Being AI Limited

Annual Report

For the year ended 31 March 2025

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Chair's Report

Being AI Limited faced significant challenges in the fiscal year ending 31 March 2025 (FY25), marked by financial losses, governance instability and operational setbacks. This Annual Report outlines the key financial results, operational challenges and strategic developments undertaken to stabilise the Company.

Summary of Key Financial Results

(Figures are quoted in NZ dollars)

- Revenue: $40.10 million
- Operating EBITDA loss: $3.94 million
- Net loss before tax: $11.98 million
- Negative equity: $6.99 million

Financial Overview

Being AI Limited recorded revenue of $40.10 million. Despite efforts to streamline operations and raise external capital to fund growth, the Company delivered an operating EBITDA loss of $3.94 million. A goodwill impairment of $ 6.46 million and $1.1 million impairment of the Excalibur Loan then contributed to taking that EBITDA loss down to a net loss before tax of $11.98 million. While Send Global continued to perform well in FY25, its contributions were insufficient to offset the overheads incurred by the wider Being AI group.

The$6.46 million goodwill impairment arose from:

- the close down of Project Treehouse[1] after it failed to secure external funding or implement pilot customer programmes ($5.96 million); and
- a projection that the value of Filecorp future cash flows did not justify the value of goodwill in the balance sheet[2] ($0.5 million).

In addition to the goodwill impairment, Being AI Limited made a provision of $1.1 million against the $2 million loan extended to Excalibur, an entity owned by Sean Joyce, Being AI's original chairman.

This provision was made due to uncertainties regarding the value of the security backing the loan. The security consists of Being AI shares and Arria NLG shares owned by Excalibur. The value of Being AI shares has declined, and the Company has been unable to determine the current market value of the Arria NLG shares. The loan is scheduled for repayment at the end of 2028, and Being AI Limited will continue to pursue all opportunities to collect the full amount.

The impact of these impairments has reduced equity to negative $6.99 million as illustrated in the accompanying Consolidated Statement of Changes in Equity.

Our Auditors issued a qualified audit report in the year ended 31 March 2024 in relation to the $10.96 million value of the BCL goodwill asset and the related $5.6 million contingent consideration liability disclosed at 31 March 2024. Both balances have now been disposed of and accordingly do not remain in the 31 March 2025 balance sheet. However, the impact of this prior year qualification extends to certain

[1] In this document Project Treehouse refers to Agentic Commerce as well as the Company's other AI initiatives.
[2] Under NZ IAS 36, each year Being AI is required to assess the carrying value of certain assets in the Company's balance sheet.

opening balances in 2025 (page 47). This qualification does not impact the closing balances for the 2025 Financial Year.

Operational Challenges

The financial year was marked by significant operational challenges, including multiple changes in directors and substantial cash burn to support Project Treehouse. These factors contributed to the Company's financial difficulties and operational inefficiencies.

Listing rule compliance

Due to circumstances beyond Being AI's control, the resignation of former directors, Brett O'Riley and Andy Higgs, led to the Company failing to comply with NZX Listing Rule 2.1.1 as the Board then lacked sufficient independent directors. As a result, Being AI Limited was placed in a trading halt from 3 February to 14 April 2025 awaiting the appointment of new independent directors, further impacting its ability to operate effectively.

On 31 March 2025, the appointment of independent directors, Michael Stiassny, Greg Cross and Steve Phillips brought the Company back into compliance. They joined existing non-independent board members, Katherine Allsopp-Smith and Paul Forno.

Inability to attract and secure investment

Being AI sought to raise new capital for deployment and investment across the Group's business divisions. The new capital was sought through a share purchase plan for existing BAI shareholders and a concurrent general offer to non-BAI shareholders. Of the 9,340,000 new ordinary shares in BAI on offer, BAI received subscriptions for 570,025 new shares (being just over 6% of the shares offered), raising only $350,000 before legal costs.

Subsequently BAI explored opportunities to raise new capital from external sources for Project Treehouse. While there was some initial non-binding interest from related-party investors (not connected to Wilshire), no reasonable offers in the interests of all BAI shareholders were received.

BAI Subsidiaries Update

Being Consultants

Being Consultants failed to make any substantive progress towards its revenue budgets in the eight months to November 2024. It was subsequently sold to 2384 LP, as previously disclosed in the half year results released on 30 September 2024.

Being Ventures

Being Ventures did not identify suitable investment opportunities aligned with its original goal of transforming legacy businesses through AI, and therefore has not contributed to the Company's financial performance.

Tymestack

Tymestack provides an AI-driven price optimisation engine that minimises gross margin losses in retail price markdowns, boosts sales and reduces waste.

In the 30 September interim accounts, the Group recognised a full $240,000 impairment of its investment in Tymestack. This impairment was due to uncertainties surrounding Tymestack's ability to secure sufficient funding to complete development of the engine, which is crucial for a successful market launch and to cover operational costs until the Company becomes cash flow self-sufficient.

On 31 October 2024 the parties agreed a variation to the original agreements in which the Company’s investment in Tymestack was changed to a 10% shareholding with no further obligation to provide additional funding or services.

Strategic Review and Post-Balance Date Developments

Since the balance date, the new Board has focused on a strategic review aimed at stabilising the Company's financial position. To date, key actions taken include significantly reducing personnel, implementing operational cost savings, closing Project Treehouse, and divesting Being Education, allowing the Company to move back to profitability. This strategic review is ongoing.

Project Treehouse

A comprehensive review determined that the project would continue to incur negative cash flows. Consequently, Project Treehouse was shut down on 16 May 2025, to prevent further losses and protect shareholder value.

At that time, Being AI accepted the resignations of: Group Chief Executive Officer, David McDonald; Chief Technology Officer, Nicolas Fourrier; and the remaining personnel supporting Project Treehouse.

Being Education

In May 2025, Being Education was divested to Crimson Education Group, a strategic move that eliminated $3.9 million in Being AI group debt owed to Wilshire Treasury, along with a portion of trading liabilities.

Additional Funding

On 11 April 2025, Being AI secured $500,000 of funding from Wilshire Treasury which was used to retire bank debt, further improving the Company's financial position.

Current Situation

Being AI Limited now consists of two primary operating companies, New Zealand Mail Limited and Filecorp Limited, and their holding company Send Global. This Group continues to operate profitably.

