COSOL Limited
Annual Report 2025

WHEN RELIABILITY MATTERS

CONTENTS

ABOUT COSOL

Who We Are

COSOL is built on one belief: in asset-intensive industries, reliability is everything.

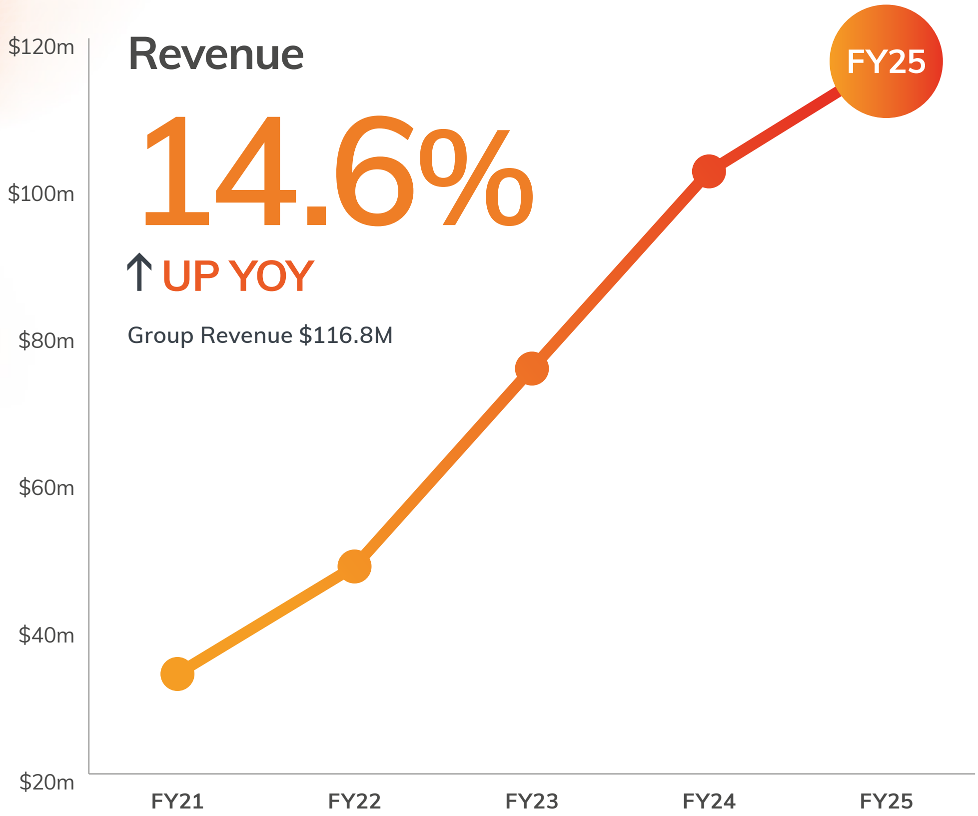
We're a trusted, data-led asset management partner for organisations around the world who can't afford to fail.

With over 25 years of experience, we combine deep industry expertise, dependable delivery, and powerful digital capabilities – including AI, data, and proprietary software – to help our customers reduce downtime, improve performance, and optimise the full asset lifecycle with confidence.

We partner with industries where reliability is non-negotiable: natural resources, utilities, infrastructure, transport, defence, and government.

Where others advise, COSOL delivers – embedding our people, proprietary technology, and expertise to provide long-term, recurring value for our customers and shareholders.

FY25 FINANCIAL HIGHLIGHTS



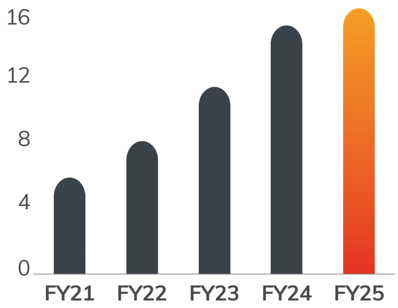
> Revenue rose 14.6% to $116.8 million, with underlying EBITDA up 7.2% to $16.8 million, continuing COSOL's strong trajectory.

UNDERLYING EBITDA[2]

7.2%

↑ UP YOY

EBITDA $16.8M

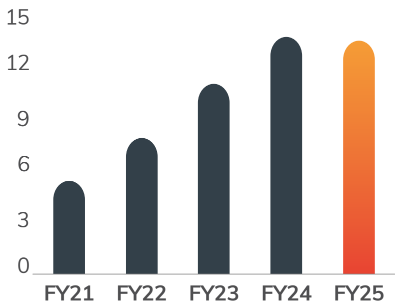


UNDERLYING EBIT[3]

-1.6%

↓ DOWN YOY

EBIT $13.8M

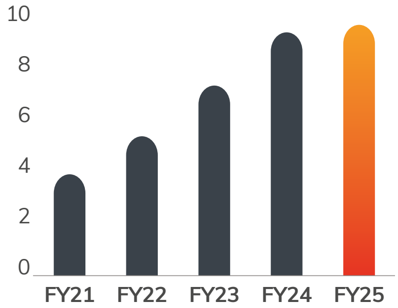


UNDERLYING NPATA[4]

3.4%

↑ UP YOY

NPATA $9.9M

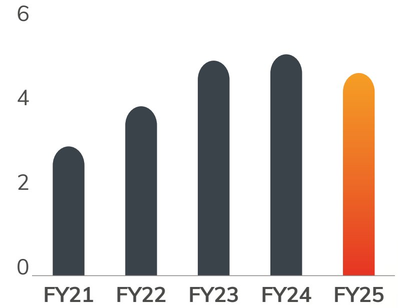


UNDERLYING EPS[5]

-8.8%

↓ DOWN YOY

EPS 4.78 CENTS



1. Underlying EBITDA, EBITA, NPATA and EPS are unaudited, non-IFRS financial information.
2. Underlying EBITDA is statutory earnings before interest, tax, depreciation and amortisation, as well as business acquisition costs of $0.5 million ($0.6 million FY24) and restructuring costs of $0.5 million ($0 FY24).
3. Underlying EBIT is statutory earnings before interest and tax, as well as business acquisition costs of $0.5 million ($0.6 million FY24) and restructuring costs of $0.5 million ($0 FY24).
4. Underlying NPATA is statutory net profit after tax (NPAT) before amortisation of acquired intellectual property, as well as tax adjusted business acquisition costs of $0.4 million ($0.4 million FY24) and restructuring costs of $0.4 million ($0 FY24).
5. Underlying EPS is underlying NPAT divided by weighted average shares on issue.

CHAIRMAN'S LETTER

Geoff Lewis
Non-Executive Chairman

DEAR FELLOW SHAREHOLDER

I am pleased to present to you the 2025 Annual Report of COSOL Limited, a year of continued business expansion and significant progress towards becoming Australia's leading data-driven, AI-enabled asset management services provider.

COSOL has established an unrivalled market position in market segments where the reliability and efficiency of heavy asset networks are vital to success and the critical safeguard against failure.

Natural resources, energy, utilities and defence are sectors where COSOL has established an impeccable reputation as a partner to organisations undergoing digital transformation of their asset management.

Evidence of COSOL's growing standing can be found in our revenue line which has grown consistently since COSOL listed in 2020 and now stands at $116.8 million in FY25.

In FY26, we expect an increase in organic revenue growth as the integrated combination of acquired businesses achieve deeper penetration of our blue-chip client base.

Our fast-growing revenue base has brought significant challenges for COSOL as we've rushed to keep pace with the additional business activity and the infrastructure and resources that it requires.

Among these challenges has been bigger than expected pressures on operating margins and the consequent impact on earnings, which have been lower than we anticipated for FY25.

This has been disappointing to me as Chairman and no doubt to every one of our investors.

Addressing the underlying issue of ensuring all growth is strongly profitable is now the primary focus of COSOL's management team – ensuring that our operating margins and profitability continue to expand in line with revenue growth.

As COSOL Chairman, my focus is on ensuring the settings are in place for management to drive margin growth and profit expansion.

Our senior management group, led by CEO Scott McGowan and CFO Anthony Stokes, is putting a renewed, sharper focus on capturing stronger margins in each of our business streams.

Fundamental to the internal management focus on profitability is ensuring that integration of recently acquired businesses is prioritised and revenue synergies are captured.

FY26 is the year when we expect our heavy investment in capability over the past five years will deliver these synergies, with a better integrated platform deployed across our customer network.

> “We firmly believe will see the benefits of this investment reflected in organic revenue growth and a return to bigger operating margins in FY26.

The corporate strategy in place has COSOL at one of the most exciting points in its history to date, with demand growing for high-value, high margin services underpinned by AI, data analytics and COSOL’s proprietary software and systems.

We firmly believe we will see the benefits of this investment reflected in organic revenue growth and a return to bigger operating margins in FY26.

And that’s our main goal as a Board: to deliver strong shareholder returns based on delivering great services to our customers and maintaining strict internal disciplines to provide the platform for long-term, sustainable growth.

Our intention is to drive shareholder value and to explore all opportunities that make sense for our investors.

I want to thank our COSOL customer teams who continue to deliver exceptional outcomes and value to our valued and loyal customers.

We’re seeking to deliver even deeper insights into their complex, capital intensive asset networks, leading their digital transformation, and allowing them to capture every possible efficiency and maintain critical reliability.

Thank you for your support in FY25 and we look forward to FY26 with confidence.

Geoff Lewis
Chairman

CEO'S REPORT

Scott McGowan

Managing Director
Chief Executive Officer

DEAR FELLOW SHAREHOLDER

The 2025 financial year marked a significant milestone for COSOL – our fifth year as a listed company on the ASX.

COSOL's FY25 was a year of continued strong revenue growth and significant business achievements in pursuing our vision of building a globally respected Asset Management as a Service (AMaaS) business that enables customers to manage their physical and digital assets with insight, intelligence, and efficiency.

It was also a year of significant challenges for COSOL in the shape of the demands that come with managing a fast-growing business and pressures on operating margins.

Our revenue grew 14.6% year-on-year to $116.8m, with EBITDA up 5% at $15.8m.

We have a growing, strongly profitable business but our operating margins need to be stronger. And, we believe, they will be materially stronger in FY26 with a bigger focus on operational controls and the continued roll out to customers of our high margin, high value AMaaS offerings.

COSOL's Strategic Approach

COSOL's strategy since listing in 2020 has been all about building our reputation as a trusted partner for asset-intensive industries seeking to modernise through data, analytics, digital capability and now AI.

The quality and tenure of our customers is testament to the value we deliver – and as that value to customers increases, so too the returns COSOL and our shareholders.

The building blocks are all now in place to accelerate our shift to a higher proportion of COSOL revenue deriving from higher value, higher margin services.

Our revenue performance underscores the strength of our integrated AMaaS model, demand for our services across critical infrastructure sectors and tangible outcomes for customers.

> Our continued top line growth reflects a clear and consistent strategy that delivers tangible outcomes for customers and value for shareholders.

Fundamental to COSOL future success is strong organic revenue growth from demand for these higher end services and having in place the operational settings to ensure that growth delivers satisfactory returns.

To this end, we have made several internal changes designed to maximise revenue growth and expand operating margins.

Executing Our Operational Strategy

My major focus will be on the delivery of COSOL's strategy and customer solutions, and leveraging the Company's integrated capabilities and the roll out of our volume-to-value approach.

CFO Anthony Stokes will have expanded operational responsibilities, with a more direct, hands-on role in the operations of the COSOL business. This means additional emphasis on margin protection and expansion, and the maximisation of profitability in our high growth environment. It also follows the resignation of COSOL's former COO on 1 July.

Strategic Acquisition

The integration of acquired businesses (six since listing in 2020) is now largely complete, which has allowed us to effectively remove an administrative layer to the business with centralised sales management and delivery, and far better resource optimisation.

And from a product and service viewpoint – what we sell to our customers – the acquisition of Toustone during FY25 has given COSOL an advanced cloud-based data platform and powerful capabilities in analytics, industrial mathematics, AI, and machine learning. All of which allows us to unlock the full value of data for our customers.

This acquisition also significantly accelerates our ability to offer predictive and prescriptive analytics, supporting smarter decision-making and improved asset performance.

Growth in Managed Services and Recurring Revenue

FY25 also saw the full-year contribution of multi-year managed services contracts secured in FY24, including with QBuild, Horizon Power, and CleanCo. These contracts provide strong recurring revenue and affirm COSOL's capabilities in supporting government and critical infrastructure customers with long-term digital and asset management solutions.

Our managed services business continues to grow, supporting our goal of delivering predictable, high-margin revenue streams while embedding COSOL more deeply into our customers' operations.

Looking Ahead to FY26

Moving into FY26, we are focused on advancing our volume-to-value strategy – deepening relationships with existing customers, layering on new capabilities, and supporting their end-to-end asset lifecycle transformation.

We have strong momentum and a clear roadmap for continued growth. We have a renewed focus on expanding operating margins and scaling our recurring revenue base.

To our team, thank you for your dedication, resilience, and innovation. You continue to make COSOL a leader in our field.

To our customers, thank you for your ongoing trust and support. We look forward to delivering another year of exceptional outcomes for asset networks and collaboration with you to jointly tackle the challenges facing your business in FY26 and beyond.

To our shareholders, we are dedicated custodians of your investment, committed to delivering enhanced shareholder returns. We believe the combination of our external market offerings and our sharpened operating platform will see strong growth and better returns in FY26.

Scott McGowan
Managing Director
Chief Executive Officer

CORPORATE STRATEGY

Taking our valued customers on a pathway to greater understanding and exploitation of their asset base.

What is Asset Management?

Asset management is the systematic process of developing, operating, maintaining, upgrading and disposing of physical assets in a way that is cost-effective, reliable and risk aware. This is especially critical in industries where infrastructure and equipment are central to operations.

Digital Disruption Opportunity

Asset-centric industries remain largely untouched by the wave of digital disruption, presenting a compelling opportunity for strategic investment. Our value proposition lies in leveraging technology and digital solutions to solve complex operational challenges, delivering strong returns on investment for our customers. In these sectors, maintenance and asset management costs can account for up to half of operating expenses, making efficient asset management essential for profitability and sustainability.

Our holistic approach not only drives cost efficiencies for customers but also generates recurring revenue streams for our business. Through co-investment in new intellectual property, we expand our portfolio and unlock cross-selling and upselling opportunities. Our Asset Management as a Service (AMaaS) model transforms these capabilities into a scalable, outcome-based offering.

Our Strategic Vision: Asset Management as a Service

Our unique AMaaS solution considers every aspect of the asset lifecycle, including data analytics and AI, advisory, IP-addons, Enterprise Asset Management (EAM) applications and data. We deliver results and resources that allow asset owners to protect reliability, find efficiencies and avoid failures.

This model gives customers a dedicated team to run, maintain, and optimise asset systems and data every day. Backed by 25+ years of global expertise, proprietary software, and best-in-class technology, we handle the critical foundations – so assets stay reliable, teams stay focused, and nothing slips through the cracks.

AMaaS consolidates our capabilities into an outcome-based service model, uniquely positioning us as the only organisation in Australia equipped to capitalise on this market opportunity. In an environment marked by capital scarcity, this is an ideal time to accelerate our strategy and drive transformative growth.

Strategy In Action: From Volume-to-Value

Our long-term customer relationships are built on continuous innovation and investment in proprietary digital solutions. Our intellectual property (IP) is deeply embedded in our customers' operational platforms, making our technology and expertise integral to their day-to-day functions. This high level of dependency drives retention, recurring revenue and strengthens our position as a trusted partner.

Conversational AI

COSOL's new AI offering is being rolled out for customers to quickly, easily and reliably unlock data to extracting maximum value from their asset base.

COSOL's Con-AI plug-in allows asset executives to access their EAM and Enterprise Resource Planning (ERP) systems by asking questions in natural language. Con-AI returns clear and reliable answers about asset performance without requiring technical proficiency or navigating multiple screens. EAM experts can take the next step with Con-AI's deep research agent mode to unlock analyst-level insights across the end-to-end asset life cycle.

