ANNUAL FINANCIAL STATEMENTS

For the year ended 30 June 2026

Presented in New Zealand dollars (NZD)

The audit of these financial statements is in the process of being finalised. Audited financial statements will be released with the Company's Annual Report on or before 30 September 2026 in accordance with NZX Listing Rule 3.6.1.

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Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	Jun 2026 NZ$	Jun 2025 NZ$
Revenue	3	7,086,890	6,571,376
Other income		46,555	103,589
Employee benefits expense		(3,814,306)	(4,091,296)
Depreciation, amortisation and impairment		(1,291,763)	(1,182,626)
Other expenses		(4,783,068)	(2,808,754)
Operating loss		**(2,755,692)**	**(1,407,712)**
Finance income		3,819	32,078
Finance costs		(780,948)	(615,778)
Loss before income tax		**(3,532,821)**	**(1,991,412)**
Income tax (expense) / benefit		—	(41)
Loss for the year		**(3,532,821)**	**(1,991,453)**
Other comprehensive income			
Foreign currency translation differences		109,640	—
Bitcoin revaluation		(20,528)	19,420
Total comprehensive loss for the year		**(3,443,709)**	**(1,972,033)**
Earnings per share (cents)			
Basic loss per share		(1.29)	(1.01)
Diluted loss per share		(1.29)	(1.01)

These financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 June 2026

	Note	Jun 2026 NZ$	Jun 2025 NZ$
Current assets			
Cash and cash equivalents		1,165,791	1,945,763
Trade and other receivables		737,439	473,902
Bitcoin		1,266,790	1,770,215
Inventory		26,010	25,734
Other current assets		182,650	157,613
Total current assets		**3,378,679**	**4,373,227**
Non-current assets			
Property, plant and equipment		107,660	132,796
Intangible assets and goodwill		3,634,868	3,256,286
Other non-current assets		55,550	—
Total non-current assets		**3,798,078**	**3,389,083**
Total assets		**7,176,758**	**7,762,310**
Current liabilities			
Trade and other payables		1,686,308	1,226,644
Borrowings	2	4,739,041	43,082
Other current liabilities		18,117	84,353
Employee benefits		382,632	304,260
Total current liabilities		**6,826,097**	**1,658,339**
Non-current liabilities			
Borrowings	2	15,933	3,987,610
Employee benefits		70,789	36,820
Other non-current liabilities		289,884	331,161
Total non-current liabilities		**376,606**	**4,355,591**
Total liabilities		**7,202,702**	**6,013,930**
Net liabilities		**(25,945)**	**1,748,380**
Equity			
Issued capital		27,564,412	25,330,124
Reserves		2,311,856	2,775,607
Foreign currency translation reserve		109,640	—
Accumulated losses		(30,011,853)	(26,357,352)
Total equity		**(25,945)**	**1,748,380**

	Jun 2026	Jun 2025
Net tangible assets per share (cents per share – non-GAAP measure)	(1.19)	(0.65)

Net tangible assets per share is net assets less intangible assets and goodwill, divided by the ordinary shares on issue at the reporting date. These financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the year ended 30 June 2026

Year ended 30 June 2026

	Issued capital	Reserves	Accumulated losses	Total
Balance at the start of the year	25,330,124	2,775,607	(26,357,352)	1,748,380
Other movements in accumulated losses	—	—	(121,680)	(121,680)
Loss for the year	—	—	(3,532,821)	(3,532,821)
Foreign currency translation differences	—	109,640	—	109,640
Bitcoin revaluation	—	(20,528)	—	(20,528)
Total comprehensive income for the year	**—**	**89,112**	**(3,532,821)**	**(3,443,709)**
Transactions with owners in their capacity as owners				
Share based payments	—	197,668	—	197,668
Cancellation of options	—	(640,890)	—	(640,890)
Issue of ordinary shares	2,763,065	—	—	2,763,065
Issue of options	—	—	—	—
Capital raising costs	(513,312)	—	—	(513,312)
On-market buyback	(15,465)	—	—	(15,465)
Balance at the end of the year	**27,564,412**	**2,421,497**	**(30,011,853)**	**(25,945)**

