	2,287,477	706,661
<b>Total current assets</b>		<b>18,056,245</b>	<b>17,370,759</b>
<b>Non-current assets</b>			
Property, plant & equipment	14	1,572,475	1,018,829
Deferred Tax Assets	23	495,690	565,986
Intangibles	15	172,990	172,990
Right of use assets	16	3,513,046	802,186
Loans and Advances		12,074	-
Other assets		1,020,663	47,076
<b>Total non-current assets</b>		<b>6,786,938</b>	<b>2,607,067</b>
<b>TOTAL ASSETS</b>		<b>24,843,183</b>	<b>19,977,826</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade & other payables	17	5,305,962	3,802,041
Borrowings	18	2,669,690	638,315
Contract liabilities	19	2,707,428	4,707,988
Lease liabilities	16	330,158	149,780
Employee benefits	20	325,403	246,454
<b>Total current liabilities</b>		<b>11,338,641</b>	<b>9,544,578</b>
<b>Non-current liabilities</b>			
Borrowings	18	2,052,881	2,058,271
Contract liabilities	19	210,502	604,893
Deferred tax liabilities	23	-	39,759
Lease liabilities	16	3,395,096	676,859
Employee benefits	20	50,208	78,949
<b>Total non-current liabilities</b>		<b>5,708,687</b>	<b>3,418,971</b>
<b>TOTAL LIABILITIES</b>		<b>17,047,328</b>	<b>12,963,550</b>
<b>NET ASSETS</b>		<b>7,795,855</b>	<b>7,014,276</b>
<b>EQUITY</b>			
Issued capital	21	16,926,067	15,260,661
Reserves	22	(715,963)	(645,631)
Retained earnings		(8,261,879)	(7,467,118)
<b>Total equity attributable to equity holders of the company</b>		<b>7,779,321</b>	<b>7,670,338</b>
<b>Non controlling interest</b>		<b>(152,370)</b>	<b>(133,636)</b>
<b>TOTAL EQUITY</b>		<b>7,795,855</b>	<b>7,014,276</b>

STATEMENT OF CHANGES IN EQUITY

# Hypha Limited and consolidated entities

## Statement of Changes in Equity at 30 June 2025

	ORDINARY SHARES	RETAINED EARNINGS	FOR CURR TRANS RES	RESTRUCTURE RESERVE	NON-CONTROLLING INTERESTS	TOTAL
Balance at 1 July 2024	15,260,661	(7,467,118)	77,426	(723,057)	(133,636)	7,014,276
Adjustment to Issued Capital (refer note 21)	1,665,406	(1,665,406)	-	-	-	-
Profit/(loss) attributable to members of the parent entity	-	870,645	-	-	-	870,645
Profit/(loss) attributable to non-controlling interests	-	-	-	-	(11,701)	(11,701)
Total other comprehensive income for the year	-	-	(70,332)	-	(7,032)	(77,365)
Balance at 30 June 2025	16,926,067	(8,261,879)	7,094	(723,057)	(152,369)	7,795,855
Balance at 1 July 2023	15,260,661	(9,541,255)	(36,044)	(723,057)	(77,653)	4,882,652
Profit/(loss) attributable to members of the parent entity	-	2,074,137	-	-	-	2,074,137
Profit/(loss) attributable to non-controlling interests	-	-	-	-	(68,591)	(68,591)
Total other comprehensive income for the year	-	-	113,470	-	12,608	126,078
<b>Transactions with owners in their capacity as owners</b>						
Shares issued during the year, net of transaction costs	-	-	-	-	-	-
Balance at 30 June 2024 (restated)	15,260,661	(7,467,118)	77,426	(723,057)	(133,636)	7,014,276

# Hypha Limited and consolidated entities

Statement of Cashflows for the year ended 30 June 2025

	2025 \$	2024 \$
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Receipts from customers	26,311,682	39,884,850
Payments to suppliers and employees	(25,814,050)	(32,745,347)
Interest received	54,033	38,940
Income tax refunded	-	846,918
Interest and other finance costs	(144,423)	(382,662)
Net cash generated by operating activities	407,241	7,642,699
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property, plant and equipment	241,936	6,473
Purchase of intangible assets	-	(10,318)
Purchase of property, plant and equipment	(817,884)	(503,771)
Increase in financial assets	(564,468)	-
Net cash used in investing activities	(1,140,416)	(507,616)
<b>CASHFLOW FROM FINANCE ACTIVITIES</b>		
Proceeds/(repayment) of related party loan	(25,855)	426,654
Net Proceeds from/(repayment of) borrowings	2,025,985	(2,103,257)
Repayment of lease liabilities	(500,521)	(284,356)
Net cash generated by/(used in) financing activities	1,499,609	(1,960,959)
Net increase in cash and cash equivalents held	766,434	5,174,124
Cash and cash equivalents at beginnings of financial year	5,966,408	792,284
FX rate difference on cash and cash equivalents	1,562	-
Cash and cash equivalents at end of financial year	6,734,404	5,966,408