The Result: a significant reduction in management time spent on business analysis and data transformation.

Caterpillar 793 Haul Truck Payload Increase

Our customer is a world-class iron ore operation producing over 60 million tonnes annually. The operation faced several challenges impacting haul truck availability, reliability, utilisation, and payload.

The customer engaged COSOL Asset Management Services to assess the feasibility of adopting lightweight trays to increase fleet payload capacity.

COSOL delivered a fact-based recommendation to proceed with the tray change, based on detailed analysis.

The Result: a 5.9% payload increase above current levels, equivalent to an additional 71 million tonnes of fleet capacity over ten years.

VALUED CUSTOMER RELATIONSHIPS

In asset-intensive industries where reliability, efficiency and economic returns are critical, we build long term partnerships with our customers to better understand and exploit their asset base.

	Natural Resources	Energy & Water
0 – 2 years	covalent LITHIUM	HORIZON POWER cleanco queensland
2 – 4 years	HANCOCK IRON ORE Newmont CLIFFS	Transgrid PowerWater
5+ years	RioTinto GLENCORE AngloAmerican	Unitywater Energy Queensland

Government & Defence	Infrastructure & Transport	
United States Navy; Energy Queensland; Australian Antarctic Program	Victoria State Government Department of Transport and Planning; Public Transport Authority	0 – 2 years
Parks Victoria; City of Logan	Cross River Rail; Pacific National; BNE Brisbane Airport Australia	2 – 4 years
QBuild Queensland Government Department of Public Works; Australian Government Department of Defence	Patrick; MTS Metro Trains Sydney; Long Beach Transit	5+ years

BUSINESS OVERVIEW

COSOL is built on one belief: in asset-intensive industries, reliability is everything.

Our capabilities are structured around three journey-based solution areas – each designed to help asset-intensive organisations drive performance, reduce risk, and make better decisions.

Asset Management Services

Reliable results, not just recommendations.

We don't vanish when the real work begins. We stay accountable and embed proven asset management experts onsite, in the field, and at the source – combining frontline experience with deep digital know-how to turn plans into real-world outcomes.

Digital Asset Management

When your systems and data don't align with your business, risk multiplies.

COSOL fixes that. We assess, optimise, and manage your digital environment so you can make decisions with confidence. From system strategy and integration to data quality and migration, we turn fragmented tech and dirty data into reliable intelligence – reducing failure, improving uptime, and getting more value from what you already own.

Asset Management as a Service (AMaaS)

When performance can't slip, you need reliable operators you can trust.

COSOL's AMaaS model gives you a dedicated team to run, maintain, and optimise your asset systems and data every day. We handle the critical foundations – so your assets stay reliable, your teams stay focused, and nothing slips through the cracks. No gaps, no handover risk, no downtime.

When Reliability Matters, These Are the Six Ways We Deliver It.

In asset-intensive industries, reliability means everything – from asset uptime to system performance, from clean data to trusted advice. These six pillars define how COSOL shows up, delivers outcomes, and earns your trust.

RELIABLE ASSETS

We help you keep your assets running – longer, safer, and with less disruption.

With the right data, planning, and support in place, we help you avoid costly delays, stay compliant, and get more life from your critical assets. Because in your world, every minute offline means lost time, lost money, and lost opportunity.

RELIABLE ADVICE

Advice you can act on and trust to deliver.

Our advice works because we've used it ourselves. Backed by operational experience, we give you clear, practical guidance to make smart calls under pressure – whether you need to reduce risk, cut waste, or make a case that stands up in front of the board.

RELIABLE PARTNERS

We're in it for the outcome, not just the engagement.

We become part of your team: dependable, invested, and focused on delivering results. Others hand over a report and walk away – we don't. We stay engaged, adapt when things change, and make sure it just keeps working.

RELIABLE DATA

Clean, consistent data you can count on.

We don't just digitise data – we fix it, structure it, and make it perform. We turn messy, incomplete asset data into a foundation you can trust, so you always know where the risk is and what to do about it. When data is reliable, decisions are too.

RELIABLE EXPERTS

We don't just know asset management – we've lived it.

Our team brings real, hands-on experience in the sectors we serve. We've managed the systems, worked through the failures, and solved the problems. That's how we help you stay ahead of breakdowns, avoid rework, and get results you can count on.

RELIABLE TECHNOLOGY

Our technology isn't experimental – it's proven.

We deliver and manage technology that works – not in theory, but in the toughest asset environments. Our technologies are built to scale, integrate, and perform under pressure. Because when your operations can't afford failure, you need technology that won't let you down.

CUSTOMER SHOWCASE:

Australian Train Operator

ABOUT AUSTRALIAN TRAIN OPERATOR

The Toustone Transport Suite solution allows even the largest of Australia's train operators to easily track their trains journeys with one dashboard that captures all train, station, and patronage data in one location. Our Transport Suite visual dashboard enables operators to drill down from the big picture into individual train journeys to target specific performance issues. Fast, efficient insights are delivered automatically, reducing the manual labour required and the risk of errors.

Our customer is a large train operator in Australia. With an international heritage, they bring a wealth of expertise and a history of innovation to Australian transport systems. They implement best-in-class technology to deliver excellent operational performance.

THE CHALLENGE

The system of service delivery reporting used by our customer was highly manual and labour intensive. They recognised an opportunity to create a competitive advantage by leveraging data to improve reporting and enhance their service delivery. However, they did not have the in-house capabilities to deliver a solution. The tender request set high standards of performance objectives and, benchmarks. The Toustone Transport Suite simplifies the complex and was the only proposal to deliver a cloud-based automated reporting and visual dashboard solution.

THE SOLUTION

The Toustone Transport Suite decision intelligence system was implemented to gather the complex data and automate the analysis and generation of visual reports. This reduced the labour required to manually extract data and create reports. Automation delivered cost savings and removed the risk of errors from manual processes.

All of the train, station, and patronage data is now viewable in one location for fast efficient insights. From here they can get a quick and accurate analysis of performance and target any issues to immediately improve service delivery.

For instance, many factors contribute to delivering a consistent journey time, like a faulty door slowing a train's departure. The Toustone Transport Suite solution means train operators can immediately identify the cause of a performance issue and immediately take corrective action to maintain consistent service.

The Toustone Transport Suite solution empowers operational teams to do what they do best: give a timely response to operational issues to keep their assets reliable and deliver a better experience for their customers.

What are your thoughts on the Toustone Transport Suite solution?

> Get on board! Take a look at the difference this can make for your business, providing accurate, efficient information with graphics to support, and let's not forget the trend analysis.

Network Standards and Performance Manager
Australian Train Operator

NEXT STEPS

"We have taken what we needed to achieve minimally and increased it 100 fold, not 10 fold, a 100 fold! Toustone has been able to provide far more accurate detail than any other service we have worked with previously. We have gone from absolutely nothing and bad excel reporting to actual live data feeds inside a year... it's amazing.

Network Standards and Performance Manager
Australian Train Operator

KEY BUSINESS OUTCOMES

- Oversight of all rail operations with increased efficiency and speed
- Improve service delivery based on automated reports and insights
- Reduce labour cost by removing manual data handling
- Enhance data integrity with cloud hosting and automating reports
- Decision-making based on accurate, up-to-date data

CUSTOMER SHOWCASE:
Global Natural Resource Organisation

OVERVIEW

For over 18 years, we've partnered with a global natural resources company, with mines across Australia. Our partnership has evolved from foundational asset management services, such as operational readiness to providing digital platforms, labour resources and consultancy services.

SOLUTIONS DELIVERED

Asset Management Services

Operational Readiness

We deliver comprehensive operational readiness solutions that ensure new machinery is integrated and configured for performance from day one. Our approach combines strategic planning, technical setup and data accuracy to support long-term asset reliability and efficiency.

We create tailored maintenance strategies for each asset, ensuring alignment with operational goals and site-specific requirements. Our team develops detailed product data to enable precise inventory management and support effective maintenance planning.

We configure each machine within the customer's ERP system to ensure the asset is fully prepared for operational use and financial tracking.

We validate, cleanse, and analyse master data to eliminate gaps and ensure the integrity of asset information critical for reliable performance and decision-making.

By setting up assets correctly and aligning maintenance strategies with operational and financial data, we help reduce unplanned downtime, generate cost savings and improve overall asset reliability.

Digital Asset Management

Customer Challenge

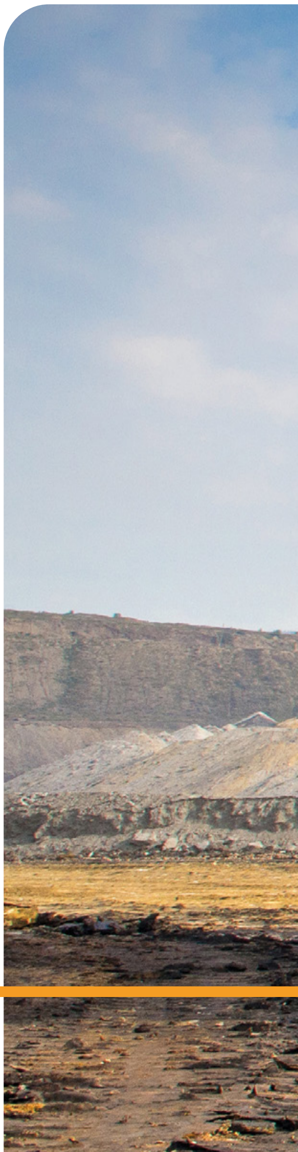
The customer operates a diverse mining organisation, with its divisions functioning independently. The customer was managing work orders by paper and had decentralised work instructions and maintenance strategies.

Solution: COSOL OnPlan Digital Work Management

The customer initiated a pilot of the OnPlan Builder at a single site, transitioning from paper-based and manual maintenance processes to a centralised digital platform. This shift enabled more efficient creation and management of work instructions and maintenance strategies. The digitalisation of these processes improved operational efficiency and delivered cost savings by eliminating paper-based workflows. The customer achieved cost savings of $100,000 in printing and material expenses per site.

As a result, the customer began using the OnPlan app, connecting maintenance and engineering teams. This allows the customer to complete work orders in the field and send them directly to the relevant teams.

The success of this digital transformation project has led the customer to roll-out the OnPlan app to five sites across Queensland and New South Wales, with more sites planning to transition.



Asset Management Specialist Resourcing

In FY25 we supplied the customer with over

50

ongoing people engagements, ranging from short-term to long-term.

Quintiq

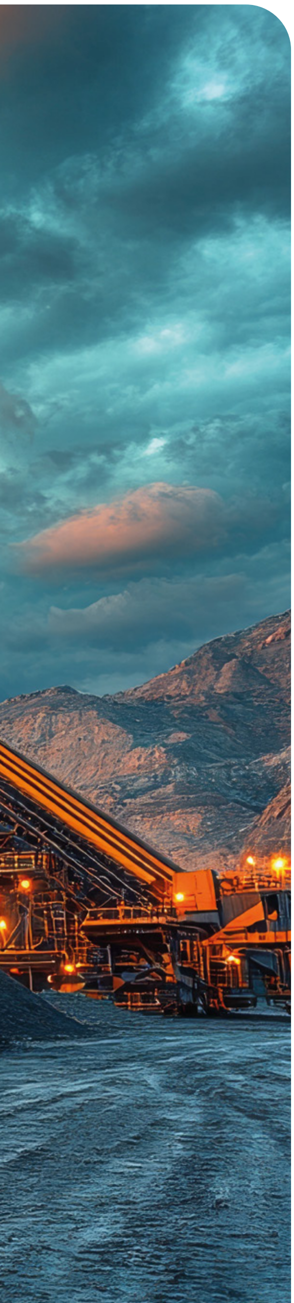
Over an 18-year partnership with the customer, we have embedded our solutions into their operations. Our delivery and outcomes resulted in the customer reaching out for additional support with their Quintiq platform. The customer required specialists in Quintiqs' supply chain planning, and optimisation software.

The Managed Service model was the ideal solution for this customer as they required on-going support and resources. We provide skilled consultants who work directly with the customer, delivering outcomes and preventing disruptions to operations.

SIGNATURE SOLUTIONS AND PROPRIETARY SOFTWARE

Proprietary digital solutions drive growth opportunities

Our signature solutions and proprietary software portfolio continues to drive growth opportunities. Valued by customers as IP which can maximise their enterprise software investments and streamline the reliable delivery of complex digital and data projects.



Asset Management Services

From strategy to execution – reliable support that keeps operations moving.

COSOL provides the reliable support you need to keep operations moving – from strategic planning to hands-on improvement. When performance, safety and uptime are on the line, expert insight and dependable execution matter most.

Digital Asset Management

Reliable data. Smarter Systems. Better Decisions.

COSOL delivers dependable data integrity, system optimisation and AI-led insights – because in asset-intensive industries, you can't afford decisions based on anything less than high-quality data.

Asset Management as a Service (AMaaS)

Always-on asset management – fully delivered, when performance can't slip.

COSOL's unique AMaaS offering combines over 25 years of proven global expertise, proprietary software and best-in-class technology – delivered through a dependable partnership that keeps your operations running continuously at peak performance.

Data and AI Underpin AMaaS

COSOL's ecosystem built around deep asset management expertise, skills in all major technology platforms and our own proprietary software. The platform supports delivery of data analytics and AI-enabled services that allow asset owners to protect reliability, find efficiencies and avoid failures.

RPConnect®

A flexible software solution for measuring data quality, migrating data from disparate systems and vaulting legacy data that strengthens digital capabilities and migrates future risks and costs.

OnPlan Digital Work Management Solution

A software platform to help asset managers standardise and automate processes, maintain institutional knowledge, improve reliability, reduce downtime and work safely.

COSOL's unique AMaaS offering combines over

25 years

of proven global expertise, proprietary software and best-in-class technology.

CASE STUDY

Delivering Long-Term Value with AMaaS for a Queensland Based Building Group

ABOUT THE CUSTOMER

Our customer is a leading and trusted provider of building and infrastructure services, supporting a multibillion-dollar asset portfolio. Their expertise spans the full asset lifecycle, from planning and delivering capital works, partnering on public infrastructure projects, maintaining high community standards for public assets and responding rapidly to restore government-owned assets upon severe weather events.

THE CHALLENGE

The organisation's asset management operations across Queensland operated on Ellipse 6.4, a core enterprise platform implemented in 2009. Over time, as the software version and the hosting infrastructure was retired by the vendors, the system posed significant reliability challenges as the older infrastructure was at its performance limits with the risk of major infrastructure outages.

KEY BUSINESS OUTCOMES

- Successful Re-platforming
- Faster System Performance
- 24/7 Monitoring Implemented
- 3-year ongoing Support Secured

THE SOLUTION

COSOL developed and delivered a re-platforming and re-hosting solution to address the challenges posed by the organisation's ageing Ellipse platform and unsupported infrastructure.

COSOL initiated a successful proof of concept to demonstrate the feasibility of migrating the system to supported hardware. A complete rebuild of the infrastructure environment was proposed, including procuring and implementing new hardware, deploying high-speed storage, and enhancing network connectivity to significantly improve the performance and reliability.

Using advanced virtualisation technology, COSOL re-hosted and re-platformed the Ellipse environment into a modern, fit-for-purpose data centre. Virtualisation enables greater flexibility and resilience by creating scalable virtual environments from a single physical infrastructure – maximising resources efficiency and minimising downtime. The new platform reduced average systems downtime from an average of 3 hours to just 12 minutes.

Under a multi-year contract, COSOL manages the Ellipse system and provides comprehensive operational support, while driving further enhancements to infrastructure stability and performance to ensure ongoing reliability and efficiency. Customer feedback has been overwhelmingly positive of the strong collaborative relationship with the COSOL managed service team, highlighting significant improvements in response and resolution times.

Since go-live, the team has consistently delivered exceptional performance, providing reliable, value-driven outcomes that support the customer's operational goals. Through proactive service management, rigorous performance monitoring and a steadfast commitment to continual improvement, COSOL has helped the customer achieve outstanding service levels.