Strategic Outlook

The Board of Directors’ strategic review is now focused on the future of the Being AI Group including its management, assets and remaining group of companies, Send Global. Further market announcements will be made in due course.

Michael Stiassny
Chair
Being AI Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Note	2025	2024
		NZ$000	**NZ$000**
Revenue	5	**40,993**	**40,409**
Cost of sales		(31,865)	(32,193)
Gross Profit		**9,128**	**8,216**
Other operating income	6	771	135
Finance income		75	98
Expenses			
Labour related expenses	7.1	(7,908)	(3,372)
Depreciation and amortisation expenses	7	(1,023)	(1,064)
Property expenses		(214)	(183)
Other operating expenses	7	(4,335)	(1,826)
Profit/(loss) from operations		**(3,506)**	**2,004**
Finance expense	7.2	(1,469)	(616)
Gain on disposal of subsidiary	26	806	-
Impairment of goodwill	17	(6,462)	-
Provision for impairment of term receivable	32.3	(1,100)	-
Share of net loss of Tymestack.ai	28	(125)	-
Impairment of investment in Tymestack.ai	28	(124)	-
Reverse acquisition share based payment	29	-	(1,693)
Reverse listing expenses		-	(67)
Loss before income tax		**(11,980)**	**(372)**
Income tax (expense)/benefit	9	463	(697)
Loss for the year after taxation		**(11,517)**	**(1,069)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(11,517)**	**(1,069)**
Loss per share			
Basic and diluted loss per share (NZ$)	11	(0.1144)	(0.0106)

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Note	Share capital	Share based Payments	Accumulated losses	Total equity
		NZ$000	NZ$000	NZ$000	NZ$000
Balance at 1 April 2023		**3,944**	**-**	**1,653**	**5,597**
Loss for the year		-	-	(1,069)	(1,069)
Total comprehensive income for the year		-	-	(1,069)	(1,069)
Transactions with owners in their capacity as owners					
Dividends declared	10	-	-	(2,001)	(2,001)
Share buyback	10,21	(3,943)	-	(1,370)	(5,313)
Shares issued on reverse acquisition	29	1,631	-	-	1,631
Shares issued on business acquisition		5,000	-	-	5,000
Balance at 31 March 2024		**6,632**	**-**	**(2,787)**	**3,845**
Balance at 1 April 2024		**6,632**	**-**	**(2,787)**	**3,845**
Loss for the year		-	-	(11,517)	(11,517)
Total comprehensive income for the year		-	-	(11,517)	(11,517)
Transactions with owners in their capacity as owners					
Shares issued during the period	21	342	-	-	342
Less: share issue costs		(50)	-	-	(50)
Share options issued	22,23	-	392	-	392
Balance at 31 March 2025		**6,924**	**392**	**(14,304)**	**(6,988)**

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

Being AI Limited

Consolidated Statement of Financial Position

As at 31 March 2025

	Note	2025	2024
		NZ$000	NZ$000
Current assets			
Cash and cash equivalents	12	410	2,215
Receivables and other current assets	13	4,471	4,055
Inventories	14	511	1,217
Total current assets		**5,392**	**7,487**
Non-current assets			
Term deposit		-	22
Term receivable	32.3	900	2,000
Property, plant and equipment	15	2,645	2,745
Right-of-use assets	16.1	5,986	7,926
Goodwill - Being Consultants Limited	17	-	10,962
Goodwill - other entities	17	4,114	4,614
Other intangible assets	17	1,469	1,405
Bond		502	-
Deferred tax asset	9.3	567	151
Total non-current assets		**16,183**	**29,825**
Total assets		**21,575**	**37,312**
Current liabilities			
Trade payables and other current liabilities	18	5,871	13,089
Taxation payable		12	656
Borrowings	19	3,811	5,897
Lease liabilities	16.2	285	450
Total current liabilities		**9,979**	**20,092**
Non-current liabilities			
Borrowings	19	12,374	1
Student bonds		135	150
Contingent consideration	20	-	5,600
Lease liabilities	16.2	6,075	7,624
Total non-current liabilities		**18,584**	**13,375**
Total liabilities		**28,563**	**33,467**
Net assets		**(6,988)**	**3,845**
Equity			
Share capital	21	6,924	6,632
Share based payments reserve	22	392	-
Accumulated losses		(14,304)	(2,787)
Total equity		**(6,988)**	**3,845**

These consolidated financial statements were approved by the Board on 30 June 2025.
Signed on behalf of the Board by:

Michael Stiassny
Director

Stephen Phillips
Director

The accompanying notes form part of these consolidated financial statements and should be read in conjunction with them.

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	Note	2025 NZ$000	2024 NZ$000
Cash flows from operating activities			
Receipts from customers		40,647	41,999
Government grants received		410	113
Payments to suppliers and employees		(43,218)	(40,746)
Payment of bond		(502)	-
Income tax (paid)/refunded		(600)	72
Net cash (used in)/from operating activities	30	**(3,263)**	**1,438**
Cash flows from investing activities			
Interest received		75	98
Proceeds from term deposit		22	-
Payments for property, plant and equipment		(199)	(69)
Receipts from sale of property plant and equipment		22	36
Payments for intangible assets		(76)	(7)
Investment in Tymestack.ai		(249)	-
Payment for acquisition of business		(200)	-
Net cash outflows on disposal of subsidiary		(176)	-
Payments for related party short-term loans		-	(1,864)
Cash received from business acquisition		-	21
Net cash used in investing activities		**(781)**	**(1,785)**
Cash flows from financing activities			
Proceeds from borrowings		29,384	8,299
Principal repayment of borrowings		(19,136)	(7,545)
Interest paid on borrowings		(981)	(375)
Principal repayment of lease liabilities		(315)	(420)
Interest paid on lease liabilities		(451)	(144)
Payment of related party payable		(6,554)	-
Proceeds from issue of share capital		342	-
Payment of share issue costs		(50)	-
Dividends paid		-	(734)
Net cash used in financing activities		**2,239**	**(919)**
Net decrease in cash and cash equivalents		**(1,805)**	**(1,266)**
Cash and cash equivalents at the beginning of the year		2,215	3,481
Cash and cash equivalents at the end of the year	12	**410**	**2,215**

1. General information

Being AI Limited ('Being AI' or 'the Company') and its subsidiaries (together 'the Group') are limited liability companies, incorporated under the Companies Act 1993 and domiciled in New Zealand.