# notes to the consolidated financial statements for the year ended 30 June 2025

**The financial report covers Hypha Limited and its controlled entities ('the Group'). Hypha Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.**

The principal activities of the Company for the year ended 30 June 2025 were to provide public safety communications equipment and services, including the provisioning of SaaS systems for agency integrations and interoperability.

The Group is involved in public safety communications and provides its technology, primarily to emergency services agencies along with other government regulatory and management agencies that require mobile on the move communications. The public safety communications industry can often carry long lead times with procurement and considers solutions based on longevity and suitability for purpose.

During the year, additional key personnel were brought into the business with strong experience in government contracting and business development to ensure not only strong project continuity but a wider focus on other areas of the market such as logistics, oil and gas and mining. The Group's relationship with SpaceX since our appointment as a global reseller of Starlink has continued to strengthen. SpaceX is continuing to support our global initiatives and recognize the Group as a global leader in airtime activations and mobility solutions.

The directors believe that the solution offered under RFS (Rural Fire Service NSW) contract does have the potential for significant growth of the Group, not only in Australia, but globally. We have seen early signs of other agencies utilising the contract and expect further growth in the coming years.

The Group operates predominantly in Australia, but have growing operations in the United States of America (USA). Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 23rd October 2025.

Comparatives are consistent with prior years, unless otherwise stated.

## Note 1:

### Summary of material accounting policy information

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.

#### Basis of preparation

The financial statements are general purpose financial statements have been prepared on an accruals basis in accordance with the Australian Accounting Standards – Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events, and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs.

## Note 2:

### Material Accounting Policy Information

#### (a) Principles of consolidation

The consolidated financial statements incorporate all the assets and liabilities of the parent (Hypha Limited) and of all subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. The Group entities are fully eliminated on consolidation. All controlled entities have the same financial year end as the parent entity. Subsidiary details are provided in Note 28.

Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.



## **(b) Revenue and other income**

Revenue from contracts with customers:

Revenue is recognised on a basis that reflects the transfer of control of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

## **(c) Income tax**

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised, unless the deferred tax asset relating to temporary differences arises from the initial recognition of an asset or liability in a transaction that:

- is not a business combination; and
- at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

## **(d) Inventories**

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned based on weighted average costs.

Cost of inventory is determined using the first-in-first-out basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

## **(e) Property, plant, and equipment**

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

### **Plant and equipment**

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses recognised in profit or loss. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(i) for details of impairment).

The cost of fixed assets constructed within the Consolidated Group includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

## **(f) Depreciation**

The depreciable amount of all fixed assets, including buildings and capitalised lease assets are depreciated on a straight-line basis over the asset's useful life to the Consolidated Group commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation is recognised in profit or loss.

The depreciation rates used for each class of depreciable assets are:

<b>Asset</b>	<b>Years</b>
Demonstration and test equipment	5
Office equipment and furniture	1,5
Fitting and fixtures	1,5
Motor vehicles	4
Warehouse machine & equipment	5
US POP (Point of presence)	20
Server equipment	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised.

## **(g) Leases**

### **Lease accounting**

The Consolidated Group 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.

## **(h) Financial instruments**

### **Initial recognition and measurement**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15: Revenue from Contracts with Customers.

All other receivables are initially recognised at fair value, which generally equates to transaction price, less any transaction costs.

Subsequent to initial recognition, Trade and other receivables are measured at amortised cost as they are held for the purpose of obtaining contractual cash flows, which are solely interest and principal. Interest is calculated using the effective interest method and included in finance income in profit or loss. Impairment is presented in a separate line in profit or loss.

## **(i) Intangible assets**

### **Research and development**

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Consolidated Group is able to use or sell the asset; the consolidated group has sufficient resources and intent to complete the development; and its costs can be measured reliably.

Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

### **Patents and trademarks**

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit.

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.

### **(j) Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

### **(k) 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### **(l) Issued capital**

#### **Ordinary shares are classified as equity.**

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



## **Note 3:**

### **Critical accounting estimates and Judgments**

The significant estimates and judgements made have been described below:

#### **Key estimates – impairment of property, plant and equipment**

The Group assesses impairment at the end of each reporting period by evaluating conditions specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value in use calculations which incorporate various key assumptions.