CASE STUDY

Australia's Largest ERP Migration

ABOUT THE CUSTOMER

Our customer is an Australian defence organisation with a role to defend Australia and its national interests, and support disaster relief operations. Operating in complex environments with a wide array of capabilities, the defence organisation utilised multiple aging legacy systems to manage its assets and operations. Each platform managed data in different ways, with little or no data validation or integration across the siloed platforms.

THE CHALLENGE

The customer had multiple legacy systems for managing assets and reporting across the functions of Enterprise Asset Management, Finance, Procurement, Supply Chain Management, Military Planning and Operations and Human Capital Management. The legacy systems used lacked integration and consistent data management, resulting in manual workflows, interface issues and compromised data quality.

THE SOLUTION

The complex data problems and size of the project required support from data specialists and experts in data migration. Partnering with the systems integrator, COSOL supplied its proprietary RPConnect software, together with data subject matter experts and technical support, as pivotal parts of the customer's solution.

Working with the system integrator, COSOL performed the data migration components of the ERP transformation. We leveraged our extensive Ellipse and SAP expertise and proprietary RPConnect data migration solution to execute the data extraction, transformation, load and validation scopes of work.

Due to the complexity of their legacy systems and the volume of data spread across multiple sources, prior to the data migration process COSOL's conducted extensive data remediation activities to not only enhance the migration pipeline but also achieve operational improvements through increased data integrity and reliability.

The ERP program created one source of truth for operational decision-making across the customer's internal functions, enabled by SAP S/4HANA. The COSOL approach resulted in the migration of high-quality data, ensuring accurate reporting and informed decision-making in the new ERP environment. After a successful go-live, the customer is now positioned as one of the most integrated and efficient defence organisations globally.

135
Transactional Data Loads

66.9m
Master Data Records

Consolidated
20
Legacy Platforms

KEY BUSINESS OUTCOMES

- Removal of the manual reporting process
- Protected, quality data and in real time
- System modernisation
- SAP Business Network for Procurement
- SAP S/4HANA defence and security software

FINANCIAL OVERVIEW

The following table summarises financial indicators used by management to monitor the Company. Underlying EBITDA is one of the key performance metrics of the Company, as management believes it is a better reflection of actual financial performance.

Discussion on drivers of movements in key financial indicators are included in the sections below.

$'000	FY25 H1	FY25 H2	FY25	FY24
Revenue	57,780	59,028	116,808	101,933
EBITDA	7,655	8,130	15,785	15,035
NPAT	4,054	3,840	7,894	8,519
EPS	2.28	2.11	4.39	4.98
EBITDA (Underlying)[1]	8,153	8,642	16,795	15,660
NPAT (Underlying)[2]	4,407	4,194	8,601	8,963
NPATA (Underlying)[3]	4,894	5,040	9,933	9,606
EPS (Underlying)[4]	2.47	2.30	4.78	5.24

1. Underlying EBITDA, NPAT, NPATA and EPS are unaudited, non-IFRS financial information.
2. Underlying NPAT excludes the tax adjusted impact of business acquisition, integration and restructuring costs.
3. Underlying NPATA is statutory net profit after tax before amortisation of acquired intellectual property, business acquisition, integration and restructuring costs.
4. Underlying EPS is underlying NPAT divided by weighted average shares on issue.

Profit and loss

Cosol delivered revenue growth of 14.6% to $116.8 million in FY25 (FY24 $101.9 million). Increased revenue during the year was attributable to organic growth in the business across the Professional Services, Support & Managed Services and Product & Product Service streams, coupled with additional revenue from Toustone, which was acquired during the year.

Underlying EBITDA increased by 7.2% ($1.1 million) in FY25 to $16.8 million as a result of the organic revenue growth mentioned above, which also contributed to a higher underlying NPATA of $9.9 million, a 3.4% increase on the prior year.

The Group reported a tax expense of $3.1 million for the year at an effective tax rate of 28.2% as compared to the prior year's effective tax rate of 29.2%, with the difference mainly coming through improved provisioning through the period.

Cash flow

Net operating cash flow (excluding interest, tax and other costs) increased by 17.2% ($1.9 million) to $13.4 million compared to $11.5 million in FY24, largely off the back of higher earnings during the period. This coupled with the implementation of several cash management initiatives during the year resulted in an 8.8 point increase in cash conversion to 85.1%.

Balance sheet

Net assets increased by 9.8% ($7.5 million) during the year to $76.9 million. This increase was mostly driven by the acquisition of Toustone, which saw the Group realise acquisition date net assets of $8.1 million mainly related to customer relationship and software intangible assets, as well as goodwill of $10.8 million.

Additional finance facilities with Westpac Banking Corporation were secured during the financial year, with the overall facility now totalling $38.9 million, an increase of $11.7 million on FY24 facilities. This increase drove a higher net debt position of $26.6 million, which included vendor contingent consideration liabilities of $6.9 million. Net debt leverage based on the Group's underlying last twelve months EBITDA is 1.59 times. Approximately $12.8 million borrowing capacity was available at year end, sufficient to cover vendor contingent considerations.

Share capital

Shares on issue increased by 4.5 million (2.6%) from 177.5 million shares to 182.0 million shares. This increase related to shares issued to the vendors of Toustone as part of the purchase price consideration on acquisition of the business, partially funding this transaction.

Risks

A summary of material business risks that could adversely affect COSOL's financial performance and growth potential in future years include:

Cybersecurity and IT infrastructure

A cybersecurity incident or compromise to COSOL's IT infrastructure could result in system outages, data breaches, loss of intellectual property, customer attrition, and operational disruption. These consequences may lead to legal exposure, reputational harm, and financial loss.

COSOL mitigates these risks through continued investment in secure systems and infrastructure, the application of layered security protocols, regular employee awareness programs, penetration testing, independent control assurance, and the implementation of business resilience strategies.

People talent attraction and retention

COSOL's people are a critical asset, and the ability to attract and retain skilled professionals is essential to sustaining operational and financial performance. This remains a challenge in a competitive market for talent.

To address this, COSOL engages in market-leading projects, offers professional development and training opportunities, implements leadership development initiatives, and maintains a remuneration framework designed to support recruitment, motivation, and retention.

Major customers

A significant portion of COSOL's revenue is derived from a small number of major customers. The loss or reduction of business from any of these customers could materially affect financial performance. COSOL actively manages this risk by maintaining strong customer relationships, ensuring high service standards, and addressing issues promptly. In addition, COSOL is diversifying its customer base across industries and geographies to reduce dependency on individual customers.

Delivery performance

The successful execution and delivery of projects are fundamental to COSOL's reputation and financial outcomes. Failure to meet project objectives or key performance indicators may result in reputational damage, financial penalties, or legal consequences. COSOL mitigates this risk through robust project management practices, continuous performance monitoring, timely corrective actions, and comprehensive contingency planning.

Contract governance

COSOL's commercial relationships with customers and suppliers are governed by contractual agreements. The inability to maintain, renew, or negotiate these agreements on favourable terms – or a counterparty's failure to meet its obligations – could negatively impact the Company's financial and operational performance.

To manage this risk, COSOL employs inhouse legal counsel, provides training in contract law and administration, and enforces minimum contracting standards across the business.

SOLIDIFYING OUR CORPORATE SOCIAL RESPONSIBILITY

We believe that the work we do every day can make a meaningful difference, not just for our customers and stakeholders, but for the world around us. We're proud to be investing in communities by aligning our values and operations with sustainability efforts that aim to create a fairer, more resilient and more inclusive future.

Community

We actively engage with the community through event sponsorships and support volunteering opportunities.

Sustainability

We promote environmental responsibility by recognising initiatives such as Earth Hour and waste reduction.

Environment

We support endangered species through sponsoring Bob the Turtle to foster long-term environmental impact.

Turning Values into Action

We're committed to making our Corporate Social Responsibility pillars more than just words. Here's how we're putting our values into practice:

Volunteer engagement: Every team member is encouraged to give back through one paid volunteer day per calendar year, allowing us to contribute time and energy to causes that matter.

Organised opportunities: We're actively investing in and coordinating volunteer initiatives, making it easier for our people to get involved in meaningful community work.

Purposeful sponsorships: We support causes that align with our corporate social responsibility pillars, such as sponsoring the Mackay Thunders U12 Girls Touch Footy Team, helping nurture young talent and community spirit.

IN THE COMMUNITY

Raising funds for Cancer Council with 404 – Car not Found

We're proud to sponsor 404 Car Not Found in the 2025 Spring Sh#tbox Rally, a bold adventure from Alice Springs to the Gold Coast in a $1,500 car, all to raise funds for Cancer Council Australia.

This iconic rally supports life-saving cancer research, prevention and support services. We are sponsoring Stuart Burckhardt and his team to complete the rally. We're thrilled to back their mission and be part of something that drives real change.

Craig Lefoe and His Brother Take on Mystery Box Rally

Not to forget Craig Lefoe and his brother, David, are taking part in the Mystery Box Rally in 2025.

David and Craig are doing their first Mystery Box Rally to raise money for cancer research. Experiences of supporting an uncle in the 70s to their father in the 80s, to friends, brothers and partner in recent years are driving this endeavour.

Craig and David will drive a 1989 Camry approximately 2,500 km in five days, setting off from Broken Hill and returning five days later.

Supporting future local legends, Mackay Thunders U12 Girls Touch Footy Team

We are sponsoring the Mackay Thunder U12 girls touch footy team. The team is made up of local girls aged 10 to 12 years old with a love for footy.

The Girls will be travelling to Townsville, Emerald and Rockhampton to compete in the Junior State Cup (northern division) the Central Queensland Junior Touch Championships and the QLD State Cup.

BOARD OF DIRECTORS & MANAGEMENT

Geoffrey Lewis

Non-Executive Chairman

Geoff has over 30 years' experience in the global delivery of IT services and outsourcing. He established ASG Group Limited (formerly ASX listed, ASX:ASZ), an IT business solutions provider, in 1996 and was its Managing Director until it was acquired in late 2016 for $350 million by Japanese multinational IT services and consulting business Nomura Research Institute, Ltd. Geoff was appointed as a director on 10 September 2019.

Special responsibilities
Chairman of the Board

Other listed directorships
Stepchange Holdings Limited

Scott McGowan

Managing Director
Chief Executive Officer

Appointed as CEO in 2016, and Managing Director in 2024, under Scott's leadership COSOL has experienced significant growth and transformation, both before and after its successful IPO. His strategic acumen and innovative approach have been pivotal in steering the company through critical stages of expansion and market adaptation. Before joining COSOL, Scott amassed extensive experience in senior executive roles in start-ups and multinational corporations across various industries, honing his skills in strategic planning, operational efficiency, and organisation development. Scott brings a hands-on leadership style, dedication to team development, and passion for leveraging technology to drive the company's trajectory, with a focus on enhancing core operations, fostering a culture of innovation, and exploring new market opportunities.
Scott holds a Bachelor of IT.

Special responsibilities
Managing Director
Chief Executive Officer

Other listed directorships
None

Stephen Johnston, CA

Non-Executive Director

Stephen has significant international experience in investment, corporate finance, mergers and acquisitions and commercial management gained over 40 years in Australian industrial and investment organisations. Stephen was the managing director and founder shareholder of Schutz DSL Group, an industrial packaging group with operations in Australia and South-East Asia, and was an independent non-executive director of ASG Group Limited. Stephen was appointed as a director on 10 September 2019.

Special responsibilities
Chair of Audit Committee
Member of Risk Committee
Member of Remuneration & Nomination Committee

Other listed directorships
None

Gerald Strautins

Independent Non-Executive Director

Gerald has extensive executive, mergers and acquisitions, consulting, programme and business management experience, with particular strength in formulating, implementing and managing strategic managed service/outsourcing operations and transformation initiatives. Gerald gained his strategic business consultancy and corporate management experience through extensive work in Australia, Europe and Asia. He was the Executive – Strategy and M&A of ASG Group Limited, and was responsible for the strategic direction of the organisation, while also completing in excess of $500 million in mergers and acquisitions transactions. Gerald was appointed as a director on 4 October 2019.

Special responsibilities
Chair of Remuneration & Nomination Committee
Member of Audit Committee
Chair of Risk Committee

Other listed directorships
None

Anthony Stokes

Chief Financial Officer

Anthony is a highly credentialed finance executive with more than 20 years' experience in highly competitive and regulated environments. Anthony's most recent position was General Manager, Financial Planning & Analysis at Virgin Australia, where he worked in senior roles for more than a decade across finance, transformation and commercial roles. This included playing a key role in the sale process and transition to Bain Capital's ownership. Anthony previously worked at KPMG in Deal Advisory Services with significant experience across mergers and acquisitions and equity capital markets transactions. Anthony holds a Bachelor of Commerce and is a Member of Chartered Accountants Australia and New Zealand.

Ben Secrett

Company Secretary | General Manager, Legal and Commercial

Ben has more than 15 years of experience as a legal, corporate advisory and governance professional. He has worked for top tier law firms in their corporate practices, as well as for a number of stock market listed Australian and foreign entities in the resources, professional services and technology sectors. He holds a Bachelor of Economics, a Juris Doctor law degree, and a Graduate Diploma of Applied Corporate Governance.

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 entity') consisting of COSOL Limited (referred to hereafter as the 'Company', 'parent entity' or 'COSOL') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

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

Geoffrey James Lewis (Chairman)

Scott Evatt McGowan (Managing Director and Chief Executive Officer)

Stephen Edward Oliver Johnston

Gerald Peter Strautins

Benjamin Thomas Buckley – resigned on 14 November 2024

Grant Anthony Pestell – retired on 14 November 2024

Particulars of their qualifications, experience, special responsibilities and any directorships of other listed companies held within the last three years are set out in this Annual Report under the Board of Directors heading, and form part of this Directors' Report.

Directors' interests in shares and options of COSOL

The Directors hold relevant interests in the following shares and other securities of COSOL as at the date of this Directors' Report:

Director	Shares	Options
G Lewis	24,903,595	–
S McGowan	5,200,046	3,000,000
S Johnston	24,903,595	–
G Strautins	3,000,000	–
B Buckley*	–	–
G Pestell *	–	–
	58,007,236	**3,000,000**

* Ceased to act as a Director on 14 November 2024.

B Buckley had interest in 503,329 shares and 3,000,000 options at 14 November 2024.
G Pestell had interest in 2,500,000 shares and 0 options at 14 November 2024.

DIRECTORS' REPORT CONTINUED

Principal activities

During the financial year the principal continuing activities of the consolidated entity were the provision of data-led asset management solutions to optimise operational performance to clients in asset intensive industries such as natural resources, energy and water utilities, transport, public infrastructure and defence.

The consolidated entity utilises it's proprietary solutions, built from over 20 years of data management, data migration and asset management expertise to build, maintain and optimise asset information systems, and help clients maximise their enterprise asset management investments.

Dividends

The Directors have declared a final dividend of $0.01168 per ordinary share at record date, payable to all ordinary shareholders for the current financial year. The dividend will be fully franked. The record date for entitlements to this dividend will be 3 October 2025 with payment on 20 October 2025.

Dividends paid during the financial year were as follows:

	Consolidated	
	2025 $	**2024 $**
Fully franked interim dividend for the year ended 30 June 2025 of $0.01 (2024: $0.01) per ordinary share	1,819,888	1,749,189
Fully franked final dividend for the year ended 30 June 2024 of $0.0139 (2023: $0.0146) per ordinary share	2,466,664	2,553,816
	4,286,552	4,303,005

Operational overview

The profit for the consolidated entity after providing for income tax amounted to $7,894,220 (30 June 2024: $8,519,407).

A review of the operations of the consolidated entity during the financial year is set out in the Chairman's Report and CEO's Letter within the Annual Report and forms part of this Directors' Report, and should be read in conjunction with the following.

