MACH7

2025

MACH7 TECHNOLOGIES
ANNUAL REPORT

Unifying Imaging | **Empowering Clinicians** | **Elevating Outcomes**

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MACH7 TECHNOLOGIES ANNUAL REPORT FY25

FOR THE YEAR ENDED 30 JUNE 2025

ABOUT THIS REPORT

This report covers Mach7 Technologies' operations for the financial year ending 30 June 2025. It includes consolidated financial results, strategic highlights, product innovation, and customer impact across our global footprint. The report also outlines our governance practices, risk management, and outlook for FY26. All financial statements are prepared in accordance with Australian Accounting Standards (AAS) and the Corporations Act 2001, ensuring compliance with International Financial Reporting Standards (IFRS).

INTEGRITY OF OUR REPORTING

Mach7 maintains rigorous internal controls and review processes to ensure the accuracy and completeness of our reporting. Financial statements are independently audited, and all non-audited disclosures are verified by relevant business units and approved by senior leadership and the Board. We are committed to presenting a true and fair view of our operations, strategy, and performance.

KEY INFORMATION

- **Reporting Period:** 1 July 2024 to 30 June 2025
- **Currency:** All figures are presented in Australian dollars (AUD) unless otherwise stated
- **Reporting Entity:** Mach7 Technologies Limited (ASX: M7T) and its subsidiaries
- **Governance:** Reviewed and approved by the Mach7 Board of Directors
- **Availability:** This report is available online at www.mach7t.com

SCOPE AND CONTENT

This Annual Report provides a structured overview of Mach7 Technologies' activities, performance, and strategic direction throughout the 2025 fiscal year. It is designed to inform shareholders, healthcare providers, partners, and other stakeholders about how Mach7 delivers value through its enterprise imaging platform and customer-centric innovation.

The content spans key business developments, product evolution, and clinical impact, with a focus on how Mach7 enables real-time access to imaging data across diverse systems and care environments. It also highlights our approach to interoperability, data ownership, and workflow efficiency—core pillars of our value proposition.

In addition to financial disclosures, the report includes insights into our operational footprint, leadership priorities, and future growth initiatives. It reflects our ongoing commitment to transparency, strategic execution, and improving outcomes for clinicians and patients alike.

MATERIALITY

Mach7 Technologies defines material matters as those that significantly influence our ability to deliver value to customers, improve clinical outcomes, and achieve sustainable growth. These matters shape our strategic decisions, product development, and stakeholder engagement, and are reviewed regularly by our leadership and Board.

In FY25, our material priorities were guided by the evolving needs of healthcare providers, the increasing demand for real-time imaging access, and the shift toward cloud-native, interoperable solutions. We focused on enabling clinicians to access complete, accurate imaging data—regardless of acquisition source—while maintaining full data ownership and reducing operational complexity.

Key material topics include:

- **Clinical Impact:** Ensuring imaging data reaches its clinical destination intact, current, and accessible—supporting faster diagnoses and better patient outcomes
- **Customer Value:** Delivering workflow efficiency, vendor neutrality, and intelligent data federation across enterprise environments
- **Innovation & Product Development:** Advancing our platform's orchestration capabilities, cloud alignment, and AI readiness
- **Governance & Risk:** Upholding data integrity, privacy, and compliance across global operations
- **Financial Performance:** Driving sustainable growth through strategic partnerships, product differentiation, and operational excellence

These priorities reflect our commitment to transparency, strategic execution, and long-term value creation for all stakeholders.

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THE MACH7 COMPASS – GUIDED BY PURPOSE

OUR VISION

Our vision is to be the global leader in imaging data independence, powering the AI era and the tele-imaging frontier.

Mach7 turns imaging data into an intelligent architecture, delivering true independence, interoperability, and AI readiness.

PURPOSE

Our purpose is to enhance patient care by ensuring the right images are available at the right time for the right people, completing the patient picture.

OUR CULTURE CODE

Mach7's culture is anchored in radical transparency, fun, and a strong connection to purpose. We have adopted a new Culture Code designed to align and inspire every Mach7er to show up at their best: working with purpose, creating customer value, and advancing our shared strategy.

Mach7 CLIMBS forms the foundation of this Culture Code: practical, memorable, and actionable principles for how we lead, collaborate, and deliver impact.

C — **Customer First**
Every decision starts with the customer's perspective.

L — **Learn & Grow**
Curiousity keeps us climbing.

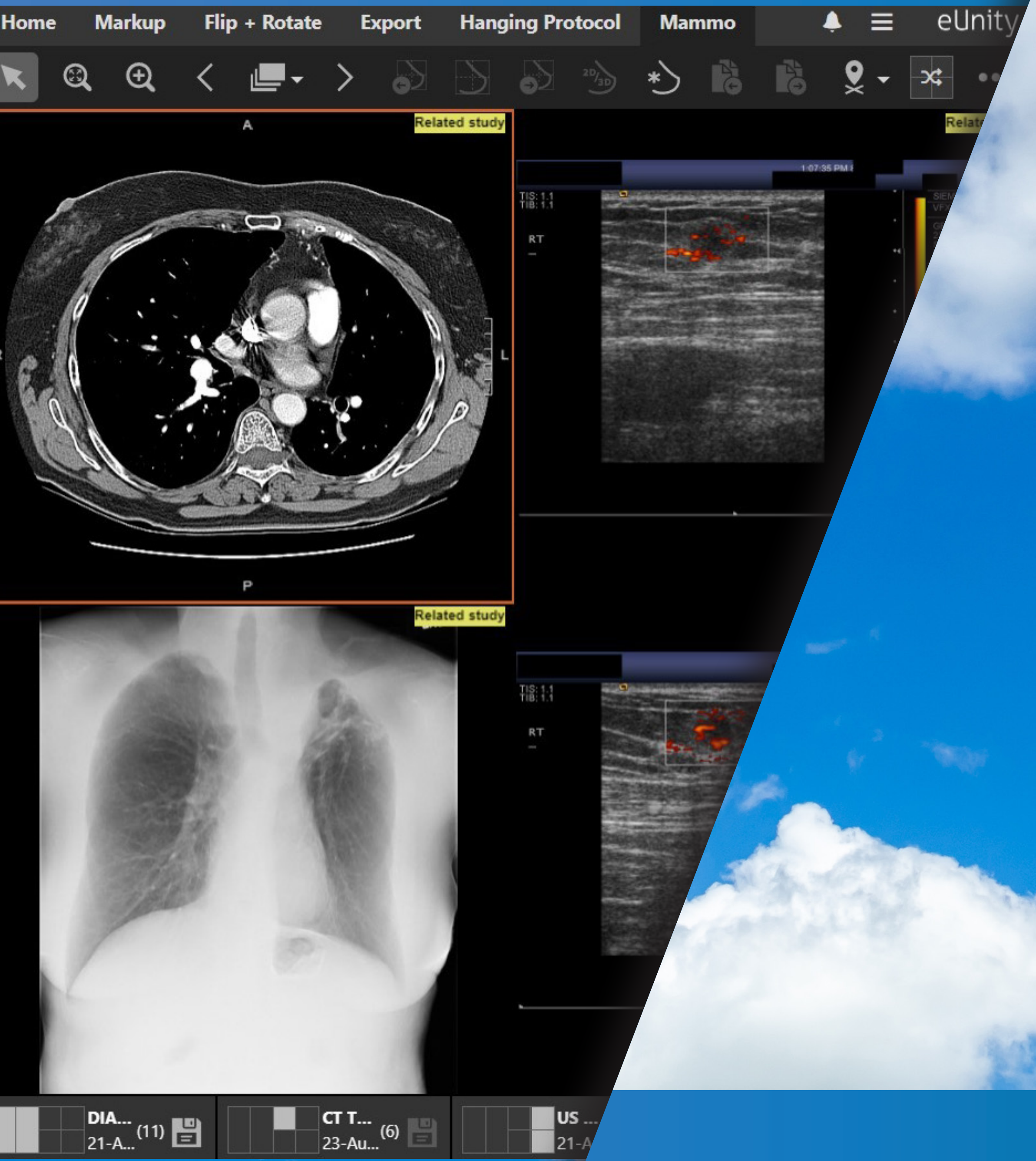
I — **Innovate for Impact**
Value impact over activity.

M — **Minimize Complexity & Move**
As complex as needed, no more. Agility beats beauraucracy.

B — **Build Good Stuff**
Extreme ownership, high-quality work. We are builders who care about healthcare.

S — **Sell**
Growth happens when we align behind sales.

From pixels to patients – experience imaging that patients love



THE MACH7 COMPASS – GUIDED BY PURPOSE

CLIMBS is based on core behaviors that strengthen how we work together:

- **High Trust:** Communicate clearly, challenge openly, align quickly, and then commit as one team.
- **Frictionless:** Make it easy to do the right thing — for colleagues, customers, and partners.
- **Value Matters:** Spend time and resources like they are your own; every decision must create value.
- **Care About People:** Foster belonging, connection, and recognition. Have **fun** along the way — it fuels performance.

This culture code is supplemented by the **Flight Crew Guiding Principles**. Our customer-facing teams are the heartbeat of Mach7, building lasting partnerships through clarity, consistency, and care. These guiding principles work in harmony with CLIMBS to shape how we engage with our customers and deliver value every day:

1. **Customer Long-Term Success** ★ – Our north star. Every action strengthens customer outcomes and loyalty.
2. **Growth Mindset** – Approach challenges with curiosity and optimism. Learn, adapt, and help others grow.
3. **Low Friction** – Simplify every process and interaction, internally and externally.
4. **Connected & Fun** – Relationships fuel success; enjoy the work and celebrate the wins.
5. **Forever Customers** – Earn trust and retention through reliability, empathy, and measurable impact.
6. **Mach7 Experience** – Deliver a consistent, high-quality experience that reflects who we are and what we stand for.

CLINICAL CLARITY

We deliver imaging data that lands where it matters: accurate, unified, and ready for action.

CUSTOMER EMPOWERMENT

We give healthcare teams full ownership of their data, freeing them from vendor lock-in and manual overhead.

INNOVATION WITH PURPOSE

We build cloud-ready, zero-footprint solutions that scale with care demands and adapt to real-world workflows.

INTEGRITY IN ACTION

We do what we say. We listen, iterate, and deliver—because our customers' success is our flight path.

Disciplined growth, a strong cash position, and sustainable momentum

HIGHLIGHTS FOR THE FISCAL YEAR

HIGHLIGHTS FOR THE FISCAL YEAR

FINANCIAL PERFORMANCE

Disciplined growth. Strong cash position. Sustainable momentum.

A$33.8M **Revenue** +A$4.7M or +16% on PCP[1] In line with FY25 Guidance[2]	**A$25.3M** **Recurring Revenue[3]** +A$4.3M or +20% on PCP 75% of total revenue (FY24: 72%) 80% of OPEX (FY24: 72%)	**A$30.2M** **CARR[4]** +A$2.3M or +8% on PCP In line with updated FY25 Guidance[2]	**A$23.5M** **ARR[5] Run Rate** +A$1.5M or +7% on PCP
A$31.8M **Operating Expenses** +A$2.5M or +9% on PCP In line with FY25 Guidance[2]	**-A$0.3M** **EBITDA (adjusted)[6]** (PCP: -A$2.0M)	**A$0.4M** **NPATA[7]** (PCP: -A$1.2M) **NPAT -A$6.2M** (PCP: -A$8.0M)	**A$23.1M** **Closing Cash[8]** (PCP: A$26.2M) Positive Operating Cash flow Strong financial position, no debt

1. PCP – Prior Corresponding Period; **2.** In August 2024, Mach7 provided FY25 guidance for 15-25% growth in CARR and revenue on PCP and for OPEX growth to be less than revenue growth. This was updated on 10 July 2025 with CARR growth expected to finalise at A$30M-31M, slightly below 15-25% growth, revenue of A$33M-34M was expected to finalise at the low end of prior guidance. Mach7 reaffirmed guidance for OPEX growth to be less than revenue growth; **3.** Recurring revenue consists of Subscription revenue and Maintenance and Support revenue recognised; **4.** CARR: Contracted Annual Recurring Revenue; **5.** Annual Recurring Revenue (ARR) is revenue earned from Subscription and Maintenance and Support fees at the end of June, annualised; **6.** EBITDA adjusted for net unrealised foreign exchange movements and non-cash share-based payments expense; **7.** NPATA: (Net Profit After Tax and before Amortisation) is NPAT adjusted for amortisation of acquired intangibles; **8.** A$2.2M used in H2 FY25 to buy back 6.3M shares as part of on-market share buy-back program.

POSITIONING MACH7 FOR SUSTAINABLE LONG-TERM PROFITABLE GROWTH

- Leadership renewal brings fresh skills & perspectives
- New customer-centric model with creation of customer designated teams
- Customer base provides foundation for co-innovation and product leadership
- Leverage global footprint to optimise resource allocation

Strong financial position with no debt

INNOVATION IS IN OUR DNA

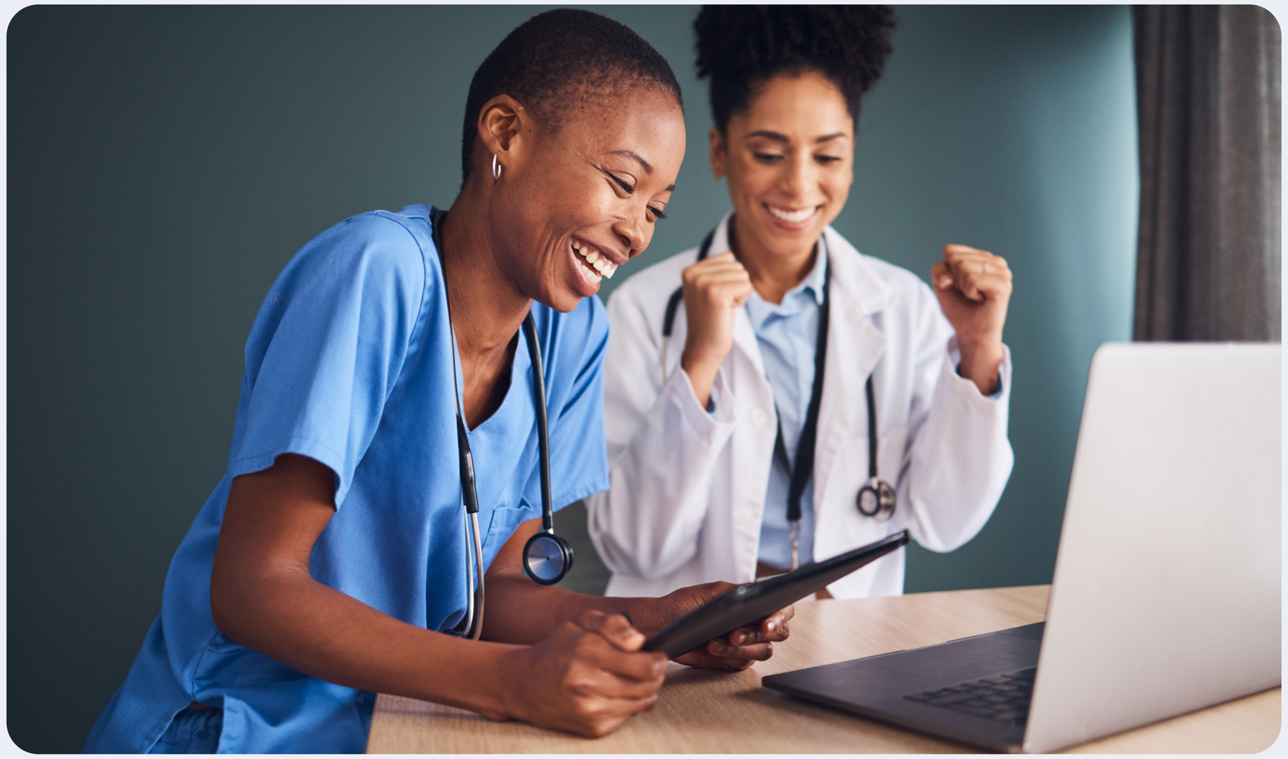
Joined the AWS Partner Network, reinforcing our commitment to cloud-native imaging solutions and enabling deeper integration with AWS HealthImaging services.

Showcased innovations at annual Radiological Society of North America (RSNA) and Society for Imaging Informatics in Medicine (SiiM) trade shows, highlighting AI-ready infrastructure and enterprise interoperability, including a proof of concept for pathology.

Released Mach7 Enterprise Imaging Platform 12.4 and eUnity versions 7.5, 7.6, and 7.7, with powerful new capabilities.

Unveiled UnityVue, a next-generation radiology reading solution that integrates advanced visualisation, workflow, and reporting tools into a single platform, streamlining the entire diagnostic process.

A host of overall product innovation improvements focused on user experience, workflow orchestration, technical advancements, and general enhancements.



STRATEGIC HIGHLIGHTS

Customer-first innovation. Operational transformation. Product momentum.

Product Performance

- ✓ *eUnity Viewer revenue up 15%*
- ✓ *Enterprise Data Management (VNA) revenue up 17%*
- ✓ *R&D represented approximately 30% of operating expenditure*

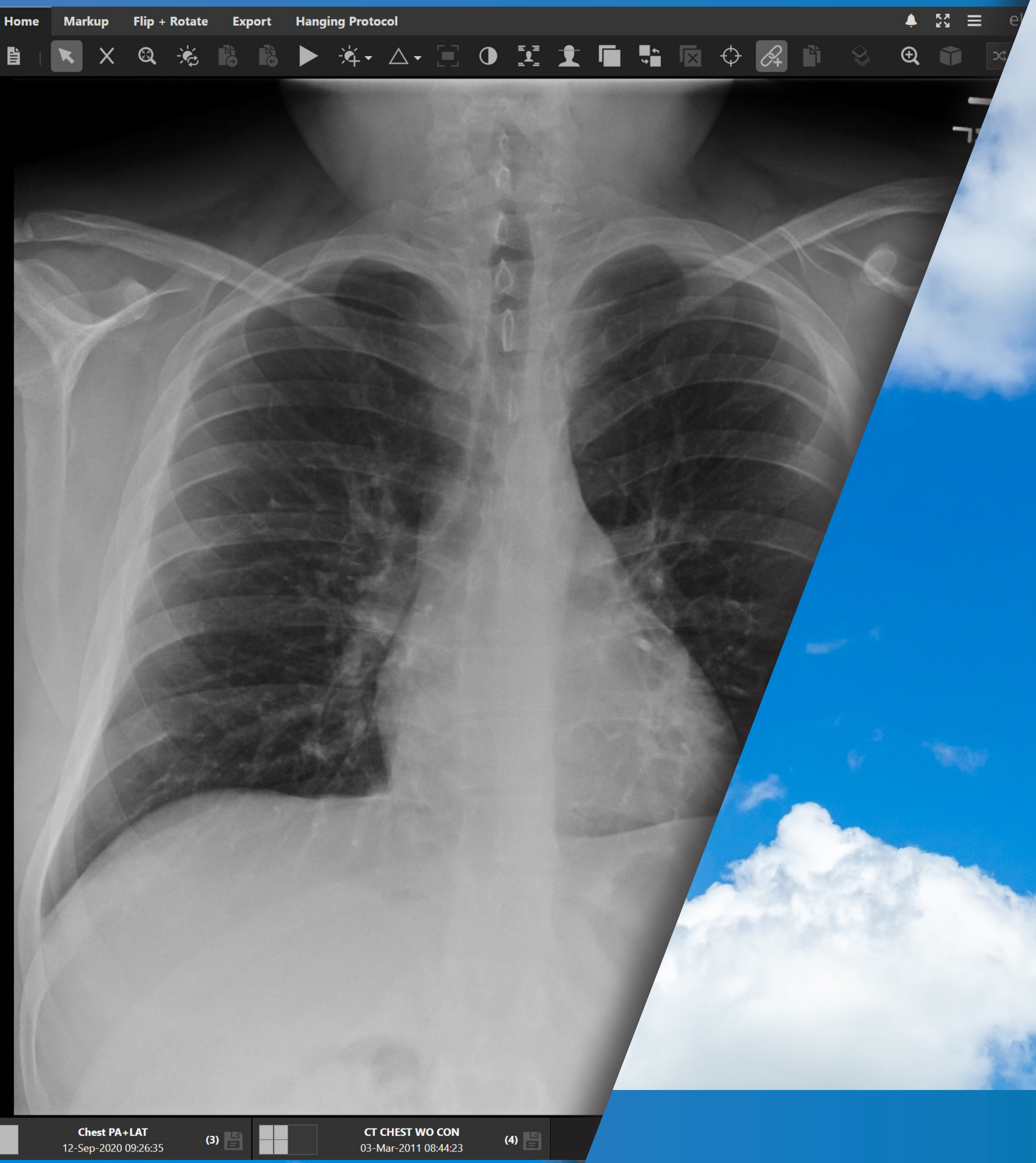
Customer Expansion

- ✓ *Major contract renewals for FY25 totaling $13.9M*
- ✓ *Additionally, steady growth in add-on and expansion orders across the base*
- ✓ *Completed software deployments at 17 new customer sites*

People and Culture

- ✓ *Regionally diverse workforce with employees located across the US, Canada, APAC and the Middle East*
- ✓ *Maintained a workforce attrition rate below 2%*

"FY25 has been a pivotal year for Mach7 as we laid the foundations for future growth, executed a successful CEO transition and implemented a strategic share buy-back program. We delivered a solid FY25 result with significant profit improvement driven by strong revenue growth and disciplined cost management."



LETTER FROM THE CHAIRMAN & CHIEF EXECUTIVE OFFICER

LETTER FROM THE CHAIRMAN & CHIEF EXECUTIVE OFFICER

Rob Bazzani
Independent Non-Executive Chairman

Teri Thomas
Chief Executive Officer and Managing Director

Dear Shareholders,

We are pleased to present the Annual Report of Mach7 Technologies Limited for the year ended 30 June 2025.

FY25 has been a pivotal year for Mach7 as we laid the foundations for future growth, executed a successful CEO transition and implemented a strategic share buy-back program. We delivered a solid FY25 result with significant profit improvement driven by strong revenue growth and disciplined cost management. Excluding the amortisation of acquired intangibles, Mach7 achieved profitability in FY25 with NPATA of A$0.4M compared to -A$1.2M in FY24.[1] At year end, Mach7 was in a strong financial position with no debt and a cash balance of A$23.1M.

FY25 Result

Mach7 reported FY25 revenue of A$33.8M which was 16% higher on the prior corresponding period (PCP) and in line with our FY25 guidance. This performance was underpinned by strong growth in high quality recurring revenue which increased by 20% on PCP, demonstrating the value of our products and solutions to our customers. Recurring revenue represented 75% of total revenue with coverage of operating expenditure expanding to 80% in FY25 (FY24: 72%) as we made further progress towards our target of having recurring revenue cover OPEX.