#### **Key estimates – revenue recognition – long term contracts**

The Group undertakes long term contracts which span a number of reporting periods. Recognition of revenue in relation to these contracts involves estimation of future costs of completing the contract and the expected outcome of the contract. The assumptions are based on the information available to management at the reporting date, however future changes or additional information may mean the expected revenue recognition pattern has to be amended.

#### **Key estimates – provisions**

As described in the accounting policies, provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period. These estimates are made taking into account a range of possible outcomes and will vary as further information is obtained.

#### **Key estimates – receivables**

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

#### **Key judgments – taxes**

##### ***Deferred tax assets***

Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

## Note 4: Other revenue and income

REVENUE FROM CONTINUING OPERATIONS	2025 \$	2024 \$
Revenue from contracts with customers		
Sale of goods	11,789,380	23,624,249
Provision of services	20,628,234	7,736,271
	32,984,253	31,360,520
Revenue from other sources		
- Other revenues	563,591	639,921
<b>Total revenue</b>	<b>32,981,205</b>	<b>32,000,441</b>

REVENUE FROM OTHER SOURCES		
<b>Other income</b>		
Rental income	107,497	25,959
R&D service fee income	2,923	452,759
Foreign Currency gain on financial assets and liabilities	-	415
Gain on derecognition of lease	-	135,473
<b>Total other income</b>	<b>110,420</b>	<b>614,606</b>

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS		
Revenue from contracts with customers has been disaggregated into sale of goods and rendering of services, and the following table shows this breakdown:		
<b>Sale of goods</b>		
- Hardware sales	11,789,380	23,624,249
<b>Revenue from sale of goods</b>	<b>11,789,380</b>	<b>23,624,249</b>
<b>Rendering of services</b>		
- Airtime sales	13,702,862	5,859,188
- Software licencing fees	1,033,908	844,005
- Professional engineering & labour	5,713,682	863,029
- Hardware rentals	177,780	170,049
<b>Revenue from rendering of services</b>	<b>20,628,234</b>	<b>7,736,271</b>
<b>Other revenue</b>		
- Other revenue	107,535	290,943
- Recoveries	90,290	106,251
- Support Services	365,766	242,727
<b>Other sources of revenue</b>	<b>563,591</b>	<b>639,921</b>
<b>TOTAL REVENUE</b>	<b>32,981,205</b>	<b>32,000,441</b>

## Note 5: Finance income and Expenses

<b>FINANCE INCOME</b>	<b>2025 \$</b>	<b>2024 \$</b>
Interest Income – Bank	54,032	38,940
Rental Income	-	25,959
Foreign Exchange Gains	2,922	415
Gains on derecognition of lease	-	135,474
<b>Total finance income</b>	<b>56,954</b>	<b>200,788</b>
<b>FINANCE EXPENSES</b>		
Borrowings	32,612	377,855
Interest in trade finance	111,811	81,830
Interest expense and lease liability	253,348	59,875
Late payment of tax	-	-
<b>Total finance expenses</b>	<b>397,771</b>	<b>519,560</b>

## Note 6: Result for the Year

<b>RESULT FOR THE YEAR</b>	<b>2025 \$</b>	<b>2024 \$</b>
Salaries	3,998,108	2,264,157
Superannuation contributions	462,796	249,209
<b>Total employee benefits expenses included in administrative costs</b>	<b>4,460,904</b>	<b>2,513,366</b>
Employee costs included in research and development costs	561,005	625,164
<b>Total employment benefit costs</b>	<b>5,021,909</b>	<b>3,138,530</b>
Depreciation expense – property, plant and equipment	250,900	222,231
Depreciation expense – Right of use assets	434,928	251,902
Amortisation	-	35,486
Loss on disposal of assets	36,757	273,844



## Note 7: Income tax expense

INCOME TAX EXPENSE	2025 \$	RESTATED 2024 \$
(a) The components of tax expense income comprise:		
Current tax expense		
Local income tax – current period	639,309	-
Local income tax – recognized in current tax for prior periods	(15,867)	(34,482)
Deferred tax expense		
Origination and reversal of temporary differences	47,084	(48,442)
R&D Tax Offset	600,230	(452,759)
<b>Income Tax Expense for continuing operations</b>	<b>70,296</b>	<b>(535,683)</b>
(b) Reconciliation of income tax to accounting profit:		
Profit	932,283	1,469,863
Tax @ statutory rate of 25%	233,071	367,466
Add tax effect of:		
Other non-allowable items	(15,669)	14,259
R&D expenditure	319,830	267,567
Impact of tax consolidated group formation	-	-
Tax losses not recognized	31,015	172,594
Less tax effect of:		
Other items	-	-
R&D income	(600,230)	(452,759)
Overprovision in respect of prior years	102,280	(34,482)
Recoupment of prior year tax losses not previously brought to accounts	-	(870,39)
Income Tax attributed to the parent	70,296	(535,683)
<b>Income tax expense</b>	<b>70,296</b>	<b>(535,683)</b>