Year ended 30 June 2025

	Issued capital	Reserves	Accumulated losses	Total
Balance at 1 July 2024	22,772,454	2,732,403	(24,977,999)	526,858
Loss for the year	—	—	(1,991,453)	(1,991,453)
Other comprehensive income	—	19,420	—	19,420
Total comprehensive income for the year	**—**	**19,420**	**(1,991,453)**	**(1,972,033)**
Transactions with owners in their capacity as owners				
Foreign currency translation reserve	(415,817)	(45,044)	429,868	(30,993)
Share-based payments	—	196,779	—	196,779
Cancellation of options	—	(182,233)	182,233	—
Issue of ordinary shares	3,184,175	—	—	3,184,175
Issue of options	(54,282)	54,282	—	—
Capital raising costs	(156,407)	—	—	(156,407)
Balance at 30 June 2025	**25,330,124**	**2,775,607**	**(26,357,352)**	**1,748,380**

These financial statements should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the year ended 30 June 2026

	Note	Jun 2026 NZ$	Jun 2025 NZ$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		7,600,045	7,387,749
Payments to suppliers and employees (inclusive of GST)		(6,695,388)	(7,180,623)
Interest received		3,732	32,078
Finance costs paid		(572,939)	(528,250)
Receipt from grants		—	103,589
Income taxes paid		—	(41)
Net cash from / (used in) operating activities		**335,449**	**(185,498)**
Cash flows from investing activities			
Purchase of Bitcoin		(466,740)	(1,783,346)
Payment for intangibles		(1,199,542)	(1,249,170)
Purchase of property, plant and equipment		(10,614)	(32,481)
Net cash used in investing activities		**(1,676,897)**	**(3,064,997)**
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)		580,311	3,005,837
Proceeds from / (repayment of) borrowings		(206,728)	(25,296)
Payments for share buy-back of ordinary shares		(15,008)	—
Net cash from financing activities		**358,574**	**2,980,540**
Net increase / (decrease) in cash		**(982,873)**	**(269,954)**
Cash and cash equivalents at beginning of year		1,945,763	2,210,843
Effect of exchange rate changes on cash		202,901	4,874
Cash and cash equivalents at end of year		**1,165,791**	**1,945,763**

These financial statements should be read in conjunction with the accompanying notes.

Authorisation for issue

The Board of Directors authorised these consolidated financial statements for issue on 27 August 2026. They are signed on behalf of the Board by:

Stephen Orenstein
Director
Date: 27 August 2026

Drew Kelton
Director
Date: 27 August 2026

Notes to the consolidated financial statements

Note 1 — Basis of preparation

Reporting entity

Locate Technologies Limited (the Company) is a company incorporated and domiciled in New Zealand and listed on the NZX Main Board. These consolidated financial statements comprise the Company and its subsidiaries (together, the Group).

Statement of compliance

These consolidated financial statements have been prepared in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as issued by the External Reporting Board.

The financial information in this document is unaudited. The audit of the financial statements for the year ended 30 June 2026 is in the process of being finalised. This document does not include all of the notes ordinarily included in a full set of annual financial statements. The complete audited financial statements, including all notes, will be released with the Company's Annual Report on or before 30 September 2026 in accordance with NZX Listing Rule 3.6.1.

Basis of measurement

The financial statements have been prepared on the historical cost basis, except for Bitcoin and certain financial instruments which are measured at fair value.

Presentation currency

These financial statements are presented in New Zealand dollars (NZD), which is the presentation currency of the Group. All amounts are stated in New Zealand dollars unless otherwise indicated.

Comparative information

Comparative information is presented for the year ended 30 June 2025 (the prior corresponding period).

Going concern

Refer to note 2.