At 30 June 2025, Mach7 generated A$23.5M of Annual Recurring Revenue (ARR), a run rate calculated by annualising the revenue earned from Subscription and Maintenance and Support Fees in June 2025. This run rate was A$1.5M or 7% higher when compared to 30 June 2024. ARR will continue to grow as new customers achieve First Productive Use (FPU) and existing customers renew at increased rates or achieve FPU on add-ons.

Contracted Annual Recurring Revenue (CARR) was A$30.2M at 30 June 2025, up A$2.3M or 8% on PCP. This was in line with revised FY25 guidance. Mach7's CARR consists of the A$23.5M ARR run rate for customers that have achieved FPU of the software, plus A$6.7M of Subscription and Maintenance and Support fees not yet recognised as revenue.

Throughout FY25, we continued to carefully manage our operating costs and met guidance for OPEX growth to be less than revenue growth. This enhanced operating leverage drove substantial profit improvement with EBITDA of -A$1.5M (FY24: -A$3.3M) and NPAT of -A$6.2M (FY24: -A$8.0M).

We also met our objective of being operating cash flow positive for the year, achieving this milestone in three consecutive quarters. Mach7 remains in a strong financial position with A$23.1M in cash at 30 June 2025 and zero debt.

Share Buy-Back Program

On 3 March 2025, Mach7 commenced an on-market share buy-back program with a maximum value of up to A$5M for a period of up to 12 months. The buy-back formed part of our ongoing capital management strategy and illustrated our confidence in Mach7's growth trajectory. During the second half of FY25, Mach7 utilised A$2.2M to acquire 6.3M shares. Post balance date, in August 2025, Mach7 paused buy-back activity pending completion of a strategic review.

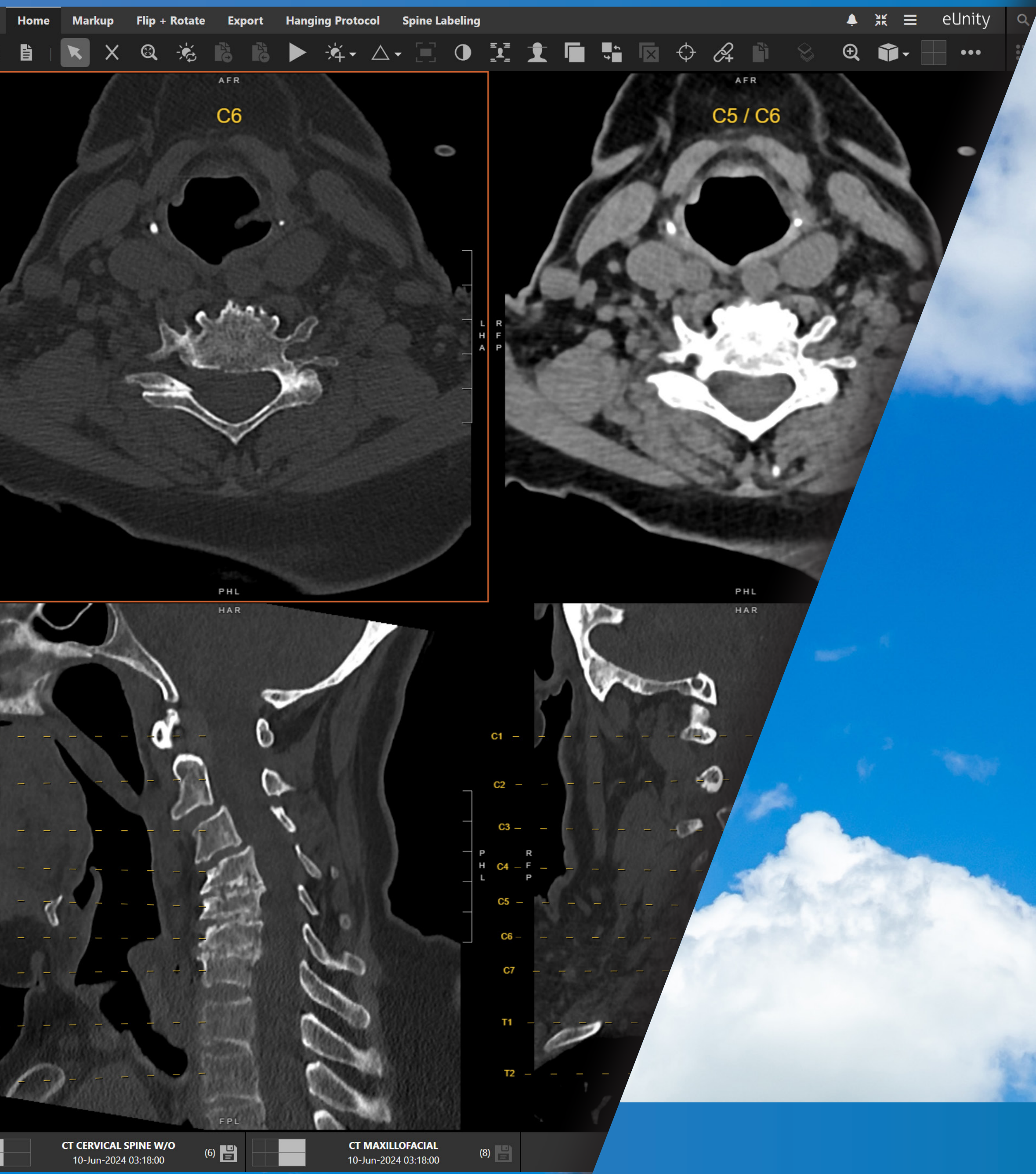
Leadership Renewal

FY25 also saw transition at the CEO level. In April 2025, Mach7 announced that CEO and Managing Director Mike Lampron would step down from his role on 30 June 2025. The Board would like to thank Mike for his significant contribution since joining the Company in 2017 and wish him well in his future endeavours.

At the same time, Teri Thomas was appointed as CEO and Managing Director and commenced this role on 1 July 2025. Teri has a distinguished career in healthcare technology and executive leadership, and in driving strategic growth. Most recently, Teri was CEO of Volpara Health

[1] Net Profit after Tax and before Amortisation (NPATA)

"Mach7 has undertaken a comprehensive leadership and sales refresh to strengthen execution capabilities, accelerate innovation and drive sustainable growth. This also involved the transformation of the sales, customer success and product teams to better align with customer value creation and growth objectives."



LETTER FROM THE CHAIRMAN & CHIEF EXECUTIVE OFFICER

Technologies Limited (ASX:VHT), a global leader in medical software for breast cancer screening and Chief Business Officer of Lunit, a market leader in AI-driven cancer detection and diagnostics.

Strategic Review

In the first few months as CEO, Teri's initial priorities have centred around leadership renewal and the implementation of a new customer-centric business model.

Mach7 has undertaken a comprehensive leadership and sales refresh to strengthen execution capabilities, accelerate innovation and drive sustainable growth. This also involved the transformation of the sales, customer success and product teams to better align with customer value creation and growth objectives.

The appointment of Mach7's first Chief Innovation Officer has unified product and engineering to accelerate innovation and align development with business priorities. Additionally, our Founder has returned as a strategic advisor to inspire innovation and growth with a particular focus on expansion in the Asia and Middle East markets.

Mach7's new Flight Crew model has combined support and services for enhanced coordination and accountability. Under this structure, each customer is supported by a designated Advocate for Customer Experience or ACE with dedicated Flight Crews who work closely with customers to ensure success and deliver personalised support. This new customer-centric approach has been well received, leading to faster response times, higher satisfaction and improved customer feedback scores.

At the FY25 result in August, we flagged that our immediate focus was the development of a comprehensive strategy following a thorough review of Mach7's operations.

Healthcare organisations worldwide are under mounting pressure — facing rising costs, increasing system complexity, workforce shortages, and relentless expectations for speed, quality, and accessibility of care. Imaging lies at the centre of this challenge, underpinning diagnosis, treatment, and research across nearly every medical discipline. Yet too often, the imaging chain fails at the point of access. Every delay caused by lag, rigid workflows, or fragmented data costs patients precious time — and costs healthcare systems efficiency and trust.

Mach7 exists to fix this. We are transforming from a Vendor Neutral Archive + viewer provider into a global leader in imaging data independence — empowering healthcare systems to unify, orchestrate, and intelligently use their imaging data. Mach7 will debut a new Intelligent Deconstructed Imaging Architecture (IDIA), a strategic shift from archive to architecture, unlocking interoperability, AI readiness, and faster clinical performance.

The refreshed leadership team is executing this transformation through a dynamic operating model that integrates strategy, structure, technology, and talent — ensuring accountability, agility, and results. Building a culture of performance, that attracts top talent and supports disciplined execution. Every decision is guided by a balance of innovation and cost management.

As a public company, Mach7's value agenda is designed to drive profitable, sustainable growth by converting innovation into measurable results. A renewed focus on new sales through customer-driven R&D and integrated monetisation models is expected to strengthen margins and create compounding shareholder value through expanded recurring revenue streams.

Looking Ahead

Our focus in FY26 centres on executing our new strategic initiatives to accelerate innovation delivery and strengthen our customer value proposition. Mach7 is committed to delivering imaging solutions that are clinically impactful, operationally efficient, and financially sustainable — empowering healthcare systems to harness their data, improve care delivery, and prepare for the AI-driven future of medicine. Through innovation, execution, and accountability, Mach7 is building a stronger, more valuable business for our customers, our employees, and our shareholders.

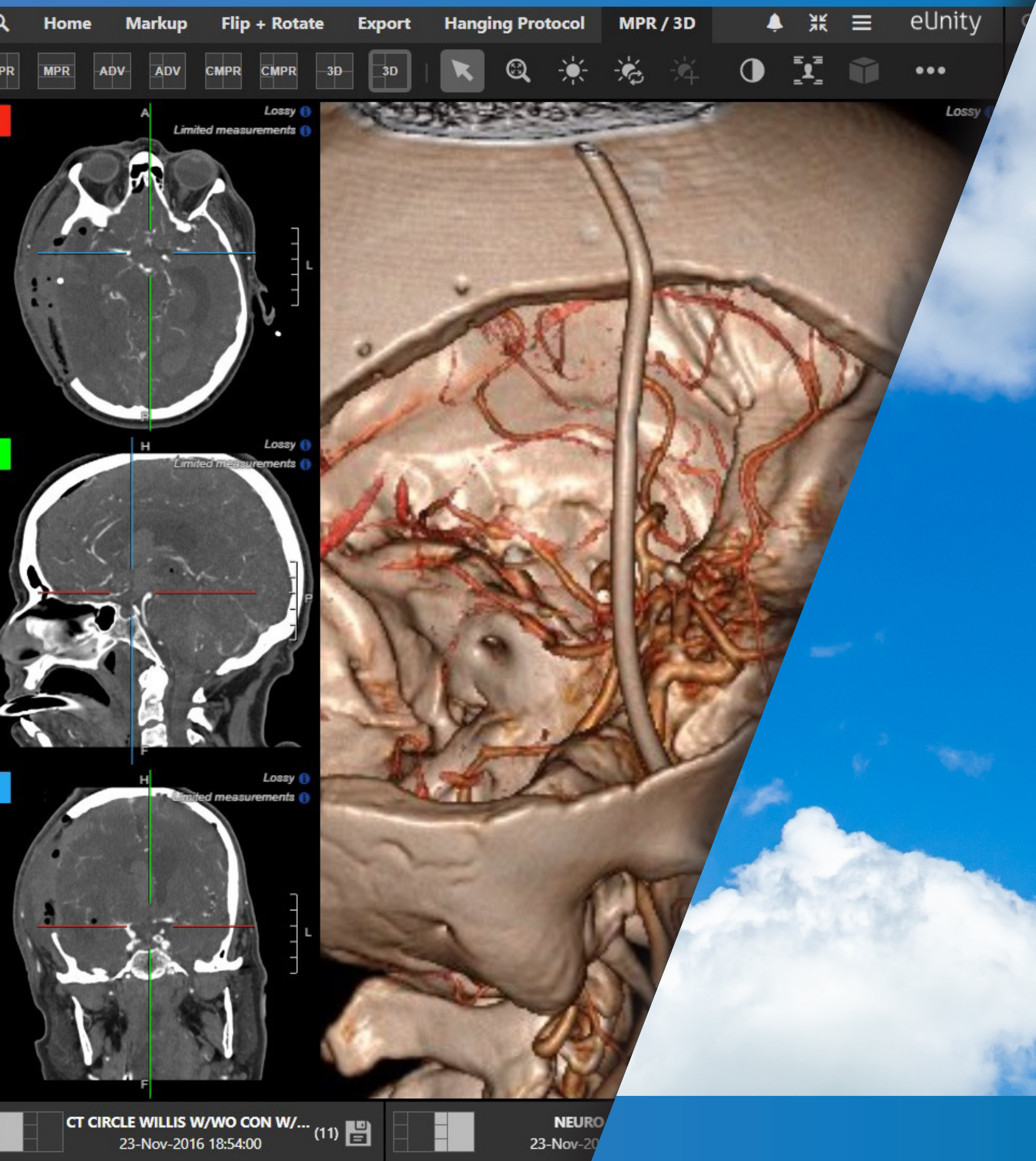
Finally, we extend our sincere appreciation to the Board and our shareholders for their continued support, and to our team for their invaluable contributions to Mach7's ongoing growth and success.

Sincerely,

Rob Bazzani
Chairman

Teri Thomas
CEO and Managing Director

A world-class team of experts dedicated to driving customer success and imaging excellence.



EXECUTIVE LEADERSHIP TEAM

EXECUTIVE LEADERSHIP TEAM

Teri Thomas

Chief Executive Officer and Managing Director

Teri Thomas is the CEO and Managing Director of Mach7 Technologies, bringing global experience in healthcare technology, operational leadership, and strategic growth. Before joining Mach7, Teri was CEO of Volpara Health Technologies (ASX:VHT), where she led a successful turnaround and positioned the company for its acquisition by Lunit, where she also served as Chief Business Officer. She previously spent 20 years in a variety of roles at Epic, the leading US electronic medical record company, and held an executive role at Orion Health, overseeing global sales and corporate development.

She is committed to leading Mach7 through its next phase of growth and innovation in medical imaging and data management through a deep focus on the customer and delivering swift solutions to real healthcare problems. She is a hands-on CEO who is passionate about making an impact by providing clear and compelling value to healthcare providers and the industry as a whole.

A registered nurse with a Master of Science degree, Teri pairs clinical insight with a proven track record in scaling businesses, delivering operational efficiencies, and fostering strong, mission-driven cultures. She is committed to leading Mach7 through its next phase of growth and innovation in medical imaging and data management.

Paul Jensen

Chief Innovation Officer

Paul Jensen brings over 30 years of global leadership experience across healthcare, technology, and commercial strategy. As Chief Innovation Officer at Mach7, Paul plays a key leadership role in partnership with CEO Teri Thomas, supporting company-wide operational excellence and value-driven innovation. His remit includes product roadmap execution, engineering, IT, workforce excellence, and leadership of our APAC team all while ensuring a value-based innovation ethos is brought across every aspect of the business.

Before joining Mach7, Paul led a strategic turnaround as President of Novarad, repositioning its enterprise imaging portfolio around patient-first innovation and reducing clinical vulnerability across the continuum of care. Earlier in his career, Paul spent nearly 20 years at Microsoft, where he led cross-functional initiatives across global teams, including four years based in Singapore overseeing regional sales, marketing, and go-to-market operations. Throughout his career, Paul has championed a systems-thinking approach to leadership while fostering agility, transparency, and impact at scale.

As a trusted partner to the CEO and the broader executive team, Paul is focused on accelerating change, deepening innovation, and helping Mach7 deliver breakthrough outcomes that matter.

Todd Stallard

Vice President, Sales

(Effective 30 September 2025)

Todd Stallard brings 30 years of experience driving growth and innovation across the technology industry, working across commercial, government, and product development spaces.

As a seasoned sales leader, Todd has delivered revenue growth, customer acquisition, and market expansion at companies like Microsoft, Sigma Connectivity, and ApoQlar. He is passionate about collaboration and connecting with like-minded professionals who share his enthusiasm for driving growth through teamwork. His hands-on approach will transform Mach7's sales organisation.

For the past 15 years, Todd has specialised in Medtech, bringing deep expertise in back-office solutions, medical imaging, IoT edge technologies, and revenue cycle management. His technical background spans Windows, Office, OEMs, Cloud, IoT, XR/VR, and Edge AI, consistently focused on leveraging technology to exceed customer expectations and drive meaningful impact.

Dan Lee

Chief Financial Officer

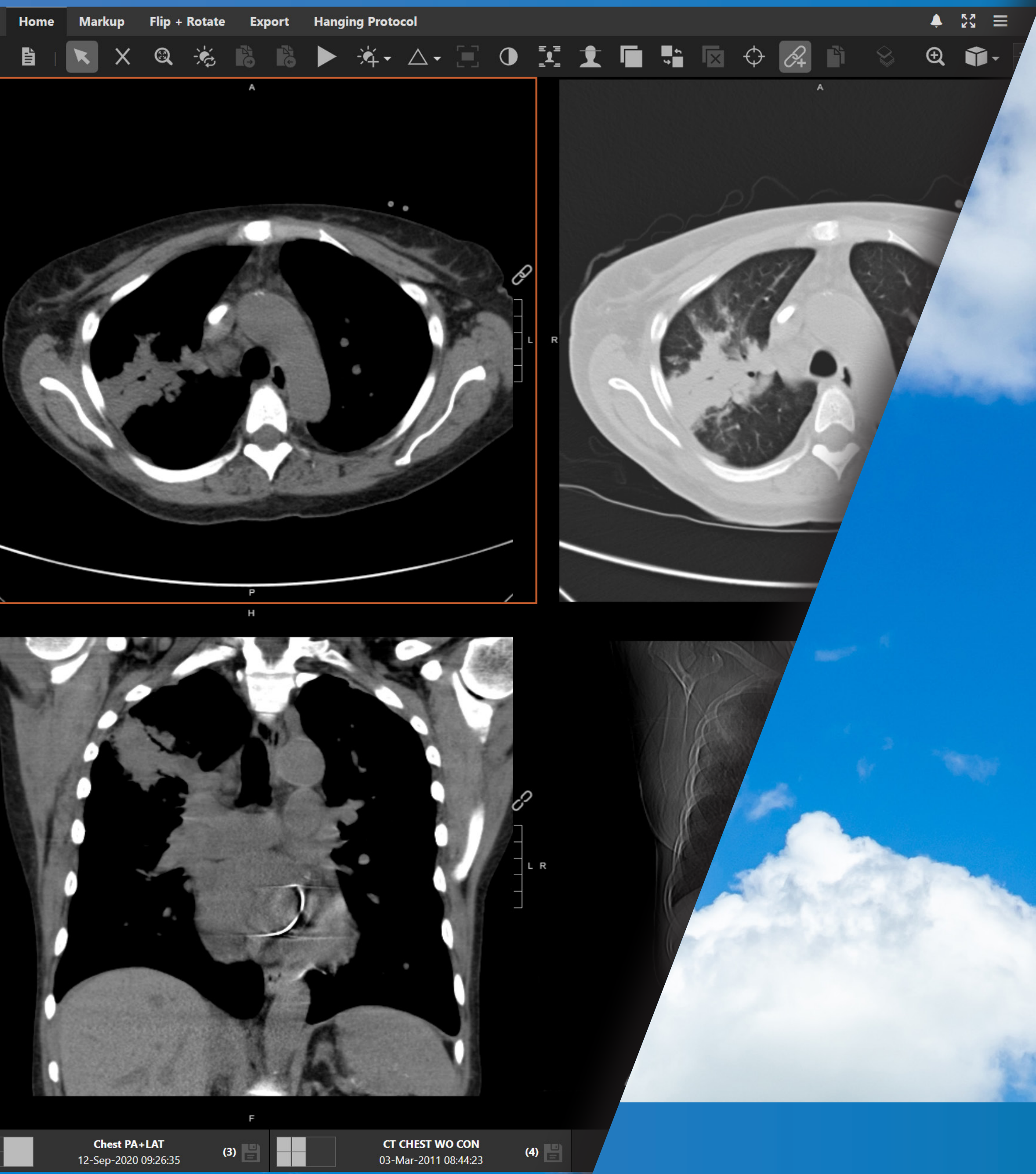
(Effective 30 September 2025)

Daniel Lee joins Mach7 with over 15 years of financial leadership experience with high growth companies in healthcare technologies, SaaS, and CPG. Most recently, Dan served as CFO and COO at DoctorNow, Inc., where he helped secure growth capital, developed strategies to scale revenue growth, and implemented financial processes to drive profitability. Previously, Dan served as CFO at IrisVR, Inc., helping guide its acquisition by Wild Technologies and its subsequent integration into Autodesk.

Across his career, Dan has led multiple capital raises and M&A transactions, developed KPI frameworks to scale SaaS businesses, and built investor confidence through transparent financial leadership.

As a key partner to the CEO and the management team, Dan helps shape the company's long-term vision by ensuring business decisions are grounded in strategic analysis and sustainable value creation.

Committed to delivering value, improving outcomes, and achieving sustainable growth



BOARD OF DIRECTORS

BOARD OF DIRECTORS

Rob Bazzani
Non-Executive Chairman

Rob spent 20 years with the global consulting firm KPMG, where he served as Chairman of KPMG Victoria, National Managing Partner for KPMG Australia's Enterprise Division and National Managing Partner for KPMG's M&A Division. Whilst in these roles, Rob was a member of KPMG's National Executive Committee which oversees and is responsible for the Firm's turnover, strategic decision making, profitability and operations. Rob has a demonstrated track record of leading and growing large scale and complex businesses. He has played a significant role in advising clients on commercial matters, corporate governance, M&A and has engaged with Government and Regulators. With extensive experience in corporate advisory, Rob has deep commercial and industry knowledge across financial services, asset and wealth management, property, insurances and consumer & industrial markets.

Teri Thomas
Chief Executive Officer and Managing Director

Teri Thomas is the CEO and Managing Director of Mach7 Technologies, bringing global experience in healthcare technology, operational leadership, and strategic growth. Before joining Mach7, Teri was CEO of Volpara Health Technologies (ASX:VHT), where she led a successful turnaround and positioned the company for its acquisition by Lunit, where she also served as Chief Business Officer. She previously spent 20 years in a variety of roles at Epic, the leading US electronic medical record company, and held an executive role at Orion Health, overseeing global sales and corporate development.