## Note 8: Cash & cash equivalents

CURRENT	2025 \$	2024 \$
Cash on Hand	1,460	1,450
Cash at Bank	6,732,944	5,964,958
<b>Cash and cash equivalents</b>	<b>6,734,404</b>	<b>5,966,408</b>

A floating charge over cash and cash equivalents has been provided for certain debt. Refer to Note 18 for further details.

The company presently holds cash-backed bank guarantees relating to rental bonds, refer to Note 11.

## Note 9: Trade & Other receivables

TRADE & OTHER RECEIVABLES	2025 \$	2024 \$
Trade receivables	3,352,161	1,501,911
Other receivables	29,971	60,461
Total Current trade and other receivables	<b>3,382,132</b>	<b>1,562,372</b>

## Note 10: Inventories

CURRENT	2025 \$	RESTATED 2024 \$
At Cost:		
Finished Goods	4,606,163	3,792,043
Stock in Transit	327,569	5,203,024
Total inventories	<b>4,933,732</b>	<b>8,995,067</b>

Write downs of inventories to net realizable value during the year were \$nil (2024: \$nil).

## Note 11: Other Financial assets

(a) at amortised cost

CURRENT	2025 \$	2024 \$
Term Deposits	704,719	140,251
Total Other Financial Assets	<b>704,719</b>	<b>140,251</b>

## Note 12: Loans and Advances

Loans to related parties	13,781	-
	<b>13,781</b>	<b>-</b>

## Note 13: Other assets

CURRENT	2025 \$	2024 \$
Prepayments	2,287,477	706,661
	2,287,477	706,661

In relation to prepayments, the Company buys airtime plans annually in advance. As such, the majority of the airtime contract is treated as a prepayment which is amortised over the period of the contract. The company does not recognise the cost of the airtime plans as a cost of sales until the airtime is utilised by the customer. The customer does not have the ability to terminate the contract early, however, the customer may suspend the use of the airtime contract.

## Note 14: Property, plant and equipment

PROPERTY, PLANT & EQUIPMENT	2025 \$	2024 \$
Demonstration and Test Equipment – at cost	378,761	334,595
Less: Accumulated depreciation	(104,516)	(41,456)
	<b>274,245</b>	<b>293,139</b>
Office Equipment and Furniture – at cost	354,694	313,507
Less: Accumulated depreciation	(218,530)	(158,904)
	<b>136,164</b>	<b>154,603</b>
Fitting and Fixtures – at cost	610,970	253,693
Less: Accumulated depreciation	(54,003)	(49,118)
	<b>556,967</b>	<b>204,575</b>
Motor Vehicles – at cost	448,084	328,630
Less: Accumulated depreciation	(169,676)	(114,128)
	<b>278,408</b>	<b>214,502</b>
Warehouse Machine & Equipment – at cost	326,537	207,118
Less: Accumulated depreciation	(13,433)	(69,665)
	<b>313,104</b>	<b>137,453</b>
US POP (Point of presence) – at cost	17,464	17,464
Less: Accumulated depreciation	(3,877)	(2,907)
	<b>13,586</b>	<b>14,557</b>
<b>Total Property, plant and equipment</b>	<b>1,572,475</b>	<b>1,018,829</b>

## (a) Movement in carrying amounts

Movements in the carrying amounts for each class of property, plant & equipment between the beginning and the end of the financial year.

	DEMONSTRATION AND TEST EQUIPMENT \$	OFFICE EQUIPMENT AND FURNITURE \$	FITTING AND FIXTURES \$	MOTOR VEHICLES \$	WAREHOUSE MACHINE & EQUIPMENT \$	US POP (POINT OF PRESENCE) \$	SERVER EQUIPMENT \$	TOTAL \$
Carrying amount at 1 July 2024	293,139	154,603	204,575	214,502	137,453	14,557	-	1,018,829
Additions	55,770	50,486	358,927	119,454	342,770	-	-	927,405
Disposals	(1,604)	(9,299)	(1,650)	-	(100,306)	-	-	(122,859)
Depreciation expense	(63,060)	(59,626)	(4,885)	(55,548)	(66,811)	(970)	-	(250,900)
	<u>274,245</u>	<u>136,164</u>	<u>556,967</u>	<u>278,408</u>	<u>313,104</u>	<u>13,587</u>	<u>-</u>	<u>1,572,475</u>