The Group was formed by a reverse acquisition on 28 March 2024 of Being AI Limited by Send Global Limited (and subsidiaries) and AGE Limited (refer note 29).

Being AI Limited was formed to create a Group positioned for the business transformation impact that will result from AI and similar advanced technologies. The Group's strategy was to build, advise, and invest in this disruption. After the May 2025 closure of Project Treehouse (note 35.2) and divestment of the Education Group (note 35.1), Being AI Limited now consists of two primary operating companies, New Zealand Mail Limited and Filecorp Limited, and their holding company Send Global. The Being AI Board is currently undertaking a review of the Group's strategic options, and these will be announced to the market in due course.

Being AI is the legal holding company for the Group. Details of subsidiary companies and their principal activities are set out in note 25.

The address of the Company's registered office is 14 Honan Place, Avondale, Auckland 1026.

2. Material accounting policy information

The following are the material accounting policies adopted by the Group in the preparation and presentation of the consolidated financial statements. There have been no changes in accounting policies since the previous year end unless otherwise stated.

2.1 Statement of compliance and reporting framework

The consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). The Group is a for-profit entity for the purposes of complying with NZ GAAP. The consolidated financial statements comply with New Zealand equivalents to IFRS Accounting Standards ('NZ IFRS'), International Financial Reporting Standards ('IFRS'), and other applicable New Zealand Financial Reporting Standards as appropriate for for-profit entities.

The Company is an FMC reporting entity under the Financial Markets Conduct Act 2013. The Company is listed on the NZX Main Board ("NZX"). These consolidated financial statements have been prepared in accordance with the requirements of the Financial Markets Conduct Act 2013 and the NZX Main Board Listing Rules.

2.2 Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis apart from those items measured at fair value as described below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The consolidated financial statements are presented in New Zealand dollars which is the Group's functional and presentation currency, rounded to the nearest thousand dollars unless otherwise stated.

2.3 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;

- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets, liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method unless they involve entities or businesses under common control.

The consideration transferred in a business combination is measured at fair value. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that deferred tax assets or liabilities, and liabilities related to employee benefit arrangements, are recognised and measured in accordance with NZ IAS 12 *Income Taxes* and NZ IAS 19 *Employee Benefits* respectively.

Goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired, and the liabilities assumed.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is recognised initially in the Consolidated Statement of Financial Position at cost and adjusted thereafter to recognise the Group’s share of the profit or loss and other comprehensive income of the associate. When the Group’s share of losses of an associate exceeds the Group’s interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

When a group entity transacts with an associate, profits and losses resulting from the transactions with the associate are recognised in the Group’s consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

2.4 Revenue recognition

The Group derived revenue from the following major sources:

- Education services;
- Courier, business mail and logistics services; and
- Filing solutions.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties, such as goods and service tax and customs duties.

Education services

The Group provides an online virtual and physical school. School fees and revenue from related services are recognised over the school term or year to which they relate. Revenues for school activities are recognised at a point in time when the activity is completed. Revenue from the sale of goods, such as stationery and school lunches, are recognised at a point in time upon delivery when control has been transferred to the buyer and collectability of the related receivable is reasonably assured.

Courier, business mail and logistics services

The Group provides domestic courier and freight services; domestic and international unified logistics; business mail services; and mail house services.

Revenue from the delivery of courier, business mail and logistics services is recognised as the related performance obligations are fulfilled. Customers are invoiced at the end of each month which covers all services provided up to that date.

Revenue from the sale of stamps and postage included envelopes are recognised at a point in time upon delivery when control has been transferred to the buyer and collectability of the related receivable is reasonably assured.

Filing solutions

The Group provides filing solutions and consumables.

Revenue from the sale of filing solutions and consumables is recognised at a point in time upon delivery when control has been transferred to the buyer and collectability of the related receivable is reasonably assured.

2.5 Income Tax

Income tax expense or benefit comprises both current and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the Statement of Profit or Loss and Other Comprehensive Income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit, unless the initial recognition gives rise to equal amounts of taxable and deductible temporary differences.

2.6 Goods and services tax

Revenue, expenses, assets, and liabilities are recognised net of the amount of goods and services tax (GST) except:

- where the amount of GST incurred is not recovered from the Inland Revenue Department, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables, which are recognised inclusive of GST.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Net realisable value represents the estimated selling price for inventories in the ordinary course of business, less all estimated costs of completion and costs necessary to make the sale.

2.8 Property, plant and equipment

Each class of property, plant and equipment is measured at historical cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised on a straight-line basis so as to write off the cost of assets less their residual values, over their useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period.

The following depreciation rates are applied:

Class of asset	**Depreciation rates**
Buildings	2% - 5%
Leasehold improvements	5% - 20%
Plant and equipment	3% - 33%
Office furniture & equipment	8% - 50%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2.9 Intangible assets

Acquired intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The following amortisation rates are applied:

Class of asset	**Amortisation rates**
Brands	Indefinite life
Trademarks	10% - 20%
Customer relationships	50% - 100%
Computer software	20%

Goodwill is measured at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment testing and is tested annually for impairment. Goodwill is reviewed at each reporting date to determine whether there is any objective evidence of impairment.

2.10 Leases

The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and lease of low value assets.

The lease liability is initially measured at the present value of the future lease payments, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Group changes its assessment of whether it will exercise a purchase, extension of termination option, with a corresponding adjustment made to the carrying value of the right-of-use asset.

The right-of-use assets comprise the initial measurement of the corresponding lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and the useful life of the underlying asset.

2.11 Financial instruments

The Group's financial assets at amortised cost include cash and cash equivalents, and trade and other receivables. Cash and cash equivalents include cash in hand and deposits held at call with banks.

The Group's financial liabilities include trade and other payables, borrowings, lease liabilities and contingent consideration.

2.12 Share based payment transactions

The fair value of share options issued to directors, employees and consultants is determined at the grant date and is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the share options that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Group revises its estimate of the number of share options expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss with a corresponding adjustment to the share-based payments reserve.