Key highlights include:

- celebrated 25 years of COSOL since its establishment in 2000;
- revenue grew 14.6% to $116.8 million supported by organic growth, underlying EBITDA was up 7.2% to $16.8 million, net operating cash flow (excluding interest, tax and other costs) increased by 17.2% to $13.4 million, and cash conversion of 85.1% increased by 8.8 points on the back of improved net working capital practices;
- grew the number of customers 13% with a focus in the strategically valuable resources and public infrastructure and utilities sectors;
- the successful acquisition and integration of Toustone Pty Ltd, a leading Australian data analytics group which leverages its expertise and proprietary IP in predictive analytics and decision intelligence to giver order to customers' data lakes and provide insights into their operations and identify efficiency opportunities;
- embedded new managed services contracts with QBuild and CleanCo in Queensland, the Department of Transport in Victoria, and Horizon Power in Western Australia;
- disciplined capital management providing flexibility for continued growth; and
- paid fully franked dividends totalling $0.0239 per share maintaining COSOL's track record of shareholder distributions.

DIRECTORS' REPORT CONTINUED

Significant changes in the state of affairs

Acquisition of Toustone Pty Ltd

On 1 December 2024, COSOL Limited acquired 100% of the ordinary shares of Toustone Pty Ltd ('Toustone') for total consideration of up to $18,896,773 subject to Toustone meeting future profit hurdles. Toustone is a data analytics, predictive analytics and decision intelligence company dedicated to solving complex data problems and providing accurate and reliable asset operating performance reporting. The upfront consideration totalled $12,396,773, comprising $8,396,773 cash and 4,531,038 COSOL shares (being $4,000,000 worth at a deemed issue price of $0.8828 per share). The balance of the consideration comprises up to $6,500,000 in earn-out consideration, and up to $3,925,000 in outperformance consideration, and is payable subject to the Toustone business achieving profit and margin hurdles in CY25 and CY26.

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

Matters subsequent to the end of the financial year

Matt Glasner ceased to act as Chief Operating Officer and left the employment of COSOL on 1 July 2025.

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

Likely developments and expected results of operations

The Directors and management of the consolidated entity intend to continue operations as conducted during the financial year and in a manner consistent with the consolidated entity's business model and growth strategy (which includes organic and acquisitive growth).

The entity's operations are centred around the management of physical assets for its customers, with the aim of enhancing the performance and lifespan of these assets while simultaneously eradicating inefficiencies with the aim of decreasing maintenance and repair costs, limiting downtime, and achieve the highest return on investment. For the year ended 30 June 2025, 51% of the entity's revenue was derived from advisory and professional services, 24% from products and product-led services, and 25% from managed services. Clients in the natural resources sector contributed approximately 54% of revenue for the year, with the remaining clientele operating across utilities, government, defence, and public infrastructure sectors. From a geographical standpoint, 88% of the entity's revenue for the year originated from our Australian operations, while the US operations contributed the remaining 12%.

The entity's relationships with its customers and suppliers are governed by its contractual arrangements with those parties. Any failure to maintain, renew or replace key contracts and arrangements on commercially acceptable terms, or any failure by a party to perform its obligations under such contracts or arrangements, could have a material adverse effect on the Company and the financial and operational performance of the entity.

The Directors and management of the consolidated entity intend on growing the entity both organically and, as opportunities present themselves, through potential acquisitions of complementary and synergistic businesses.

While the entity will attempt to undertake all reasonable and appropriate due diligence in respect of any acquisition opportunities, there is a risk that the due diligence and analysis may be incomplete or inaccurate, warranties or indemnities cannot be obtained, or that the benefits and synergies the entity anticipates receiving from such acquisitions may not be realised due to a variety of factors.

DIRECTORS' REPORT CONTINUED

Environmental regulation

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

Economic, Environment and Social Sustainability Risks

The consolidated entity does not consider that it has any material exposures to environmental and social sustainability risks.

COSOL's IPO prospectus disclosed the risks that may have a material impact on its financial performance and the market price for its shares. This disclosure included possible material exposure to a decline in economic conditions and the general economic outlook.

Company Secretary

Ben Secrett is the Company Secretary. Particulars of his qualifications and experience are set out in this Annual Report under the Board of Directors and Management heading, and form part of this Directors' Report.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director is detailed below.

	Board	Board	Audit	Audit	Remuneration and Nomination	Remuneration and Nomination	Risk	Risk
Director	**M**	**A**	**M**	**A**	**M**	**A**	**M**	**A**
G Lewis	14	14	–	–	–	–	–	–
S McGowan	10	10	–	3	–	1	–	1
S Johnston	14	14	4	4	2	2	1	1
G Strautins	14	14	3	3	2	2	1	1
B Buckley	4	4	–	1	–	1	–	–
G Pestell	4	4	1	1	–	–	–	–

Chair
Member

M The number of meetings held during the period the Director was a member of the Board and/or Committee.

A The number of meetings attended by the Director during the period the Director was a member of the Board and/or Committee.

Corporate Governance Statement

The Company's 2025 corporate governance statement is available from its website at https://cosol.global/investor-centre/corporate-governance/

REMUNERATION REPORT (AUDITED)

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

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

The key management personnel of the consolidated entity during the financial year were the Directors of the Company, and the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer of COSOL Limited.

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

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Statutory performance indicators.

Principles used to determine the nature and amount of remuneration

The remuneration policy of the consolidated entity has been designed to align KMP objectives with shareholders' interests and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas regarding the consolidated entity's financial results. The Board believes that the remuneration policy is appropriate and effective in its ability to attract and retain the best KMP to run and manage the consolidated entity, as well as create alignment between the goals and interests of Directors, management and shareholders.

Remuneration levels for KMP are competitively set to attract and retain appropriately qualified and experienced directors and management for the consolidated entity. The remuneration structures are designed to fairly and responsibly reward the achievement of strategic and financial performance objectives, and incentivise the creation of value for shareholders. The remuneration mix for KMP includes fixed compensation, short- and long-term incentives (including equity-based compensation) and superannuation contributions, except that Non-Executive Directors do not receive equity-based compensation.

The Company's Nomination and Remuneration Committee reviews compensation levels on an annual basis which considers the individual performance of KMP and the performance of the consolidated entity. The Remuneration and Nomination Committee may engage external consultants to provide advice on remuneration matters and to assist it in making remuneration decisions. No external remuneration consultant was engaged during the financial year.

The consolidated entity has designed separate and distinct remuneration structures for Non-Executive Directors and other KMP (including executive Directors).

REMUNERATION REPORT (AUDITED) CONTINUED

Non-Executive Directors

The consolidated entity's policy is to remunerate Non-Executive Directors based on market practices, duties and accountability, with independent external advice sought when required. The fees paid to Non-Executive Directors is reviewed annually, and the current maximum aggregate amount of fees that can be paid to Non-Executive Directors is $600,000 per annum which can be increased only with prior shareholder approval. The Non-Executive Directors do not receive additional fees for serving on committees of the Board, and are not entitled to any termination benefits or retirement (other than superannuation) benefits.

ASX listing rules require the aggregate Non-Executive Directors' remuneration to be determined by a general meeting. The most recent determination was at the Annual General Meeting held on 18 November 2021, where shareholders approved a maximum annual aggregate remuneration for Non-Executive Directors of $600,000.

Other KMP (including Executive Directors)

The Board's policy for determining the nature and amount of remuneration for other KMP including executive Directors is to reward those personnel based on their position and responsibility, subject to annual reviews. The remuneration structure includes fixed base pay, short- and long-term incentives (including equity-based compensation), and other remuneration such as superannuation and long service leave.

This structure implements the consolidated entity's practice of directly linking incentive components of the remuneration of KMP and other management personnel to the performance of the consolidated entity through total shareholder return, EBITDA, EBIT and return on capital measures, and is designed to ensure sustainable business practices, and continued and sustainable growth in the consolidated entity's business, financial and share price performance.

Remuneration Report Approval

This Remuneration Report for the financial year ended 30 June 2025 will be put to shareholders for approval at COSOL's annual general meeting to be held on 30 October 2025.

REMUNERATION REPORT (AUDITED) CONTINUED

Details of remuneration

Amounts of remuneration

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

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
2025	**Cash salary and fees $**	**Cash bonus $**	**Non-monetary $**	**Super-annuation $**	**Long service leave $**	**Equity-settled $**	**Other $**	**Total $**
Non-Executive Directors:								
G Lewis	100,000	–	–	11,500	–	–	–	111,500
S Johnston	70,000	–	–	8,050	–	–	–	78,050
G Pestell*	32,083	–	–	–	–	–	–	32,083
G Strautins	70,000	–	–	8,050	–	–	–	78,050
KMP:								
B Buckley*	350,000	–	–	–	–	23,589	–	373,589
S McGowan	572,500	151,879	–	30,000	–	78,685	–	833,064
A Stokes	422,500	130,000	–	30,000	–	18,220	–	600,720
M Glasner**	447,500	138,125	–	30,000	–	18,098	–	633,723
	2,064,583	420,004	–	117,600	–	138,592	–	2,740,779

* B Buckley resigned as Managing Director on 14 November 2024.

* G Pestell retired as a Non-Executive Director on 14 November 2024.

** M Glasner ceased to act as Chief Operating Officer and left the employment of COSOL on 1 July 2025.

The bonuses above are calculated on a cash basis.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
2024	**Cash salary and fees $**	**Cash bonus $**	**Non-monetary $**	**Super-annuation $**	**Long service leave $**	**Equity-settled $**	**Other $**	**Total $**
Non-Executive Directors:								
G Lewis	100,000	–	–	11,000	–	–	–	111,000
S Johnston	70,000	–	–	7,700	–	–	–	77,700
G Pestell	77,000	–	–	–	–	–	–	77,000
G Strautins	70,000	–	–	7,700	–	–	–	77,700
KMP:								
B Buckley	470,000	–	–	–	–	102,347	–	572,347
S McGowan	564,963	200,000	–	27,485	–	64,943	–	857,391
A Stokes	418,739	100,000	–	27,476	–	52,840	–	599,055
M Glasner	443,022	150,000	–	27,477	–	40,807	–	661,306
	2,213,724	450,000	–	108,838	–	260,937	–	3,033,499

M Glasner was appointed Chief Operating Officer on 1 July 2023.

The bonuses above are calculated on a cash basis.

REMUNERATION REPORT (AUDITED) CONTINUED

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements (as amended over time) are as follows.

Name:	Scott McGowan
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	16 January 2020
Term of agreement:	Until agreement is validly terminated in accordance with its terms.
Details:	Notice period: either party may terminate the agreement without cause by providing the other party with no less than 6 months' written notice. Mr McGowan may terminate if a material breach of the agreement by COSOL is not remedied within 14 days of receiving notice. COSOL may terminate the agreement with no less than 3 months' written notice where Mr McGowan is absent for more than 3 months in any rolling 12 month period, or immediately with cause in circumstances considered standard for agreements of this nature in Australia, including serious or persistent breaches of the agreement, grave misconduct or wilful neglect in the discharge of his duties under the agreement. Salary: $600,000 per annum (inclusive of statutory superannuation). Cash short-term performance-based incentive: up to $225,000 per annum (inclusive of statutory superannuation), payable on the following terms: • 50% incentive payment based on delivery of annual Group EBIT target; and • 50% incentive payment based on delivery of the Group EPS target. Expenses: The consolidated entity will reimburse Mr McGowan is reimbursed for all reasonable expenses incurred by him in the performance of his duties in connection with the consolidated entity. Leave: The agreement otherwise contains leave entitlements, termination and confidentiality provisions and general provisions considered standard for an agreement of this nature.

Name:	Anthony Stokes
Title:	Chief Financial Officer
Agreement commenced:	1 August 2022
Term of agreement:	Until agreement is validly terminated in accordance with its terms.
Details:	Notice period: either party can terminate this agreement by giving 3 months' written notice. COSOL can terminate the agreement immediately for a material breach of the agreement. Salary: $450,000 per annum (inclusive of statutory superannuation). Cash short-term incentives: up to $200,000 per annum (inclusive of statutory superannuation), payable on the following terms: • 50% incentive payment based on delivery of annual Group EBIT Target; • 25% incentive payment based on delivery of the performance segment EBIT Target; and • 25% incentive payment based on employee and customer satisfaction.

REMUNERATION REPORT (AUDITED) CONTINUED

Name:	Matthew Glasner
Title:	Chief Operating Officer
Agreement commenced:	1 July 2023
Term of agreement:	Until agreement is validly terminated in accordance with its terms. M Glasner left the employment of COSOL on 1 July 2025.
Details:	Notice period: either party can terminate this agreement by giving 3 months' written notice. COSOL can terminate the agreement immediately for a material breach of the agreement. Salary: $475,000 per annum (inclusive of statutory superannuation). Cash short-term incentives: up to $212,500 per annum (inclusive of statutory superannuation), payable on the following terms: • 50% incentive payment based on delivery of annual Group EBIT Target; • 25% incentive payment based on delivery of performance segment EBIT Target; and • 25% incentive payment based on employee and customer satisfaction.

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

The Company has entered into agreements with its Directors, and agreed the following remuneration:

Director	Annual remuneration inclusive of superannuation
G Lewis	111,500
S Johnston	78,050
G Pestell	32,083
G Strautins	78,050
	299,683

B Buckley resigned and G Pestell retired on 14 November 2024 – the remuneration listed above is to that date.

The Directors each serve until retirement, subject to re-election as required by the Company's constitution and the *Corporations Act 2001*.

REMUNERATION REPORT (AUDITED) CONTINUED

Share-based compensation

Issue of shares

There were no ordinary shares issued to Directors or key management personnel as a result of the exercise of options in the current financial year (2024: Company issued 2,925,375 ordinary shares at $0.415 per share to Directors or key management personnel as a result of the exercise of options; there are no amounts unpaid on the shares issued).

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are detailed below.

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
B Buckley*	1,500,000	17 November 2020	29 September 2024	29 September 2024	$0.9000	$115,662
B Buckley*	1,483,323	17 November 2020	29 September 2024	29 September 2024	$1.0000	$123,978
A Stokes	800,000	30 June 2023	15 October 2023	1 August 2026	$0.8300	$54,658
A Stokes	600,000	30 June 2023	15 October 2024	1 August 2026	$0.8300	$40,994
A Stokes	600,000	30 June 2023	15 October 2025	1 August 2026	$0.8300	$40,994
M Glasner	800,000	30 June 2023	15 October 2023	1 August 2026	$0.8900	$37,253
M Glasner	600,000	30 June 2023	15 October 2024	1 August 2026	$0.8900	$38,685
M Glasner	600,000	30 June 2023	15 October 2025	1 August 2026	$0.8900	$39,844
B Buckley	1,000,000	15 December 2023	31 August 2024	30 June 2026	$1.2200	$54,100
B Buckley*	1,000,000	15 December 2023	31 August 2025	1 August 2027	$1.2200	$60,975
B Buckley*	1,000,000	15 December 2023	31 August 2026	1 August 2027	$1.2200	$63,980
S McGowan	1,000,000	29 January 2024	31 August 2024	1 August 2027	$1.2200	$54,100
S McGowan	1,000,000	29 January 2024	31 August 2025	1 August 2027	$1.2200	$60,975
S McGowan	1,000,000	29 January 2024	31 August 2026	1 August 2027	$1.2200	$63,980

* Options expired or lapsed as holder ceased employment with COSOL.

Mr McGowan and Mr Buckley

Performance milestones

- 20% of each tranche based on total shareholder return indexed against the ASX Small Industrials Index (50% vest if TSR equals the Index, and an additional 4% vest for each 1% by which the TSR exceeds the Index);
- 40% of each tranche based on achieving strategic initiatives as defined by the Board (including non-financial measures) (4% vest for each percentile achieved above the 75th percentile); and
- 40% of each tranche based on achieving budgeted EBIT and ROC for COSOL (4% vest for each percentile achieved above the 75th percentile).

Clawback:

The Board reserves the right to 'clawback' vested options in the event that material errors in satisfaction of performance milestones are discovered.

REMUNERATION REPORT (AUDITED) CONTINUED

Mr Stokes and Mr Glasner

The option holder must remain employed by COSOL and its related companies. Any options which do not vest will automatically lapse.