### Note 15: Intangible Assets

INTANGIBLE ASSETS	2025 \$	2024 \$
Patents and trademarks – at cost	82,379	82,379
Less: Accumulated amortisation and impairment	(2,292)	(9,547)
Net carrying value	<u>80,087</u>	<u>72,832</u>
Software – at cost	174,306	181,561
Less: Accumulated amortisation and impairment	(81,043)	(81,403)
Net carrying value	<u>92,903</u>	<u>100,158</u>
Total intangible assets	<u>172,990</u>	<u>172,990</u>

RECONCILIATIONS	PATENTS AND TRADEMARKS \$	SOFTWARE \$	TOTAL \$
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:			
Balance at 1 July 2024	72,832	100,158	172,990
Additions	-	(7,255)	(7,255)
Amortisation expense	7,255	-	7,255
Balance at 30 June 2025	<u>80,087</u>	<u>92,903</u>	<u>172,990</u>

## Note 16: Leases

THE GROUP AS A LEASEE	BUILDINGS	TOTAL
Balance at beginning of year	4,202,206	1,067,476
Depreciation Charge	(689,160)	(265,290)
<b>Balance as at end of year</b>	<b>3,513,046</b>	<b>802,186</b>

LEASE LIABILITIES	< 1 YEAR \$	< 1 – 5 YEARS \$	>> 5 YEARS \$	TOTAL UNDISCOUNTED LEASE LIABILITIES \$	LEASE LIABILITIES INCLUDED IN THIS STATEMENT OF FINANCIAL POSITION \$
2025 Lease liabilities	628,007	2,911,149	2,255,231	5,794,387	3,725,254
2024 Lease liabilities	202,961	766,957	-	969,918	826,639

### Extension options

The Group includes options in the leases to provide flexibility and certainty to the Group operations and reduce costs of moving premises and the extension options are at the Group's discretion.

At commencement date and each subsequent reporting date, the Group assesses where it is reasonably certain that the extension options will be exercised.

### Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to interest expense on lease liabilities and short-term leases or leases of low value assets are shown below:

	2025 \$	2024 \$
Interest expense on lease liabilities	263,191	59,875
Short term lease expenses	24,992	30,921
	<b>288,182</b>	<b>90,796</b>

## Note 17: Trade and other payables

CURRENT	2025 \$	2024 \$
Trade payables	4,433,972	1,938,468
Sundry payables and accrued expenses	620,728	127,233
GST payable	253,958	1,703,526
Employee benefit accruals	(2,696)	32,815
	<b>5,305,962</b>	<b>3,802,042</b>

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

## Note 18: Borrowings

CURRENT	2025 \$	2024 \$
<b>Unsecured liabilities</b>		
Bank trade finance	2,629,187	521,245
	<b>2,629,187</b>	<b>521,245</b>
<b>Secured liabilities</b>		
Equipment loan facility	40,503	117,070
Total current borrowings	<b>2,669,689</b>	<b>638,315</b>
<b>NON-CURRENT</b>		
<b>Unsecured liabilities</b>		
Business market loan	2,000,000	2,003,153
	<b>2,000,000</b>	<b>2,003,153</b>
<b>Secured liabilities</b>		
Equipment loan facility	52,881	55,118
Total non-current borrowings	2,052,881	2,058,271
Total borrowings	<b>4,722,570</b>	<b>2,696,586</b>

The trade finance facility from NAB includes a limit of \$3.5 million was renewed and expires on 30 May 2027. The terms of the drawings are 180 days. The facility attracts an interest rate which is the aggregate of the Australian Trade Refinance Rate (ATR) which was 6.4% p.a., plus margin of 4% p.a.

The bank loan represents the business markets loan with NAB. The facility limit is \$2 million and expires on 31 May 2027. The loan attracts interest at 8.76% p.a.

BORROWING FACILITY	MATURITY DATES	INTEREST RATES	2025 \$	2024 \$
Bank trade finance	30 May 2025	10.4%	521,245	521,245
Equipment loan facility	30 May 2025	6.88%	42,788	172,188
NAB bank loan	31 May 2027	8.76%	2,000,000	2,000,000

### Defaults and breaches

During the current and prior year, there were no defaults or breaches on any of the loans. The maturity profile of Bank Loans on issues is as follows:

## Note 19: Contract balances

CURRENT	2025 \$	2024 \$
Income received in advance of delivery for sale of goods	2,707,428	4,707,988
<b>Total current contract liabilities</b>	<b>2,707,428</b>	<b>4,707,988</b>
<b>NON-CURRENT</b>		
Amounts received in advance	210,502	604,893
<b>Total non-current contract liabilities</b>	<b>210,502</b>	<b>604,893</b>

Revenue is recognised for sales of components and airtime services when control of the goods passes to the customer. This occurs when the items are delivered/provided to the customer. The amount received at the time of the online transaction is recognised as a contract liability until delivery takes place and control passes.