3. Application of new and revised New Zealand International Financial Reporting Standards (NZ IFRSs)

3.1 New and amended standards and interpretations

All new and amended standards were implemented and the impact deemed not to be material.

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. Early adoption of these new standards, interpretations or amendments would not have had a material impact on the financial result or financial position of the Group.

4. Critical accounting estimates and judgements

In the application of the Group's accounting policies, which are described in note 2, the directors of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Below are the critical accounting judgements.

4.1 Going concern

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group has the intention and ability to continue its operations for the foreseeable future.

The Group incurred an after-tax loss of $11.5 million in the year 31 March 2025 (2024: $1.1 million loss). The Group's net cash outflow from operating activities was $3.3 million (2024: $1.4 million cash inflow).

At the reporting date the Group had cash of $0.4 million (2024: $2.2 million), negative working capital of $4.6 million (2024: $12.6 million negative) and net liabilities of $7.0 million (2024: net assets of $3.8 million). Liabilities included borrowings of $16.2 million (2024: $5.9 million) of which $3.8 million were current (2024: $5.9 million) and $12.4 million were non-current (2024: $nil).

The net loss for the year included the following one-off items: impairments of assets of $7.7 million and a gain on disposal of subsidiary of $806,000.

At 31 March 2025 the Group had borrowed $7.63 million from Wilshire Treasury Limited (note 19) (2024: $5.64 million). Wilshire Treasury Limited ('Wilshire') is 100% owned by the Christian Family Trust Limited which is controlled by Katherine Allsopp-Smith and Evan Christian. The loan is repayable on 1 April 2026. However, Wilshire has confirmed that it will not call upon this loan until the Group has the ability to make payment.

Subsequent to the reporting date the Company divested its education services segment, including its subsidiary AGE Limited (note 35.1). The divestment eliminated the education services segment's debt of $3.9 million, strengthening the Group's balance sheet.

Also subsequent to the reporting date the Board decided to shut down its artificial intelligence initiatives, including Project Treehouse (note 35.2).

The Group's remaining operating businesses, following this divestment of the education group and closure of Project Treehouse, has a long history of profitability and positive cashflows. The Group expects reduced corporate overheads with the reduced size of the remaining operations.

The Group forecasts it will be compliant with all bank covenants during the next 12 months. The Group is scheduled to repay $2 million of working capital debt by the end of September 2025 and renew its $250,000 quarterly amortisation of its remaining $5.25 million of bank term debt in January 2026. The Group is on track to honour these commitments.

The financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or classification of liabilities that might be necessary should the Group not be able to generate sufficient revenue and profits to return to positive equity and remain as a going concern. The conditions above indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

However, the considered view of the Board is that, after making due enquiries and considering relevant factors, there is a reasonable expectation that the Group will have access to adequate resources and commitments from its borrowers, that will enable it to meet its financial obligations for the foreseeable future.

For this reason, the Board considers the adoption of the going concern basis in preparing the consolidated financial statements for the year ended 31 March 2025 to be appropriate. The Board has reached this conclusion having regard to circumstances which it considers likely to affect the Group during the period of at least one year from the date of approval of these consolidated financial statements, and to circumstances which it considers will occur after that date which will affect the validity of the going concern basis.

4.2 Impairment of non-financial assets

All assets are assessed for impairment at each reporting date by evaluating whether indicators of impairment exist in relation to the continued use of the asset by the Group. Impairment triggers include technology changes, adverse changes in the economic or political environment and future product expectations. If an indicator of impairment exists, the recoverable amount of the asset is determined.

The cash-generating unit (CGU) to which goodwill has been allocated is tested annually for impairment or sooner if there is an indication that the unit may be impaired. Judgement is required to determine the value of the CGU and whether there has been an impairment.

4.3 Fair value of contingent consideration

The fair value of the contingent consideration financial liability for the acquisition of Being Consultants (note 20) is measured at fair value which is reassessed at each reporting date. The fair value of the contingent consideration takes into account the likelihood of the share price milestones being achieved, discounted at an appropriate rate. In assessing the fair value of the contingent consideration, judgement is required to determine the likely compensation that will become payable in the future and the appropriate discount rate.

The reassessment of fair value by an independent valuer at the half year reporting date, 30 September 2024, resulted in a significant fair value adjustment increasing the level of contingent consideration by $32.1 million. The contingent consideration was not revalued as of the sale date of Being Consultants Limited (note 26), however based on share price movements of the Company, it is expected that the contingent consideration would have reduced significantly at that date. Accordingly, the contingent consideration movement for the period has been netted off against the gain on sale of Being Consultants Limited given that the cancellation of the contingent consideration agreement formed part of the sale of Being Consultants Limited.

4.4 Determining the lease term and incremental borrowing rate

In determining the lease term, judgement is required in determining whether it is reasonably certain that an extension option will be exercised. The Group considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend (note 16).

5. Revenue

	2025	2024
	NZ$000	NZ$000
Education services	2,945	2,126
Courier, business mail and logistics services	35,718	36,160
Filing solutions	2,104	2,123
Consultancy	226	-
Total revenue	**40,993**	**40,409**

The details above disaggregate the Group's revenue from contracts with customers into primary markets and major service lines. All revenue is generated in New Zealand.

6. Other income

	2025	2024
	NZ$000	NZ$000
Ministry of Education grant	321	113
Rent income received	135	-
Legal settlement	130	-
Callaghan innovation grant	89	-
Other income	96	22
	771	**135**

7. Expenses

The profit or loss for the year includes the following expenses:

	2025	2024
	NZ$000	NZ$000
Expenses relating to short term leases	(100)	(191)
Net foreign currency losses	(13)	(3)
Shareholder management fee	-	(400)
Depreciation and amortisation expenses		
Depreciation of property, plant and equipment (note 15)	(273)	(246)
Depreciation of right of use assets (note 16.1)	(541)	(491)
Amortisation of intangible assets (note 17)	(209)	(327)

Fees incurred for services provided by the auditor		
For the audit of the consolidated financial statements by the current auditor, William Buck	(90)	(85)
Other agreed-upon procedures engagements		
For tax advice - paid to previous auditor, BDO	-	(60)
For other accounting advice - paid to previous auditor, BDO	-	(67)
	-	(127)
Total fees incurred for services provided by the auditor	(90)	(212)

7.1 Labour related expenses

	2025	2024
	NZ$000	NZ$000
Salary and wages	(6,967)	(3,048)
Employer Kiwisaver contributions	(177)	(89)
Employee profit share	(383)	(235)
Share based payments (note 22)	(381)	-
	(7,908)	(3,372)

7.2 Finance costs

	2025	2024
	NZ$000	NZ$000
Interest expense on bank loans	(630)	(174)
Interest expense on related party loans	(388)	(298)
Interest expense on lease liabilities	(451)	(144)
	(1,469)	(616)

8. Segment information

Prior to the reverse acquisition on 28 March 2024, the Group provided courier, business mail and logistics services, filing solutions and education services. All of these services were provided in New Zealand. Following acquisitions and renaming on 28 March 2024, the Group embarked on a strategy to provide diversified artificial intelligence ('AI') and advanced technology related services.