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Eliot Siegel, MD
Non-Executive Director

Dr. Eliot Siegel is a well-known thought leader in radiology, imaging informatics, and artificial intelligence applications in medicine. He is Professor at the University of Maryland School of Medicine Department of Diagnostic Radiology, and also works for the Veterans Affairs Maryland Healthcare System, both in Baltimore, MD, as well as adjunct professor of computer science and biomedical engineering at the University of Maryland. He is a pioneer and co-founder of United Theranostics, a company created to bring state-of-the-art radiopharmaceuticals to patients for cancer therapy. Under his guidance, the VA Maryland Healthcare System became the first filmless healthcare enterprise in the world. He has written over 300 articles and book chapters about PACS (Picture Archiving and Communication Systems) and digital imaging, and has edited numerous books on the topic, including Filmless Radiology and Security Issues in the Digital Medical Enterprise. He has given more than 1,000 presentations worldwide on topics involving the use of computers in medicine and artificial intelligence. Dr. Siegel was symposium chairman for the Society of Photo-optical and Industrial Engineers (SPIE) Medical Imaging Meeting for three years and has been honored as a fellow in that organisation, as well as the American College of Radiology and the Society of Imaging Informatics in Medicine. He is also a Board member of Carestream Health and serves on numerous advisory boards in medical imaging.

Rebecca Thompson
Non-Executive Director

Rebecca Thompson was appointed to the Board of Mach7 Technologies in November 2023 following an advisory role and currently serves as Chair of the Audit and Risk Committee. With over 25 years' experience across global investment banks, ASX-listed companies, and a fintech start-up, she brings deep expertise in financial markets, business development, and strategic communications. Her industry exposure spans real estate, building materials, healthcare, resources, and software.

Before joining Mach7, Rebecca was Head of Investor Relations at CSR Limited (ASX:CSR), where she strengthened market transparency and investor engagement ahead of its acquisition by Saint-Gobain in 2024. She previously held senior roles as Director at KPMG Advisory and Executive Director at J.P. Morgan, advising ASX-listed clients on equity market positioning and investor strategy. Earlier, she worked in corporate affairs, equity research, and financial journalism, building strong foundations in market analysis and stakeholder engagement.

Rebecca is also a Non-Executive Director of Independent Community Living Australia (ICLA) and co-founder of MarketMeter, an online market insights platform. She holds a Bachelor of Economics from the University of Sydney, a Graduate Diploma in Applied Finance and Investment from FINSIA, and is a member of the AICD.

ABOUT MACH7

Mach7 Technologies is a global healthcare software company transforming enterprise imaging infrastructure. Our modular, vendor-neutral platform enables health systems to manage, access, and exchange medical imaging data across departments, sites, and vendors, unlocking the full value of their imaging ecosystem.

Mach7 adapts to the complexities of modern healthcare IT, from legacy systems and hybrid environments to evolving care models and cloud deployments. We simplify imaging workflows without sacrificing clinical depth, making data usable, not just accessible.

With a focus on interoperability, scalability, and clinical efficiency, Mach7 empowers organisations to take full ownership of their imaging data. Our zero-footprint architecture delivers maximum impact with minimal overhead, streaming diagnostic-grade images instantly, even during PACS downtime. It provides fast and easy deployment for remote reading, a growing trend in our industry.

We serve a diverse and growing customer base across North America, Asia-Pacific, and the Middle East, with deployments ranging from academic medical centres to multi-site health networks. Every solution is shaped by customer-led innovation, ensuring our platform evolves with the needs of those who rely on it most.

Mach7 is proudly independent, financially strong, and built for speed. With no debt, high cash reserves, and a culture rooted in transparency and collaboration, we move faster than legacy PACS vendors—delivering innovation without bureaucracy. Since 2007, we've built a rich product portfolio and a loyal customer base united by a shared purpose: to improve the health and well-being of patients around the world by ensuring clinicians have fast, reliable access to the imaging data they need when and where it matters most.

MACH7 AT A GLANCE

Strategic scale. Global reach. Clinical impact.

Metric	Value / Description
Global Deployments	Across North America, Asia-Pacific, and the Middle East
Customer Segments	Academic medical centres, multi-site health networks, teleradiology providers
Platform Footprint	Modular, vendor-neutral, cloud-ready architecture
Viewer Usage	eUnity deployed across enterprise and patient-facing workflows
Interoperability Reach	Imaging data exchanged across hundreds of systems and modalities
Cloud Alignment	Integrated with AWS Health Imaging (AWS Partner Network Member) and other cloud-native platforms
Efficiency Gains	Customers report reduced diagnostic delays and improved workflow confidence
Data Ownership Model	Full control over imaging data—no vendor lock-in

One patient. One story.

Every pixel, every image in the EMR.

WHAT SETS MACH7 APART

WHAT SETS MACH7 APART

Customer-Led Innovation

We listen, iterate, and evolve with our customers. Their success is our success.

Imaging Ownership and Control

We free healthcare organisations from vendor lock-in. Mach7's open, vendor-neutral architecture gives customers complete ownership and control of their imaging and metadata—no barriers, no change orders.

Standards-Based Security

Security, compliance, and resilience are built in, not bolted on. Mach7 meets the highest standards for HIPAA, GDPR, and ISO to safeguard patient and institutional trust.

AI-Ready Architecture

Mach7 powers the AI era of imaging through workflow automation and metadata intelligence, enabling hospitals to train, deploy, and scale their own AI models directly on their data.

High Value, Low Cost of Ownership

Mach7 consistently ranks among the industry's best for value. We deliver enterprise performance at a lower price point than our competition.

An Imaging and Data Management Platform – Built for the Enterprise

Modular, vendor-neutral, highly interoperable and cloud-ready, built to unify imaging across departments, sites, and systems. Our Enterprise Imaging Platform gives customers full control, flexibility in deployment, and freedom from vendor lock-in. Mach7 adapts to the very diverse needs of large healthcare organisations globally.

One Universal Viewing Platform – For the Entire Healthcare Network

The eUnity zero-footprint diagnostic viewer provides clinicians with one universal viewing platform for all workflows and streams diagnostic-grade images instantly with no pre-fetching, no lag and the speed users demand. Our exclusive hybrid transmission technology allows for differentiated speed and performance, especially important for teleradiology and telehealth workflows.

Data Ownership and Orchestration

Mach7 gives healthcare organisations the power to go beyond simply managing, storing and retrieving data. We are unique in that imaging data is written directly to customer-controlled storage, with no gatekeeping by the VNA, with full control from day one. We give customers the ability to customise routing and distribution of their imaging data to support their ability to adapt to complex clinical scenarios and evolving care models.

HOW WE DELIVER VALUE

At Mach7, creating customer value means delivering more than software, it means delivering confidence, speed, and clarity to the clinicians who rely on us, and to the patients whose lives depend on them. Every product, every deployment, and every decision is guided by a singular purpose: to help healthcare organisations thrive in complex environments while staying focused on what matters most: the health and well-being of their patients.

Imaging Clarity that Accelerates Care

- Real-time access to unified imaging data across departments, sites, and vendors
- Intelligent orchestration that eliminates blind spots and accelerates diagnoses
- Diagnostic-grade viewing with zero-footprint performance: any device, any location
- Faster reads and fewer delays mean earlier interventions and better outcomes

Ownership that Empowers

- Vendor-neutral architecture that puts customers in control of their data
- Direct-to-storage VNA model: no gatekeeping, no lock-in
- Seamless integration into existing workflows, Electronic Health Records (EHRs), and patient portals
- Empowers providers with comprehensive, cross-departmental image access

Flexibility that Fits

- Modular platform build for hybrid environments and legacy systems
- Highly customisable workflow engine tailored to complex clinical needs
- Scalable solutions that grow with the enterprise, not against it
- Supporting diverse care models—from academic centres to rural networks
- Fast and easy-to-use viewer well-suited for teleradiology applications

People Who Partner

- Deep domain expertise across imaging, informatics, and healthcare IT
- Collaborative culture that emphasises listening, iterating, and delivering
- New customer success function organised around Advocates for Customer Excellence (ACEs), focused on satisfaction, continuity, and faster support

Agility that Outpaces Legacy Vendors

- Lean, stable, and debt-free with high cash reserves and operational discipline
- Nimble execution that delivers innovation without bureaucracy
- Trusted by leading health systems to make sense of complex imaging infrastructure, including that of numerous legacy PACS providers

Impact that Matters

- Supporting clinicians with the imaging data they need when and where it matters most
- Reducing diagnostic delays, enabling earlier treatment, and improving care coordination
- Enhancing provider experience through intuitive tools and responsive support

Own your data. Your AI. Your insights.
Data always wins.

PRODUCT EXCELLENCE – EMPOWERING CARE

PRODUCT EXCELLENCE – EMPOWERING CARE

Smart tech, real impact, and what's coming next

Mach7's enterprise imaging platform is built for flexibility, interoperability, and clinical depth. Our modular architecture enables healthcare organisations to manage, access, and exchange imaging data across departments, sites, and vendors without being locked into proprietary systems. From our vendor-neutral archive (VNA) to our diagnostic-grade enterprise viewer, every product is designed to simplify workflows, reduce IT burden, and empower clinicians with fast, reliable access to the data they need. Whether deployed in academic medical centres or multi-site networks, Mach7 adapts to the real-world complexities of healthcare IT.

Our platform stands apart through its zero-footprint design, seamless integration capabilities, and customer-led innovation. We support hybrid environments, legacy systems, and cloud-ready deployments, allowing customers to modernise at their own pace. Mach7's solutions are trusted not only for their performance, but for their transparency, configurability, and ability to scale across diverse care models. With a growing global footprint and strong recurring revenue base, our products continue to deliver measurable value in terms of speed, accuracy, and operational efficiency.

Looking ahead, Mach7 is investing in targeted innovation that enhances clinical readiness, data orchestration, and user experience. Our roadmap includes AI-assisted workflows, deeper integration with non-radiology specialties, and expanded support for remote diagnostics and cloud-based deployments. We remain focused on solving the problems that matter most to our customers, helping healthcare professionals deliver high-quality care, improve patient outcomes, and navigate the future of imaging with confidence and clarity.

Above all, Mach7's product strategy is shaped by the voices of our customers. We collaborate closely with healthcare leaders, radiologists and IT teams to ensure our solutions reflect the realities of clinical practice. By aligning technology with care delivery, we help organisations achieve better outcomes, stronger provider experiences, and a more resilient imaging infrastructure—one that's ready for tomorrow, but built for today.

OUTLOOK

Focused innovation

Across the globe, healthcare organisations are under strain as they contend with higher costs, staff shortages, complex systems, and growing demands for better, faster, more accessible care. At the core of it all is medical imaging, enabling diagnosis, research, and patient care in almost every field.

Despite its importance, the imaging chain often breaks down at the point of access. Lag, rigid workflows, and outdated data policies don't just disrupt operations, they take away something far more valuable: patients' time.

It's 2025. We have self-driving cars, but we still can't reliably and instantly access a patient's medical images. It's unacceptable. The era of technical gatekeeping, fragmented systems, and finger-pointing between vendors is over.

Mach7 was created to solve imaging's toughest connectivity challenges. We strive to deliver software that unifies data, people, and processes, driving real value across an industry in flux. Evolving beyond our origins as a VNA provider, we're defining the future of imaging data architecture. Guided by a dynamic operating model that brings together technology, talent, and culture, we're building solutions around what matters most: our customers' needs. With a renewed leadership team and a bold vision, Mach7 is charting the course forward with a focus on innovation, execution, quality, and customer impact.

We deliver imaging solutions that make a clinical impact, improve efficiency, and sustain financial health, all helping healthcare organisations use their data to deliver better care and thrive in the AI era.

MACH7 TECHNOLOGIES: STRATEGIC SUMMARY

Mach7 Technologies' strategy centres on transforming enterprise imaging for healthcare organisations by enabling true data independence, workflow orchestration, improved interoperability, and cost efficiency. The company is building on its strong foundation of vendor neutral archiving and enterprise diagnostic viewing to a data architecture pivot aligned with the AI era, supporting clinicians and patients with real-time access to imaging data across diverse systems and care environments.

Core Strategic Pillars

- **Data Independence & Sovereignty:** Mach7 delivers a genuinely vendor-neutral architecture, empowering customers to fully own, control, and utilise their imaging and metadata across systems. This eliminates proprietary barriers and lock-in, enabling unrestricted data access for clinical, research, and AI initiatives.
- **End-to-End but Modular Ecosystem:** The Mach7 platform spans VNA, diagnostic viewers, orchestration, and teleimaging, but is modular; customers can deploy only what they need, enhancing existing environments and reducing risk.
- **Orchestration Expertise:** Mach7's middleware goes beyond storage, providing intelligent, rules-based data management, efficient routing, caching, and pre-fetching to support AI workflows, teleradiology, and EMR integration.
- **Security, Compliance, and Trust:** Security is embedded at every layer, with built-in auditability, encryption, and cyber resilience aligned to HIPAA, GDPR, and ISO standards. Mach7 is trusted by high-compliance healthcare and government research institutions.
- **Smart AI & Workflow Automation:** The platform supports the AI era through intelligent workflow automation and metadata-driven orchestration, reducing manual steps and preparing organisations for large-scale AI initiatives.
- **Price-to-Performance Advantage:** Mach7 consistently ranks high for value, offering enterprise-class capability and innovation at unmatched cost efficiency, supported by a globally distributed engineering and delivery model.
- **Operational Discipline:** Maintaining financial strength, scalability, and agility to support long-term growth and reinvestment in innovation and customer success.

Execution and Leadership

A refreshed leadership team is driving commercial transformation, innovation, and operational synergy. In FY26, the company has unified product and engineering under a Chief Innovation Officer, launched rapid innovation teams, and adopted a customer-centric "Flight Crew" model to improve service quality and resilience. These changes are designed to accelerate product development, improve customer experience, and deliver measurable results.

Commitment to Stakeholders

Mach7's annual report reflects its commitment to transparency, strategic execution, and improving outcomes for clinicians and patients. The company regularly reviews material matters that influence its ability to deliver value, improve clinical outcomes, and achieve sustainable growth.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING

Mach7 Technologies is committed to the principles of Environmental, Social, and Governance (ESG) as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals.

Mach7 is committed to reporting on 21 ESG disclosures of the Stakeholder Capitalism Metrics of the World Economic Forum (WEF). Our ESG disclosures are in the form of a set of universal, comparable ESG metrics focused on **Governance**, **Planet**, **People**, and **Prosperity** which are shown in the diagram below. Mach7 uses this universal ESG framework to align our mainstream performance reporting against ESG metrics.

Mach7 has policies and strategies in place that minimise the environmental impact of our business, promote social responsibility and demonstrate governance best practice. The Board recognises the importance of the continual oversight of these policies and enhancement of the Company's disclosures over time.

Governance

Setting purpose

Our purpose is to enhance patient care by ensuring the right images are available at the right time for the right people, completing the patient picture.

Governing body composition

Mach7 is dedicated to upholding the highest standards of conduct and accountability. We have implemented substantial measures to support this commitment, creating a strong framework for our governance practices which is outlined in our Corporate Governance Statement.

Our Code of Conduct emphasises respect, fairness, and inclusivity. We promote a culture where all board decisions consider the broader societal impact, ensuring that every stakeholder's voice is heard and valued.

The Board has a diverse and well-rounded composition of directors with the necessary skills, experience, and expertise relevant to achieving our corporate objectives (see Board Charter). It consists of four directors of which three are independent directors and one is female.[1] Each director is on a three-year rotation and obliged to seek re-election at the end of this period. Board composition and its involvement in the setting the direction of the business is reviewed against the long-term strategy of the Company. Mach7 has a skills matrix against which the Board and its members are measured. This is reviewed and updated periodically reflecting the evolving requirements of the business.

Further information on our corporate compliance policies can be found on Mach7's investor website.

Material issues impacting stakeholders

Anti-corruption practices

At Mach7, we are committed to prompt and transparent information disclosure and continuous engagement to ensure a positive and open relationship with stakeholders.

Mach7 is dedicated to maintaining the highest standards of ethical behaviour and corporate governance. The Company has implemented initiatives and policies to combat corruption and promote a culture of corporate compliance. This commitment is reflected in the Statement of Values of the Company and its Anti-Bribery and Corruption Policy.

Risk and opportunity oversight

The Board recognises that appropriate risk management is integral to the successful execution of its strategies and the creation of long-term shareholder value. The Company has established a comprehensive Risk Management Framework, including a Risk Management Policy to ensure that material risks are identified, assessed and appropriately managed. The Audit and Risk Management Committee oversees Mach7's internal control structure and risk management systems, providing advice to the Board and reporting on the status and management of risks to the Company.

Mechanisms to protect ethical behaviour

Mach7 is committed to the highest standards of honesty and ethical behaviour in all aspects of its operations. The Company has established mechanisms to ensure that ethical standards are upheld and that any concerns related to misconduct or unethical behaviour are addressed. This is documented in the Company's Code of Conduct and Whistleblower Policy.

In addition, Mach7's products are FDA and CE marked. These designations are proof of our dedication to a Quality Management System (QMS) across our company. This QMS dictates procedures for the development of products, the training of employees and the overall commitment to ensuring best practices as a software company in the healthcare industry.

PLANET

GHG Emissions

Mach7 does not consider GHG emissions to be a material stakeholder capitalism metric at present due to its relatively small workforce and remote operating model. The Company believes that air travel is its highest GHG contribution, and it is exploring ways to reduce this impact.

Water consumption

This metric is considered immaterial to Mach7 due to the nature of its business which does not involve water use.

[1] *Note that following the appointment of Teri Thomas as CEO and Managing Director on 1 July 2025, two of the four directors are female.*

TCFD Implementation

Mach7 does not consider TCFD implementation to be a material stakeholder capitalism metric at present due to its relatively small workforce and remote operating model.

PEOPLE

Diversity and Inclusion

Mach7 is committed to fostering a diverse and inclusive work environment. The Company has adopted a Diversity Policy which ensures that all executives, managers, and employees promote workforce diversity, and that director appointment and employee recruitment processes are undertaken with reference to the objectives of this policy.

As of 30 June 2025, Mach7 had 103 employees with the following gender breakdown across the Group and at Board level.

	Men	Women
Board members[2]	75%	25%
Senior executives (CEO and direct reports)	75%	25%
Mach7 workforce	80%	20%

In addition, Mach7 has a regionally diverse workforce with employees located across a number of US states as well as Canada, APAC and the Middle East.

Health and Safety

Mach7 is committed to ensuring the health and safety of all its employees and stakeholders. We believe that a safe and healthy work environment is paramount to our success and the well-being of our team. In FY25, there were zero work-related injuries or fatalities within our operations.

Mach7 also recognises the importance of overall well-being and offers hybrid work arrangements to employees. It also provides medical and other insurance, and paid time off as applicable in their region. These initiatives underscore a holistic approach to employee welfare.

In addition, Mach7's enterprise imaging solution is designed to help healthcare providers deliver better patient outcomes and save lives.

Training Provided

Mach7 places a high priority on staff training and development, recognising it as a cornerstone for achieving operational excellence and ensuring the continuous growth of its employees. Employees are assigned compliance and security awareness courses through regular KnowBe4 training campaigns, reflecting our commitment to nurturing talent and enhancing skill sets.

Pay Equality

Mach7 is committed to promoting principles of merit and fairness in decisions about recruitment, development, promotion, and remuneration. Our Diversity Policy emphasises the importance of recruiting from a diverse pool of qualified candidates, ensuring transparency in the review and appointment of senior management positions, and fostering a commitment to diversity at all levels of the organisation. This approach reflects an ongoing commitment to pay equality, as we recognise the value of diversity and seek to embed its importance within our culture.

The Group conducts an annual employee engagement survey and annual pay reviews based on market salary information. Continuous feedback is also received via the quarterly employee development system.

[2] *From 1 July 2025, Mach7 has a 50:50 gender breakdown at Board level following the appointment of Teri Thomas.*

Wage level

Mach7's Remuneration and Nomination Committee is responsible for reviewing and making recommendations related to the remuneration packages of Directors, the CEO, and other senior executives. This Committee ensures that remuneration policies and practices are consistent with Mach7's strategic goals and human resources objectives. The Company's remuneration practices are designed to attract, retain, and motivate high-quality senior executives and align their interests with the creation of value for shareholders.

Child, forced or compulsory labour

Mach7 is dedicated to upholding the highest standards of ethical conduct and ensuring that child, forced, or compulsory labour is not present within our operations and supply chains. Our Modern Slavery policy outlines our commitment to identifying, preventing and mitigating the risks of modern slavery and the actions we take to ensure compliance with relevant laws and regulations.

PROSPERITY

Rate of employment

Mach7's employment structure supports and incentivises its team. This is reflected through the provision of healthcare benefits, retirement, unlimited PTO, annual salary action as well as short term and long-term incentive plans which reward employees and ensures alignment with all shareholders.

Economic contribution

Mach7 enables its healthcare organisation customers to deploy its solutions according to their needs either through individual product components or a unified end-to-end enterprise imaging platform. This dedication leads to more efficient systems so that healthcare providers can realise improved efficiencies, achieve operational cost savings and deliver better health outcomes.

Financial investment contribution

Mach7's annual report provides further information.

Total R&D expenses

R&D represents approximately 30% of operating expenditure. Every member of our R&D team is solely dedicated to enterprise imaging-related initiatives and strategies – from product design, specifications, development, and Quality Assurance.

Total tax paid

Mach7 reports income tax in its Annual Report.

FISCAL YEAR 2025 FINANCIAL REPORT

HIGHLIGHTS:

CORPORATE DIRECTORY

30 JUNE 2025

Directors	Mr Robert Bazzani (Independent Non-Executive Chairman) Ms Teri Thomas (Managing Director and Chief Executive Officer) Dr Eliot Siegel (Independent Non-Executive Director) Ms Rebecca Thompson (Independent Non-Executive Director)
Company secretary	Ms Naomi Lawrie
Registered office	Suite 2, Level 11, 385 Bourke Street, Melbourne VIC 3000
Principal place of business	120 Kimball Avenue, Suite 210 South Burlington, VT 05403, United States T: +1 802.861.7745
Share register	Computershare Investor Services Pty Limited 452 Johnston Street, Abbotsford, VIC 3067 Telephone: 1300 850 505 Website: www.computershare.com
Auditor	RSM Australia Partners Level 27, 120 Collins Street, Melbourne, VIC 3000
Solicitors	Gadens Lawyers Level 13, Collins Arch, 447 Collins Street, Melbourne, VIC 3000
Bankers	Westpac Banking Corporation 150 Collins Street, Melbourne VIC 3000
Stock exchange listing	Mach7 Technologies Limited shares are listed on the Australian Securities Exchange (ASX code: M7T)

The directors of Mach7 Technologies Limited are pleased to present their report for the year ended 30 June 2025 consisting of Mach7 Technologies Limited (referred to hereafter as the 'company' or 'parent entity') and its controlled entities (hereafter referred to as the 'consolidated entity', 'Group' or 'Mach7'). All amounts are in AUD.