## Note 20: Employee benefits

CURRENT	2025 \$	2024 \$
Employee benefits – Annual Leave	246,454	246,454
Employee Benefits – Long Service Leave	78,949	-
	325,403	246,454
NON-CURRENT		
Employee Benefits – Long Service Leave	50,208	78,949
	50,208	78,949
<b>Analysis of provisions</b>		
Opening balance at 1 July 2024	325,403	363,984
Additional provisions raised during the year	50,208	208,116
Amounts used	-	(246,697)
<b>Balance as at 30 June 2025</b>	<b>375,611</b>	<b>325,403</b>

### Provision for employee benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave. The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1 (n).

## Note 21: Issued Capital

	2025 \$	2025 \$
24,513,379 fully paid ordinary shares	16,926,067	15,260,661
	16,926,067	15,260,661

During the period, the Company engaged a forensic accounting consultant to examine and review all capital raising documentation to ensure company secretarial records were accurate and complete. As a result of that forensic review, the Company noted that the ASIC records were not complete.

This review was prompted by the ongoing Bad Leaver legal case against a previous employee. The forensic review also identified a number of possible deficiencies where it appears the Corporations Act had not been complied with insofar as the Company Secretarial activities are concerned.

In 2021, the company agreed to purchase 951,664 shares from 4 designated management shareholders @ \$1.75 per share. The share buy-back was undertaken at the same time as a capital raising. The value attributed to the shares that formed part of the share buyback was \$1,665,412 whereas ASIC valued these shares at the original cost, being \$17 for the 951,664 shares. On further analysis, the \$1.6m attributed to the share buyback was adjusted to align with the ASIC value and has been offset to Retained Earnings.

As at June 30, the ASIC records and the Company's shareholder register are aligned and complete. The directors are satisfied that the Company is now fully compliant with the Corporations Act.

## Note 21: (Cont'd)

### (a) Ordinary shares

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

## Note 22: Reserves

### a) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income – foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

### b) Restructure reserve

The common control reserve was recognised in FY2022 due to a common control acquisition. The entity acquired, had common shareholders and directors and accordingly, the transaction was deemed to be a 'common control' transaction.

	2025 \$	2024 \$
Foreign Currency Reserve	(7,093)	(77,425)
Restructure Reserve	723,056	723,056
	<b>715,963</b>	<b>645,631</b>

## Note 23: Tax assets and liabilities

	OPENING BALANCE \$	CHARGED TO INCOME \$	CLOSING BALANCE \$
<b>Deferred tax assets and liabilities</b>			
Property, Plant & equipment	(599,768)	299,397	(300,371)
Prepayments	(4,974)	(155,213)	(160,187)
Other	8,792	( 9,629)	(837)
Accruals	82,133	(82,133)	-
Provisions	90,966	( 9,646)	81,350
AASB 16 leases	487,606	(280,946)	206,660
Future Income tax benefits attributable to tax losses	-	286,612	286,612
R& D Offsets	-	452,759	452,759
<b>Balance at 30 June 2024</b>	<b>64,785</b>	<b>501,201</b>	<b>565,986</b>
Property, Plant & equipment	(300,371)	(658,835)	(959,206)
Prepayments	(160,187)	160,187	-
Other	(837)	28,569	27,822
Accruals	-	730	730
Provisions	81,350	-	81,350
AASB 16 leases	206,660	724,654	931,314
Future Income tax benefits attributable to tax losses	286,612	(286,612)	-
R& D Offsets	452,759	(39,079)	413,680
<b>Balance at 30 June 2025</b>	<b>565,986</b>	<b>(70,296)</b>	<b>495,690</b>

## Note 24: Dividends

FRANKING CREDITS ACCOUNT	2025 \$	2024 \$
The franking credits available for subsequent financial years at a tax rate of 25%	151,953	151,953

The above available balance is based on the dividend franking account at year-end adjusted for:

- (a) Franking credits that will arise from the payment of the current tax liabilities
- (b) Franking debits that will arise from the payment of dividends recognised as a liability at the year-end
- (c) Franking credits that arise from the receipt of dividends recognised as receivables at the end of the year

The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.