Material accounting policies

The material accounting policies applied in the preparation of these financial statements are consistent with those applied in the prior corresponding period. There has been no material change in accounting policies during the year. The material accounting policies will be set out in full in the Annual Report.

Note 2 — Going concern

The financial statements have been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2026 the Group recorded a loss after tax of $3,532,821 (2025: $1,991,453), net cash inflows from operating activities of $335,449 (2025: net outflows of $185,498), a net current asset deficiency of $3,447,417 (2025: a net current asset position of $2,714,888) and net liabilities of $25,945 (2025: net assets of $1,748,380). All amounts are presented in New Zealand dollars unless otherwise stated.

The Pure facility

The Group's senior secured facility with Pure Asset Management (Pure) has principal owing of A$4,000,000 at a fixed rate of 9.95% per annum and terminates on 7 November 2026. As the termination date falls within twelve months of balance date, the facility is classified as a current liability at 30 June 2026, with a carrying amount of $4,725,503. Excluding the facility from current liabilities, the Group had a net current asset position of $1,278,085.

The minimum Cash Balance and minimum Bitcoin Balance covenants were met throughout the year, and no Reporting Event, Review Event or Event of Default was subsisting at balance date. The Reporting Event EBITDA hurdle was not met for the quarter ended 30 September 2025, and Pure confirmed in writing on 6 October 2025 that it had waived its rights in relation to that breach. The covenants, the variation agreed on 14 August 2025 and that waiver will be set out in full in the Annual Report. The Group's forecasts indicate that the covenants will continue to be met over the forecast period.

Refinancing

Pure has confirmed in writing to the Company, on a non-binding basis, its intention to convert A$1,000,000 of the principal outstanding into a convertible note, with the remaining A$3,000,000 to be refinanced. The terms of the proposed convertible note have not been finalised and remain subject to documentation and, where required, approval under the NZX Listing Rules.

The Company and its advisers are in active discussion with a number of financial institutions and credit funds regarding refinancing of the balance of the facility. No binding agreement had been entered into at the date of this report.

As with any refinancing, final terms may differ from those currently anticipated, and refinancing may not be completed, or may not be available on acceptable terms, before the facility terminates on 7 November 2026.

Directors' assessment

The Directors have prepared a cash flow forecast for the period to June 2027, approved by the Board on 27th August, 2026. The forecast indicates the Group has sufficient cash on hand and cash flows from operations to meet its debts as they fall due over that period, provided the Pure facility is refinanced or restructured on or before its termination date.

In concluding that the going concern basis remains appropriate, the Directors have taken into account:

- the Board approved cash flow forecast referred to above, together with sensitivity analysis modelling
- the improvement in operating cash flows during the year, from net outflows of $185,498 in the prior year to net inflows of $335,449;
- cash and cash equivalents at the date of this report of A$1.17m;
- the fair value of Bitcoin held at the date of this report of NZD$1,630,821, captures the Bitcoin holding; the facility covenants require a minimum Bitcoin Balance of A$500,000, and which the Directors would realise, in whole or in part, if required to meet obligations as they fall due;
- the Company's established At the Market facility, under which capital may be raised progressively through the equity market as required, subject to market conditions, available capacity under the NZX Listing Rules and prevailing trading liquidity;
- operating cost reductions within the control of management which the Directors are able to implement if forecast revenue is not achieved

The Group's ability to continue as a going concern is dependent on:

- successfully refinancing or restructuring the Pure facility before it terminates on 7 November 2026;
- achieving forecast revenue growth, in particular securing new Enterprise customers for Locate2u, whilst stabilising the recent revenue declines in Zoom2u;
- managing and controlling operating costs and generating positive cash flows from operations; and
- continuing to meet its covenants under the Pure facility.

Material uncertainty

The matters set out above, in particular the requirement to refinance or restructure the Pure facility before 7 November 2026 in circumstances where no binding agreement had been entered into at the date of this report, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore to realise its assets and discharge its liabilities in the normal course of business.