Performance milestones

- 50% of each tranche based on total shareholder return indexed against the ASX Small Industrials Index (50% vest if TSR equals the Index, and an additional 4% vest for each 1% by which the TSR exceeds the Index); and
- 50% of each tranche based on COSOL achieving budgeted ROC (4% vest for each percentile achieved above the 75th percentile).

Clawback

The Board reserves the right to 'clawback' vested options in the event that material errors in satisfaction of performance milestones are discovered.

The performance milestones applicable to the long-term incentive options granted to KMP during the financial year were chosen because they create an appropriate link between the KMP's remuneration and the performance of the consolidated entity, and deliver on an objective of encouraging continued and sustainable growth in the consolidated entity's business, financial and share price performance.

In respect of TSR, the ASX Small Industrials Index, as an external factor for determining satisfaction of a performance milestone, was chosen as it is an index containing a number of peer companies in the IT sector and companies of a size and financial performance that the consolidated entity is striving to achieve.

Performance rights

There were no performance rights over ordinary shares granted to, issued to, or vested by Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025. No performance rights over ordinary shares are held by any Directors or other key management personnel.

Statutory performance indicators

The table below shows measures of the Group's financial performance over the past five years as required by the *Corporations Act 2001*. However, these measures are not all consistent with the measures used in determining the variable amounts of remuneration to be awarded to executive KMP. Consequently, there may not always be a direct correlation between statutory key performance measures and the variable remuneration awarded to executive KMP.

	FY25	FY24	FY23	FY22	FY21
Revenue	$116,807,702	$101,933,163	$75,102,347	$48,236,369	$33,583,739
Profit/loss after income tax expense from continuing operations	$7,894,220	$8,519,407	$7,986,327	$5,532,775	$3,997,793
Dividends declared per ordinary share – final	$0.01168	$0.0139	$0.0146	$0.0100	$0.0100
Dividends declared per ordinary share – interim	$0.0100	$0.0100	$0.0100	$0.0092	$0.0050
Dividends paid	$4,286,552	$4,303,005	$2,951,594	$2,633,567	$658,859
Reported basic EPS from continuing operations	$0.0490	$0.0498	$0.0543	$0.0401	$0.0306

This concludes the Remuneration Report, which has been audited.

DIRECTORS' REPORT CONTINUED

Shares under option

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

Grant date	Expiry date	Exercise price	Number
13 July 2022	31 March 2026	$0.81	750,000
30 June 2023	1 August 2026	$0.83	2,000,000
30 June 2023	1 August 2026	$0.89	2,000,000
15 December 2023	1 August 2027	$1.22	1,000,000
29 January 2024	1 August 2027	$1.22	3,000,000
			8,750,000

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

Shares under performance rights

There were 643,421 unissued ordinary shares of COSOL under performance rights outstanding at the date of this report.

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

Grant date	Expiry date	Exercise price	Number under rights
1 July 2024	30 June 2029	$0.00	643,421

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

No performance rights have been granted to Key Management Personnel as at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares issued to Directors or key management personnel as a result of the exercise of options in the current financial year (2024: Company issued 2,925,375 ordinary shares at $0.415 per share to Directors or Key Management Personnel as a result of the exercise of options; there are no amounts unpaid on the shares issued).

DIRECTORS' REPORT CONTINUED

Movements in securities held

The movements in FY25 in the number of securities held in COSOL held directly, indirectly or beneficially by Non-Executive Directors and executive KMP, including their related parties is detailed below.

		Held at 1 July 2024	Issued/ Acquired/ Granted	Exercised	Disposed	Expired/ Other	Held at 30 June 2025
Non-Executive Directors:							
G Lewis	Shares	24,903,595	–	–	–	–	24,903,595
	Options	–	–	–	–	–	–
S Johnston	Shares	24,903,595	–	–	–	–	24,903,595
	Options	–	–	–	–	–	–
G Pestell*	Shares	2,500,000	–	–	–	(2,500,000)	–
	Options	–	–	–	–	–	–
G Strautins	Shares	3,000,000	–	–	–	–	3,000,000
	Options	–	–	–	–	–	–
KMP:							
B Buckley*	Shares	653,329	–	–	–	(653,329)	–
	Options	5,983,323	–	–	–	(4,983,323)	1,000,000
S McGowan	Shares	5,200,046	–	–	–	–	5,200,046
	Options	3,000,000	–	–	–	–	3,000,000
A Stokes	Shares	–	–	–	–	–	–
	Options	2,000,000	–	–	–	–	2,000,000
M Glasner	Shares	–	–	–	–	–	–
	Options	2,000,000	–	–	–	–	2,000,000

* These are the holdings of B Buckley and G Pestell as at 14 November 2024 when they each ceased to act as a Director.

Shares issued on the exercise of performance rights

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

Indemnity and insurance of officers

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

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

Indemnity and insurance of auditor

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

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

DIRECTORS' REPORT CONTINUED

Proceedings on behalf of the company

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

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 33 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the services as disclosed in note 33 to the financial statements do not compromise the external auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants* issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Auditor's independence declaration

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

Auditor

Elderton Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

Directors' Resolution

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

On behalf of the Directors

Geoff Lewis
Chairman

19 August 2025

AUDITOR'S INDEPENDENCE DECLARATION

ELDERTON
AUDIT PTY LTD

Auditor's Independence Declaration

To those charged with the governance of COSOL Limited

As auditor for the audit of COSOL Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

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

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Sajjad Cheema
Director

19 August 2025
Perth

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FINANCIAL REPORT

General information

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

COSOL Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 19 August 2025. The Directors have the power to amend and reissue the financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Note	Consolidated 2025 $	2024 $
Revenue	4	116,807,702	101,933,163
Other income	5	2,248	37,220
Interest income		6,619	15,798
Expenses			
Cost of Sales		(79,716,542)	(67,688,382)
Depreciation and amortisation expense	6	(2,979,524)	(1,621,221)
Salaries & Wages		(13,164,920)	(11,354,152)
Share based payments		162,124	(325,301)
Operating and General Expenses		(8,305,870)	(7,567,993)
Finance costs		(1,816,221)	(1,401,413)
Profit before income tax expense		**10,995,616**	**12,027,719**
Income tax expense	7	(3,101,396)	(3,508,312)
Profit after income tax expense for the year attributable to the owners of COSOL Limited	29	**7,894,220**	**8,519,407**
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation		113,085	(35,479)
Other comprehensive income for the year, net of tax		113,085	(35,479)
Total comprehensive income for the year attributable to the owners of COSOL Limited		**8,007,305**	**8,483,928**
		Cents	**Cents**
Basic earnings per share	40	4.39	4.98
Diluted earnings per share	40	4.09	4.65

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

STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Note	Consolidated 2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	8	6,089,880	6,615,863
Trade and other receivables	9	18,191,185	13,496,583
Inventories	10	15,000	24,088
Prepayments and other receivables	11	8,115,211	9,952,234
Total current assets		**32,411,276**	**30,088,768**
Non-current assets			
Property, plant and equipment	12	745,172	803,450
Right-of-use assets	13	6,066,967	5,867,093
Intangibles	14	92,282,114	74,423,511
Deferred tax	15	1,767,847	1,371,013
Total non-current assets		**100,862,100**	**82,465,067**
Total assets		**133,273,376**	**112,553,835**
Liabilities			
Current liabilities			
Trade and other payables	16	2,217,767	3,618,546
Bank loans	17	2,950,000	4,200,000
Lease liabilities	18	662,109	539,037
Income tax	19	227,723	489,625
Employee benefits	20	2,996,667	2,692,528
Contingent consideration	21	1,729,850	1,350,000
Accrued and other liabilities	22	10,949,584	8,971,655
Total current liabilities		**21,733,700**	**21,861,391**
Non-current liabilities			
Bank loans	23	22,937,280	14,450,000
Lease liabilities	24	5,808,217	5,477,366
Deferred tax	25	777,183	1,040,861
Contingent consideration	26	5,120,150	350,000
Total non-current liabilities		**34,642,830**	**21,318,227**
Total liabilities		**56,376,530**	**43,179,618**
Net assets		**76,896,846**	**69,374,217**
Equity			
Issued capital	27	55,353,486	51,389,486
Reserves	28	940,003	989,042
Retained profits	29	20,603,357	16,995,689
Total equity		**76,896,846**	**69,374,217**

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

Consolidated	Issued capital $	Share based payment reserve $	Foreign exchange reserve $	Retained profits $	Total equity $
Balance at 1 July 2023	29,094,381	520,712	264,453	12,779,287	42,658,833
Profit after income tax expense for the year	–	–	–	8,519,407	8,519,407
Other comprehensive income for the year, net of tax	–	–	(35,479)	–	(35,479)
Total comprehensive income for the year	**–**	**–**	**(35,479)**	**8,519,407**	**8,483,928**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 27)	22,295,105	–	–	–	22,295,105
Share-based payments (note 41)	–	239,356	–	–	239,356
Dividends paid (note 30)	–	–	–	(4,303,005)	(4,303,005)
Balance at 30 June 2024	**51,389,486**	**760,068**	**228,974**	**16,995,689**	**69,374,217**

Consolidated	Issued capital $	Share based payment reserve $	Foreign exchange reserve $	Retained profits $	Total equity $
Balance at 1 July 2024	51,389,486	760,068	228,974	16,995,689	69,374,217
Profit after income tax expense for the year	–	–	–	7,894,220	7,894,220
Other comprehensive income for the year, net of tax	–	–	113,085	–	113,085
Total comprehensive income for the year	**–**	**–**	**113,085**	**7,894,220**	**8,007,305**
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 27)	4,000,000	–	–	–	4,000,000
Share-based payments (note 41)	–	(162,124)	–	–	(162,124)
Adjustment to tax on listing fees for equity issue	(36,000)	–	–	–	(36,000)
Dividends paid (note 30)	–	–	–	(4,286,552)	(4,286,552)
Balance at 30 June 2025	**55,353,486**	**597,944**	**342,059**	**20,603,357**	**76,896,846**

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Note	Consolidated 2025 $	2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		126,223,159	114,019,271
Payments to suppliers and employees (inclusive of GST)		(112,789,168)	(102,553,409)
		13,433,991	11,465,862
Interest received		6,619	15,798
Other revenue		2,248	37,220
Interest and other finance costs paid		(1,816,221)	(1,401,413)
Income taxes paid		(4,023,810)	(2,772,537)
Net cash from operating activities	39	7,602,827	7,344,930
Cash flows from investing activities			
Payment for purchase of business, net of cash acquired	36	(7,608,886)	(19,047,884)
Final payments for prior period's business acquisition	21	(1,350,000)	(1,875,000)
Payments for property, plant and equipment	12	(221,277)	(506,603)
Payments for intangibles	14	(1,339,836)	(881,048)
Net cash used in investing activities		(10,519,999)	(22,310,535)
Cash flows from financing activities			
Proceeds from issue of shares	27	–	15,806,137
Proceeds from borrowings		9,762,280	9,467,292
Repayment of bank loans		(2,525,000)	(3,450,000)
Repayment of lease liabilities		(532,320)	(501,533)
Share issue transaction costs		(36,000)	–
Dividends paid	30	(4,286,552)	(4,303,005)
Net cash from financing activities		2,382,408	17,018,891
Net increase/(decrease) in cash and cash equivalents		(534,764)	2,053,286
Cash and cash equivalents at the beginning of the financial year		6,615,863	4,564,847
Effects of exchange rate changes on cash and cash equivalents		8,781	(2,270)
Cash and cash equivalents at the end of the financial year	8	**6,089,880**	**6,615,863**

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

NOTES TO THE FINANCIAL STATEMENTS

30 June 2025

Note 1. Material accounting policy information

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

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

Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 35.

Principles of consolidation

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

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

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

Foreign currency translation

The financial statements are presented in Australian dollars, which is COSOL Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other sales taxes or duty. The following specific revenue recognition criteria must also be met before revenue is recognised:

The Group recognises revenue from contracts with customers based on a five step model as set out in IFRS 15:

1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
5. Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligations where any one of the above conditions are not met, revenue is recognised at a point in time at which the performance obligation is satisfied. The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method of recognising revenue.

Revenue is recognised in the statement of profit or loss and other comprehensive income to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue will not occur and the revenue and costs, if applicable, can be measured reliably.

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns and discounts. Revenue is recognised in the profit or loss when significant risk and reward of ownership have been transferred to the customer, recovery of consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and amount of revenue can be measured reliably.

The Group assessed its revenue streams and the following measurement methods have been identified and adopted in the preparation of these financial statements:

Revenue streams	**Measurement methods**
Sale of licenses	Revenue for licenses sold is recognised at a point in time
Set-up and support activities	Revenue is recognised for arrangements involving software including implementation support over time until the implementation services are completed
Maintenance services	Revenue is recognised throughout the period of the maintenance contract, i.e. over time
Consulting services	Revenue is recognised over the time spent on the provision of the consulting services

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Government grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

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

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

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

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

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment

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

Depreciation is calculated on a straight-line or diminishing value basis, as appropriate to the type of asset, to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	2-5 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Right-of-use assets

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

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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

Intangible assets

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

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

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 entity is able to use or sell the asset; the consolidated entity 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.

Website

Significant costs associated with the development of the revenue generating aspects of the website, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3 years.

Customer relationships

Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life between 6 to 9 years.

Impairment of non-financial assets

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

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

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

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

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

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.

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

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

Other long-term employee benefits

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

Share-based payments

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

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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

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

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

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

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

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

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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.

Dividends

Dividends are recognised when declared during the financial year.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of COSOL Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

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

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

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

Share-based payment transactions

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

Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Determination of variable consideration

Judgement is exercised in estimating variable consideration which is determined having regard to past experience with respect to the goods returned to the consolidated entity where the customer maintains a right of return pursuant to the customer contract or where goods or services have a variable component. Revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised under the contract will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

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

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Recovery of deferred tax assets

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

Lease term

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

Employee benefits provision

As discussed in note 1, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Contingent consideration

The contingent consideration liability is the difference between the total purchase consideration, usually on an acquisition of a business combination, and the amounts paid or settled up to the reporting date, discounted to net present value. The consolidated entity applies provisional accounting for any business combination. Any reassessment of the liability during the earlier of the finalisation of the provisional accounting or 12 months from acquisition-date is adjusted for retrospectively as part of the provisional accounting rules in accordance with AASB 3 '*Business Combinations*'. Thereafter, at each reporting date, the contingent consideration liability is reassessed against revised estimates and any increase or decrease in the net present value of the liability will result in a corresponding gain or loss to profit or loss. The increase in the liability resulting from the passage of time is recognised as a finance cost.