ABOUT MACH 7

WHO WE ARE

Mach7 is a leading provider of medical imaging software, delivering advanced data management and diagnostic viewing solutions to healthcare organisations worldwide. Mach7 supports a diverse global network, from large integrated delivery networks (IDNs) and national health systems to independent provider groups and private radiology practices.

Corporate Structure

Mach7 Technologies Limited is an Australian incorporated company, listed on the Australian Stock Exchange (ASX) with operating subsidiaries in North America and Asia Pacific.

Principal activities

The principal activity of the Company is the development and commercialisation of medical imaging and data management software solutions for global healthcare organisations.

Mach7 at a glance

Our key business activities consist of the following functional areas:

- **Research & Development (Engineering) –** software development, innovation, enhancements, upgrades, analytics, artificial intelligence integration
- **Sales –** including direct and channel partnership sales
- **Product –** strategy and road-map
- **Professional Services –** training and project management, clinical applications, support and maintenance
- **Administration –** finance, people and culture (human resources), IT, risk management, governance

Mach7 Technologies develops innovative image management and viewing solutions for healthcare organisations globally. Our products form the core of an integrated enterprise imaging ecosystem and their modularity, interoperability, and ease of use and deployment deliver customers true technological independence.

Mach7's **Enterprise Imaging Solution** includes:

- **The Mach7 eUnity Enterprise Diagnostic Viewer** – a one-of-a-kind, industry leading, zero-footprint viewer that allows medical professionals to remotely access patients' medical images at any location, from any device, in a secure and efficient manner without loss of speed or image quality. eUnity is a best-in-market viewing platform designed for reading radiologists performing primary diagnosis or clinical staff viewing images, reports and other patient information to plan patient care pathways and treatment plans. It may be integrated into an Electronic Health Record as well to image enable the entire health system's network with a comprehensive view of the patient's imaging history.

- **The Mach7 Vendor Neutral Archive (VNA)** – (also referred to as our Enterprise Imaging Platform), a powerful vendor agnostic data management solution that includes administration tools that allow for the fast storage, access, retrieval and viewing of images across a healthcare network. Mach7's VNA is unique in that it gives customers ultimate control to consolidate and standardise all of their imaging data across the enterprise in a single platform. The VNA enhances the patient's electronic health record and allows healthcare organisations to incorporate advanced applications such as AI and provides connectivity to the cloud.

- **Mach7's Workflow Applications** – designed to promote better clinical decision-making by giving users tools and worklists that provide access to contextual patient data and images. Core components of these applications include a Universal Worklist, Quality Control (QC) tools designed for technologists' workflows; image sharing and exchange capabilities; teleradiology services; and additional specialised tools to best serve departmental patient care needs.

FINANCIAL PERFORMANCE

Mach7 has delivered an FY25 result that provides a solid foundation as we move forward. Results are summarised in the sub-sections below which provide further details on Sales Orders, Cash and Cashflows, Revenue, Expenses and Profitability. The following table also provides a snapshot of important balances from the Group's statement of financial position as at 30 June:

	30 June 2025	30 June 2024	Change	Change
	$	$	$	%
Cash	23,069,049	26,175,405	(3,106,356)	(12%)
Deferred Revenue – yet to be recognised	(11,834,231)	(11,632,669)	(201,562)	2%
Net current assets	15,870,251	18,814,275	(2,944,024)	(16%)
Net tangible assets	26,283,107	29,068,108	(2,785,001)	(10%)
Intangible assets net of associated deferred tax liability	19,294,376	22,788,776	(3,494,400)	(15%)
Net assets	45,577,483	51,856,878	(6,279,395)	(12%)

SALES ORDERS

FY25 sales orders of $29.1 million reflects existing customer satisfaction and success

FY25 sales orders were $29.1 million Total Contract Value (TCV[1]) with expansions from existing customers accounting for most of the sales orders. FY24 was the most successful year in Mach7's history with sales orders of $61.3 million TCV, with renewals accounting for more than 60% of total sales orders.

FY25 Sales Orders of $29.1 million TCV comprised:

- $20.4 million (or 70%) in Annual Recurring Revenue (ARR) type sales (Maintenance and Support contracts and Subscription licences recognised as revenue over the contract term when the customer achieves First Productive Use (FPU)),
- $4.7 million (or 16%) in Capital Software sales (recognised as revenue upfront upon electronic delivery of software), and
- $4.0 million (or 14%) of Professional Services sales (recognised on a percent completion basis).

FY25 Sales Orders (TCV)	ARR Sales ($M) (Subscription licences and Maintenance and Support contracts)	Capital Software Sales ($M)	Professional Services Sales ($M)	FY25 Total Sales Orders ($M)	%
Renewals	$10.6	$0.6	$0.0	$11.2	39%
Add-on orders	$2.2	$0.1	$2.4	$4.7	16%
Expansions	$7.6	$4.0	$1.6	$13.2	45%
TOTAL SALES ORDERS	**$20.4**	**$4.7**	**$4.0**	**$29.1**	
	70%	16%	14%		100%

As indicated in the table above, ARR sales remained the predominant category at 70% in FY25 (83% in the prior year). This signals the ongoing shift of procurement preference by Mach7 customers from capital licence sales (a capex purchase) to subscription licence sales (an opex purchase), as more customers lean towards spreading the cost of software over the term of usage rather than paying 100% upfront. This also benefits Mach7 by increasing its ARR.

[1] **Total Contract Value (TCV):** capital software licence fees, professional services fees, annual subscription fees and annual maintenance and support fees over the life of the contract.

Of the $29.1 million total, sales orders for expansions accounted for $13.2 million (or 45%) demonstrating an increase in usage by existing customers, renewals accounted for $11.2 million (or 39%) and add-ons accounted for $4.7 million (or 16%).

CASH AND CASHFLOWS

Operating cashflow positive in FY25 with cash on hand of $23.1 million.

Cash receipts from customers in FY25 amounted to $35.7 million, up 2% on FY24 ($34.9 million). Mach7 reported positive operating cashflow of $0.9 million for FY25 which was a significant achievement in the context of its transition to a predominantly subscription sales model.

On 3 March 2025, Mach7 commenced an on-market share buy-back program. During the period from 3 March to 30 June 2025, Mach7 utilised $2.2 million to acquire approximately 6.3 million shares.

The financial position of the Company remains solid, with no debt and $23.1 million cash on hand at 30 June 2025 ($26.2 million at 30 June 2024).

REVENUE

$33.8 million revenue, 16% increase on prior year

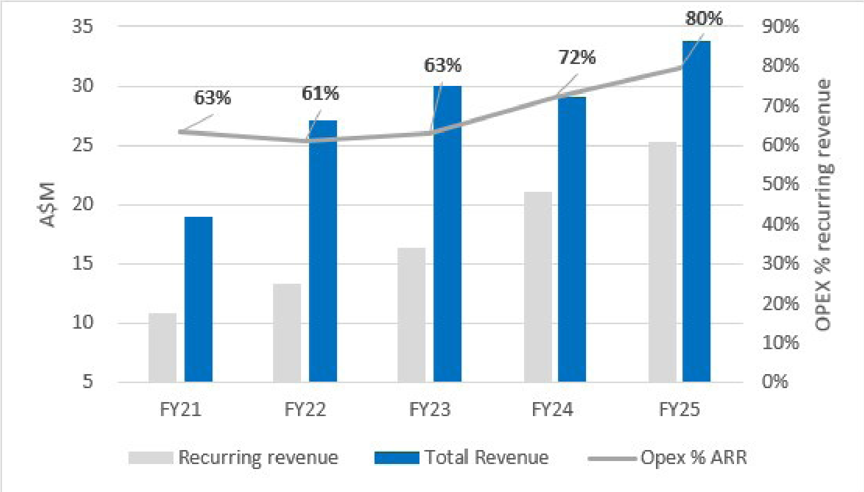
The Group reported $33.8 million revenue from operations (FY24: $29.1 million), an increase of $4.7 million or 16% on the prior year. Pleasingly the Group's ARR recognised for the year (that is Maintenance and Support revenue and Subscription revenue) increased by 20% over the prior year, to $25.3 million (FY24: $21.1 million), accounting for 75% of total revenue (FY24: 72%) and representing 80% of operating expenditure (FY24: 72%). Capital Software Licence revenue increased by 21% to $4.8 million (FY24: $4.0 million) primarily due to capital license expansions for existing customers. Professional Services revenue decreased by 10% to $3.7 million (FY24: $4.1 million).

	30 June 2025	30 June 2024	Change	Change
	$	$	$	%
Subscription revenue*	12,326,991	9,203,681	3,123,310	34%
Maintenance and Support revenue	13,008,343	11,868,361	1,139,982	10%
Total recurring revenue	25,335,334	21,072,042	4,263,292	20%
Software Licence revenue*	4,781,133	3,966,869	814,264	21%
Professional Services revenue**	3,651,728	4,073,952	(422,224)	(10%)
	8,432,861	8,040,821	392,040	5%
	33,768,195	29,112,863	4,655,332	16%

* Subscription and Software Licence revenue above comprises the total software licence revenue amounting to $17,108,124 as disclosed in note 5 to these financial statements.

** Represents combination of implementation, training, migration and other custom services disclosed in note 5 to these financial statements.

80% Recurring Revenue coverage of operating expenditure for FY25:



EXPENSES

Disciplined cost management capped opex growth at 9%.

Operating costs were carefully managed and operating expenditure increased by 9% (FY24: 13%) over the prior year due to the increased cost of operations mainly driven by company growth, inflation and increased labour force to meet customer needs. Professional fees expense increased due to a one-off MDR certification project that is expected to be completed in FY26.

Operating expenditure (excluding right-of-use lease liability interest expense, share-based payments expense, foreign exchange losses/gains, depreciation and amortisation) presents in the following table:

	30 June 2025 $	30 June 2024 $	Change $	Change %
Employment and related expenses	25,180,114	23,350,307	1,829,807	8%
General administration and office expenses	2,657,729	2,331,116	326,613	14%
Professional fees and corporate expenses	2,045,753	1,479,917	565,836	38%
Travel and related expenses	1,104,425	1,324,641	(220,216)	(17%)
Marketing expenses	852,684	818,245	34,439	4%
TOTAL OPERATING EXPENDITURE	31,840,705	29,304,226	2,536,479	9%

PROFITABILITY

NPATA* of $0.4 million (FY24: -$1.2 million) and Adjusted EBITDA of -$0.3 million (FY24: -$2.0 million), significant improvement on prior year.**

The Group continues to deliver strong Gross Margin of 94% or $31.8 million (FY24: 95% or $27.7 million), an increase of $4.1 million or 15%. Cost of sales increased by 38% primarily due to migration services being outsourced to a third party.

The Group reported a net loss for the year of $6.2 million, compared to $8.0 million for FY24. The FY25 decrease in net loss is directly attributable to the increase in revenue and disciplined cost management.

	30 June 2025 $	30 June 2024 $	Change $	Change %
Revenue from contracts with customers	33,768,195	29,112,863	4,655,332	16%
Cost of sales	(1,996,824)	(1,443,205)	(553,619)	38%
Gross Margin	31,771,371	27,669,658	4,101,713	15%
Gross Margin %	**94%**	**95%**		
Operating expenditure	(31,840,705)	(29,304,226)	(2,536,479)	9%
Net foreign exchange loss (realised)	(107,168)	(21,518)	(85,650)	398%
Other income/(expenses) (net)	(98,863)	(307,315)	208,452	(68%)
	(32,046,736)	(29,633,059)	(2,413,677)	8%
EBITDA Adjusted**	**(275,365)**	**(1,963,401)**	**1,688,036**	**(86%)**
Interest income	853,741	886,364	(32,623)	(4%)
Net foreign exchange loss (unrealised)	(66,555)	(90,571)	24,016	(27%)
Share-based payments expense (non-cash)	(1,109,685)	(1,274,433)	164,748	(13%)
Right-of-use lease liability interest expense	(117,960)	(61,866)	(56,094)	91%
Depreciation and amortisation (non-cash)	(7,243,034)	(7,251,053)	8,019	-
Income tax benefit (non-cash)	1,757,454	1,784,636	(27,182)	(2%)
Loss for the year	(6,201,404)	(7,970,324)	1,768,920	(22%)

* NPATA (Net Profit After Tax and before Amortisation) is NPAT adjusted for amortisation of acquired intangibles.

** Adjusted EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation) is EBITDA adjusted for unrealised net foreign exchange gains/losses and non-cash item share-based payments expense.

ORGANISATIONAL OVERVIEW

Global Operations

The structure of our global operations and how they impact of financial outcomes in summarised below:

Australia	North America	Asia Pacific/Middle East
The majority of Mach7's shareholder base is located in Australia. Certain regulatory and governance activities are undertaken by the Board of Directors and other administration functions in Australia. Mach7 does not yet derive revenue from customers based in Australia.	North America is where the majority of Mach7's executive team resides and where the vast majority of Mach7's employees reside including sales, marketing, research & development (engineering), product and professional services teams. Operations are conducted in both the US and Canada. Research & development (engineering) teams are located in both the US & Canada, each having a principal product focus of Mach7 Vendor Neutral Archive (US) and Mach7 eUnity Viewer (Canada). Overall, revenue has increased in North America by 17% compared to the prior year. Excluding professional services revenue, North America revenue has increased year-on-year in all product areas and revenue categories. Growth is attributed to existing customer expansions, renewals and add-ons, together with organic growth from price increases.	Mach7's Asia Pacific team undertakes the sales and support activities in the Asia Pacific and Middle East Regions. Our team is mainly located in Singapore and Malaysia. Overall, revenue has increased in Asia Pacific by 3% compared to the prior year.

EXTERNAL ENVIRONMENT

Growth of Medical Imaging

Medical images are the largest component of the medical record and the necessity to store and provide diagnostic reading and viewing capabilities both inside and outside the walls of the hospital is an essential operational function that is becoming more complex with ever increasing volumes, file types, file sizes and data repositories. As these complexities increase for healthcare providers, the enterprise-wide medical imaging solutions provided by Mach7 empowers our customers with the functionality, inter-operability and efficiencies that they need to provide the best possible patient care.

Volume-based business model - capital and subscription pricing options

Mach7 has a volume-based business model and offers all customers the flexibility of procuring their software as either a term capital software licence (a capex purchase) or a subscription licence (an opex purchase). This allows our customers full procurement flexibility to suit their individual business needs and provides them with multiple options to suit their budgetary requirements.

Mach7's sales orders are showing a shift of procurement preference by its customers from term capital software licence sales to subscription licence sales , as more customers lean towards spreading the cost of software over the term of usage rather than paying 100% upfront. This also benefits Mach7 by increasing its ARR.

OUR BUSINESS STRATEGIES

The Group remains focused on building market share in enterprise imaging across our core regions of North America, Asia Pacific, and the Middle East. As part of this, we are undertaking a review of our market positioning and executing a shift to a customer-value centric growth strategy.

This new approach centres on defining and targeting ideal customer profiles (ICP) to ensure our product roadmap, marketing, and positioning are aligned to the customer types that can best drive new logo acquisition and sustainable long-term growth. The "land and expand" strategy has delivered a solid book of business across a broad range of sectors—including academics, IDNs, imaging chains, telemedicine, veterinary, and resellers. To generate new business momentum, the sharpened ICP focus is expected to improve market fit, sales effectiveness, and brand clarity.

A key element already in place is the overhaul of our customer-facing operations. Previously separated into services/implementation and support functions, these have now been unified into a single "Flight Crew" structure centred on customer needs. Each client is now supported by a designated Advocate for the Customer Experience (ACE), who coordinates a multidisciplinary team directly assigned to the account. This model fosters stronger relationships, more responsive support, and greater continuity. We expect this to translate into measurable improvements in customer satisfaction, including higher KLAS scores, which in turn support future sales growth.

Marketing efforts tied to this strategy will be visible from November 2025's RSNA (Radiological Society of North America) trade show, through to our FY26 campaigns, with messaging and outreach tailored to the ICP. At the same time, our strengthened R&D team—now leveraging AI tools and guided by a new Chief Innovation Officer—is positioned to accelerate delivery of customer-compelling innovations.

Mach7 continues to benefit from a broad, engaged, and collaborative customer base, providing a strong foundation for co-innovation and product leadership. As a respected leader in image management, the Group is well-positioned to capitalise on this strategy and drive meaningful growth in the years ahead.

Risk Management

The Board takes a proactive approach to risk management. The Board has an Audit and Risk Management Committee, which is responsible for ensuring that risks and opportunities are identified on a timely basis and that the Group's objectives and activities take these risks and opportunities into account.

Key Business Risks

The Group's operations are subject to several risks. The Board, through its Audit and Risk Management Committee, regularly reviews the possible impact of these risks and seeks to minimise this impact through a commitment to its corporate governance principles and its various risk management functions. A number of specific risk factors that may impact the future performance of the Company are described below.

Shareholders should note that this list is not exhaustive and only includes risks that could affect the Group's financial prospects, taking into account the nature and business of the Group and its business strategy.

Commercialisation risk

The principal activity of the Group is the provision of enterprise imaging data storage, viewing, sharing and interoperability for healthcare organisations. There is a risk that the Group will be unable to attract enough customers to be sufficiently profitable to fund future operations. In addition, commercial success of new technology is subject to inherent uncertainty due to unknown variables.

Competition and new technologies

The industry in which the Group is involved is subject to increasing domestic and global competition which is fast-paced and fast-changing. Whilst the Group will undertake all business decisions and operations with reasonable care and diligence, it will have no influence or control over the activities or actions of its competitors, whose activities or actions may positively, or negatively affect the operating and financial performance of its business. For instance, the image management platform may be superseded by new and cheaper technology creating competitive pressures, in which case, the Group's revenues and profitability could be adversely affected.

Risks associated with the regulatory environment

The Group operates in a highly regulated market both in Australia and internationally. Success can be impacted by changes to the regulatory environment. Mach7 continues to monitor changes and proposed changes to the regulatory environment to which it is exposed.

DIRECTORS

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

Mr Robert Bazzani - Chairman

Ms Teri Thomas - Managing Director and Chief Executive Officer (Appointed effective 1 July 2025)

Mr Eliot Siegel, MD - Independent Non-Executive Director

Ms Rebecca Thompson - Independent Non-Executive Director

Mr Michael Lampron - Managing Director and Chief Executive Officer (Stepped down effective close of business 30 June 2025)

Board of Directors

The names and details of the Company's Directors in office as at the date of this report are as follows:

Name:	**Robert Bazzani**
Title:	Chairman
Qualifications:	Master of Business Administration, Bachelor of Laws and Bachelor of Science
Experience and expertise:	Mr. Robert Bazzani spent 20 years with the global consulting firm KPMG, where he rose to the top and served as Chairman of KPMG Victoria, National Managing Partner for KPMG Australia's Enterprise Division and National Managing Partner for KPMG's M&A Division. Whilst in these roles, Rob was a member of KPMG's National Executive Committee (NEC), which oversees and is responsible for the Firm's turnover, strategic decision making, profitability and operations. Rob has a demonstrated track record of leading and growing complex businesses. He has played a significant role in advising clients (public, private, and global subsidiaries) on commercial maters, public transitions and corporate governance. Rob has a background in investment banking and law, M&A and has engaged with Government and Regulators. With extensive experience in corporate advisory, Rob has deep commercial and industry knowledge across financial services, asset and wealth management, technology, property, insurances and consumer & industrial markets.
Other current directorships:	OFX Group Ltd (ASX: OFX)
Former directorships (last 3 years):	Keypath Education International Inc. (ASX:KED)
Special responsibilities:	Remuneration & Nomination Committee – Chair, and Audit & Risk Management Committee - member
Interests in shares:	254,728
Interests in options:	100,000
Interests in rights:	None

Name:	**Teri Thomas (appointed effective 1 July 2025)**
Title:	Managing Director and Chief Executive Officer
Qualifications:	Master of Science
Experience and expertise:	Ms. Teri Thomas has a distinguished career in healthcare technology and executive leadership, with more than 20 years of experience driving strategic growth in global health IT companies. Her remarkable leadership includes senior roles at Epic, the leading U.S. electronic medical record company, and as Executive Vice President at New Zealand–headquartered Orion Health, driving sales and corporate strategy. Most recently, Ms. Thomas served as CEO and Managing Director of Volpara Health Technologies Ltd (ASX: VHT), a global leader in breast cancer screening software. Beginning in 2022, she successfully led a corporate transformation at Volpara, implementing operational efficiencies, disciplined commercial strategies, and a renewed focus on U.S. growth. Her leadership strengthened company culture, stabilised performance, and positioned Volpara for its successful acquisition by Lunit in May 2024. Ms Thomas then served as both Volpara CEO and as Chief Business Officer at Lunit, a market leader in AI-driven cancer detection and diagnostics company based in Seoul, South Korea.
Other current directorships:	None
Former directorships (last 3 years):	Volpara Health Technologies Ltd (ASX: VHT)
Special responsibilities:	None
Interests in shares:	300,000
Interests in options:	None
Interests in rights:	None

Name:	**Eliot Siegel, MD**
Title:	Independent Non-Executive Director
Qualifications:	Doctor of Medicine
Experience and expertise:	Dr. Eliot Siegel is a well-known thought leader in the world of radiology, imaging informatics, and artificial intelligence applications in medicine. He currently serves as a Professor in the Department of Diagnostic Radiology at the University of Maryland School of Medicine and also works for the Veterans Affairs Maryland Healthcare System in Baltimore, MD. Additionally, he holds an adjunct professorship in computer science and biomedical engineering at the undergraduate campuses of the University of Maryland. Dr. Siegel is a pioneer and co-founder of United Theranostics, a company dedicated to bringing state-of-the-art radiopharmaceuticals to patients for cancer therapy. Under his guidance, the VA Maryland Healthcare System achieved a significant milestone by becoming the first filmless healthcare enterprise in the world. He has also been a leader in national informatics efforts, serving as the informatics lead for the National Cancer Institute's Cancer Biomedical Informatics Grid (caBIG). A prolific author, he has written over 300 articles and book chapters on PACS (Picture Archiving and Communication Systems) and digital imaging. He has also edited numerous books on these topics, including Filmless Radiology and Security Issues in the Digital Medical Enterprise. Dr. Siegel has delivered more than 1,000 presentations globally on a wide range of subjects related to the use of computers and artificial intelligence in medicine. He served as symposium chairman for the Society of Photo-optical and Industrial Engineers (SPIE) Medical Imaging Meeting for three years and has been honored as a fellow in that organisation, as well as the American College of Radiology and the Society of Imaging Informatics in Medicine, where he was also awarded the Gold Medal.Dr. Siegel currently serves on the board of directors for Mach7 Technologies, United Theranostics, ACREW, and Softhread.
Other current directorships:	None.
Former directorships (last 3 years):	Carestream Health
Special responsibilities:	Audit & Risk Management Committee - member, and Remuneration & Nomination Committee - member
Interests in shares:	358,112
Interests in options:	100,000
Interests in rights:	None

Name:	**Rebecca Thompson**
Title:	Independent Non-Executive Director
Qualifications:	Bachelor of Economics, Graduate Diploma in Applied Finance and Investment
Experience and expertise:	Ms Rebecca Thompson has more than 25 years of financial markets experience gained at global investment banks, listed companies and a fintech start-up. Rebecca's executive career included seven years at J.P, Morgan as the Head of Corporate Broking followed by a role at KPMG Australia as the Head of Capital Advisory and most recently Head of Investor Relations for CSR Limited (ASX:CSR). Rebecca has a broad skillset across equities, property, and foreign exchange with experience in the real estate, building materials, healthcare, resources and software industries. Stakeholder relations, communications, sustainability and financial analysis are core competencies.
Other current directorships:	Independent Community Living Australia (ICLA), Non-Executive Director; MarketMeter, Non-Executive Director
Former directorships (last 3 years):	None
Special responsibilities:	Audit & Risk Management Committee - Chair, and Remuneration & Nomination Committee - member
Interests in shares:	469,934
Interests in options:	225,000
Interests in rights:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

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

Company secretary

Name:	**Ms Naomi Lawrie**
Title:	Company Secretary
Appointment date:	24 June 2025
Qualifications:	Bachelor of Laws/Bachelor of Commerce
Experience and expertise:	Ms. Naomi Lawrie is appointed as Company Secretary, effective 24 June 2025, to replace Mr. Tony Panther following team reassignments at Vistra (Australia) Pty Ltd, the Company's provider of secretarial and corporate compliance services. Ms. Naomi Lawrie is a corporate lawyer and company secretary with more than 20 years of experience, particularly with health and technology companies. She joins Mach7 after serving at 4DMedical Limited in the role of General Counsel and Company Secretary.