All of these services are provided in New Zealand.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has identified its operating segments based on the internal reports reviewed and used by the Chief Operating Decision Maker ('CODM'), being the Board of Directors, in assessing the Group's performance and in determining the allocation of resources.

	2025					
	Courier, mail & logistics	**Filing solutions**	**Education services**	**AI customer solutions**	**Corporate / unallocated**	**Total**
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**	**NZ$000**	**NZ$000**
Total revenue	35,718	2,104	2,945	226	-	40,993
Operating EBITDA	3,764	944	48	(600)	(6,839)	(2,683)
Finance income	1	-	2	-	72	75
Finance costs	(56)	-	(436)	(14)	(963)	(1,469)
Depreciation and amortisation	(127)	(83)	(477)	(1)	(335)	(1,023)
Gain on disposal of subsidairy	-	-	-	696	110	806
Impairment of goodwill	-	(500)	-	(5,962)	-	(6,462)
Provision for impairment of term receivable	-	-	-	-	(1,100)	(1,100)
Impairment of investment in Tymestack.ai	-	-	-	(124)	-	(124)
Net profit/(loss) before taxation	3,582	361	(863)	(6,005)	(9,055)	(11,980)
Income tax benefit	146	9	(61)	-	369	463
Net profit/(loss) for the year	3,728	370	(924)	(6,005)	(8,686)	(11,517)

	2024					
	Courier, mail & logistics	**Filing solutions**	**Education services**	**AI customer solutions**	**Corporate / unallocated**	**Total**
	NZ$000	**NZ$000**	**NZ$000**	**NZ$000**	**NZ$000**	**NZ$000**
Total revenue	36,160	2,123	2,126	-	-	40,409
Operating EBITDA	3,704	789	(158)	-	(1,365)	2,970
Finance income	5	-	-	-	93	98
Finance costs	(39)	(2)	(248)	-	(327)	(616)
Depreciation and amortisation	(146)	(194)	(400)	-	(324)	(1,064)
Reverse acquisition - share based payment	-	-	-	-	(1,693)	(1,693)
Reverse listing expenses	-	-	-	-	(67)	(67)
Net profit/(loss) before taxation	3,524	593	(806)	-	(3,683)	(372)
Income tax expense	(889)	124	125	-	(57)	(697)
Net profit/(loss) for the year	2,635	717	(681)	-	(3,740)	(1,069)

	2025					
	Courier, mail & logistics	Filing solutions	Education services	AI customer solutions	Corporate / unallocated	Total
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Segment assets	7,646	(470)	4,393	80	9,926	21,575
Segment liabilities	(3,886)	(172)	(5,931)	-	(18,574)	(28,563)

	2024					
	Mail & courier	Filing solutions	Education services	AI customer solutions	Corporate / unallocated	Total
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Segment assets	7,793	2,228	12,052	10,883	4,356	37,312
Segment liabilities	(7,307)	(3,445)	(12,665)	(5,883)	(4,167)	(33,467)

The 'AI customer solutions' segment was previously named 'Consulting'. The segment was renamed to better describe the nature of its operations. There has been no reclassification of the operations that are included in this segment.

On 29 November 2024 the Group sold Being Consultants Limited and its consulting business (refer note 26), while retaining the agentic learning and agentic marketplace operations, all of which had made up the AI customer solutions segment. The sale of Being Consultants Limited has not been recognised separately as a discontinued operation because it did not represent a separate major line of business.

In May 2025 the Group divested of the education services group (note 35.1) and shut down its artificial intelligence initiatives, including Project Treehouse (note 35.2). Neither of these were treated as a disposal group in these financial statements because the Board's decisions for their sale and closure were only made after the reporting date. The goodwill allocated to the AI customer solutions cash-generating unit at 31 March 2025 was considered to be impaired at 31 March 2025 due to the decision, subsequent to the reporting date, to shut down this segment (note 17.1).

8.1 Information about major customers

For the year ended 31 March 2025 there were no customers who accounted for more than 10% of the Group's total sales (31 March 2024: one, value of sales to this customer: $6.53 million).

9. Taxation

9.1 Income tax expense

The analysis of income tax expense is as follows:

	2025	2024
Current income tax	**NZ$000**	**NZ$000**
Current tax charge	37	472
In respect of prior years	(84)	214
	(47)	686
Deferred tax expense/(benefit)	(416)	11
Income tax expense/(benefit)	**(463)**	**697**

9.2 Reconciliation of income tax expense

The charge for the year can be reconciled to the loss before tax as follows:

	2025	2024
	NZ$000	NZ$000
Profit/(loss) before income tax	(11,980)	(372)
Prima facie tax at 28% (2024: 28%)	(3,354)	(104)
Non-deductible expenses	1,809	885
Recognition of tax losses previously not recognised	-	(298)
Tax effect of tax losses not recognised	1,166	-
Adjustments recognised in the current year in relation to prior years	(84)	214
Income tax expense/(benefit)	**(463)**	**697**

9.3 Deferred tax

	Opening balance	Recognised in profit or loss	Closing balance
	NZ$000	NZ$000	NZ$000
2025			
Deferred tax assets/(liabilities) in relation to:			
Inventories	36	-	36
Provisions	-	308	308
Accrued expenses	187	1	188
Property, plant & equipment	(119)	119	-
Right-of-use assets	(2,220)	1,948	(272)
Lease liabilities	2,261	(1,959)	302
Other	6	(1)	5
	151	**416**	**567**