## Note 25: Key management personnel compensation

	2025 \$	2024 \$
Key management personnel compensation	487,855	983,813

## Note 26: Related party disclosures

**(a) The Group's main related parties are as follows:**

Key management personnel – refer to Note 27.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

	PURCHASE \$	OTHER \$	BALANCE OUTSTANDING OWED BY THE COMPANY \$
Exceed Laser	213,560	-	67,683
Greenplus	166,736		-
Senior Management	-	290,000	-

Entities subject to significant influence by the Group:

Exceed Laser is an entity that has a common directorship with Hypha Limited. During the period, Hypha utilized Exceed Laser for the engineering of various components used by Hypha. Exceed Laser operates on a fully commercial basis. J Jamieson and G Jamieson are related parties.

## Note 26: (Cont'd)

### (b) Loans to/from related parties

	OPENING BALANCE \$	CLOSING BALANCE \$
Loans from related parties		
2025	426,654	-
2024	-	426,654

Unsecured loans were made to related parties. These were all settled during the year. Any remaining balances with related parties are on a normal commercial basis and terms.

c) Refer Note 12 for details of loans to related parties.

## Note 27: Auditor's remuneration

	2025 \$	2024 \$
Remuneration of the auditor		
- Auditing or reviewing the financial statements	44,700	34,500
- Auditing reviewing and restating prior year financial results	-	35,000
	<b>44,700</b>	<b>69,500</b>

## Note 28: Interests in subsidiaries

NAME OF SUBSIDIARY	PLACE OF INCORPORATION	INTEREST HELD BY THE GROUP	
		2025 %	2024 %
Hypha Networks Pty Ltd	Australia	100	100
Hypha Solutions Pty Ltd **	Australia	100	100
Hypha Link Pty Ltd	Australia	100	100
Hypha Starsat Pty Ltd	Australia	100	100
WI Licensing Pty Ltd	Australia	100	100
WI Licensing Int Pty Ltd	Australia	100	100
Hypha NZ Ltd	New Zealand	100	-
Wireless Innovation Inc	USA	90	90

\* The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

\*\* Previously Wireless Innovation Pty Ltd.

## Note 29: Events occurring after the reporting date

The financial report was authorised for issue on 23rd October 2025 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

During the year, action against a former employee was continued under the “Bad Leaver” provisions of the shareholder agreement. No recovery of costs have been taken up in the other comprehensive income. At present, there is no clear indication of when this action will be finalized.

The financial information for the parent entity, Hypha Limited has been prepared on the same basis as the financial statements except as disclosed below.

### Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

### Tax consolidation legislation

Hypha Limited and its wholly-owned Australian subsidiaries have formed an income tax Consolidated Group. Each entity in the tax Consolidated Group accounts for their own current and deferred tax amounts. These tax amounts are measured using the ‘stand-alone taxpayer’ approach to allocation.

Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the parent entity.

## Note 30: Parent Entity

The tax Consolidated Group has entered into a tax funding agreement whereby each entity within the Group contributes to the income tax payable by the Group in proportion to their contribution to the Group’s taxable income. Differences between the amounts of net tax assets and liabilities derecognised and the net amounts recognised pursuant to the funding agreement are recognised as either a contribution by, or distribution to the head entity.



## Note 30: Parent Entity (Cont'd)

STATEMENT OF FINANCIAL POSITION	2025 \$	2024 \$
Assets		
Current assets	12,423,2861	13,939,747
Non-current assets	1,272,686	1,272,686
<b>Total Assets</b>	<b>13,695,973</b>	<b>15,112,433</b>
Liabilities		
Current liabilities	171,980	121,707
<b>Total Liabilities</b>	<b>171,980</b>	<b>121,707</b>
Equity		
Issued capital	16,926,057	15,260,661
Retained earnings	(1,835,568)	(171,840)
<b>Total Equity</b>	<b>15,090,489</b>	<b>15,088,821</b>
Statement of Profit or Loss and Other Comprehensive Income		
Total profit or loss for the year	1,686,989	(126,877)
<b>Total comprehensive income</b>	<b>(81,876)</b>	<b>(126,877)</b>

**Contingent liabilities:** The parent entity did not have any contingent liabilities as at 30 June 2025 or 30 June 2024.

**Contractual commitments:** The parent entity did not have any commitments as at 30 June 2025 or 30 June 2024.

## Note 31: Contingencies

During the period, the legal action against the former employee under the "Bad Leaver" provisions continued from the prior period without resolution. As a party to the legal action, one of the discretionary trust shareholders is responsible for a portion of the legal costs incurred by the Group. The Group have agreed to provide a "notional loan" to the shareholder as part of the legal requirements.