Name:	**Mr Tony Panther**
Title:	Company Secretary (Resigned effective 24 June 2025)
Qualifications:	B.Ec., LLB, CA, AGIA, ACIS.
Experience and expertise:	Mr Panther is a Chartered Accountant with over 30 years' experience in a variety of fields. Following completion of university commerce and law degrees he worked as an external auditor with a major international chartered accounting firm and has progressed to a range of internal audit, compliance, senior finance, and company secretarial roles with a number of ASX-listed and unlisted public companies and professional services firms, covering financial services, utilities, biotech, IT services, mineral exploration and environmental technologies. He specialises in financial reporting and company secretarial practice.

Meetings of directors

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

	Full Board		Remuneration and Nomination Committee		Audit and Risk Management Committee	
	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend
Eliot Siegel, MD	12	12	5	5	2	2
Mr Robert Bazzani	12	12	5	5	2	2
Mr Michael Lampron	12	12	-	-	-	-
Ms Rebecca Thompson	12	12	5	5	2	2

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

Outlook

The demand for imaging continues to grow in both diagnostic frequency and clinical importance, while at the same time a global shortage of radiologists is placing increasing pressure on healthcare systems. This dynamic ensures that technology will remain strategic to healthcare delivery, positioning Mach7 strongly as a partner of choice for providers worldwide.

Mach7's innovative and interoperable products form the foundation of an enterprise imaging strategy that enables both hospital networks and private practices to consolidate image data management and access diagnostic images from any location. Our competitive advantage lies in not only the strength of our platform, but also in a deep understanding of our customers—what they want and need, where they experience pain points, and where we can create opportunities to delight them. Under our new Chief Innovation Officer, we expect this customer-centric approach to drive a fresh wave of product innovation.

We are also leveraging our highly knowledgeable Asia-based team to extend customer experience and technical support across global time zones, while simultaneously enhancing R&D capacity in a cost-effective manner. This global approach enhances both execution speed and customer satisfaction.

Looking ahead, our focus is on strengthening customer engagement through a new model designed to create a continuous "Mach7 Loop" in customer, marketing, innovation and sales. With our new customer service-focused Flight Crew leading the journey—supported by digital engagement, robust knowledge bases, and AI-powered ground control—we aim to deliver a premium experience that begins well before a prospect becomes a customer, guiding them through their personalised "flight plan" and ensuring ongoing success once they are on board.

The Company remains well positioned to take advantage of a highly fragmented imaging market and the ongoing shift in demand from acute to ambulatory settings. Our sales pipeline reflects opportunities across new and existing customers, multiple care settings, and varied product combinations.

We continue to focus on subscription sales, particularly in North America, as it provides great visibility to future revenue—a predictable, recurring, and scalable business model. Sales opportunities in APAC and the Middle East tend to be capital in nature and we expect these types of contracts to remain important in these regions.

The Company is currently undertaking a comprehensive strategic review with details of the new strategy to be released in Q2 FY26. Mach7's on-market share buy-back program remains on foot however the Company has paused activity in the share buy-back program pending completion of its comprehensive strategic review.

Dividends

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

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial year.

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.

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 27 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 27 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.

Matters subsequent to the end of the financial year

No 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 Group will continue to announce material contract wins as and when they occur. As noted above, with a new CEO having joined on 1 July 2025 and a new Chief Innovation Officer on 4 August 2025, Mach7 is undergoing a comprehensive review of its customer base, product differentiators, and market dynamics and has committed to a refreshed company strategy to drive growth through delivery of compelling customer value.

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory of Australia, or any of the regions where it operates.

REMUNERATION REPORT (AUDITED)

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

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The KMP included in this report are as follows:

Non-executive Directors (NED)	Role	Period covered for remuneration
Mr Robert Bazzani	Chairman	Full year
Dr Eliot Siegel, MD	Independent, Non-Executive Director	Full year
Ms Rebecca Thompson	Independent, Non-Executive Director	Full Year
Executives		
Michael Lampron	Chief Executive Officer & Managing Director	Full year
Ms Dyan O'Herne	Chief Financial Officer	Full year
Mr David Madaffri	Chief Operating Officer	Full year

REMUNERATION PHILOSOPHY

The performance of the Group depends on the quality of its directors and executives. The Group's remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

REMUNERATION STRUCTURE

The Board, through its Nomination and Remuneration Committee, is responsible for determining and reviewing remuneration arrangements for the Group's directors and executives. In accordance with best practice corporate governance, the structure of Non-Executive Directors and executive remunerations are separate.

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Company. The framework is designed to:

- ensure that coherent remuneration policies and practices are observed which enable the attraction and retention of directors and management who will create value for shareholders
- fairly and responsibly reward directors and senior management having regard to the Group's performance, the performance of the senior management and the general pay environment; and
- comply with all relevant legal and regulatory provision.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

NON-EXECUTIVE DIRECTORS' REMUNERATION FRAMEWORK

Objective

Remuneration for Non-Executive Directors is set with the objective of attracting and retaining highly experienced and skilled directors, and which reflect the demands and responsibilities of their role.

Structure

The financial position of the Company is considered when determining the mix between cash and non-cash remuneration. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, seek advice from independent remuneration consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with market standards. Remuneration for Non-Executive Directors (NEDs) may contain any or all of the following:

- Annual fees, reflecting the value of the individual's personal performance, time commitment and responsibilities of the role;
- Equity based remuneration, issues of shares or securities, reflecting the contribution of the Director toward the Group's medium and long-term performance objectives (each award is subject to shareholder approval); and
- Other benefits required by law, for example, superannuation payments.

All non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including remuneration, relevant to the office of director.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. Following the adoption of a revised Company Constitution on 31 March 2016, the aggregate remuneration for all non-executive directors has been set at a maximum amount of $500,000 per annum under clause 50 (a) of the Company's Constitution.

The annual fees awarded to non-executive Directors are as follows:

Base fee	From 1 July 2023 $
Chair	110,000
Director	90,000
Additional fees for each Chair of Board Committees	10,000

EXECUTIVE REMUNERATION FRAMEWORK

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

Structure

Fixed Remuneration:

Fixed remuneration is set with reference to the skills, experience and performance of the individual performing the role, comparable market remuneration for the role being performed, and the overall size and financial position of the Group as a whole. Fixed remuneration is reviewed annually by the Board (via its Nomination & Remuneration Committee).

Fixed remuneration for key management personnel includes the following:

- Annual base salary
- Benefits in compliance with local laws (e.g. paid leave, medical insurance and superannuation payments)

Performance-based (variable) remuneration:

Performance-based remuneration for key management personnel includes:

- Bonuses to reward individuals following an outstanding business contribution having regard to clearly specified performance targets;
- Sales commission (sales executives only); and
- Equity based remuneration, reflecting the Group's medium and long-term performance objectives.

The Group has both a short-term incentive program (STIP) and a long-term incentive plan (LTIP).

SHORT TERM INCENTIVE PLAN (STIP)

STIP is designed to align corporate and departmental goals with the targets of executives responsible for meeting those goals. STI payments are granted to executives based on the achievement of specific annual targets/key performance indicators (KPI's). KPI's can include (but are not necessarily limited to) the following elements:

- Achievement of financial targets (e.g. revenue, earnings/profitability, cash flows, sales orders, budgeted operating expenses)
- Excellence in customer service and satisfaction
- Leadership contribution
- Product development
- Capital management
- Corporate transactions

Description of the plan

The STIP is an annual incentive plan under which executives are eligible to receive an annual award if they satisfy challenging strategic, operational and individual performance targets. Executives will be entitled to a STIP award up to a maximum fixed percentage of their annual fixed remuneration. The maximum amount will differ between individuals.

Appropriate STIP incentive

The STIP is designed to motivate and reward high performance. It puts a significant proportion of the executive's remuneration at-risk against targets linked to the Group's performance objectives, thereby aligning executive's interests with shareholders.

Choice of performance conditions

The choice of performance conditions for the STIP will be relevant to the Group in its current phase of growth and will be heavily focussed on financial metrics, such as revenue, earnings, cash flow, and sales orders targets. The Directors believe these targets are most closely aligned with growing shareholder value. In addition, the performance conditions will be set with relevance to the individuals' role, such that the person is appropriately incentivised and motivated to achieve the best they can.

Performance period

The STIP is an annual plan.

Performance conditions - current year

Any payment made under the STIP is on the basis that performance conditions are met. For the current period, performance conditions were outlined in a business plan approved by the Board and included:

- Sales Orders
- Revenue
- EBITDA
- Annual Recurring Revenue run rate
- Contracted Annual Recurring Revenue

Assessment of performance conditions

Financial targets as assessed by the Board with reference to annual financial statements and sales order information. For non-financial and individual targets, the Board assesses the personal performance of each executive against non-financial and personal performance of other executives and makes recommendations to the Remuneration & Nomination Committee in relation to the payment of any STI. The Remuneration & Nomination Committee review these recommendations and provide a final recommendation to the Board for its approval of STIs to be paid.

Payment of the STIP

Any STI payment is generally made within two to three months of the end of the performance period. The Board may, in its discretion, vary the general payment period.

Cessation of employment

In order to qualify for inclusion in the STIP plan, the executive must remain employed with a Group Company as an eligible employee at the end of the fiscal year and must have been employed for all or portion of the performance period. If the executive leaves for a qualifying reason, the Board may award the STI in its full discretion.

LONG-TERM INCENTIVE PROGRAM (LTIP)

The LTIP provides for the issue of equity instruments such as performance rights, shares and options that are linked to the achievement of targets related to the Group's medium to long-term performance. Option awards typically vest over a period of between one and three years, expire within five years and have an exercise price that may include a premium to the market price as at the date of issue. The most recent LTIP was approved by shareholders in November 2024.

Performance conditions

The performance conditions must be satisfied in order for performance rights or equity options to vest. Performance conditions can include time-based conditions, whereby the holder must remain employed by the Group through to vesting date, or financial targets. Each performance right or equity option entitles the holder to acquire one share in the Company for a stated exercise price, subject to meeting specific performance conditions. The performance rights and equity options do not carry rights to dividends or voting.

As of 30 June 2025, the Company has 1,189,667 performance rights on issue, including:

- 723,000 performance rights which vest on 30 June 2025 and are under the Board's consideration for the performance conditions. These performance rights will lapse 30 September 2025; and
- 466,667 performance rights which vest on 30 June 2026.

provided the following performance conditions are met. The total shareholder return (TSR) will be measured over the three-year period ending on the vesting date.

Hurdle: M7T relative TSR performance compared to the S&P/ASX All Technology Index	Percentage of Performance Rights to vest
<50th percentile	No vesting
≥50th percentile to 75th percentile	Pro–rata straight line vesting between 50% and 100%
≥75th percentile	100% vesting

Cessation of employment

If a KMP ceases to be employed or engaged by the Group for any reason other than as a result of a Qualifying Event, any unvested performance rights and equity options held by the participant will lapse immediately on the participant ceasing to be employed. Any vested performance rights and equity options must be exercised within 30 days of termination date. A Qualifying Event means:

- Death;
- Serious injury, disability or illness which prohibits continued employment;
- Retirement or retrenchment; or
- Such other circumstances which the Board determines to be a Qualifying Event.

Where a participant in the LTIP scheme ceases to be employed by the Group as a result of a Qualifying Event, the Board may, in its absolute discretion, make a determination as to whether some or all of those performance rights or equity options become vested at the time of the cessation of employment of the participant or another date determined by the Board.

In the event of a change of control, the Board has discretion to determine that the vesting of some or all of non-vested performance rights and equity options should be accelerated. Any remaining unvested performance rights or options will immediately lapse.

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			Termination Benefits	Post-employment benefits	Long-term benefits	[2]Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Severance	Super-annuation	Long service leave	Equity-settled	Total
30 June 2025	$	$	$	$	$	$	$	$
Non-Executive Directors:								
Robert Bazzani	107,623	-	-	-	12,377	-	5,738	125,738
Eliot Siegel	90,000	-	-	-	-	-	5,739	95,739
Rebecca Thompson	89,686	-	-	-	10,314	-	41,553	141,553
Executive Director:								
Michael Lampron*,[1]	627,664	-	93,207	339,751	-	-	237,071	1,297,693
Other Key Management Personnel:								
Dyan O'Herne**,[1]	514,040	-	70,527	-	-	-	73,514	658,081
David Madaffri***,[1]	723,622	-	89,700	-	-	-	72,262	885,584
	2,152,635	-	253,434	339,751	22,691	-	435,877	3,204,388

* Mr Michael Lampron stepped down as Chief Executive Officer & Managing Director effective close of business 30 June 2025. Ms Teri Thomas was appointed as Chief Executive Officer & Managing Director effective 1 July 2025.

** Ms Dyan O'Herne will step down as Chief Financial Officer effective close of business 30 September 2025.

*** Mr David Madaffri stepped down as Chief Operating Officer effective close of business 25 July 2025. Cash salary and fees for the year includes sales commission.

1 Mr Michael Lampron, Ms Dyan O'Herne and Mr David Madaffri were paid their short-term benefits and termination benefits in USD and reported in the above remuneration report at an average exchange rate of US$0.65 per AUD.

2 Equity-settled share-based payments in the table above are non-cash and represents the valuation of the options and/or performance rights granted to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year as disclosed in note 35 and does not represent cash remuneration to the KMP.

	Short-term benefits			Termination benefits	Post-employment benefits	Long-term benefits	[2]Share-based payments	
	Cash salary and fees	Cash bonus	Non-monetary	Severance	Super-annuation	Long service leave	Equity-settled	Total
30 June 2024	$	$	$	$	$	$	$	$
Non-Executive Directors:								
David Chambers*	40,840	-	-	-	4,493	-	(13,739)	31,594
Eliot Siegel	90,000	-	-	-	-	-	9,269	99,269
Robert Bazzani	101,351	-	-	-	11,149	-	9,269	121,769
Philippe Houssiau*	26,664	-	-	-	-	-	(25,864)	800
Rebecca Thompson*	55,180	-	-	-	6,070	-	38,985	100,235
Executive Director:								
Michael Lampron**,[1]	596,084	146,475	79,928	-	-	-	574,145	1,396,632
Other Key Management Personnel:								
Dyan O'Herne[1]	488,177	119,958	69,142	-	-	-	69,335	746,612
David Madaffri***,[1]	674,980	78,722	82,890	-	-	-	85,654	922,246
	2,073,276	345,155	231,960	-	21,712	-	747,054	3,419,157

* Mr David Chambers resigned as Chairman and Mr Philippe Houssiau resigned as Non- Executive Director effective 16 November 2023. Negative share-based payment expense represents the net of the charge for year on options vested during the year and the reversal of option reserve into share-based payment expense that were related to the unvested options forfeited on resignation. Ms Rebecca Thompson was appointed as Independent Non-Executive Director effective 16 November 2023.

** Equity settled share-based payment of $574,145 includes $234,000 towards the value of 325,000 shares issued as compensation to Mr Lampron in November 2023.

*** Mr David Madaffri was appointed as Chief Operating Officer effective 1 July 2023. Cash salary and fees for the year includes sales commission.

1 Mr Michael Lampron, Ms Dyan O'Herne and Mr David Madaffri were paid their short-term benefits in USD and reported in the above remuneration report at an average exchange rate of US$0.66 per AUD.

2 Equity-settled share-based payments in the table above are non-cash and represents the valuation of the options and/or performance rights granted to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year as disclosed in note 35 and does not represent cash remuneration to the KMP.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Remuneration		At risk - STI		At risk - LTI	
Name	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2024
Non-Executive Directors:						
Robert Bazzani	95%	92%	-	-	5%	8%
Eliot Siegel	94%	91%	-	-	6%	9%
Rebecca Thompson	71%	61%	-	-	29%	39%
David Chambers	-	143%	-	-	-	(43%)
Philippe Houssiau	-	3321%	-	-	-	(3321%)
Executive Directors:						
Michael Lampron	82%	48%	-	11%	18%	41%
Other Key Management Personnel:						
Dyan O'Herne	89%	75%	-	16%	11%	9%
David Madaffri	92%	82%	-	9%	8%	9%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Component	Requirement
Fixed remuneration	Reviewed annually
Variable remuneration	Participation in the Company's STIP and LTIP; Annual Sales Commission Plan for Sales Executives only
Contract duration	Ongoing
Termination of employment (without cause) by the Company or by individual	6 months' notice (CEO & CFO), 3 months' notice (COO)
Termination of employment (for cause) by Company	Terminated immediately

Share-based compensation

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025. The Board of Directors determined that Non-Executive Directors will no longer be eligible to be granted options but are rather encouraged to buy shares on market to align interests with Shareholders.

No shares were issued to directors and other key management personnel upon exercise of remuneration related options during the year ended 30 June 2025.

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 as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Eliot Siegel	8,333	01/12/2020	01/12/2021	30/11/2025	$1.400	$0.790
Eliot Siegel	8,333	01/12/2020	01/12/2022	30/11/2025	$1.400	$0.790
Eliot Siegel	8,334	01/12/2020	01/12/2023	30/11/2025	$1.400	$0.790
Robert Bazzani	8,333	01/12/2020	01/12/2021	30/11/2025	$1.400	$0.790
Robert Bazzani	8,333	01/12/2020	01/12/2022	30/11/2025	$1.400	$0.790
Robert Bazzani	8,334	01/12/2020	01/12/2023	30/11/2025	$1.400	$0.790
Eliot Siegel	8,333	11/11/2021	11/11/2022	11/11/2026	$0.910	$0.380
Eliot Siegel	8,333	11/11/2021	11/11/2023	11/11/2026	$0.910	$0.380
Eliot Siegel	8,334	11/11/2021	11/11/2024	11/11/2026	$0.910	$0.380
Robert Bazzani	8,333	11/11/2021	11/11/2022	11/11/2026	$0.910	$0.380
Robert Bazzani	8,333	11/11/2021	11/11/2023	11/11/2026	$0.910	$0.380
Robert Bazzani	8,334	11/11/2021	11/11/2024	11/11/2026	$0.910	$0.380
Eliot Siegel	8,333	12/12/2022	12/12/2023	12/12/2027	$0.610	$0.320
Eliot Siegel	8,333	12/12/2022	12/12/2024	12/12/2027	$0.610	$0.320
Eliot Siegel	8,334	12/12/2022	12/12/2025	12/12/2027	$0.610	$0.320
Robert Bazzani	8,333	12/12/2022	12/12/2023	12/12/2027	$0.610	$0.320
Robert Bazzani	8,333	12/12/2022	12/12/2024	12/12/2027	$0.610	$0.320
Robert Bazzani	8,334	12/12/2022	12/12/2025	12/12/2027	$0.610	$0.320
Dyan O'Herne	16,667	10/09/2021	01/09/2022	31/08/2026	$0.980	$0.394
Dyan O'Herne	16,667	10/09/2021	01/09/2023	31/08/2026	$0.980	$0.394
Dyan O'Herne	16,666	10/09/2021	01/09/2024	31/08/2026	$0.980	$0.394
Dyan O'Herne	200,000	01/01/2023	01/07/2023	01/01/2028	$0.570	$0.335
David Madaffri**	116,667	10/09/2021	01/09/2022	31/08/2026	$0.980	$0.394
David Madaffri**	116,667	10/09/2021	01/09/2023	31/08/2026	$0.980	$0.394
David Madaffri**	116,666	10/09/2021	01/09/2024	31/08/2026	$0.980	$0.394
David Madaffri	66,667	01/07/2023	01/07/2026	01/07/2028	$0.582	$0.358
David Madaffri	66,667	01/07/2023	01/07/2025	01/07/2028	$0.582	$0.358
David Madaffri	66,666	01/07/2023	01/07/2024	01/07/2028	$0.582	$0.358
Dyan O'Herne	66,666	01/07/2023	01/07/2024	01/07/2028	$0.582	$0.358
Dyan O'Herne	66,667	01/07/2023	01/07/2025	01/07/2028	$0.582	$0.358
Dyan O'Herne	66,667	01/07/2023	01/07/2026	01/07/2028	$0.582	$0.358
Rebecca Thompson	75,000	16/11/2023	16/11/2024	16/11/2028	$0.710	$0.457
Rebecca Thompson	75,000	16/11/2023	16/11/2025	16/11/2028	$0.710	$0.457
Rebecca Thompson	75,000	16/11/2023	16/11/2026	16/11/2028	$0.710	$0.457
Robert Bazzani	8,334	01/12/2023	01/12/2026	01/12/2028	$0.725	$0.416
Robert Bazzani	8,333	01/12/2023	01/12/2024	01/12/2028	$0.725	$0.416
Robert Bazzani	8,333	01/12/2023	01/12/2025	01/12/2028	$0.725	$0.416
Eliot Siegel	8,333	01/12/2023	01/12/2024	01/12/2028	$0.725	$0.416
Eliot Siegel	8,333	01/12/2023	01/12/2025	01/12/2028	$0.725	$0.416
Eliot Siegel	8,334	01/12/2023	01/12/2026	01/12/2028	$0.725	$0.416
David Madaffri	50,000	18/12/2023	18/12/2025	18/12/2028	$0.730	$0.461
David Madaffri	50,000	18/12/2023	18/12/2026	18/12/2028	$0.730	$0.461
David Madaffri	50,000	18/12/2023	18/12/2024	18/12/2028	$0.730	$0.461
Dyan O'Herne	50,000	18/12/2023	18/12/2024	18/12/2028	$0.730	$0.461

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Dyan O'Herne	50,000	18/12/2023	18/12/2025	18/12/2028	$0.730	$0.461
Dyan O'Herne	50,000	18/12/2023	18/12/2026	18/12/2028	$0.730	$0.461
Dyan O'Herne	108,334	18/11/2024	18/11/2025	18/11/2029	$0.380	$0.190
Dyan O'Herne	108,333	18/11/2024	18/11/2026	18/11/2029	$0.380	$0.190
Dyan O'Herne	108,333	18/11/2024	18/11/2027	18/11/2029	$0.380	$0.190
David Madaffri	91,666	18/11/2024	18/11/2025	18/11/2029	$0.380	$0.190
David Madaffri	91,667	18/11/2024	18/11/2026	18/11/2029	$0.380	$0.190
David Madaffri	91,667	18/11/2024	18/11/2027	18/11/2029	$0.380	$0.190
Michael Lampron*	723,000	17/11/2022	30/06/2025	30/09/2025	-	$0.572
Michael Lampron*	93,333	16/11/2023	30/06/2026	30/09/2026	-	$0.501
Michael Lampron*	70,000	16/11/2023	30/06/2026	30/09/2026	-	$0.647
Michael Lampron*	233,334	16/11/2023	30/06/2026	30/09/2026	-	$0.647
Michael Lampron*	70,000	16/11/2023	30/06/2026	30/09/2026	-	$0.647

* performance rights subject to performance hurdles.