Business combinations

As discussed in note 1, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into two geographic regions of Americas (including USA, Canada and South America) and Australia (including the rest of the world). The Australian segment is formed by nine entities (two were subject to earn out targets during the year). The consolidated entity is focussed on a single operating model and with the ability to deploy the resources remotely there was an increase in the extent of intercompany revenue with Australian segment consultants providing capacity to the Americas segment, this work was charged on commercial terms with the ultimate customer invoiced by the Americas segment.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Intersegment transactions

Intersegment transactions were made at market rates. These transactions consist of consultancy services. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers

During the year ended 30 June 2025 approximately 15% (Period ended 30 June 2024: 15%) of the consolidated entity's external revenue was derived from sales to two major customers (Period ended 30 June 2024: two major customers) in the COSOL Asia Pacific segment.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Operating segment information

Consolidated – 2025	COSOL Asia Pacific $	COSOL North America $	Total $
Revenue			
Sales to external customers	104,752,933	12,054,769	116,807,702
Intersegment sales	1,876,568	142,924	2,019,492
Total sales revenue	106,629,501	12,197,693	118,827,194
Other revenue	6,597	22	6,619
Total segment revenue	106,636,098	12,197,715	118,833,813
Intersegment eliminations			(2,019,492)
Total revenue			**116,814,321**
EBITDA	**11,957,165**	**3,827,577**	**15,784,742**
Depreciation and amortisation	(2,832,472)	(147,052)	(2,979,524)
Interest revenue	6,597	22	6,619
Finance costs	(1,806,981)	(9,240)	(1,816,221)
Profit before income tax expense	**7,324,309**	**3,671,307**	**10,995,616**
Income tax expense			(3,101,396)
Profit after income tax expense			**7,894,220**
Assets			
Segment assets	126,056,303	10,353,384	136,409,687
Intersegment eliminations			(3,136,311)
Total assets			**133,273,376**
Liabilities			
Segment liabilities	57,678,282	1,834,559	59,512,841
Intersegment eliminations			(3,136,311)
Total liabilities			**56,376,530**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Consolidated – 2024	COSOL Asia Pacific $	COSOL North America $	Total $
Revenue			
Sales to external customers	88,056,647	13,876,516	101,933,163
Intersegment sales	915,391	–	915,391
Total sales revenue	88,972,038	13,876,516	102,848,554
Other revenue	15,775	23	15,798
Total segment revenue	88,987,813	13,876,539	102,864,352
Intersegment eliminations			(915,391)
Total revenue			**101,948,961**
EBITDA	**11,510,455**	**3,524,101**	**15,034,556**
Depreciation and amortisation	(1,492,225)	(128,997)	(1,621,222)
Interest revenue	15,775	23	15,798
Finance costs	(1,394,276)	(7,137)	(1,401,413)
Profit before income tax expense	**8,639,729**	**3,387,990**	**12,027,719**
Income tax expense			(3,508,312)
Profit after income tax expense			**8,519,407**
Assets			
Segment assets	104,919,712	10,520,577	115,440,289
Intersegment eliminations			(2,886,454)
Total assets			**112,553,835**
Liabilities			
Segment liabilities	41,155,668	4,910,404	46,066,072
Intersegment eliminations			(2,886,454)
Total liabilities			**43,179,618**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 4. Revenue

	Consolidated	
	2025 $	2024 $
Rendering of services	106,643,791	93,803,253
Product sales	10,163,911	8,129,910
Revenue	**116,807,702**	**101,933,163**

Disaggregation of revenue

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

	Consolidated	
	2025 $	2024 $
Geographical regions		
Asia Pacific	103,015,381	87,249,973
North America	13,371,610	13,876,516
Europe, Middle East & Africa	386,139	765,978
Rest of world	34,572	40,696
	116,807,702	**101,933,163**

Note 5. Other income

	Consolidated	
	2025 $	2024 $
Reimbursement of expenses	2,248	37,220

Note 6. Depreciation and amortisation expense

	Consolidated	
	2025 $	2024 $
Depreciation on property, plant and equipment	289,081	135,818
Amortisation of right-of-use assets	788,283	580,399
Amortisation of website costs	39,500	36,208
Amortisation of software development	1,629,327	868,796
Amortisation of customer relations	233,333	–
	2,979,524	**1,621,221**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 7. Income tax expense

	Consolidated	
	2025 $	**2024 $**
Income tax expense		
Current tax	3,681,636	3,421,790
Deferred tax – origination and reversal of temporary differences	(549,170)	(190,140)
Under/(Over) Provision for Prior Year – current tax	(31,070)	276,662
Aggregate income tax expense	**3,101,396**	**3,508,312**
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	10,995,616	12,027,719
Tax at the statutory tax rate of 30%	3,298,685	3,608,316
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	25,738	26,154
Share-based payments	(48,637)	97,590
Deductible equity raising costs	(36,000)	(73,839)
Other costs	10,134	(71,977)
Acquisition adjustments	149,240	(78,263)
Deductible State Taxes	(4,551)	(2,655)
	3,394,609	**3,505,326**
Under/(Over) Provision for Prior Year – current tax	(31,070)	276,662
Difference in overseas tax rates	(335,090)	(274,121)
Effects of differences in foreign exchange translation rate	72,947	445
Income tax expense	**3,101,396**	**3,508,312**

	Consolidated	
	2025 $	**2024 $**
Amounts charged/(credited) directly to equity		
Deferred tax assets (note 15)	36,000	(106,162)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 8. Cash and cash equivalents

	Consolidated	
	2025 $	2024 $
Cash on hand	221	221
Cash at bank	6,089,659	6,615,642
	6,089,880	**6,615,863**

Note 9. Trade and other receivables

	Consolidated	
	2025 $	2024 $
Trade receivables	18,729,808	14,242,526
Less: Allowance for expected credit losses	(538,623)	(745,943)
	18,191,185	**13,496,583**

Allowance for expected credit losses

The consolidated entity has recognised a gain of $207,320 (Period ended 30 June 2024 gain: $27,868) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

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

	Consolidated	
	2025 $	2024 $
Opening balance	745,943	773,811
Additions through business combinations	–	262,000
Unused amounts reversed	(207,320)	(289,868)
Closing balance	**538,623**	**745,943**

Note 10. Inventories

	Consolidated	
	2025 $	2024 $
Stock on hand – at cost	15,000	24,088

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 11. Prepayments and other receivables

	Consolidated	
	2025 $	2024 $
Accrued revenue	5,496,223	7,479,122
Prepayments	1,645,942	1,906,849
Other current assets	973,046	566,263
	8,115,211	**9,952,234**

Note 12. Property, plant and equipment

	Consolidated	
	2025 $	2024 $
Leasehold improvements – at cost	71,503	48,912
Less: Accumulated depreciation	(33,285)	(22,828)
	38,218	**26,084**
Fixtures and fittings – at cost	88,271	49,390
Less: Accumulated depreciation	(26,896)	(17,896)
	61,375	**31,494**
Computer equipment – at cost	1,151,824	926,135
Less: Accumulated depreciation	(627,987)	(332,264)
	523,837	**593,871**
Office equipment – at cost	415,061	402,254
Less: Accumulated depreciation	(303,936)	(250,299)
	111,125	**151,955**
Low value asset pool – at cost	2,379	2,379
Less: Accumulated depreciation	(2,350)	(2,333)
	29	**46**
Computer software – at cost	14,690	3,073
Less: Accumulated depreciation	(4,102)	(3,073)
	10,588	**–**
	745,172	**803,450**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Reconciliations

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

Consolidated	Buildings and improve-ments $	Computers $	Furniture and fixtures $	Low value asset pool $	Office equipment $	Computer software $	Total $
Balance at 1 July 2023	21,369	256,942	39,290	73	61,003	–	378,677
Additions	9,750	441,108	–	–	55,745	–	506,603
Additions through business combinations (note 36)	–	–	–	–	53,783	–	53,783
Exchange differences	11	194	–	–	–	–	205
Depreciation expense	(5,046)	(104,373)	(7,796)	(27)	(18,576)	–	(135,818)
Balance at 30 June 2024	26,084	593,871	31,494	46	151,955	–	803,450
Additions	22,409	148,428	38,890	–	–	11,550	221,277
Additions through business combinations (note 36)	–	–	–	–	7,440	–	7,440
Exchange differences	–	2,077	3	–	3	3	2,086
Depreciation expense	(10,275)	(220,539)	(9,012)	(17)	(48,273)	(965)	(289,081)
Balance at 30 June 2025	**38,218**	**523,837**	**61,375**	**29**	**111,125**	**10,588**	**745,172**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 13. Right-of-use assets

	Consolidated	
	2025 $	**2024 $**
Land and buildings – right-of-use	7,404,385	6,480,516
Less: Accumulated depreciation	(1,337,418)	(613,423)
	6,066,967	**5,867,093**

Reconciliations

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

Consolidated	**Land and buildings – right-of-use $**	**Total $**
Balance at 1 July 2023	2,327,105	2,327,105
Additions	5,859,804	5,859,804
Additions through business combinations (note 36)	21,760	21,760
Disposals	(1,761,946)	(1,761,946)
Exchange differences	769	769
Depreciation expense	(580,399)	(580,399)
Balance at 30 June 2024	5,867,093	5,867,093
Additions	986,243	986,243
Exchange differences	1,914	1,914
Depreciation expense	(788,283)	(788,283)
Balance at 30 June 2025	**6,066,967**	**6,066,967**

The Company leases various assets including real estate, equipment and vehicles. These leases are recognised as right-of-use (ROU) assets and corresponding lease liabilities on the balance sheet at the lease commencement date.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 14. Intangibles

	Consolidated	
	2025 $	2024 $
Goodwill – at cost	80,063,032	69,249,254
Software development – at cost	11,049,486	5,985,960
Less: Accumulated amortisation	(2,514,664)	(868,796)
	8,534,822	5,117,164
Website – at cost	178,885	178,885
Less: Accumulated amortisation	(161,292)	(121,792)
	17,593	57,093
Customer relations – at cost	3,900,000	–
Less: Accumulated amortisation	(233,333)	–
	3,666,667	**–**
	92,282,114	**74,423,511**

The Group performed the annual impairment test in June 2025. The Group considers the relationship between its equity market capitalisation and the net assets shown on the balance sheet, among other factors, when reviewing for indicators of impairment. No indicators of impairment are noted. In considering the carrying value of goodwill, the Directors have adopted a value-in-use methodology to determine the recoverable amounts of each CGU which confirms that no impairment charge is necessary.

The recoverable amounts of each CGU have been determined based on value-in-use calculation that uses the cash flow budgets over a one year period, followed by an extrapolation of expected cash flows for the CGUs over a four year period using the growth rates determined by management and the assumptions outlined below. The present value of the expected cash flow and a terminal value for each segment is determined by applying a suitable discount rate.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions:

Management's key assumption is that stable economic conditions prevail for the foreseeable future. Cash flow projections reflect stable profit margin previously achieved and that no material deterioration in the cash margin is anticipated. The sensitivity analysis undertaken considers each key assumption in isolation and does not take into account any remedial action that may be taken if, for example, margins were to deteriorate.

The calculation of each CGU is most sensitive to the following assumptions:

- **Gross profit margins** – are based upon the FY25 budgets and margins achieved in the current year. Gross profit margins are the most sensitive margin to the value-in-use calculation.
- **Cost price inflation** – has been based upon publicly available information.
- **Growth rate estimates** – it has been acknowledged that technological change, macro-economic factors and action of competitors can impact on growth rate assumptions. Growth rates for revenue and costs have been assumed post year 4 at 3%. If terminal growth was to reduce to zero, in real terms, then it is estimated that a goodwill impairment charge is unlikely.
- **Discount rates** – represent the current market risks, taking into consideration the time value of money and specific risks not incorporated in the cash flow forecasts. The discount rate is based upon the weighted average cost of capital (WACC). WACC is assessed taking into account the expected return on investment by investors, the cost of debt servicing plus beta factors for industry risk. The Directors have adopted a WACC of 12.5% which is applied to the forecast pre-tax cash flows after capital expenditure of each CGU.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Reconciliations

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

Consolidated	Goodwill $	Software Development $	Website $	Customer Relationships $	Total $
Balance at 1 July 2023	43,401,977	1,773,952	74,262	–	45,250,191
Additions	–	862,008	19,039	–	881,047
Additions through business combinations (note 36)	25,847,277	3,350,000	–	–	29,197,277
Amortisation expense	–	(868,796)	(36,208)	–	(905,004)
Balance at 30 June 2024	69,249,254	5,117,164	57,093	–	74,423,511
Additions	–	1,339,836	–	–	1,339,836
Additions through business combinations (note 36)	10,813,778	3,707,149	–	3,900,000	18,420,927
Amortisation expense	–	(1,629,327)	(39,500)	(233,333)	(1,902,160)
Balance at 30 June 2025	**80,063,032**	**8,534,822**	**17,593**	**3,666,667**	**92,282,114**

Note 15. Deferred tax

	Consolidated 2025 $	Consolidated 2024 $
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Employee benefits	1,032,441	890,549
Other provisions	140,749	257,057
Right-of-use assets	109,806	3,515
Blackhole expenses	43,235	65,180
Borrowing costs	–	2,131
Other deferred tax assets	90,215	8,581
Intangible asset – software	243,401	–
	1,659,847	1,227,013
Amounts recognised in equity:		
Transaction costs on share issue	108,000	144,000
Deferred tax asset	1,767,847	1,371,013
Movements:		
Opening balance	1,371,013	1,175,513
Credited/(charged) to profit or loss (note 7)	283,505	(50,139)
Credited/(charged) to equity (note 7)	(36,000)	106,162
Additions through business combinations (note 36)	149,329	139,477
Closing balance	**1,767,847**	**1,371,013**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 16. Trade and other payables

	Consolidated	
	2025 $	**2024 $**
Trade payables	2,217,767	3,618,546

Refer to note 31 for further information on financial instruments.

Note 17. Bank loans

	Consolidated	
	2025 $	**2024 $**
Bank loans	2,950,000	4,200,000

Refer to note 31 for further information on financial instruments.

Note 18. Lease liabilities

	Consolidated	
	2025 $	**2024 $**
Lease liability – rent right-of-use	647,913	423,596
Lease liability – equipment	14,196	115,441
	662,109	**539,037**

Refer to note 31 for further information on financial instruments.

Note 19. Income tax

	Consolidated	
	2025 $	**2024 $**
Provision for income tax	227,723	489,625

Note 20. Employee benefits

	Consolidated	
	2025 $	2024 $
Annual leave	2,053,117	1,437,215
Long service leave	933,873	768,059
Employee benefits	9,677	487,254
	2,996,667	**2,692,528**

The annual and long service leave provisions represent entitlements owing to current employees. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 21. Contingent consideration

	Consolidated	
	2025 $	2024 $
Contingent consideration – current	1,729,850	1,350,000

The provision represents the obligation to pay contingent consideration following the acquisition of a business or assets.

Movements in provisions

Consolidated – 2025	**$**
Carrying amount at the start of the year	1,350,000
Payment in relation to acquisition of AssetOn Group Pty Ltd and OnPlan Technologies Pty Ltd	(1,000,000)
Payment in relation to acquisition of Core Asset Co Pty Ltd	(350,000)
Change from non-current to current (note 26)	1,729,850
Carrying amount at the end of the year	1,729,850

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 22. Accrued and other liabilities

	Consolidated	
	2025 $	**2024 $**
Payroll tax payable	401,869	267,270
Superannuation payable	423,779	763,221
GST payable	877,820	847,338
Accrued expenses	1,910,980	122,733
Deferred revenue	2,251,402	1,758,152
Other current liabilities	5,083,734	5,212,941
	10,949,584	**8,971,655**

Note 23. Bank loans

The consolidated entity has secured additional finance facilities with Westpac Banking Corporation during the financial year, with the overall facility now totalling $38,900,000. This comprises a term debt facility of $35,00,000 made up of $25,000,000 (interest only) and $10,000,000 (principal plus interest over the term), a multi option facility for $3,650,000 and a corporate credit card facility for $250,000, with $26,068,780 drawn as at the balance date. The term of these facilities is 3 years and have been provided on a secured basis and are subject to the Group continuing to meet several performance covenants. As at 30 June 2025, the Group was in compliance with all these covenants.

	Consolidated	
Non Current	**2025 $**	**2024 $**
Bank loans	22,937,280	14,450,000

Refer to note 31 for further information on financial instruments.

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Consolidated	
	2025 $	**2024 $**
Bank loans	25,887,280	18,650,000

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Assets pledged as security

The bank overdraft and loans are secured against the assets of the consolidated entity.