	Opening balance	Recognised in profit or loss	Closing balance
	NZ$000	NZ$000	NZ$000
2024			
Deferred tax assets/(liabilities) in relation to:			
Inventories	62	(26)	36
Accrued expenses	172	15	187
Property, plant & equipment	(100)	(19)	(119)
Right-of-use assets	(858)	(1,362)	(2,220)
Lease liabilities	879	1,382	2,261
Other	7	(1)	6
	162	**(11)**	**151**

9.4 Unrecognised tax losses

	2025	2024
	NZ$000	NZ$000
Tax losses		
Tax losses for which no deferred tax asset has been recognised	3,424	-

9.5 Imputation credits

	2025	2024
	NZ$000	NZ$000
Imputation credits available for use in subsequent periods	-	1,451

10. Distributions

	2025		2024	
	Share capital	Retained earnings	Share capital	Retained earnings
	NZ$000	NZ$000	NZ$000	NZ$000
Declared during the year				
Fully imputed dividend of 1.25 cents per share	-	-	-	536
Fully imputed dividend of 3.4 cents per share	-	-	-	1,465
	-	-	-	2,002
Share buy back and distribution. 9,147,523 shares acquired and cancelled at a price of 58.08 cents per share which includes a fully imputed dividend of 14.97 cents per cancelled share	-	-	3,943	1,370
	-	**-**	**3,943**	**3,371**

11. Earnings/(loss) per share

	2025	2024
Basic and diluted earnings/(loss) per share (NZ$)	(0.1144)	(0.0106)

The loss and weighted average number of ordinary shares used in the calculation of earnings per share are as follows:

	2025	2024
Profit/(loss) from continuing operations (NZ$000)	(11,517)	(1,069)
Weighted average number of ordinary shares used in the calculation of basic and diluted earnings/(loss) loss per share ('000)	186,570	100,713

On 6 September 2024 the Company undertook a 10 to 1 share consolidation (refer note 21). The earnings per share calculation for both the current and comparative periods reflects the impact of this share consolidation.

The 2.9 million share options on issue at the reporting date were not considered to be dilutive due to the Group's net loss (2024: none).

12. Cash and cash equivalents

	2025	2024
	NZ$000	NZ$000
Cash at bank	410	2,215
	410	**2,215**

13. Receivables and other current assets

	2025	2024
	NZ$000	NZ$000
Trade receivables	3,891	3,987
Prepayments	117	55
GST receivable	-	13
Other current assets	463	-
	4,471	**4,055**

The standard credit terms on sales are 20th of the month following invoice. Generally, no interest is charged on outstanding trade receivables but the Group reserves the right to charge interest on significantly overdue balances. Due to the short-term nature of current receivables, their carrying amount is considered to be the same as their fair value.

13.1 Allowance for expected credit loss

	2025	2024
	NZ$000	NZ$000
Reconciliation for allowance for expected credit losses		
Balance at the beginning of the year	(19)	(14)
Impairment losses recognised on receivables	(66)	(5)
Amounts written off as uncollectable	3	-
Balance at the end of the year	**(82)**	**(19)**

The Group's receivables aging is as follows:

NZ$000	Current	Less than 30 days past due	30 to 60 days past due	More than 60 days past due	Total
2025					
Trade receivables	3,512	358	26	77	3,973
Loss allowance	-	-	(5)	(77)	(82)
					3,891
2024					
Trade receivables	3,861	129	10	6	4,006
Loss allowance	-	-	(1)	(18)	(19)
					3,987

14. Inventories

	2025	2024
	NZ$000	NZ$000
Finished goods	511	1,217
	511	**1,217**

$8,818,277 of inventory was included as an expense in the net profit for the current year (2024: $8,319,904). In 2025, $3,292 of inventory was written down to net realisable value. $10,417 of that was as a reduction in provision and $7,125 was written off and scrapped (2024: $124,874 and $159,243 respectively).

15. Property, plant and equipment

	Plant & equipment	Office furniture & equipment	Buildings & improvements	Land	Total
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Cost:					
At 1 April 2023	**298**	**1,270**	**2,560**	**-**	**4,128**
Additions	-	66	1	-	**67**
Disposals	(36)	-	-	-	**(36)**
At 31 March 2024	**262**	**1,336**	**2,561**	**-**	**4,159**
Additions	34	143	17	-	194
Disposal of subsidiary (note 26)	-	(7)	-	-	(7)
Disposals	-	(14)	-	-	(14)
At 31 March 2025	**296**	**1,458**	**2,578**	**-**	**4,332**
Accumulated depreciation:					
At 1 April 2023	**(110)**	**(755)**	**(304)**	**-**	**(1,169)**
Depreciation expense	(26)	(111)	(109)	-	(246)
Disposals	1	-	-	-	1
At 31 March 2024	**(135)**	**(866)**	**(413)**	**-**	**(1,414)**
Depreciation expense	(24)	(120)	(129)	-	(273)
Disposals	-	-	-	-	-
At 31 March 2025	**(159)**	**(986)**	**(542)**	**-**	**(1,687)**
Carrying amount:					
At 31 March 2025	**137**	**472**	**2,036**	**-**	**2,645**
At 31 March 2024	127	470	2,148	-	2,745
At 1 April 2023	188	515	2,256	-	2,959

16. Leases

The Group leases premises and leasehold improvements to premises.

16.1 Right-of-use asset

	Leasehold improvements	Property	Total
	NZ$000	NZ$000	NZ$000
Cost:			
At 1 April 2023	**2,074**	**1,591**	**3,665**
Additions	5,276	75	5,351
At 31 March 2024	**7,350**	**1,666**	**9,016**
Additions	1	-	1
Modifications	(2,074)	-	(2,074)
At 31 March 2025	**5,277**	**1,666**	**6,943**
Accumulated depreciation:			
At 1 April 2023	**(466)**	**(133)**	**(599)**
Depreciation expense	(207)	(284)	(491)
At 31 March 2024	**(673)**	**(417)**	**(1,090)**
Depreciation expense	(264)	(277)	(541)
Modifications	674	-	674
At 31 March 2025	**(263)**	**(694)**	**(957)**
Carrying amount:			
At 31 March 2025	**5,014**	**972**	**5,986**
At 31 March 2024	6,677	1,249	7,926
At 1 April 2023	1,608	1,458	3,066

The average lease term is 16.4 years (2024: 13 years). The average IBR rate is 8.09% (2024: 7.11%).