** Mr David Madaffri held 350,000 options granted on 10 September 2021 at the time of his appointment as Chief Operating Officer effective 1 July 2023.

Options granted carry no dividend or voting rights.

There were no options over ordinary shares granted to or vested by directors and other key management personnel in-lieu of their fees/salaries during the year ended 30 June 2025.

	Number of options granted during year	Number of options granted during year	Number of options vested during year	Number of options vested during year	Value of options granted during year	Value of options exercised during year	Value of options lapsed during year
	30 June 2025	30 June 2024	30 June 2025	30 June 2024	30 June 2025	30 June 2025	30 June 2025
Eliot Siegel	-	25,000	25,000	25,000	-	-	9,173
Robert Bazzani	-	25,000	25,000	100,000	-	-	82,553
Dyan O'Herne	325,000	350,000	133,332	216,667	61,770	-	87,397
Michael Lampron*	800,000	700,000	-	-	235,357	-	849,461
Rebecca Thompson	-	225,000	75,000	-	-	-	-
David Madaffri	275,000	350,000	233,332	116,667	52,266	-	-

* performance rights subject to performance hurdles

Additional information

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

	2025	2024	2023	2022	2021
	$	$	$	$	$
Loss for the year	(6,201,404)	(7,970,324)	(1,048,112)	(4,167,850)	(9,357,196)
Basic earnings per share (EPS) (Cent)	(2.6)	(3.3)	(0.4)	(1.8)	(4.0)
Improvement in EPS	0.7	(3.0)	1.4	2.2	(4.1)
Share price ($)	0.330	0.640	0.620	0.490	1.065
% change in share price (%)	(48%)	3%	27%	(54%)	10%

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions*	Other movements	Balance at the end of the year
Ordinary shares					
Robert Bazzani	119,300	-	135,428	-	254,728
Eliot Siegel	246,100	-	112,012	-	358,112
Rebecca Thompson	69,934	-	400,000	-	469,934
Michael Lampron	833,405	-	46,000	-	879,405
Dyan O'Herne	178,205	-	30,000	-	208,205
	1,446,944	-	723,440	-	2,170,384

* Additions represent self-funded on-market purchases during the year.

Options and performance rights holding

The number of options and performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Robert Bazzani	325,000	-	-	(225,000)	100,000
Eliot Siegel	125,000	-	-	(25,000)	100,000
Rebecca Thompson	225,000	-	-	-	225,000
Michael Lampron[1]	2,575,185	800,000	-	(2,185,518)	1,189,667
Dyan O'Herne[2]	740,000	325,000	-	(140,000)	925,000
David Madaffri[3]	700,000	275,000	-	-	975,000
	4,690,185	1,400,000	-	(2,575,518)	3,514,667

[1] During the year 800,000 performance rights were granted to Mr Lampron. Mr Lampron stepped down as Managing Director and Chief Executive Officer effective close of business 30 June 2025. In accordance with the terms of the Separation Agreement, 1,033,333 unvested performance rights were forfeited (This includes 800,000 performance rights granted during the year). In addition to this, 402,185 performance rights and 750,000 options expired during the year. Mr Lampron's closing balance comprises 1,189,667 performance rights that will continue to vest under the Separation Agreement until their expiry. 723,000 performance rights will lapse 30 September 2025.

[2] During the year 325,000 options were granted to Ms O'Herne. Upon Ms O'Herne's departure from the Company on 30 September 2025, 491,667 unvested options will be forfeited.

[3] During the year 275,000 options were granted to Mr. Madaffri. Upon Mr Madaffri's departure from the Company on 25 July 2025, 441,667 unvested options were forfeited.

	Vested and exercisable	Unvested	Balance at the end of the year
Options over ordinary shares			
Robert Bazzani	74,999	25,001	100,000
Eliot Siegel	74,999	25,001	100,000
Rebecca Thompson	75,000	150,000	225,000
Michael Lampron	-	1,189,667	1,189,667
Dyan O'Herne	366,666	558,334	925,000
David Madaffri	466,666	508,334	975,000
	1,058,330	2,456,337	3,514,667

Other transactions with key management personnel and their related parties

There have been no other transactions with KMPs during the year.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Mach7 Technologies Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
1/12/2020	30/11/2025	$1.400	73,334
10/09/2021	31/08/2026	$0.980	2,060,000
10/09/2021	19/02/2026	$0.980	40,000
10/09/2021	28/02/2026	$0.980	50,000
11/11/2021	11/11/2026	$0.910	89,999
11/11/2021	31/12/2025	$1.380	150,000
20/01/2022	20/01/2027	$0.782	200,000
24/02/2022	24/02/2027	$0.731	250,000
12/12/2022	12/12/2027	$0.610	50,000
1/01/2023	1/01/2028	$0.570	200,000
1/05/2023	1/05/2028	$0.636	200,000
1/07/2023	1/07/2028	$0.582	333,333
14/08/2023	14/08/2028	$0.800	50,000
1/09/2023	1/09/2028	$0.760	30,000
16/11/2023	16/11/2028	$0.710	225,000
1/12/2023	1/12/2028	$0.725	50,000
18/12/2023	18/12/2028	$0.730	1,858,333
15/01/2024	15/01/2029	$0.732	66,666
1/03/2024	1/03/2029	$0.679	200,000
19/08/2024	19/08/2029	$0.591	100,000
16/09/2024	16/09/2029	$0.540	200,000
18/11/2024	18/11/2029	$0.380	2,250,000
			8,726,665

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 issued on the exercise of options

There were no ordinary shares of Mach7 Technologies Limited issued on the exercise of options 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.

Proceedings on behalf of the company

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

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001 (Cth).

On behalf of the Directors

Robert Bazzani
Chairman

27 August 2025

RSM

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Mach7 Technologies Limited and its controlled entities for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM AUSTRALIA PARTNERS

M PARAMESWARAN
Partner

Dated: 27 August 2025
Melbourne, Victoria

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	Consolidated 30 June 2025 $	Consolidated 30 June 2024 $
Revenue from contracts with customers	5	33,768,195	29,112,863
Other income	6	871,844	899,547
Expenses			
Cost of sales		(1,996,824)	(1,443,205)
Employment and related expenses	7	(25,180,114)	(23,350,307)
Depreciation and amortisation	7	(7,243,034)	(7,251,053)
Professional fees and corporate expenses		(2,045,753)	(1,479,917)
General administration and office expense		(2,657,729)	(2,331,116)
Marketing and investor relations expense		(852,684)	(818,245)
Travel and related expense		(1,104,425)	(1,324,641)
Share-based payments expense (non-cash)		(1,109,685)	(1,274,433)
Right-of-use lease liability interest expense		(117,960)	(61,866)
Net foreign exchange losses		(173,723)	(112,089)
Other expenses	7	(116,966)	(320,498)
Loss before income tax benefit		(7,958,858)	(9,754,960)
Income tax benefit	9	1,757,454	1,784,636
Loss after income tax benefit for the year attributable to the owners of Mach7 Technologies Limited		(6,201,404)	(7,970,324)
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		1,059,523	(1,118,380)
Other comprehensive income/(loss) for the year, net of tax		1,059,523	(1,118,380)
Total comprehensive loss for the year attributable to the owners of Mach7 Technologies Limited		(5,141,881)	(9,088,704)
		Cents	**Cents**
Basic and diluted earnings per share	8	(2.6)	(3.3)

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 30 June 2025 $	Consolidated 30 June 2024 $
Assets			
Current assets			
Cash and cash equivalents	10	23,069,049	26,175,405
Trade and other receivables	11	3,932,508	3,552,783
Customer contract assets	12	1,539,499	2,621,409
Other assets	13	1,738,693	1,559,318
Total current assets		30,279,749	33,908,915
Non-current assets			
Customer contract assets	12	4,176,001	4,549,814
Right-of-use assets	14	985,217	1,204,648
Property, plant and equipment	15	1,152,941	711,630
Intangibles	16	22,616,191	27,781,577
Deferred tax asset	20	4,195,202	4,087,764
Other assets	13	803,838	786,991
Total non-current assets		33,929,390	39,122,424
Total assets		64,209,139	73,031,339
Liabilities			
Current liabilities			
Trade and other payables	17	2,356,789	3,280,712
Customer contract liabilities	18	11,834,231	11,632,669
Lease liabilities	19	218,478	181,259
Total current liabilities		14,409,498	15,094,640
Non-current liabilities			
Lease liabilities	19	900,342	1,087,019
Deferred tax liability	20	3,321,816	4,992,802
Total non-current liabilities		4,222,158	6,079,821
Total liabilities		18,631,656	21,174,461
Net assets		45,577,483	51,856,878
Equity			
Issued capital	21	113,997,327	116,244,526
Reserves	22	6,594,344	6,617,819
Accumulated losses		(75,014,188)	(71,005,467)
Total equity		45,577,483	51,856,878

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 payments Reserves $	Foreign exchange translation reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2023	115,697,098	3,923,857	3,388,466	(63,525,755)	59,483,666
Loss after income tax benefit for the year	-	-	-	(7,970,324)	(7,970,324)
Other comprehensive loss for the year, net of tax	-	-	(1,118,380)	-	(1,118,380)
Total comprehensive loss for the year	-	-	(1,118,380)	(7,970,324)	(9,088,704)
Share-based payments expense (note 35)	-	1,040,433	-	-	1,040,433
Issue of shares upon option exercises	187,483	-	-	-	187,483
Transfers upon lapse of options	-	(490,612)	-	490,612	-
Transfers upon exercise of options/rights	125,945	(125,945)	-	-	-
Shares issued as remuneration (note 35)	234,000	-	-	-	234,000
Balance at 30 June 2024	116,244,526	4,347,733	2,270,086	(71,005,467)	51,856,878

Consolidated	Issued capital $	Share based payments reserves $	Foreign exchange translation reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2024	116,244,526	4,347,733	2,270,086	(71,005,467)	51,856,878
Loss after income tax benefit for the year	-	-	-	(6,201,404)	(6,201,404)
Other comprehensive income for the year, net of tax	-	-	1,059,523	-	1,059,523
Total comprehensive loss for the year	-	-	1,059,523	(6,201,404)	(5,141,881)
Transactions with owners in their capacity as owners:					
Share-based payments expense (note 35)	-	1,109,685	-	-	1,109,685
Transfers upon lapse of options	-	(2,192,683)	-	2,192,683	-
On-market buyback of shares	(2,236,019)	-	-	-	(2,236,019)
Transaction cost	(11,180)	-	-	-	(11,180)
Balance at 30 June 2025	113,997,327	3,264,735	3,329,609	(75,014,188)	45,577,483

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 30 June 2025 $	30 June 2024 $
Cash flows from operating activities			
Receipts from customers (including GST)		35,692,612	34,865,625
Payments to suppliers and employees (including GST)		(35,325,272)	(31,893,140)
Interest received		501,250	477,863
Net cash from operating activities	25	868,590	3,450,348
Cash flows from investing activities			
Payments for property, plant and equipment		(755,668)	(147,271)
Payments for intangibles	16	(942,554)	(244,041)
Net cash used in investing activities		(1,698,222)	(391,312)
Cash flows from financing activities			
Proceeds from exercise of share options		-	187,483
Payments for share buy-backs		(2,243,939)	-
Repayment of lease liabilities		(186,689)	(219,567)
Net cash used in financing activities		(2,430,628)	(32,084)
Net (decrease)/increase in cash and cash equivalents		(3,260,260)	3,026,952
Cash and cash equivalents at the beginning of the financial year		26,175,405	23,394,568
Effects of exchange rate changes on cash and cash equivalents		153,904	(246,115)
Cash and cash equivalents at the end of the financial year	10	23,069,049	26,175,405

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

Notes to the Financial Statements

Note 1. Corporate information

The financial statements cover Mach7 Technologies Limited as a consolidated entity consisting of Mach7 Technologies Limited (the "Company" or the "Parent") and the entities it controlled at the end of, or during, the year.

Mach7 Technologies Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX:M7T). Its registered office and principal place of business are:

Registered office	Principal place of business
Suite 2, Level 11, 385 Bourke Street Melbourne VIC 3000	120 Kimball Avenue, Suite 210 South Burlington, VT 05403, United States

The nature of the operations and principal activities of Mach7 Technologies Limited and its consolidated entities (the "Group" or "Consolidated entity") are described in the Directors' Report.

The financial report of Mach7 Technologies Limited for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on **27 August 2025**.

Note 2. 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 Company 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, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

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 3.

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 30.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Mach7 Technologies Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Mach7 Technologies 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.

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

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision makers to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors. Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team. The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:

- Nature of the products and services;
- Nature of the production processes;
- Type or class of customer for the products and services;
- Methods used to distribute the products or provide the services; and if applicable
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements. Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for "all other segments".

Foreign currency translation

The financial statements are presented in Australian dollars, which is Mach7 Technologies Limited's presentation currency. The Group has multiple functional currencies including Australian dollar, US dollar, Canadian dollar and Singapore dollar.

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 translation reserve in equity. The foreign currency translation 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 from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

Sale of software

Revenue from the sale of software licences is recognised at the point in time when the customer obtains control of the software, which is generally at the time of delivery. The provision of the software licence is a distinct performance obligation as the customer can derive substantial benefits from the licence on its own when the licence is delivered and installed. Therefore, revenue from the sale of software is recognised when the software is delivered to the customer.

Subscription of software licence

Subscription revenue from software licence subscription is recognised over the annual subscription period as the services are rendered.

Rendering of professional services

Revenue from a contract to provide professional services, such as implementation, training and annual support services, is recognised over time as the services are rendered. This is because the professional services price is based on either a fixed price or an hourly rate.

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.

Deferred Expenses

Deferred expenses are costs incurred that relate to future periods and are recognised as assets on the balance sheet. These include costs to fulfil a contract and incremental costs of obtaining a contract. Deferred expenses are initially measured at cost and amortized over the period in which the related benefits are received. The carrying value is reviewed periodically for impairment, and any loss in future economic benefit is recognized immediately in the income statement.

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 atransaction 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.

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 unconditional right 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.

Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost
- fair value through profit or loss
- equity instruments at fair value through other comprehensive income
- debt instruments at fair value through other comprehensive income

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses. Classifications are determined by both:

- The entities business model for managing the financial asset
- The contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables, which is presented within other expenses.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition of that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held on 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.

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 30-45 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the consolidated entity has transferred goods or services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

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 basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer hardware and software	2 - 5 years
Furniture, fixtures & office equipment	5 - 7 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.

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.

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 separately are initially measured at cost. Intangible asset acquired in a business combination are initially measured at their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over their useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

Software development costs

Software development costs are expensed as incurred. An intangible asset arising from development expenditure on an internal project is recognised only when the group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Following the initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefits from the related projects.

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.

Impairment of non-financial assets

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

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

Trade and other 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.

Contract liabilities

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

Lease liabilities

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

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

Employee benefits

Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave are measured as short-term employee benefits when expected to be settled wholly within 12 months of the reporting date or as long-term benefits when not expected to be settled within 12 months of the reporting date.

Termination benefits

Termination benefits are recognised when a detailed plan of termination has been communicated to affected employees. They are measured as short-term employee benefits when expected to be settled wholly within 12 months of the reporting date or as long-term benefits when not expected to be settled within 12 months of the reporting date.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-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. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the 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.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

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

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

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

If the non-vesting condition is within the control of the 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.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Mach7 Technologies Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding 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.

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.

Note 3. 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 Binomial 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.

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 2. 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.

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.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 4. Operating segments

Description of segments and principal activities

Mach7 Technologies is a global provider of enterprise imaging solutions for healthcare institutions, predominantly throughout the North America, Asia Pacific and the Middle East region. The Group's performance is monitored and reported for one main segment, which is enterprise imaging. In addition, revenue is monitored at a regional and product/services level. This information is presented in Note 5.

Profit or Loss

The Group's profit and loss is managed as a whole and is the same as what is presented in the statement of financial performance and other comprehensive income. In addition, management and the directors monitor Gross Margins, Earnings Before Interest, Tax and Depreciation (EBITDA), and EBITDA adjusted for non-cash items. This is presented below:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Revenue from contracts with customers	33,768,195	29,112,863
Cost of sales	(1,996,824)	(1,443,205)
Operating expenditure	(31,840,705)	(29,304,226)
Net foreign exchange loss (realised)	(107,168)	(21,518)
Other income/(expenses) (net)	(98,863)	(307,315)
EBITDA – before the following items	(275,365)	(1,963,401)
Share-based payments expense (non-cash)	(1,109,685)	(1,274,433)
Net foreign exchange loss (unrealised)	(66,555)	(90,571)
EBITDA	(1,451,605)	(3,328,405)
Depreciation and amortisation expense	(7,243,034)	(7,251,053)
Right-of-use lease liability interest expense	(117,960)	(61,866)
Interest income	853,741	886,364
Income tax benefit	1,757,454	1,784,636
Net loss after tax	(6,201,404)	(7,970,324)

Segment assets and liabilities

The Group's chief decision makers review and monitor assets and liabilities as a whole.

Geographical non-current assets

The total of non-current assets, other than intangible assets, broken down by location of the assets, is shown in the table below:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
North America	10,919,057	10,947,241
Asia	447,600	440,100
	11,366,657	11,387,341

Note 5. Revenue from contracts with customers

Disaggregation of revenue from contracts with customers

Mach7 is a global provider of medical imaging software solutions. Every software sale, or provision of services, is subject to a software licence agreement, statement of work and/or an order form. The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Software Licence Revenue (major segment) *	17,108,124	13,170,550
Professional Services Revenue		
- implementation and training services	2,874,131	3,734,024
- migration services	777,597	339,928
Maintenance and Support (recurring revenue)	13,008,343	11,868,361
Total segment Revenue	33,768,195	29,112,863
Geographical segment revenues		
North America	29,443,189	24,249,369
Asia Pacific	3,153,224	3,320,017
Middle East	854,695	857,017
Europe and other regions	317,087	686,460
	33,768,195	29,112,863
Timing of revenue recognition		
Revenue recognised at a point in time	4,781,133	3,966,869
Revenue recognised over time	28,987,062	25,145,994
	33,768,195	29,112,863

* Software Licence Revenue is comprised of Subscription Revenue (annual recurring revenue) and Capital Software Licence Revenue (recognised upfront upon delivery of software and is recurring at the end of each term, which is normally 5 years)

Revenues of approximately $3.6 million, 10.6% (FY24: $2.8m, 9.8%) are derived from a single external customer.

Assets and liabilities related to contracts with customers

Refer to note 12 and note 18 for current assets and current liabilities (respectively) related to contracts with customers.

Revenue recognised in relation to prior year contract liabilities

The following table shows revenue recognised in the current reporting period that relates to carried-forward contract liabilities:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Revenue recognised that was included in the contract liability balance at the beginning of the period		
Maintenance and Support and Subscription Revenue	9,303,544	7,984,079
Professional Services Revenue	1,560,403	1,110,364
Software Licence Revenue	97,144	37,780
	10,961,091	9,132,223

Unsatisfied performance obligations

The following table shows unsatisfied performance obligations resulting from fixed-price professional services and annual maintenance and support and subscription contracts.

	Consolidated	Consolidated
	30 June 2025	30 June 2024
	$	$
Contracted Maintenance and Support and Subscription Revenue: (recurring)	30,231,370	27,937,856
Contracted Professional Services Revenue: (non-recurring)	3,429,021	3,043,876
Contracted Capital Software Licence Revenue: (non-recurring)	52,840	183,471
	33,713,231	31,165,203
Amounts expected to be recognised as revenues:		
Contracted Maintenance and Support and Subscription Revenue within one year	24,690,246	24,390,537
Contracted Maintenance and Support and Subscription Revenue within two years	4,632,776	2,629,117
Contracted Maintenance and Support and Subscription Revenue beyond two years	908,348	918,202
	30,231,370	27,937,856
Contracted Professional Services and Capital Software Licence Revenue within one year	3,034,253	3,045,458
Contracted Professional Services and Capital Software Licence Revenue within two years	447,608	181,889
	3,481,861	3,227,347

Note 6. Other income

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Interest Income	853,741	886,364
Other revenues	18,103	13,183
Other income	871,844	899,547

Interest income of $853,741 includes interest of approximately $0.6 million (FY24: $0.6 million) from term deposits and cash at banks and interest of approximately $0.3 million (FY24: $0.3 million) from customers.