Financing arrangements

Unrestricted access was available at 30 June 2025 to the following lines of credit:

	Consolidated	
	2025 $	2024 $
Total facilities		
Bank loans – multi option facility	3,650,000	3,250,000
Bank loans – term debt facility	35,000,000	23,650,000
Corporate credit cards	250,000	250,000
	38,900,000	**27,150,000**
Used at the reporting date		
Bank loans – multi option facility	–	–
Bank loans – term debt facility	25,887,280	18,650,000
Corporate credit cards	181,500	187,500
	26,068,780	**18,837,500**
Unused at the reporting date		
Bank loans – multi option facility	3,650,000	3,250,000
Bank loans – term debt facility	9,112,720	5,000,000
Corporate credit cards	68,500	62,500
	12,831,220	**8,312,500**

Note 24. Lease liabilities

	Consolidated	
	2025 $	2024 $
Lease liability – equipment	5,808,217	5,477,366

Refer to note 31 for further information on financial instruments.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 25. Deferred tax

	Consolidated 2025 $	Consolidated 2024 $
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Property, plant and equipment	79,166	71,356
Prepayments	12,459	33,029
Other deferred tax liabilities	71,345	96,243
Intangibles	614,213	840,233
Deferred tax liability	777,183	1,040,861
Movements:		
Opening balance	1,040,861	356,274
Credited to profit or loss (note 7)	(263,678)	(320,413)
Additions through business combinations (note 36)	–	1,005,000
Closing balance	**777,183**	**1,040,861**

Note 26. Contingent consideration

	Consolidated 2025 $	Consolidated 2024 $
Contingent consideration	5,120,150	350,000

Refer note 21 for further information on contingent consideration.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated – 2025	**$**
Carrying amount at the start of the year	350,000
Additions through business combinations (note 36)	6,500,000
Amounts transferred to current	(1,729,850)
Carrying amount at the end of the year	**5,120,150**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 27. Issued capital

	Consolidated			
	2025 Shares	**2024 Shares**	**2025 $**	**2024 $**
Ordinary shares – fully paid	181,988,796	177,457,758	55,353,486	51,389,486

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2023	147,579,711	–	29,094,381
Issue of shares in business acquisition of AssetOn Group	15 August 2023	18,300,653	$0.7650	14,000,000
Issue of shares in business acquisition of AssetOn Group	4 September 2023	4,805,985	$0.8300	3,988,968
Issue of shares – exercise of share options	5 October 2023	2,925,375	$0.4150	1,214,031
Issue of shares	5 October 2023	1,307,190	$0.7650	1,000,000
Issue of shares in business acquisition of Core Asset	3 May 2024	2,538,844	$0.9847	2,500,000
Adjustment for fair value attributable to share options converted		–	$0.0000	85,945
Listing fees		–	$0.0000	(600,000)
Adjustment to tax effect of listing fees		–	$0.0000	106,161
Balance	30 June 2024	177,457,758	–	51,389,486
Issue of shares in business acquisition of Toustone Pty Ltd	6 December 2024	4,531,038	$0.8800	4,000,000
Adjustment to tax effect of listing fees		–	$0.0000	(36,000)
Balance	**30 June 2025**	**181,988,796**		**55,353,486**

Ordinary shares

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

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

Share buy-back

There is no current on-market share buy-back.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Capital risk management

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

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

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

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 28. Reserves

	Consolidated	
	2025 $	**2024 $**
Foreign currency reserve	342,059	228,974
Share-based payments reserve	597,944	760,068
	940,003	**989,042**

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

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

Note 29. Retained profits

	Consolidated	
	2025 $	**2024 $**
Retained profits at the beginning of the financial year	16,995,689	12,779,287
Profit after income tax expense for the year	7,894,220	8,519,407
Dividends paid (note 30)	(4,286,552)	(4,303,005)
Retained profits at the end of the financial year	**20,603,357**	**16,995,689**

Note 30. Dividends

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2025 $	**2024 $**
Fully franked interim dividend for the year ended 30 June 2025 of $0.01 (2024: $0.01) per ordinary share	1,819,888	1,749,189
Fully franked final dividend for the year ended 30 June 2024 of $0.0139 (2023: $0.0146) per ordinary share	2,466,664	2,553,816
	4,286,552	**4,303,005**

Franking credits

	Consolidated	
	2025 $	**2024 $**
Franking credits available at the reporting date based on a tax rate of 30%	5,566,011	5,603,304
Franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date based on a tax rate of 30%	533,522	(114,747)
Franking credits available for subsequent financial years based on a tax rate of 30%	**6,099,533**	**5,488,557**

Note 31. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rates		Reporting date exchange rates	
	2025	**2024**	**2025**	**2024**
Australian dollars				
US dollars	0.6483	0.6567	0.6503	0.6644

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	**2025 $**	**2024 $**	**2025 $**	**2024 $**
US dollars	6,732,806	5,072,340	1,193,014	1,344,773

The consolidated entity had net assets denominated in foreign currencies of $5,539,792 (assets of $6,732,806 less liabilities of $1,193,014) as at 30 June 2025 (2024: $3,727,567 (assets of $5,072,340 less liabilities of $1,344,773). The expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last twelve months of each year and the spot rate at each reporting date, is not considered to be a material risk. The actual foreign exchange loss for the year ended 30 June 2025 was $8,664 (2024: $28,632).

Price risk

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

Interest rate risk

The consolidated entity's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the consolidated entity to interest rate risk. Borrowings obtained at fixed rates expose the consolidated entity to fair value interest rate risk.

As at the reporting date, the consolidated entity had the following variable rate borrowings and interest rate swap contracts outstanding:

	2025		2024	
Consolidated	**Weighted average interest rate %**	**Balance $**	**Weighted average interest rate %**	**Balance $**
Bank loans	5.46%	25,887,280	6.95%	18,650,000
Net exposure to cash flow interest rate risk		**25,887,280**		**18,650,000**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

An analysis by remaining contractual maturities in shown in 'liquidity and interest rate risk management' below.

For the consolidated entity the bank loans outstanding, totalling $25,887,280 (2024: $18,650,000), are principal and interest payment loans. Quarterly cash outlays of approximately $355,000 (2024: $325,000) are required to service the interest payments. The expected volatility of interest rates, as assessed using market data and analysts' forecasts, is not considered to be a material risk. In addition, minimum principal repayments of $2,950,000 (2025: $4,200,000) are due during the year ending 30 June 2026.

Credit risk

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

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

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

Allowance for expected credit losses

The consolidated entity has recognised a gain of $207,320 (2024: $27,868) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025. Refer to note 9 for further information on expected credit losses.

Liquidity risk

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

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

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	2025 $	**2024 $**
Bank loans – multi option facility	3,650,000	3,250,000
Bank loans – term debt facility	9,112,720	5,000,000
Corporate credit cards	68,500	62,500
	12,831,220	**8,312,500**

Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time. These provide facilities to meet contingent consideration.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated – 2025	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	–	2,217,767	–	–	–	2,217,767
Interest-bearing – variable						
Bank loans	5.46%	2,950,000	2,950,000	19,987,280	–	25,887,280
Lease liability	7.90%	662,109	790,522	2,546,781	2,470,914	6,470,326
Total non-derivatives		**5,829,876**	**3,740,522**	**22,534,061**	**2,470,914**	**34,575,373**

Consolidated – 2024	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 year s $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	–	3,617,754	–	–	–	3,617,754
Interest-bearing – variable						
Bank loans	6.95%	4,200,000	4,200,000	10,250,000	–	18,650,000
Lease liability	5.07%	539,037	499,218	1,618,828	3,359,320	6,016,403
Total non-derivatives		**8,356,791**	**4,699,218**	**11,868,828**	**3,359,320**	**28,284,157**

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

Fair value of financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 32. Key management personnel disclosures

Compensation

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

	Consolidated	
	2025 $	**2024 $**
Short-term employee benefits	2,484,587	2,663,724
Post-employment benefits	117,600	108,838
Share-based payments	138,592	260,937
	2,740,779	**3,033,499**

Note 33. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Elderton Audit Pty Limited, the auditor of the company, its network firms and unrelated firms:

	Consolidated	
	2025 $	**2024 $**
Audit services		
Audit of the financial statements	55,000	54,000
Other services		
Half year review	14,500	15,500
Audit of acquired subsidiaries on the acquisition date	5,000	15,000
	19,500	**30,500**
	74,500	**84,500**

Note 34. Related party transactions

Parent entity

COSOL Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 37.

Key management personnel

Disclosures relating to key management personnel are set out in note 32 and the remuneration report included in the Directors' report.

Transactions with related parties

The following transactions occurred with related parties:

Mr Pestell, a Non-Executive Director during the financial year until his retirement on 14 November 2024, is Managing Director and part owner of, and has significant influence but not control over, Murcia Pestell Hillard Lawyers, the consolidated entity's Australian legal adviser. Murcia Pestell Hillard Lawyers is not a material services supplier to the consolidated entity and the consolidated entity is not a material client of Murcia Pestell Hillard Lawyers. During the financial period, the consolidated entity paid fees as below in connection with the provision of legal services. These transactions occurred within a normal customer-supplier relationship and on terms and conditions no more favourable than those available to other parties on an arms-length basis.

During the prior financial year, fees were paid for accounting services by the consolidated entity to a party related to a key management personnel employee. These transactions were on a normal commercial basis.

	Consolidated	
	2025 $	2024 $
Payment for goods and services		
Payment for services from other related party – legal services	136,617	274,916
Payment for services from other related party – accounting services	–	36,719

Receivable from and payable to related parties

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

Loans to/from related parties

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

Terms and conditions

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 35. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	2025 $	**2024 $**
Loss after income tax	(1,556,394)	(2,543,666)
Total comprehensive income	**(1,556,394)**	**(2,543,666)**

Statement of financial position

	Parent	
	2025 $	**2024 $**
Total current assets	2,308,580	5,168,686
Total assets	97,109,811	81,172,405
Total current liabilities	23,053,038	18,331,994
Total liabilities	51,110,468	33,131,994
Net assets	45,999,343	48,040,411
Equity		
Issued capital	55,353,486	51,389,486
Share-based payments reserve	597,944	760,068
Accumulated losses	(9,952,087)	(4,109,143)
Total equity	**45,999,343**	**48,040,411**

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

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

Contingent liabilities

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

Capital commitments – Property, plant and equipment

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

Material accounting policy information

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

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 36. Business combinations

On 1 December 2024, COSOL Limited acquired 100% of the ordinary shares of Toustone Pty Ltd ('Toustone') for the total consideration of up to $18,896,773 subject to Toustone meeting future profit hurdles. Toustone is a data analytics, predictive analytics and decision intelligence company dedicated to solving complex data problems and providing accurate and reliable reporting. The upfront consideration totals $12,396,773, comprising $8,396,773 cash and 4,531,038 COSOL shares (being $4,000,000 worth at a deemed issue price of $0.8828 per share). The balance of the consideration comprises up to $6,500,000 in earnout and is payable subject to the Toustone business achieving profit and margin hurdles in CY25 and CY26. The acquisition resulted in goodwill of $10,813,778 to be recognised in the consolidated financial statements. The acquired business contributed revenues of $3,904,823 and loss before tax of $303,074 to the consolidated entity for the period from 1 December 2024 to 30 June 2025, including acquisition costs of $497,466.

Details of the acquisition are as follows:

	Fair value $	Total $
Cash and cash equivalents	787,887	787,887
Trade receivables	1,339,352	1,339,352
Accrued revenue	359,929	359,929
Plant and equipment	7,440	7,440
Customer relationships	3,900,000	3,900,000
Software	3,700,000	3,700,000
Other intangible assets	7,149	7,149
Deferred tax asset	124,441	124,441
Trade payables	(290,599)	(290,599)
Provision for income tax	(105,454)	(105,454)
Employee benefits	(540,618)	(540,618)
Other liabilities	(1,206,532)	(1,206,532)
Net assets acquired	8,082,995	8,082,995
Goodwill	10,813,778	10,813,778
Acquisition-date fair value of the total consideration transferred	18,896,773	18,896,773
Representing:		
Cash paid or payable to vendor	8,396,773	8,396,773
COSOL Limited shares issued to vendor	4,000,000	4,000,000
Contingent consideration	6,500,000	6,500,000
	18,896,773	**18,896,773**
Acquisition costs expensed to profit or loss	**497,466**	**497,466**
Cash used to acquire business, net of cash acquired:		
Acquisition-date fair value of the total consideration transferred	18,896,773	18,896,773
Less: cash and cash equivalents	(787,887)	(787,887)
Less: contingent consideration	(6,500,000)	(6,500,000)
Less: shares issued by Company as part of consideration	(4,000,000)	(4,000,000)
Net cash used	**7,608,886**	**7,608,886**

The terms of the acquisition include an outperformance payment in CY26 if certain minimum performance is achieved in both CY25 and CY26. Management has assessed the forecast for Toustone and concluded that the fair value of this outperformance payment is nil.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value. As this acquisition is still within the 12 month period at 30 June 2025, the reporting entity has assessed that amounts in this note remain provisional in nature, and until it is determined that all information has been received to determine fair value.

Note 37. Interests in subsidiaries

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

		Ownership interest	
Name	**Principal place of business/ Country of incorporation**	**2025 %**	**2024 %**
COSOL Australia Pty Limited	Australia	100.00%	100.00%
COSOL Americas Inc (previously AddOns Inc)	USA	100.00%	100.00%
Clarita Solutions Pty Limited	Australia	100.00%	100.00%
Work Management Solutions Pty Ltd	Australia	100.00%	100.00%
Asset Management Learning Academy Pty Ltd	Australia	100.00%	100.00%
AssetOn Group Pty Ltd	Australia	100.00%	100.00%
OnPlan Technologies Pty Ltd	Australia	100.00%	100.00%
Core Asset Co Pty Ltd	Australia	100.00%	100.00%
Toustone Pty Ltd	Australia	100.00%	–

Note 38. Events after the reporting period

Matt Glasner ceased to act as Chief Operating Officer and left the employment of COSOL on 1 July 2025.

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 39. Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2025 $	2024 $
Profit after income tax expense for the year	7,894,220	8,519,407
Adjustments for:		
Depreciation and amortisation	2,979,524	1,686,222
Share-based payments	(162,124)	239,356
Foreign currency differences	100,304	(34,183)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(4,694,602)	6,564,397
Decrease in inventories	9,088	67,877
Increase in deferred tax assets	(396,834)	(152,009)
Decrease/(increase) in accrued revenue	1,982,899	(2,917,083)
Decrease/(increase) in prepayments	260,907	(736,390)
Decrease/(increase) in other operating assets	(406,783)	895,688
Decrease in trade and other payables	(1,575,140)	(700,379)
Increase/(decrease) in provision for income tax	(261,902)	203,197
Increase/(decrease) in deferred tax liabilities	(263,678)	684,587
Increase in employee benefits	304,139	598,574
Increase/(decrease) in other provisions	–	(175,000)
Decrease in other operating liabilities	1,832,809	(7,399,331)
Net cash from operating activities	**7,602,827**	**7,344,930**

Note 40. Earnings per share

	Consolidated	
	2025 $	2024 $
Profit after income tax attributable to the owners of COSOL Limited	7,894,220	8,519,407

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	180,027,415	171,114,398
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	12,243,787	12,233,997
Performance rights over ordinary shares	643,421	–
Weighted average number of ordinary shares used in calculating diluted earnings per share	**192,914,623**	**183,348,395**

	Cents	Cents
Basic earnings per share	4.39	4.98
Diluted earnings per share	4.09	4.65

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Note 41. Share-based payments

A share option plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the Company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

Set out below are summaries of options granted under the plan:

	Number of options 2025	Weighted average exercise price 2025	Number of options 2024	Weighted average exercise price 2024
Outstanding at the beginning of the financial year	14,483,323	$1.0282	11,502,448	$0.7695
Granted	–	$0.0000	6,000,000	$1.2200
Exercised	–	$0.0000	(2,925,375)	$0.4150
Expired	(5,733,323)	$1.0440	(93,750)	$0.7000
Outstanding at the end of the financial year	**8,750,000**	**$1.0178**	**14,483,323**	**$1.0282**
Exercisable at the end of the financial year	**4,550,000**	**$0.9309**	**4,583,323**	**$0.8795**

Tranche	Grant date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ other	Balance at the end of the period
Tranche 4 Mr Buckley	17/11/2020	$0.9000	1,500,000	–	–	(1,500,000)	–
Tranche 5 Mr Buckley	17/11/2020	$1.0000	1,483,323	–	–	(1,483,323)	–
Tranche 3 Senior Leadership Team	02/12/2021	$0.9500	750,000	–	–	(750,000)	–
Tranche 1 Senior Leadership Team	13/07/2022	$0.8100	750,000	–	–	–	750,000
Tranche 1 Mr Stokes	30/06/2023	$0.8300	800,000	–	–	–	800,000
Tranche 2 Mr Stokes	30/06/2023	$0.8300	600,000	–	–	–	600,000
Tranche 3 Mr Stokes	30/06/2023	$0.8300	600,000	–	–	–	600,000
Tranche 1 Mr Glasner	30/06/2023	$0.8900	800,000	–	–	–	800,000
Tranche 2 Mr Glasner	30/06/2023	$0.8900	600,000	–	–	–	600,000
Tranche 3 Mr Glasner	30/06/2023	$0.8900	600,000	–	–	–	600,000
Tranche – Mr Buckley	15/12/2023	$1.2200	3,000,000	–	–	(2,000,000)	1,000,000
Tranche – Mr McGowan	29/01/2024	$1.2200	3,000,000	–	–	–	3,000,000
			14,483,323	**–**	**–**	**(5,733,323)**	**8,750,000**

These options were valued using a Monte Carlo option model as they can only be exercised at the end of the applicable service period and have a relatively short life. They were valued based on a 53% volatility, 0.09% (Tranche 1) and 0.42% (Tranche 2) risk free rate, and a share price at grant date of $0.71.