16.2 Lease liabilities

	2025	2024
	NZ$000	NZ$000
Maturity analysis - contractual undiscounted cash flows		
Up to one year	786	1,006
One to two years	806	1,026
Two to five years	2,001	3,021
More than five years	8,905	10,071
Total undiscounted lease liabilities at reporting date	12,498	15,124
Less: future finance charges	(6,138)	(7,050)
Total discounted lease liabilities at reporting date	**6,360**	**8,074**

	2025	2024
	NZ$000	NZ$000
Lease liabilities included in the Consolidated Statement of Financial Position		
Current	285	450
Non-current	6,075	7,624
	6,360	**8,074**

17. Intangible assets

	2025	2024
	NZ$000	NZ$000
Goodwill - Being Consultants Limited	-	10,962
Goodwill - other entities	4,114	4,614
	4,114	15,576
Other intangible assets	1,469	1,405
	5,583	**16,981**

	Goodwill	Brands & trademarks	Customer relationships	Website	Total
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
Cost:					
At 1 April 2023	**4,614**	**2,451**	**2,098**	**-**	**9,163**
Business acquisition	10,962	15	-	29	**11,006**
At 31 March 2024	**15,576**	**2,466**	**2,098**	**29**	**20,169**
Additions	-	72	-	6	78
Business acquisition (note 27)	-	195	-	-	195
Eliminated on disposal of subsidiary (note 26)	(5,000)	-	-	-	(5,000)
At 31 March 2025	**10,576**	**2,733**	**2,098**	**35**	**15,442**
Accumulated depreciation:					
At 1 April 2023	**-**	**(1,048)**	**(1,813)**	**-**	**(2,861)**
Amortisation expense	-	(126)	(201)	-	(327)
At 31 March 2024	**-**	**(1,174)**	**(2,014)**	**-**	**(3,188)**
Amortisation expense	-	(116)	(82)	(11)	(209)
Impairment	(6,462)	-	-	-	(6,462)
At 31 March 2025	**(6,462)**	**(1,290)**	**(2,096)**	**(11)**	**(9,859)**
Carrying amount:					
At 31 March 2025	**4,114**	**1,443**	**2**	**24**	**5,583**
At 31 March 2024	15,576	1,292	84	29	16,981
At 1 April 2023	4,614	1,403	285	-	6,302

17.1 Impairment testing for cash-generating units containing goodwill and other intangibles with indefinite life

Goodwill and other intangibles with indefinite life are allocated to the following cash generating units for the purpose of impairment testing.

	2025	2024
	NZ$000	NZ$000
Goodwill		
AI customer solutions	-	10,962
Courier, business mail and logistics services	2,334	2,334
Filing solutions	1,780	2,280
	4,114	**15,576**
Other intangibles with indefinite life		
Courier, business mail and logistics services	776	776

The Directors have assessed the goodwill and the other intangibles with an indefinite life, for impairment as at the reporting date.

For impairment testing, cash flows were projected on actual operating results, the 12-month budget and multi-year forecasts reviewed and approved by the Board of Directors and based on the assumptions and methodologies detailed below.

AI customer solutions

$5.0 million of the goodwill in the AI customer solutions CGU related to consulting services and was disposed of during the year as part of the sale of BCL (note 26).

The remaining $6.0 million of goodwill in the AI customer solutions CGU related to the agentic learning operations. At the reporting date the Board was undertaking a strategic review of its operations and on 16 May 2025 the Board announced that it had decided to close Project Treehouse, BAI's artificial intelligence initiative (note 35.2). As a result of this decision, the Board concluded the goodwill allocated to the AI customer solutions CGU was impaired at the reporting date. A full impairment of the goodwill has been recognised reducing the recoverable value of the CGU to $80,000.

In 2024 the calculated value of the CGU was determined based on a value in use calculation using cash flow projections based on financial projections covering a five-year period and a pre-tax discount rate of 20.3% per annum. Solely for the purposes of this assessment, the anticipated annual revenue growth of the CGU was projected at 20% to 35% in the first five years with a terminal revenue increase of 7.5% per annum. Gross margin percentages were projected to grow and then remain consistent for the last four years of the period. Other operating costs were projected to increase by 25% in the first two years of the period and then remain consistent for the remaining periods projected.

Courier, business mail and logistics services

The calculated value of the cash generating unit is determined based on a value in use calculation using cash flow projections based on financial projections covering a five-year period and a pre-tax discount rate of 19.9% per annum (2024: 19.9%). Solely for the purposes of this assessment, anticipated annual revenue growth of the CGU has been projected as remaining constant for the five-year period and in the calculation of terminal value (2024: remaining constant). Gross margin percentages are also projected as remaining consistent throughout the period, and other operating costs to remain constant through the first four-year period and then decrease by 5% in the final year (2024: gross margin percentages remaining consistent throughout the period, and other operating costs decreasing by 15% in the first year, 9% in the second year and then remaining constant for the remaining three years projected).

The following adjustment to the key assumptions would individually reduce the NZM recoverable value to the level of its carrying value:

- a 53% reduction in the projected total revenue over the 5-year period
- a 122% increase in operating expenses over the 5-year period
- an increase in the pretax discount rate to 150%

Filing solutions

The calculated value of the cash generating unit is determined based on a value in use calculation using cash flow projections based on financial projections covering a five-year period and a pre-tax discount rate of 19.9% per annum (2024 19.9%). Solely for the purposes of this assessment, anticipated revenue of the CGU is projected to fall 2% annually for the five-year period and then remain constant with respect to the calculation of terminal value (2024: remaining constant for the five-year period and in the calculation of terminal value). Gross margin percentages are projected to remain consistent throughout the period at 62.4% (2024: remaining constant), and other operating costs are projected to remain constant and then decrease by 12.5% in FY30 (2024: decrease by 4% in the first year, 15% in the second year and to then remain constant for the remaining three years).

The recoverable value of the Filing solutions CGU was assessed as being $2.4 million. As a result of this analysis the Group recognised an impairment of $500,000 against the goodwill allocated to the Filing solutions CGU.