Conclusion

Having considered the matters above, the Directors have a reasonable expectation that the Group will secure the necessary refinancing and will have adequate resources to continue in operational existence for at least twelve months from the date these financial statements are authorised for issue. Accordingly, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities, that might be necessary should the Group be unable to continue as a going concern.

Note 3 — Segment reporting

The consolidated entity derives revenue from contracts with its customers through its two operating segments:

- Zoom2u and 2u Enterprises; and
- Locate2u.

Zoom2u and 2u Enterprises provide delivery and tracking services to customers through an internally developed platform which allows customers to arrange the delivery of items, allocated to the closest driver. Fees earned include a fixed booking fee charged to some customers and a platform fee charged to drivers. The segment also includes other revenue from the Shred2u business, ad hoc web development services and bespoke distribution operations.

Locate2u derives most of its revenue from customers paying a monthly subscription fee for access to the Locate2u SaaS product, which allows them to manage their own portfolio of drivers and optimise delivery routes.

These operating segments are based on the internal reports reviewed and used by the Board of Directors, identified as the Chief Operating Decision Makers (CODM), in assessing performance and determining the allocation of resources. There is no aggregation of operating segments. The CODM reviews revenue and net profit / (loss) before tax. The CODM does not regularly review segment assets and segment liabilities; refer to the statement of financial position for Group assets and liabilities.

Corporate overheads that are not allocated to a reportable segment, being group premises, insurance, statutory, listing and professional costs, and the costs of the listed parent, are reported as unallocated corporate expenses. Finance income and finance costs are managed centrally and are reported below segment result as net finance costs.

Shred2u is reported within the Zoom2u and 2u Enterprises segment and is not a reportable segment in its own right.

Major customers

No single external customer accounted for 10% or more of the Group's revenue for the year ended 30 June 2026.

Operating segment information

	Zoom2u and 2u Enterprises Jun 2026	Jun 2025	Locate2u Jun 2026	Jun 2025	Total Jun 2026
Revenue from external customers	3,091,928	3,582,815	3,994,962	2,988,561	7,086,890
Segment result	1,271,240	1,557,550	(132,908)	(1,167,863)	1,138,332

	Jun 2026 NZ$	Jun 2025 NZ$
Total segment result	1,138,332	389,688
Unallocated corporate expenses	(3,894,024)	(1,797,400)
Net finance costs	(777,130)	(583,700)
Net loss before tax	**(3,532,821)**	**(1,991,412)**

Revenue from external customers by country

Revenue from external customers is attributed to the country from which it is billed, which is the basis applied in the prior year. The Company is incorporated and domiciled in New Zealand; its operating businesses are conducted through its Australian subsidiaries and, for part of the Locate2u business, through Locate2u USA Inc.

	Jun 2026 NZ$	Jun 2025 NZ$
New Zealand	—	—
Australia	7,038,988	6,509,593
United States	47,902	61,782
Total revenue from external customers	**7,086,890**	**6,571,376**

Company directory

As at 30 June 2026

Issuer	Locate Technologies Limited
Ticker	NZX: LOC
Company number	937 11 62
Registered office	Level 17, PwC Tower, 15 Customs Street West, Auckland, 1140, NZ
Balance date	30 June
Presentation currency	New Zealand dollars (NZD)
Directors	Drew Kelton (Non-Executive Chairman, Independent)
	Stephen Orenstein (Founder & Managing Director, Executive)
	Michael Rosenbaum (Non-Executive Director, Independent)
	Brett O'Reilly (Non-Executive Director, Independent)
	Janine Grainger (Non-Executive Director, Independent)
Auditor	Grant Thornton, L4, 152 Fanshawe Street, Auckland Central, Auckland, 1010, NZ
Share registry	MUFG Corporate Markets
Bitcoin custodian	Zodia Custody
Investor enquiries	investors@locatetech.nz

Locate Technologies

Audit Trail

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