The weighted average share price during the financial year was $1.0178 (2024: $1.0282).

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.51 years (2024: 2.06 years).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

A Long-Term Incentive Plan has been established by the consolidated entity during the financial year, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant performance rights to ordinary shares in the Company to members of the senior leadership team of the consolidated entity. The performance rights are issued for nil consideration and are granted in accordance with performance guidelines established by the Nomination and Remuneration Committee.

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

	Number of rights 2025	Weighted average exercise price 2025	Number of rights 2024	Weighted average exercise price 2024
Outstanding at the beginning of the financial year	–	$0.0000	–	$0.0000
Granted	643,421	$0.0000	–	$0.0000
Outstanding at the end of the financial year	**643,421**	**$0.0000**	**–**	**$0.0000**

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
01/07/2024	30/06/2029	$0.0000	–	643,421	–	–	643,421
			–	**643,421**	**–**	**–**	**643,421**

These performance rights were valued using a Monte Carlo simulation model to simulate both the terminal share price for the Company on the vesting date, and to model the ASX Small Industrials Index (ASXSII). They were valued based on a 22.1% volatility, 3.897% risk free rate, and a share price at grant date of $1.21. The fair value per right at grant date was determined to be $0.292.

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 4 years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Basis of Preparation

As at 30 June 2025, this Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

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

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

Australian tax residency

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

Foreign tax residency

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

Entity name	Entity type	Place formed/ Country of incorporation	Ownership interest %	Tax residency
COSOL Limited	Body Corporate	Australia	100.00%	Australian
COSOL Australia Pty Limited	Body Corporate	Australia	100.00%	Australian
COSOL Americas Inc	Body Corporate	USA	100.00%	Foreign
Clarita Solutions Pty Limited	Body Corporate	Australia	100.00%	Australian
Work Management Solutions Pty Ltd	Body Corporate	Australia	100.00%	Australian
Asset Management Learning Academy Pty Ltd	Body Corporate	Australia	100.00%	Australian
AssetOn Group Pty Ltd	Body Corporate	Australia	100.00%	Australian
OnPlan Technologies Pty Ltd	Body Corporate	Australia	100.00%	Australian
Core Asset Co Pty Ltd	Body Corporate	Australia	100.00%	Australian
Toustone Pty Ltd	Body Corporate	Australia	100.00%	Australian

DIRECTORS' DECLARATION

30 June 2025

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement ('CEDS') is true and correct.

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

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

On behalf of the Directors

Geoff Lewis
Chairman

19 August 2025

INDEPENDENT AUDITOR'S REPORT

to the members of COSOL Limited

ELDERTON
AUDIT PTY LTD

Independent Auditor's Report to the members of COSOL Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of COSOL Limited ("the Company") and its subsidiaries (collectively referred to as "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 material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(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 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 Group, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be key audit matters to be communicated in our report.

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INDEPENDENT AUDITOR'S REPORT CONTINUED

Revenue recognition
Refer to Total Revenue ($116,807,702), Note 4 (Revenue) to the financial report

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the matter</th></tr>
<tr><td>Revenue is a key audit matter due to the significance of the balance to the financial statements and the significant audit effort and judgement involved in assessing the Group's recognition and measurement of revenue under AASB 15 Revenue from Contracts with Customers ("AASB 15").

The Group generates revenue from diverse sources, including consulting services, fixed-price implementation projects, software subscriptions, and licensing arrangements. Each revenue stream has different recognition criteria, requiring careful assessment of contract terms, performance obligations, transaction price allocation, and timing of revenue recognition.

Complexity arises from:
Contracts with multiple performance obligations (e.g., bundled software, integration, and support services).
Determination of whether performance obligations are satisfied over time or at a point in time.
Reliance on management judgement in estimating progress and allocating transaction prices.
Customer and segment concentration, with COSOL Australia contributing approximately 42% of total revenue.
Significant reliance on a small number of large contracts.
Given the volume and diversity of revenue transactions, and the associated risk of error or bias, revenue recognition required significant audit focus.</td><td>Our audit work included, but were not limited to:
We obtained an understanding of the Group's processes and controls over revenue recognition, including walkthroughs of the revenue cycle.
We selected a sample of contracts from each revenue stream and assessing:
Identification and separation of performance obligations.
Appropriateness of transaction price allocation.
Timing of revenue recognition in accordance with contract terms and AASB 15.
We tested revenue recognised on a sample of fixed-price projects by comparing progress billings, work performed, and project status reports to contract terms.
We performed cut-off testing on revenue transactions occurring near year-end to ensure revenue was recognised in the correct period.
We tested a sample of software subscription and licensing arrangements to confirm correct classification between right-to-use and right-to-access licences, and appropriateness of point-in-time or over-time recognition.
We reviewed significant estimates and judgements applied by management, particularly in relation to progress measurement, contract modifications, and recoverability of amounts recognised.
We performed analytical procedures, including trend and variance analysis by customer, segment, and product, to identify unusual movements or indicators of revenue smoothing.
We assessed the adequacy of the Group's revenue disclosures against the requirements of AASB 15.</td></tr>
</table>

Business Combination
Refer to Note 36 (Business combinations) to the financial report

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the matter</th></tr>
<tr><td>On 1 December 2024, COSOL Limited acquired 100% of the ordinary shares of Toustone Pty Ltd ("Toustone"). This business combination is a key audit matter due to the significant judgement involved in:
Measuring and recognising the fair value of Toustone's identifiable assets and liabilities, including intangible assets such as software development costs ($3.7 million) and customer relationships ($3.9 million).
Assessing the recognition and measurement of goodwill ($10.8 million), including the appropriate allocation to cash-generating units for future impairment</td><td>Our audit procedures included, but were not limited to:
We obtained and assessed the SPA to understand key terms, consideration payable, and any performance-based earnout conditions.
We verified the initial purchase price allocation (PPA) to ensure that the investment in Toustone, goodwill, and identifiable intangible assets were correctly calculated and recorded.
We critically assessed the external valuation report used for PPA purposes, including key assumptions supporting software and customer relationship valuations, and benchmarked assumptions against industry data and historical performance.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT CONTINUED

testing. • Determining the fair value of contingent consideration ($6.5 million earnout), particularly given actual performance to 30 June 2025 and the uncertainty around CY25 and CY26 EBITDA thresholds. • Ensuring that the acquisition accounting and disclosures comply with *AASB 3 Business Combinations*, including any adjustments during the 12-month measurement period. The degree of estimation uncertainty, complexity in contingent consideration arrangements, and potential impact on the financial statements required focused audit attention.	• We reviewed the allocation of goodwill and the definition of the cash-generating unit, ensuring consistency with management's monitoring and reporting practices and compliance with AASB 136. • We have verified assets and liabilities of subsidiary at the acquisition date and ensured that these are accounted for accurately for calculation of net assets. • We assessed the compliance and adequacy of the disclosure in the financial report as per requirements of *AASB 3 Business Combinations*, including significant judgements, measurement uncertainty, and any changes from provisional accounting.

<u>Intangibles impairment</u>
Refer to Note 14 (Intangibles) to the financial report

Key Audit Matter	How our audit addressed the matter
Under AASB 136 Impairment of Assets, the Group is required to annually test the amounts of intangibles including goodwill for impairment. This annual impairment test was significant to our audit because the balance of $92,282,114 as of 30 June 2025 is material to the financial statements. In addition, management's assessment process is complex and highly judgmental and is based on assumptions, specifically gross profit margins, cost price inflation, growth and discount rates, which are affected by expected future market or economic conditions.	Our audit work included, but was not restricted to, the following: • We have reviewed the impairment test performed by the management. • We have assessed the reasonableness of the assumptions and methodology used by the management for impairment test in particular those relating to the forecasted revenue growth and profit margins. • We have compared the value in use of each cash generating unit and compared with respective goodwill recognised. • We assessed the compliance and adequacy of the disclosure in the financial report as per requirements of AASB 136. • We also focused on the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of goodwill.

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is included in the Group's annual report, 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.

INDEPENDENT AUDITOR'S REPORT CONTINUED

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

Responsibilities of Directors for the Financial Report

The directors of the Group are responsible for the preparation of i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001;* and ii) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

INDEPENDENT AUDITOR'S REPORT CONTINUED

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

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025. The directors of the COSOL Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit in accordance with Australian Auditing Standards.

Opinion

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

Elderton Audit Pty Ltd

Elderton Audit Pty Ltd

Sajjad Cheema
Director

19 August 2025
Perth

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange and not shown elsewhere in the 2025 Annual Report is detailed below. The information set out below was current as at 7 August 2025.

Number and distribution of equity securities

The number of holders, by size of holding, in each class of equity securities is set out below.

	Ordinary shares		
	Number of holders	Number held	% of total shares issued
1 to 1,000	165	105,278	0.06
1,001 to 5,000	288	776,347	0.43
5,001 to 10,000	147	1,210,963	0.67
10,001 to 100,000	369	12,580,541	6.91
100,001 and over	114	167,315,667	91.94
	1,083	**181,988,796**	**100.00**
Holding less than a marketable parcel	112	53,441	0.03

A less than a marketable parcel of shares based on the closing price of shares on the ASX on 7 August 2025 was 854 shares or fewer.

	Options (exercise price $0.81, expiring 31/03/26)			Options (exercise price $0.83, expiring 1/08/26)		
	Number of holders	Number held	% of total options issued	Number of holders	Number held	% of total options issued
1 to 1,000	–	–	–	–	–	–
1,001 to 5,000	–	–	–	–	–	–
5,001 to 10,000	–	–	–	–	–	–
10,001 to 100,000	–	–	–	–	–	–
100,001 and over	1	750,000	100.00	1	2,000,000	100.00
	1	**750,000**	**100.00**	**1**	**2,000,000**	**100.00**

	Options (exercise price $0.89, expiring 1/08/26)			Options (exercise price $1.22, expiring 1/08/27)		
	Number of holders	Number held	% of total options issued	Number of holders	Number held	% of total options issued
1 to 1,000	–	–	–	–	–	–
1,001 to 5,000	–	–	–	–	–	–
5,001 to 10,000	–	–	–	–	–	–
10,001 to 100,000	–	–	–	–	–	–
100,001 and over	1	2,000,000	100.00	2	4,000,000	100.00
	1	**2,000,000**	**100.00**	**2**	**4,000,000**	**100.00**

ASX ADDITIONAL INFORMATION CONTINUED

	SLT LTI Performance Rights (expiring 30/06/29)		
	Number of holders	**Number held**	**% of total rights issued**
1 to 1,000	–	–	–
1,001 to 5,000	–	–	–
5,001 to 10,000	–	–	–
10,001 to 100,000	5	316,535	38.73
100,001 and over	4	500,681	61.27
	9	**817,216**	**100.00**

There are 8,750,000 unquoted options and 817,216 unquoted rights on issue.

All of the unquoted options and unquoted rights on issue were issued under an employee incentive scheme.

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities (fully paid ordinary shares) are listed below.

	Ordinary shares	
	Number held	**% of total shares issued**
Geoffrey Lewis & Anne Marie Lewis	24,903,595	13.68
JRF Co Pty Ltd	23,953,595	13.16
JP Morgan Nominees Australia Pty Limited	13,396,275	8.21
Gregory Wood & Janette Wood	6,003,000	3.30
SNJ Business Solutions Pty Ltd	5,200,046	2.86
Bradley Skeggs	4,883,000	2.68
HSBC Custody Nominees (Australia) Limited – A/C 2	4,222,813	2.32
Glenn Rogers	3,826,210	2.10
Andrew McKenzie & Catherine McKenzie	3,476,286	1.91
Gerald Strautins	3,000,000	1.65
Spiral X Pty Ltd	2,538,844	1.40
Bradley Skeggs & Tom Skeggs	2,520,000	1.38
Pindan Investments Pty Ltd	2,500,000	1.37
Paul Lestani	2,385,337	1.31
David Lestani	2,385,337	1.31
Bradley Miller	2,385,337	1.31
BNP Paribas Nominees Pty Ltd	2,281,641	1.25
Imby Langenbach	2,200,000	1.21
Waiheke Holdings Pty Ltd	2,167,504	1.19
Ice Cold Investments Pty Ltd	2,054,400	1.13
	117,824,283	**64.74**

ASX ADDITIONAL INFORMATION CONTINUED

Substantial holders

The following shareholders have declared a relevant interest in the number of voting shares at the date of giving a substantial shareholder notice under Part 6C.1 of the *Corporations Act 2001* as at 7 August 2024.

	Ordinary shares	
	Number held	**% of total shares issued**
Geoffrey James Lewis and Anne Marie Lewis	24,903,595	14.48
Stephen Edward Johnston and Sarah Johnston	24,903,595	14.48
MicroEquities Asset Management Pty Ltd	14,937,338	8.21

There may be differences between this information and the list of the top 20 largest shareholders due to differences between registered holder details, the nature of a holder's relevant interest in voting shares, or movements in holdings since the giving of a substantial holding notice of less than one percent which do not require disclosure.

Voting rights

The voting rights attaching to each class of equity securities are detailed below.

- Fully paid ordinary shares – each holder present at a general meeting (whether in person, online, by proxy or by representative) is entitled to one vote on a show of hands, or on a poll, one vote for each share subject to any voting restrictions that may apply.
- Options – no voting rights.
- Performance rights – no voting rights.

On-market share buy-back

COSOL is not currently conducting an on-market buy-back of its shares on the ASX.

Restricted and voluntarily escrowed securities

There are no securities on issue which are restricted securities.

There are 4,531,038 fully paid ordinary shares subject to voluntary escrow until 6 December 2025.

CORPORATE DIRECTORY

Directors

Geoffrey Lewis – Non-Executive Chairman

Scott McGowan – Managing Director and Chief Executive Officer

Stephen Johnston – Non-Executive Director

Gerald Strautins – Non-Executive Director

Key management

Anthony Stokes – Chief Financial Officer

Company secretary

Ben Secrett – Company Secretary

Registered office Principal place of business

Level 3, 490 Adelaide Street,
Brisbane QLD 4000

Incorporation

Incorporated in Australia as a public company limited by shares

ACN: 635 371 363

ABN: 66 635 371 363

Securities exchange listing

COSOL Limited shares are listed on the Australian Securities Exchange (ASX code: COS)

www.asx.com.au

Share registry

LINK MARKET SERVICES

Level 12, QV1 Building

250 St George's Terrace

Perth WA 6000

Telephone: +61 1300 554 474

www.linkmarketservices.com.au

Auditor

ELDERTON AUDIT PTY LTD

Level 28, 140 St Georges Terrace
Perth WA 6000

Notice of annual general meeting

The annual general meeting of COSOL Limited will be held on Thursday, 30 October 2025.

The meeting will be held at 10am AEST in Brisbane QLD at a place to be announced.

Website

www.cosol.global

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COSOL

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