At year end, it has been agreed that there is no sundry receivable recognized due to the uncertainty around the likely outcome of the legal action and further uncertainty around the Group's ability to recover those costs from the defendant.

In the event that the outcome of the legal action is determined in favour of the Group and costs are awarded by the Court, then the shareholder's obligations will be met and any costs will be repaid. However, in the unlikely event that the legal action is unsuccessful, the Group will recognize the agreed portion of the legal fees as a receivable in a future period.

At year end, both the total quantum of legal costs and the recoverability of legal costs from the defendant are too uncertain to be ascertained. Consequently, there has not been any receivable recognized in the current period. In the opinion of the Directors, the Company did not have any other contingencies at 30 June 2025 (30 June 2024: None).

## Note 32: Statutory Information

**The registered office and principal place of business of the company is:**  
Level 1 606 Sherwood Road Sherwood Qld 4068

**The principal place of business of the Hypha Limited and consolidated entities is:**  
8/36 Archerfield Road  
Darra Qld 4076

## Note 33: Retrospective Restatement

a) During the current year, continued legacy issues relating to inventory identified arose and should have been corrected in the prior financial year. Due to the quantum, the comparatives were restated to reflect the outcome of these transactions. The related tax effect has been corrected in the prior year.

b) Additionally, the R&D tax offset was treated as a refundable offset in the prior year. However, it should have been treated as a non-refundable offset as the Group's turnover was greater than \$20m. The accounting treatment of this has been corrected in the comparative financial information.

	PREVIOUSLY STATED 2024	ADJUSTMENTS	RESTATED 2024
Cost of Sales	(22,215,111)	(675,412)	(22,890,523)
Other Income	614,606	(452,758)	161,848
Income Tax Charge/Credit	(70,062)	605,745	535,683
Profit/(Loss) for the year	2,527,971	(522,425)	2,005,546
Inventories	9,670,479	(675,412)	8,995,067
Other Assets	1,159,420	(452,759)	706,661
Deferred Tax Assets	-	565,986	565,986
Deferred Tax Liabilities	39,759	(39,759)	-
Retained Earnings	(6,944,693)	(522,425)	(7,467,118)

## Consolidated Entity Disclosure Statement at 30 June 2025

The following table sets out the disclosure requirements of subsection 295(3A) of the Corporations Act 2001 in respect of Hypha Limited and its controlled entities as at 30 June 2025:

ENTITY NAME	BODY CORPORATE, PARTNERSHIP OR TRUST	BODY CORPORATES		TAX RESIDENCY	
		COUNTRY OF INCORPORATION OR FORMATION	PERCENTAGE OF SHARE CAPITAL HELD	AUSTRALIAN OR FOREIGN	FOREIGN JURISDICTION
Hypha Limited*	Body corporate	Australia	N/A	Australian	N/A
Hypha Networks Pty Ltd*	Body corporate	Australia	100%	Australian	N/A
Hypha Solutions Pty Ltd*	Body corporate	Australia	100%	Australian	N/A
Hypha Link Pty Ltd*	Body corporate	Australia	100%	Australian	N/A
Hypha Starsat Pty Ltd*	Body corporate	Australia	100%	Australian	N/A
WI Licensing Pty Ltd*	Body corporate	Australia	100%	Australian	N/A
WI Licensing Int Pty Ltd*	Body corporate	Australia	100%	Australian	N/A
Hypha NZ Ltd	Body corporate	New Zealand	100%	Foreign	New Zealand
Wireless Innovation Inc	Body corporate	United States of America	90%	Foreign	United States of America

\* Hypha Limited and its wholly owned Australian resident subsidiaries formed a tax consolidation group with effect from 1 July 2023.

# Hypha Limited and Consolidated entities **Directors' Declaration**

ABN 70 621 449 527

## Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 24 to 52, are in accordance with the Corporations Act 2001 and:
  - a. Comply with Australian Accounting Standards – Simplified Disclosure Standard; and
  - b. Give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Company and consolidated group.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. In the directors' opinion, the consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors.

Director  Director 

Dated: 23 October 2025

## Independent Audit Report To the members of Hypha Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Hypha Limited (the "Company") and its controlled entities (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit 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 a summary of material accounting policies, the consolidated entity disclosure statement and the directors' declaration.

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

- i. giving a true and fair view of the Group'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 – Simplified Disclosures and the *Corporations Regulations 2001*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

### Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the *Corporations Act 2001*;
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2002*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

### Auditor's Responsibility 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.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf). This description forms part of our auditor's report.



**Terence Brueton**  
Director

Brisbane

Date: 23 October 2025



**Moore Australia Audit (QLD) Pty Ltd**  
Chartered Accountants

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