Note 7. Expenses

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Loss before income tax includes the following specific expenses:		
Depreciation and amortisation		
Amortisation of intangible asset	6,637,485	6,739,988
Depreciation of right-to-use assets	248,516	244,592
Depreciation of property, plant and equipment	357,033	266,473
	7,243,034	7,251,053
Employment and related expenses		
Salaries and wages	19,449,812	17,439,723
Employee benefits	2,140,263	1,783,762
Employer tax	1,238,945	1,069,820
Contractors	1,000,740	1,041,352
Other employment related expenses	357,381	266,585
Bonuses	(28,579)	1,272,227
Severance	534,761	58,977
Defined contribution plan expense (superannuation)	481,944	430,801
Annual leave provision movement	4,847	(12,940)
	25,180,114	23,350,307
Other expenses		
Losses (net of any gains during the year) on fixed asset disposals	9,488	10,341
Other tax	106,683	369,932
Doubtful debt (recovery)/expense	-	(71,847)
Other miscellaneous	795	12,072
	116,966	320,498

Note 8. Earnings per share

Basic earnings per share ("EPS") is calculated by dividing the net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. The income and share data used in the calculations of basic and diluted EPS is as follows:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Mach7 Technologies Limited	(6,201,404)	(7,970,324)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	240,123,376	240,894,930
	Cents	Cents
Basic and diluted earnings per share	(2.6)	(3.3)

Number of share options and performance rights not included in the diluted earnings per share calculation as they are anti-dilutive: 10,858,000 (FY24: 12,151,850)

Note 9. Income tax benefit

(a) Unused tax losses

At 30 June 2025, the Group has gross tax losses of $48.8 million (FY24: $53.2 million) arising in Australia ($25.1 million), US ($12.4 million), Singapore ($1.5 million) and Canada ($9.8 million) that are likely to be available indefinitely for offset against future taxable profits of the companies in which the losses arose, subject to satisfying the relevant income tax loss carry forward rules. Refer to note 20.

(b) Deferred tax liabilities

The Group has recognised a deferred tax liability as a result of the acquisition of Mach7 Technologies Canada Inc. in accordance with AASB112 Income Taxes. Refer to note 20.

	Consolidated	
	30 June 2025	30 June 2024
	$	$
(c) Income tax expense/(benefit)		
The major components of income tax expense are:		
Decrease in deferred tax liabilities	(1,757,454)	(1,784,636)

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Numerical reconciliation of income tax benefit and tax at the statutory rate		
Loss before income tax benefit	(7,958,858)	(9,754,960)
Tax at the statutory tax rate of 25%	(1,989,715)	(2,438,740)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	67,610	31,120
Unrealised foreign exchange (gains)/losses	63,979	84,713
Other non-deductible expenses/non-assessable income	587,002	149,260
	(1,271,124)	(2,173,647)
Deferred tax liability not recognised for temporary differences	(181,869)	(261,417)
Option exercises deductible for tax	207,324	100,969
Tax losses not recognised	378,905	764,029
Tax losses utilised	(741,049)	(149,833)
Differences in local tax rates	(149,641)	(64,737)
Income tax benefit	(1,757,454)	(1,784,636)

Note 10. Cash and cash equivalents

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Current assets		
Cash at bank	17,254,828	18,863,998
Cash on deposit	5,814,221	7,311,407
	23,069,049	26,175,405

Cash and cash equivalents include cash on hand, deposits held on 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.

Note 11. Trade and other receivables

	Consolidated	
	30 June 2025 $	30 June 2024 $
Current assets		
Trade receivables	3,836,871	3,410,057
Interest receivable	66,775	102,152
GST receivable	24,498	36,896
	91,273	139,048
Other receivables	4,364	3,678
	3,932,508	3,552,783

Trade receivables typically have 30-45 day payment terms.

The carrying amounts of trade and other receivables are assumed to approximate their fair values due to their short-term nature.

Allowance for expected credit losses

The consolidated entity has recognised no allowance (FY24: nil) in profit or loss in respect of expected credit losses net of recoveries for the year ended 30 June 2025.

The aging of the trade receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	30 June 2025 %	30 June 2024 %	30 June 2025 $	30 June 2024 $	30 June 2025 $	30 June 2024 $
Not overdue	-	-	557,372	1,376,923	-	-
0 to 3 months overdue	-	-	2,269,720	834,786	-	-
3 to 6 months overdue	-	-	839,261	265,968	-	-
Over 6 months overdue	-	-	170,518	932,380	-	-
			3,836,871	3,410,057	-	-

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

	Consolidated	
	30 June 2025 $	30 June 2024 $
Opening balance	-	74,366
Amounts recovered	-	(74,366)
Closing balance	-	-

Note 12. Customer contract assets

	Consolidated	
	30 June 2025 $	30 June 2024 $
Current assets		
Contract assets	1,539,499	2,621,409
Non-current assets		
Contract assets	4,176,001	4,549,814
	5,715,500	7,171,223

Customer contract assets (or accrued revenue) represents fees which have been recognised as revenue which are yet to be invoiced to the customer. The customer is invoiced when certain contract milestones have been met. This can fluctuate from period to period, as these balances are impacted by the timing of when contracted sales occur, performance obligations are met and the payment milestones specified within each contract. The carrying values are assumed to approximate the fair values for these balances.

Under the accounting standards, contracts in which payment by the customer and performance by the Group occur at significantly different times will need to be assessed to determine whether the contract contains a significant financing component. In the FY23 reporting period, the Group identified that its customer contract with Akumin contains a significant financing component due to the performance obligation in relation to the delivery of the capital licence being completed in December 2022 but payment for the capital software licence occurring over a 10-year period. In determining the promised amount of consideration adjusted for the significant financing component, the Group used a discount rate that would be reflected in a separate financing transaction between the Group and Akumin at contract inception which takes into account the credit characteristics of Akumin. The difference between the contract value and the capital software licence revenue recognised at contract inception will unwind over the 10-year contract term as interest income in the statement of profit or loss and other comprehensive income. The contract asset recognised in relation to the Akumin contract is split between current and non-current based on the invoicing schedule in the contract.

Note 13. Other assets

	Consolidated	
	30 June 2025 $	30 June 2024 $
Current assets		
Prepayments	466,709	876,335
Deferred expenses	1,218,526	636,489
Security deposits	53,458	46,494
	1,738,693	1,559,318
Non-current assets		
Contract deposits	803,838	786,991
	2,542,531	2,346,309

Contract deposit relates to a 5% contract deposit in cash to a customer, Hospital Authority of Hong Kong, as security for the due and faithful performance of Mach7's services under the current and future contracts.

Note 14. Right-of-use assets

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Non-current assets		
Land and buildings - right-of-use	1,490,955	1,455,978
Less: Accumulated depreciation	(505,738)	(251,330)
	985,217	1,204,648

	Consolidated	Consolidated
	30 June 2025	30 June 2024
	$	$
Net book value - opening balance	1,204,648	1,181,128
Additions	-	283,234
Depreciation	(248,516)	(244,592)
Foreign exchange movements	29,085	(15,122)
	985,217	1,204,648

The consolidated entity leases land and buildings for its offices in Vermont (USA), Waterloo (Canada) and Johor (Malaysia). The Vermont lease originally commenced 1 August 2014. It was renegotiated in May 2024 to rent additional office space. The seven-year lease term ends 31 July 2031. The Waterloo lease commenced 1 November 2019, for a term of 6 years ending 31 December 2026. This lease was renegotiated in April 2022 to reduce the size of the rented premises by approximately half. This lease has the option to renew for a further two additional periods of five years each. The Johor lease originally commenced 1 June 2019. It was renewed on 1 June 2024 for a term of two years through 31 May 2026, with an option to renew for a further two years.

Note 15. Property, plant and equipment

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Non-current assets		
Leasehold improvements - at cost	559,641	355,202
Less: Accumulated depreciation	(293,500)	(226,469)
	266,141	128,733
Computer hardware & software - at cost	1,399,957	1,073,234
Less: Accumulated depreciation	(816,334)	(685,535)
	583,623	387,699
Office equipment - at cost	670,732	484,923
Less: Accumulated depreciation	(367,555)	(289,725)
	303,177	195,198
	1,152,941	711,630

Reconciliations

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

	Office Equipment	Computer Hardware & Software	Leasehold Improvements	Total
Consolidated	$	$	$	$
Balance at 1 July 2024	195,198	387,699	128,733	711,630
Additions	172,182	419,282	197,713	789,177
Disposals	-	(9,452)	-	(9,452)
Depreciation expense	(69,096)	(224,627)	(63,310)	(357,033)
Foreign exchange revaluations	4,893	10,721	3,005	18,619
Balance at 30 June 2025	303,177	583,623	266,141	1,152,941

Note 16. Intangibles

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Non-current assets		
Goodwill - at cost	4,277,146	4,187,982
Patents and trademarks - at cost	184,872	399,322
Less: Accumulated amortisation	(114,495)	(325,002)
	70,377	74,320
Customer contracts - at cost	11,606,512	11,548,522
Less: Accumulated amortisation	(11,587,069)	(10,984,733)
	19,443	563,789
Software - at cost	59,591,489	57,496,457
Less: Accumulated amortisation	(45,875,104)	(38,979,316)
	13,716,385	18,517,141
Brand - at cost	6,090,814	5,996,319
Less: Accumulated amortisation	(1,557,974)	(1,557,974)
	4,532,840	4,438,345
	22,616,191	27,781,577

Reconciliations

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

Consolidated	Patents $	Customer contracts $	Brand Names $	Software $	Goodwill $	Total $
Balance at 1 July 2024	74,320	563,789	4,438,345	18,517,141	4,187,982	27,781,577
Additions	-	-	-	955,392	-	955,392
Amortisation expense	(5,581)	(550,143)	-	(6,081,761)	-	(6,637,485)
Exchange differences	1,638	5,797	94,495	325,613	89,164	516,707
Balance at 30 June 2025	70,377	19,443	4,532,840	13,716,385	4,277,146	22,616,191

Amortisation methods and useful lives

The Group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

- Patents and software acquired – 7 years
- Customer contracts – 5 years
- Brand names – 7 years and indefinite

Customer contracts, software, brand names and patents

In FY25, the Group capitalised approximately $0.9 million (FY24: $0.2 million) development costs related to various Research & Development projects. The remaining software, customer contracts, brand names and patents were acquired as part of two business combinations. They are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives.

Impairment tests for goodwill and indefinite useful life brand names

For impairment testing, the Group views that its past business combination giving rise to goodwill on acquisition relate to synergistic opportunities for its Enterprise Imaging Segment. Therefore, goodwill is allocated to the Group's Enterprise Imaging Segment, being the only operating and reportable segment of the business. The recoverable amount of that segment (cash generating unit) was determined based on a value-in-use calculation using a discounted cash flow valuation which requires the use of assumptions. The valuation estimates future cash flows over a five-year period. Cash flows beyond the five-year forecast period are extrapolated using the estimated terminal growth rates.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive. The following table sets out the key assumptions for the Enterprise Imaging cash-generating unit to which goodwill and indefinite life intangible have been allocated:

Item	Key Assumption	Rationale
Revenue growth rates	First year = Budget Year 2 to 5 = 15%	Year 2 to 5 growth rate is based on Group results achieved and expected over the preceding 5 years.
Expenditure growth rates	First year = Budget Year 2 to 5 = Average 6% growth rate across all expenditure	Year 2 to 5 growth rate is based on targeted expenditure growth. Management is focused on controlling expenses and increasing the EBITDA margins each year.
Discount Rate	14.0% post-tax; 17.8% pre-tax	As per management's estimate of the Group's weighted average cost of capital.
Terminal growth rate	2.5%	Growth rate reverts back to long-term inflation targets at Year 5.

Results of impairment testing and sensitivity to changes in assumptions

Based on the discounted cash flow valuation using the assumptions above, the recoverable amount of goodwill and other intangible assets exceeded the carrying amount at 30 June 2025 and no impairment charge was recognised.

Sensitivity

Revenue growth rate for years 2 to 5 will need to decrease to 6.3% per annum for there to be no headroom available when comparing the calculation of the estimated recoverable amount of the cash-generating unit against its carrying value at 30 June 2025. Management believes that other reasonable changes in the key assumption on which the recoverable amount of the cash-generating unit is based would not cause its carrying amount to exceed its recoverable amount.

Note 17. Trade and other payables

	Consolidated	
	30 June 2025 $	30 June 2024 $
Current liabilities		
Trade creditors	1,086,461	823,687
Accrued expenses	334,727	437,089
Employee entitlements and related costs	450,834	1,482,352
Distributor/reseller fees payable	484,767	537,584
	2,356,789	3,280,712

Refer to note 24 for further information on financial instruments.

Trade creditors are non-interest bearing and are normally settled on 30-day terms. Accrued expenses comprise general operating expenses where costs are incurred but have not yet been invoiced. Employee entitlements includes sales commissions, redundancy provisions, withholding taxes, superannuation etc. Distributor/reseller fees will become payable at the time the customer pays their invoice, usually within 30-45 days.

Due to the short-term nature of trade and other payables, their carrying value is assumed to approximate their fair value.

Note 18. Customer contract liabilities

	Consolidated	
	30 June 2025 $	30 June 2024 $
Current liabilities		
Maintenance and Support Revenue received in advance	6,484,847	6,499,073
Professional Services Revenue received in advance	1,825,857	2,018,610
Subscription Revenue received in advance	3,424,739	3,017,842
Capital Software Licence Revenue received in advance	98,788	97,144
	11,834,231	11,632,669

Customer contract liabilities (or deferred revenue) represents cash amounts that have been collected from customers that will be recognised as revenue in a future period. Revenue is recognised:

- at a point in time when Capital Software Licences are delivered.
- over a period of time when Professional Services are performed.
- over a period of time when Maintenance and Support services are performed.
- for Subscription over the subscription period upon the customer achieving First Productive Use.

The carrying values are assumed to approximate the fair values for these balances. Maintenance and Support revenue and Subscription revenue received in advance are expected to grow year on year as the Group signs new customer contracts, i.e. every new Maintenance and Support contract and Subscription contract signed going forward will add to this balance. Professional Services revenue received in advance is expected to fluctuate from year to year, as timing of sales orders, cash payment milestones and Professional Services performed will impact this balance.

Note 19. Lease liabilities

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Current liabilities		
Lease liability	218,478	181,259
Non-current liabilities		
Lease liability	900,342	1,087,019
	1,118,820	1,268,278

Refer to note 24 for further information on financial instruments.

Note 20. Deferred tax asset and liability

	Consolidated	
	30 June 2025	30 June 2024
a) Deferred tax liability	$	$
Non-current liabilities		
Deferred tax liability	3,321,816	4,992,802
Initial recognition value	12,146,136	11,892,928
Accumulated amortisation	(8,824,320)	(6,900,126)
	3,321,816	4,992,802
Movements:		
Opening balance	4,992,802	7,000,453
Amortisation credit for the period	(1,757,454)	(1,784,636)
Foreign exchange differences	86,468	(223,015)
Closing balance	3,321,816	4,992,802

	Consolidated	
	30 June 2025	30 June 2024
b) Deferred tax asset	$	$
Deferred tax asset comprises temporary differences attributable to:		
Unutilised tax losses	4,195,202	4,087,764
Opening balance	4,087,764	4,153,583
Exchange differences	107,438	(65,819)
	4,195,202	4,087,764

Note 21. Issued capital

	Consolidated			
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	Shares	Shares	$	$
Ordinary shares - fully paid	234,968,047	241,241,047	113,997,327	116,244,526

Movements in ordinary share capital			
Details		**Shares**	**$**
Balance	1 July 2023	240,009,381	115,697,098
Options exercised during the year		906,666	313,428
Shares issued as remuneration		325,000	234,000
Balance	30 June 2024	241,241,047	116,244,526
On-market share buyback during the year		(6,273,000)	(2,236,019)
Transaction cost		-	(11,180)
Balance	30 June 2025	234,968,047	113,997,327

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

On 30 January 2025, the company announced an on-market share buy-back program. The program commenced 3 March 2025 and the number of shares bought back will not exceed the "10/12" limit prescribed in the Corporations Act. The company reserves the right to suspend without notice or terminate the buy-back program at any time. Shares bought back are cancelled upon acquisition and the number of shares on issue reduce accordingly.

Options and performance rights outstanding

Options and performance rights do not entitle the holders to voting rights, to participate in dividends or the proceeds on winding up of the Company. Refer to note 35 for details on options and performance rights.

Capital risk management

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

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

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

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies. 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.

The capital risk management policy remains unchanged from the 2024 Annual Report.

Note 22. Reserves

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Foreign currency translation reserve	3,329,609	2,270,086
Options reserve	3,264,735	4,347,733
	6,594,344	6,617,819

Foreign currency translation 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.

Options reserve

The Company has a share-based payment option scheme under which options to subscribe for the Company's shares have been granted to certain executives and other employees.

Movements in reserves

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

Consolidated	Options reserve $	Foreign Exchange Translation Reserve $	Total $
Balance at 1 July 2023	3,923,857	3,388,466	7,312,323
Share-based payments (note 35)	1,040,433	-	1,040,433
Transfer upon lapse of options	(490,612)	-	(490,612)
Transfers upon exercise of options/rights	(125,945)	-	(125,945)
Foreign exchange on translation of subsidiaries	-	(1,118,380)	(1,118,380)
Balance at 30 June 2024	4,347,733	2,270,086	6,617,819
Share-based payments (note 35)	1,109,685	-	1,109,685
Transfer upon lapse of options	(2,192,683)	-	(2,192,683)
Foreign exchange on translation of subsidiaries	-	1,059,523	1,059,523
Balance at 30 June 2025	3,264,735	3,329,609	6,594,344

Note 23. Dividends

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

Note 24. Financial instruments

Financial risk management objectives

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange. Aging analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board, through the Audit and Risk Management Committee, reviews and agrees policies for managing each of these risks as summarised below. This includes the setting of limits of concentration risks with any one financial institution, credit rate limits, and future cash flow forecast projections.

Market risk

Foreign currency risk

The Group has transactional currency exposure. Such exposure arises from purchases by the Group in currencies other than the functional currency and through foreign currency receipts in the form of milestone, profit share or expense reimbursements under the Group's various collaborations. Generally, the Group does not use financial instruments to hedge the foreign exchange exposure.

The Group's exposure to foreign currency risk at the reporting date that are not designated in cash flow hedges was as follows (all amounts are in AUD):

Reconciliation of financial assets and liabilities denominated in foreign currency							
30 June 2025	**USD**	**SGD**	**CAD**	**GBP**	**HKD**	**INR**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Financial assets							
Cash and cash equivalent	17,993,579	81,401	152,063	-	-	-	18,227,043
Accounts receivables	3,810,600	-	-	-	30,635	-	3,841,235
Customer contract assets	5,692,524	-	-	-	22,976	-	5,715,500
Other assets	-	-	-	-	803,838	-	803,838
	27,496,703	81,401	152,063	-	857,449	-	28,587,616
Financial liabilities							
Trade and other payables	(1,785,076)	(109,145)	(90,657)	(52,721)	-	(3,768)	(2,041,367)
Lease liabilities	(912,876)	(48,022)	(157,922)	-	-	-	(1,118,820)
	(2,697,952)	(157,167)	(248,579)	(52,721)	-	(3,768)	(3,160,187)
Financial assets	27,496,703	81,401	152,063	-	857,449	-	28,587,616
Financial liabilities	(2,697,952)	(157,167)	(248,579)	(52,721)	-	(3,768)	(3,160,187)
Net exposures	24,798,751	(75,766)	(96,516)	(52,721)	857,449	(3,768)	25,427,429

30 June 2024	**USD**	**SGD**	**CAD**	**GBP**	**HKD**	**INR**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Financial assets							
Cash and cash equivalent	18,057,798	42,979	735,441	-	-	-	18,836,218
Accounts receivables	3,383,354	-	30,381	-	-	-	3,413,735
Customer contract assets	7,168,539	-	-	-	2,685	-	7,171,224
Other assets	-	-	-	-	786,991	-	786,991
	28,609,691	42,979	765,822	-	789,676	-	30,208,168
Financial liabilities							
Trade and other payables	(2,399,457)	(134,242)	(474,004)	-	-	-	(3,007,703)
Lease liabilities	(964,345)	(57,978)	(245,955)	-	-	-	(1,268,278)
	(3,363,802)	(192,220)	(719,959)	-	-	-	(4,275,981)
Financial assets	28,609,691	42,979	765,822	-	789,676	-	30,208,168
Financial liabilities	(3,363,802)	(192,220)	(719,959)	-	-	-	(4,275,981)
Net exposures	25,245,889	(149,241)	45,863	-	789,676	-	25,932,187

Based on the financial instruments held at 30 June 2025, had the Australian dollar strengthened/weakened by 10% against the above currencies, with all other variables held constant, the Group's post-tax loss for the year would have been (reduced)/increased by:

	Profitability(post-tax) higher/(lower)	Profitability (post-tax) higher/(lower)	Equity (excluding accumulated losses)	Equity (excluding accumulated losses)
Sensitivity	**2025**	**2024**	**2025**	**2024**
	$	**$**	**$**	**$**
AUD strengthens +10% (2024:+10%)	(2,311,585)	(2,357,472)	-	-
AUD weakens -10% (2024:-10%)	2,825,270	2,881,355	-	-

Management believes the balance date risk exposures are representative of the risk exposure inherent in those financial instruments.

Significant assumptions used in the foreign currency exposure sensitivity analysis include:

- Reasonably possible movements in foreign exchange rates were determined based on a review of the historical movements and economic forecaster's expectations;
- The reasonably possible movement of 10% was calculated by taking the foreign currency spot rate as at balance date, moving this spot rate by 10% and the re-converting the foreign currency into AUD with the "new spot-rate"; and
- This methodology reflects the translation methodology undertaken by the Group.

Price risk

The consolidated entity does not consider it to have any material exposure to price risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the income earned on the Group's cash and short-term deposits of various deposit terms.

At 30 June 2025, the Group's cash and cash equivalents comprised of deposits on call and foreign currency accounts.

The Group's policy to manage its interest rate risk, given its dependence on cash and cash equivalents is to keep maturities short generally using 30-90 day term deposit and savings facilities. The Group constantly analyses its interest rate exposure with respect to renewal of existing positions, alternative investment opportunities/facilities and whether to consider a mix of fixed and variable instruments.

At balance date, the Group had the following mix of financial assets and liabilities exposed to Australian and US variable interest rate risk that are not designated as cash flow hedges (other currencies or non-interest bearing accounts are not included):

Consolidated	30 June 2025 Balance $	30 June 2024 Balance $
AUD Term deposit (maturity date < 3 months)	3,515,000	7,311,407
USD Deposits on call	6,410,312	8,563,572
USD Term deposits (maturity date < 3 months)	2,299,221	-
Net exposure to cash flow interest rate risk	12,224,533	15,874,979

The Group believes that the carrying amount approximates fair value because of their short term to maturity. Significant assumptions used in the interest rate sensitivity analysis include:

- Reasonably possible movements in interest rates were determined based on economic forecaster's expectations
- The net exposure at balance date is representative of what the Group was and is expecting to be exposed to in the next twelve months from the balance date.

Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, short term deposits, trade and other receivables and customer contract assets. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note. The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its trades and other receivables.

Term deposits are held with Westpac Banking Corporation and HSBC Bank.

Liquidity risk

The Group's objective is to maintain a balance between continuity of product development utilising an optimal combination of equity funding, finance and operating lease commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

The Group manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows and matching maturity profiles in financial assets and liabilities.

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 - 30 June 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	-	2,356,789	-	-	-	2,356,789
Interest-bearing - fixed rate						
	-	-	-	-	-	-
Lease liability	9.88%	317,546	268,752	637,024	237,798	1,461,120
Total non-derivatives		2,674,335	268,752	637,024	237,798	3,817,909

Consolidated - 30 June 2024	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 and other payables	-	3,280,712	-	-	-	3,280,712
Interest-bearing - fixed rate						
Lease liability	9.71%	295,616	309,876	676,229	441,415	1,723,136
Total non-derivatives		3,576,328	309,876	676,229	441,415	5,003,848

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.

Note 25. Reconciliation of loss after income tax to net cash from operating activities

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Loss after income tax benefit for the year	(6,201,404)	(7,970,324)
Adjustments for:		
Depreciation and amortisation	7,243,034	7,251,053
Lease interest expense	117,960	61,866
Net loss on disposal of property, plant and equipment	9,488	10,341
Share-based payments	1,109,685	1,274,433
Foreign exchange differences	320,202	97,369
Income tax benefits	(1,757,454)	(1,784,636)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	1,076,684	3,134,453
(Increase)/decrease in customer contract deposits	(16,847)	1,732,337
Increase in other current assets	(180,061)	(648,711)
Decrease in trade and other payables	(1,054,259)	(116,967)
Increase in customer contract liabilities	201,562	409,134
Net cash from operating activities	868,590	3,450,348

Note 26. Key management personnel disclosures

Directors

The following persons were directors of Mach7 Technologies Limited during the financial year:

Mr Robert Bazzani	Chairman
Mr Eliot Siegel, MD	Independent Non-Executive Director
Ms Rebecca Thompson	Independent Non-Executive Director
Mr Michael Lampron	Managing Director and Chief Executive Officer (Stepped down effective close of business 30 June 2025)

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

Ms Dyan O'Herne	Chief Financial Officer (Will step down effective close of business 30 September 2025)
Mr David Madaffri	Chief Operating Officer (Stepped down effective close of business 25 July 2025)

Compensation

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

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Short-term employee benefits	2,406,069	2,650,391
Post-employment benefits	22,691	21,712
Termination benefits	339,751	-
Share-based payments	435,877	747,054
	3,204,388	3,419,157

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by RSM Australia Partners, the auditor of the company:

	Consolidated	
	30 June 2025	30 June 2024
	$	$
Audit services - RSM Australia Partners		
Audit or review of the financial statements	179,000	173,000
Other services - RSM Australia Partners		
Preparation of the tax return	11,700	10,250
	190,700	183,250

Note 28. Commitments

There are no expenditure commitments as at 30 June 2025 (FY24: nil).

Note 29. Related party transactions

Parent entity

Mach7 Technologies Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 31.

Key management personnel

Disclosures relating to key management personnel are set out in note 26.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

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.

Note 30. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2025 $	30 June 2024 $
Loss after income tax	(1,169,031)	(1,017,444)
Total comprehensive income	(1,169,031)	(1,017,444)

Statement of financial position

	Parent	
	30 June 2025 $	30 June 2024 $
Total current assets	10,330,586	13,201,888
Total assets	80,583,317	84,252,552
Total current liabilities	1,104,211	444,163
Total liabilities	1,104,211	444,163
Equity		
Issued capital	113,997,328	116,244,526
Options reserve	3,264,734	4,347,733
Accumulated losses	(37,782,956)	(36,783,870)
Total equity	79,479,106	83,808,389

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 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 31. Interests in subsidiaries

Mach7 Technologies Limited is the ultimate parent of the Group. The consolidated financial statements include the financial statements of Mach7 Technologies Limited and its direct/indirect subsidiaries listed below:

		Ownership interest	
Name	Principal place of business / Country of incorporation	30 June 2025 %	30 June 2024 %
Direct subsidiary		-	-
Mach7 Technologies International Pty Ltd	Australia	100%	100%
Indirect subsidiaries		-	-
Mach7 Technologies UK Ltd	UK	100%	100%
Mach7 Technologies Pte Ltd	Singapore	100%	100%
Mach7 Technologies, Inc.	U.S.A	100%	100%
Mach7 Technologies Canada Inc.	Canada	100%	100%

Note 32. Contingent assets

The Group has no contingent assets at 30 June 2025 (FY24: none).

Note 33. Contingent liabilities

TThe Group has no contingent liabilities at 30 June 2025 (FY24: none)

Note 34. Events after the reporting period

No 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.

Note 35. Share-based payments

A share option plan has been established by the entity, whereby the entity may grant options and performance rights over ordinary shares in the company to certain key management personnel, employees and consultants of the entity. The options are issued for nil consideration.

Share-based payments expense during the year is $1,109,685 (FY24: 1,274,433). This relates to vesting charge on options and performance rights issued to Directors, KMP and employees of the company.

Types of share-based payment plans

Employee Share Option Plan, 'ESOP'

A Long-Term Incentive Plan has been established and approved by shareholders where Mach7 Technologies Limited may, at the discretion of the Board, grant options over the ordinary shares of Mach7 Technologies Limited to Directors, Executives, contractors and employees of the consolidated entity. Upon vesting, the options, issued for nil consideration, are exercisable any time two to three years after the grant date and expire four to five years after the grant date.

The exercise of the options is not subject to any performance conditions other than the employee remaining in the employ of the Company at the date of exercise. The options cannot be transferred and will not be quoted on the ASX.

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

	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	30 June 2025	30 June 2025	30 June 2024	30 June 2024
Outstanding at the beginning of the financial year	10,326,665	$0.908	8,356,665	$0.924
Granted	3,200,000	$0.397	3,590,000	$0.711
Exercised	-	$0.000	(906,666)	$0.207
Expired/Forfeited	(3,858,332)	$1.044	(713,334)	$0.985
Outstanding at the end of the financial year	9,668,333	$0.685	10,326,665	$0.908
Exercisable at the end of the financial year	4,289,979	$0.878	5,756,657	$1.031

30 June 2025

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
11/10/2019	11/10/2024	$0.680	881,666	-	-	(881,666)	-
18/11/2019	18/11/2024	$0.820	285,000	-	-	(285,000)	-
18/11/2019	18/11/2024	$0.800	250,000	-	-	(250,000)	-
18/11/2019	18/11/2024	$0.950	250,000	-	-	(250,000)	-
18/11/2019	18/11/2024	$1.100	250,000	-	-	(250,000)	-
01/12/2020	30/11/2025	$1.400	73,334	-	-	-	73,334
03/02/2021	30/06/2025	$1.480	1,440,000	-	-	(1,440,000)	-
10/09/2021	21/07/2024	$0.980	26,666	-	-	(26,666)	-
10/09/2021	31/08/2026	$0.980	2,240,000	-	-	(90,000)	2,150,000
11/11/2021	11/11/2026	$0.910	89,999	-	-	-	89,999
11/11/2021	31/12/2025	$1.380	150,000	-	-	-	150,000
20/01/2022	20/01/2027	$0.782	200,000	-	-	-	200,000
24/02/2022	24/02/2027	$0.731	250,000	-	-	-	250,000
12/12/2022	12/12/2027	$0.610	50,000	-	-	-	50,000
01/01/2023	01/01/2028	$0.570	200,000	-	-	-	200,000
01/05/2023	01/05/2028	$0.636	200,000	-	-	-	200,000
01/07/2023	01/07/2028	$0.582	400,000	-	-	-	400,000
14/08/2023	14/08/2028	$0.800	50,000	-	-	-	50,000
01/09/2023	01/09/2028	$0.760	30,000	-	-	-	30,000
16/11/2023	16/11/2028	$0.710	225,000	-	-	-	225,000
01/12/2023	01/12/2028	$0.725	50,000	-	-	-	50,000
18/12/2023	18/12/2028	$0.730	2,335,000	-	-	(260,000)	2,075,000
15/01/2024	15/01/2029	$0.732	200,000	-	-	-	200,000
01/03/2024	01/03/2029	$0.679	200,000	-	-	-	200,000
19/08/2024	19/08/2029	$0.591	-	100,000	-	-	100,000
16/09/2024	16/09/2029	$0.540	-	200,000	-	-	200,000
18/11/2024	18/11/2029	$0.380	-	2,900,000	-	(125,000)	2,775,000
			10,326,665	3,200,000	-	(3,858,332)	9,668,333
Weighted average exercise price			$0.908	$0.397	$0.000	$1.044	$0.685

30 June 2024							
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
17/10/2018	17/10/2023	$0.185	646,666	-	(626,666)	(20,000)	-
12/11/2018	12/11/2023	$0.244	225,000	-	(225,000)	-	-
02/05/2019	02/05/2024	$0.265	50,000	-	(50,000)	-	-
11/10/2019	11/10/2024	$0.680	959,999	-	(5,000)	(73,333)	881,666
10/09/2021	21/07/2024	$0.980	26,666	-	-	-	26,666
01/07/2023	01/07/2028	$0.582	-	400,000	-	-	400,000
18/11/2019	18/11/2024	$0.820	285,000	-	-	-	285,000
18/11/2019	18/11/2024	$0.800	250,000	-	-	-	250,000
18/11/2019	18/11/2024	$0.950	250,000	-	-	-	250,000
18/11/2019	18/11/2024	$1.100	250,000	-	-	-	250,000
14/08/2023	14/08/2028	$0.800	-	50,000	-	-	50,000
01/12/2020	30/11/2025	$1.400	85,000	-	-	(11,666)	73,334
03/02/2021	30/06/2025	$1.480	1,550,000	-	-	(110,000)	1,440,000
10/09/2021	31/08/2026	$0.980	2,483,334	-	-	(243,334)	2,240,000
11/11/2021	11/11/2026	$0.910	110,000	-	-	(20,001)	89,999
11/11/2021	31/12/2025	$1.380	225,000	-	-	(75,000)	150,000
20/01/2022	20/01/2027	$0.782	200,000	-	-	-	200,000
24/02/2022	24/02/2027	$0.731	250,000	-	-	-	250,000
12/12/2022	12/12/2027	$0.610	110,000	-	-	(60,000)	50,000
01/01/2023	01/01/2028	$0.570	200,000	-	-	-	200,000
01/05/2023	01/05/2028	$0.636	200,000	-	-	-	200,000
01/09/2023	01/09/2028	$0.760	-	30,000	-	-	30,000
16/11/2023	16/11/2028	$0.710	-	225,000	-	-	225,000
01/12/2023	01/12/2028	$0.725	-	50,000	-	-	50,000
18/12/2023	18/12/2028	$0.730	-	2,435,000	-	(100,000)	2,335,000
15/01/2024	15/01/2029	$0.732	-	200,000	-	-	200,000
01/03/2024	01/03/2029	$0.679	-	200,000	-	-	200,000
			8,356,665	3,590,000	(906,666)	(713,334)	10,326,665
Weighted average exercise price			$0.924	$0.711	$0.207	$0.985	$0.908

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3 years (FY24: 2 years 6 months).

Option pricing model

Equity-settled transactions

The fair value of the equity-settled share options granted under the ESOP is estimated as at the date of grant using a Black-Scholes option pricing model taking into account the terms and conditions upon which the option was granted. The model takes into account the share price volatilities and co-variances of the Company and excludes the impact of any estimated forfeitures related to the service-based vesting conditions on the basis that management has assessed the forfeiture rate to be zero.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
19/08/2024	19/08/2029	$0.595	$0.591	59.00%	-	3.60%	$0.318
16/09/2024	16/09/2029	$0.535	$0.540	58.00%	-	3.45%	$0.281
18/11/2024	18/11/2029	$0.365	$0.380	57.00%	-	4.22%	$0.190

Performance rights

The Company has on issue 1,189,667 (FY24: 1,825,185) performance rights of which 723,000 expire on 30 September 2025 and 466,667 expire on 30 September 2026.

Summaries of performances rights is as below:

	30 June 2025	30 June 2024
Outstanding at the beginning of the financial year	1,825,185	1,503,299
Granted	800,000	700,000
Expired/Forfeited	(1,435,518)	(378,114)
Outstanding at the end of the financial year	1,189,667	1,825,185

During the period, the consolidated entity issued 800,000 performance rights to Mr Michael Lampron with various vesting conditions relating to service period and performance hurdles. The fair value of the performance rights was determined using the Monte Carlo Simulation using the following inputs:

	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Number of performance rights granted	200,000	200,000	200,000	200,000
Grant date	28/11/2024	28/11/2024	28/11/2024	28/11/2024
Expiry date	30/09/2027	30/09/2027	30/09/2027	30/09/2027
Weighted average share price at date of grant ($)	0.38	0.38	0.38	0.38
Weighted average exercise price ($)	-	-	-	-
Weighted average volatility	53.95%	53.95%	53.95%	53.95%
Weighted average risk-free rate	3.972%	3.972%	3.972%	3.972%
Vesting conditions with 30 June 2026 target date	Note 1	Note 1	Note 1	Note 1
Fair value per performance right ($)	0.1469	0.3436	0.3436	0.3436
Fair value of performance right ($)	29,371	68,722	68,722	68,722

Note 1- Vesting Conditions:

Tranche	Vesting Condition
Tranche 1	Market-based vesting condition linked to Total Shareholder Return.
Tranche 2	Company performance vesting condition linked to KLAS Ranking.
Tranche 3	Company performance vesting condition linked to Annual Recurring Revenue.
Tranche 4	Company performance vesting condition linked to EBITDA Margin.

Upon Mr Michael Lampron's stepping down effective close of business 30 June 2025, these unvested performance rights were forfeited on 30 June 2025.

Consolidated Entity Disclosure Statement

As at 30 June 2025

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Mach7 Technologies International Pty Ltd	Body Corporate	Australia	100.00%	Australia
Mach7 Technologies UK Ltd	Body Corporate	UK	100.00%	UK
Mach7 Technologies Pte Ltd	Body Corporate	Singapore	100.00%	Singapore
Mach7 Technologies, Inc.	Body Corporate	U.S.A	100.00%	U.S.A
Mach7 Technologies Canada Inc.	Body Corporate	Canada	100.00%	Canada

Basis of preparation

This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the Group as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are 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.

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the consolidated entity, partners in a partnership within the consolidated entity or participants in a joint venture within the Group.

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 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- the information disclosed in the attached consolidated entity disclosure statement 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

Robert Bazzani
Chairman

27 August 2025

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INDEPENDENT AUDITOR'S REPORT
To the Members of Mach7 Technologies Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Mach7 Technologies Limited (the Company) and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Key Audit Matters

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

Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed this matter
Recognition of Revenue Refer to Note 5 in the financial statements	
Revenue recognition was considered a key audit matter, as it involves significant management estimates and judgement. The Group's revenue is derived from the sale of software licenses and subscription services, and provision of professional services including implementation and training, migration, and support and maintenance. Revenue in respect of some of the service contracts is based on percentage of completion, which involves management's estimates and judgements.	Our audit procedures in relation to the recognition of revenue included: • Assessing whether the Group's revenue recognition policies was in compliance with *AASB 15 Revenue from Contracts with Customers* ("AASB 15") • For a sample of revenue transactions that were recognised at a point in time (i.e. sale of software license), substantiating transactions by agreeing to supporting documentation, including contracts with customers and proof of delivery to assess whether performance obligation has been satisfied and whether transaction price has been allocated onto each performance obligation correctly; • For a sample of revenue transactions that were recognised on over time, our testing included: - Agreeing the contract price and the value of services to customer contracts; and - Assessing the reasonableness of management's determination of percentage of completion and resultant revenues recognised for the year and deferred revenues as at 30 June 2025. • Assessing long-term contracts and the group's listing of unbilled receivables to identify arrangements with potential embedded financing components, and evaluating the related accounting treatment in accordance with AASB 15; • Reviewing sales transactions before and after year-end to ensure that revenue was recognised in the correct period; and • Reviewing adequacy of disclosures against the requirements of AASB 15.
Impairment Assessment of Goodwill and Intangibles Refer to Note 16 in the financial statements	
At 30 June 2025, the Group had intangible assets and goodwill (collectively known as intangibles) with carrying values of $18.3m and $4.3m respectively.	Our audit procedures, which involved the assistance of our Corporate Finance team, included: • Assessing whether there is a change in assumptions supporting management's determination that the

Key Audit Matter	How our audit addressed this matter
We determine this to be a Key Audit Matter due to the materiality of the intangibles' balances. In addition, the directors' assessment of the recoverable amount of the cash generating unit ("CGU") to which these intangibles relate to involves significant judgments and estimates, including future underlying cashflows of the CGU, estimated growth rates for the CGU, and judgments of an appropriate discount rate to apply to the estimated cashflows. Management also performed sensitivity analysis over the calculations, by varying the assumptions used in the revenue growth rate to assess the impact on the valuations.	intangible assets should be allocated to a single CGU, based on the nature of the Group's operating business; • Assessing the valuation methodology used to determine the recoverable amount of the intangible assets and CGU to which the goodwill has been allocated to; • Verifying the mathematical accuracy of the impairment assessment calculations; • Evaluating the reasonableness of the key assumptions built into the model which includes the future revenue growth rates, cost of sales growth rates, overhead growth rates, discount rate, terminal value, and working capital; • Performing sensitivity analysis on growth rates and discount rates applied to cash flows, to determine the extent of headroom for the intangibles; and • Reviewing the adequacy of disclosures against the requirements of *AASB 136 Impairment of Assets*.
Share-Based Payments Refer to Note 35 in the financial statements	
During the year, the Group issued new share options and performance rights to key management personnel and employees, and had cancellation of options during the year (including lapses and forfeitures). Management have accounted for the above in accordance with *AASB 2 Share-based Payment ("AASB 2"). .* We consider this to be a key audit matter because of the complexity of the accounting required to value the instruments and the judgemental nature of inputs into the valuation models.	Our audit procedures, which involved the assistance of our Corporate Finance team, included: • Reviewing the terms and conditions of the instruments issued; • Reviewing the valuation methodology to ensure it is in compliance with *AASB 2 Share-based Payments*; • Verifying the mathematical accuracy of the underlying model; • Critically evaluating the key assumptions used including considering the grant date share price, expected volatility, vesting period and number of instruments expected to vest; • Recalculating the value and accounting treatment of the share-based payment expense to be recognised and the reserve balance for accuracy, factoring in any cancellations due to expiry, forfeiture of other reasons; and

Key Audit Matter	How our audit addressed this matter
	• Reviewing the adequacy of the relevant disclosures against the requirements of AASB 2.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

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

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b. 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 ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

Auditor's Responsibilities for the Audit of the Financial Report (continued)

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf
This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

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

In our opinion, the Remuneration Report of Mach7 Technologies Limited, for the year ended 30 June 2025, complies with section 300A of the Corporations Act 2001.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM AUSTRALIA PARTNERS

M PARAMESWARAN
Partner

Dated: 27 August 2025
Melbourne, Victoria

Additional Shareholder Information

The shareholder information set out below was applicable as at 1 October 2025.

Corporate Governance Statement

Refer to the Company's Corporate Governance Statement at: https://www.mach7t.com/about-us/corporate-governance.

Distribution of equity securities

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

	Ordinary shares		Options over ordinary shares		Performance rights	
	Number of holders	% of total shares issued	Number of holders	% of total options issued	Number of holders	% of total performance rights issued
1 to 1,000	856	0.21	-	-	-	-
1,001 to 5,000	1,598	1.85	-	-	-	-
5,001 to 10,000	695	2.32	-	-	-	-
10,001 to 100,000	1,213	16.24	35	26.18	-	-
100,001 and over	161	79.38	28	73.82	1	100.00
	4,517	100.00	63	100.00	1	100.00
Holding less than a marketable parcel	1,563	-	-	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	46,182,743	19.65
SANDHURST TRUSTEES LTD (JMFG CONSOL A/C)	31,838,566	13.55
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	26,943,638	11.47
USB NOMINEES PTY LTD	11,685,665	4.97
BNP PARIBAS NOMS (NZ) LTD	7,648,343	3.26
PT DWI SATRYA UTAMA	4,392,959	1.87
PADMALWAR PRAKASH	3,569,921	1.52
MICROEQUITIES ASSET MANAGEMENT PTY LTD (MICROEQTS NANOCAP NO 11 A/C)	3,273,641	1.39
CHEW & PARTNERS (IMPORT & EXPORT) PTE LTD	2,900,074	1.23
CITICORP NOMINEES PTY LIMITED	2,673,563	1.14
PERCO GROUP PTY LTD (F S P A/C)	1,981,270	0.84
BPNT PTY LTD (HEANEY FAMILY SUPER FUND A/C)	1,539,283	0.66
MRS JENNIFER LEE PILCHER	1,294,856	0.55
62 DARLINGHURST ROAD PTY LTD	1,000,000	0.43
CERTANE CT PTY LTD <HAYBOROUGH OPP FUND>	1,000,000	0.43
ALBERT LIONG PAK-FAI	1,000,000	0.43
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED (GSCO CUSTOMERS A/C)	964,287	0.41
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	891,567	0.38
MS SUSAN PERTILE	858,730	0.37
CONIDICO SUPERANNUATION PTY LTD <CONIDICO SUPER FUND A/C>	839,444	0.36
Top 20 holders of FULLY PAID ORDINARY SHARES (Total)	152,478,550	64.89
Balance of Shares	82,489,497	35.11
Total shares on issue	234,968,047	100.00

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued under the Company's Long Term Incentive Plan	7,771,664	63
Performance rights issued under the Company's Long Term Incentive Plan	466,667	1

Substantial holders

Substantial holders in the company, as disclosed in substantial holding notices given to the company under the Corporations Act, are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Australian Ethical Investment Limited	34,886,014	14.46
JM Financial Group Limited	28,372,672	11.76
Microequities Asset Management Pty Ltd	22,319,888	9.50

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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.

Other classes of equity securities do not carry voting rights.

Restricted Securities

There are currently no restricted securities or securities subject to voluntary escrow that are on issue.

On-market buy-back

On 30 January 2025, the Company announced it intended to buy back up to $5 million of its ordinary shares via on-market purchases for a period of up to 12 months from the commencement date of 3 March 2025. At 30 June 2025, approximately $2.2 million had been paid for approximately 6.3 million shares. The share buy-back is currently paused.

MACH7

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