18. Trade payables and other current liabilities

	2025	2024
	NZ$000	NZ$000
Trade payables	4,018	3,249
Accruals	1,508	2,422
GST payable	142	40
Related party payables (note 32.3)	187	6,616
Unearned income	13	698
Other payables	3	-
PAYE Payable	-	55
Employee benefits	-	9
	5,871	**13,089**

The carrying amount of trade payables and other current liabilities are assumed to be the same as fair value due to the short-term nature of these amounts.

19. Borrowings

	Note	2025	2024
		NZ$000	NZ$000
Related party loans	19.1	7,631	5,888
Bank loans (secured)	19.2	8,526	-
Other borrowings		28	10
Total borrowings		**16,185**	**5,898**
Current		3,811	5,897
Non-current		12,374	1
		16,185	**5,898**

All borrowings are denominated in NZD.

19.1 Related party loans

	2025	2024
	NZ$000	NZ$000
Balance at 1 April	5,888	4,425
Proceeds from loans	17,824	3,069
Repayment of loans	(16,081)	(1,606)
Balance at 31 March	**7,631**	**5,888**

The related party loans are with the related parties in the table below.

	2025	2024
	NZ$000	NZ$000
Wilshire Treasury Limited	7,631	5,648
Te Turanga Ukaipo Charitable Trust	-	240
Total related party loans	**7,631**	**5,888**

The full $7.63 million of the related party loan from Wilshire Treasury Limited is payable by Send Global (31 March 2024: $3.51 million payable by Send Global, $1.75 million payable by AGE and $382,000 is payable by Being Consultants). The loan is repayable on 1 April 2026. Interest is charged at the current ANZ Bank business overdraft rate. The loan is secured by a general security agreement granted by Send Global to Wilshire Treasury Limited and by a guarantee from AGE.

Details of the loan facilities at 31 March 2024 were as follows:

- the $1.75 million payable by AGE to Wilshire Treasury Limited could be terminated on three months' notice. The loan was unsecured but Wilshire Treasury Limited was entitled to register a PPSR charge over AGE to secure the loan. AGE had agreed to allow its assets to be charged by the ANZ Bank as security for a banking facility provided by ANZ Bank to Wilshire Treasury Limited and others if requested. Interest was charged at a 0.10% margin above the Wilshire Treasury Limited borrowing rate from the ANZ Bank;
- the $382,000 loan payable by Being Consultants to Wilshire Treasury Limited was secured by a first ranking general security agreement over Being Consultants' present and after acquired personal property. The loan was repayable on demand and incurred interest at a rate equal to the aggregate of the ANZ Bank 90 Day Bank Bill Rate plus a margin of 2.75% per annum;
- the $3.51 million loan payable by Send Global to Wilshire Treasury Limited was for a one-year term to 26 March 2025. Interest was charged at the current ANZ Bank business overdraft rate. The loan

was secured by a general security agreement granted by Send Global to Wilshire Treasury Limited and by a guarantee from AGE;

- the related party loan payable to the Te Turanga Ukaipo Charitable Trust was unsecured and payable on demand. No interest was charged on this loan.

The weighted average interest rates on the related party loans during the period was 5.93% (2024: 8.29%).

19.2 Bank loans

	2025	2024
	NZ$000	**NZ$000**
Balance at 1 April	-	-
Proceeds from loans	11,000	5,700
Repayment of loans	(2,474)	(5,700)
Balance at 31 March	**8,526**	**-**

Send Global Limited and New Zealand Mail Limited have entered into new facility agreements with ANZ Bank. The new agreements provide:

- a $2 million commercial flexi facility reducing to $1,000,000 on 30 September 2025. The facility is repayable on demand. Interest is payable at the ANZ commercial flexi facility floating rate plus a 0.44% margin;
- a $5.5 million term facility which has a three-year term to 31 March 2027. The facility is to be drawn down in tranches with fixed interest for the fixed period of each tranche at the applicable BKBM rate for that fixed period plus a 2.65% margin. The facility was fully drawn down in April 2024;
- a $3 million term facility which is repayable on 30 September 2025. Interest is fixed for the period of each the loan at the applicable BKBM rate for that fixed period plus a 2.65% margin; and
- two financial guarantee facilities totalling $975,596.

The new facilities are secured by:

- unlimited guarantees and indemnities provided by Wilshire Holdings Limited and St Johns Trust Limited covering the obligations of Send Global Limited, New Zealand Mail Limited and Filecorp NZ Limited;
- a cross guarantee and indemnity provided by Send Global Limited, Filecorp NZ Limited and New Zealand Mail Limited;
- general security agreements provided by Send Global and New Zealand Mail Limited; and
- a deed of postponement (postponing their debt to Send Global Limited) provided by Wilshire Holdings Limited.

The weighted average interest rates on the bank loans during the year was 7.34% (2024: 8.32%).

20. Contingent consideration

	2025	2024
	NZ$000	NZ$000
Balance at 1 April	5,600	-
Recognised on acquisition of subsidiaries	-	5,600
Cancellation on sale of BCL (note 26)	(5,600)	-
	-	**5,600**

On 28 March 2024 the Company acquired 100% of the issued share capital of Being Consultants and its 100% owned subsidiaries, Being Labs Limited and Being Ventures Limited. The Company paid an initial $5 million to acquire the shares in Being Consultants plus contingent consideration with an assessed fair value at acquisition date of $5.6 million.

Under NZ IFRS the contingent consideration is required to be measured at fair value through profit and loss ('FVTPL') with any movements in the fair value being included in the net profit or loss.

The contingent consideration was subject to the Company achieving certain share price milestones post-acquisition. The valuation of the contingent consideration takes into account the likelihood of the share price milestones being achieved, discounted at an appropriate rate.

The contingent consideration was valued at acquisition date and subsequently at 30 September 2024 by a qualified independent valuer. At 30 September 2024 the contingent consideration liability was valued at $37.73 million resulting in a $32.13 million fair value adjustment which was included in the net loss reported in the Group's interim financial statements. The valuations included assumptions about the future share price of the Company's listed shares.

On 29 November 2024 the Company sold its investment in Being Consultants (note 26) and the contingent consideration liability was cancelled as part of the sale. The contingent consideration was revalued based on an external revaluation for the half year result (six months to 30 September 2024) which resulted in a significant rise of $32.1 million to the liability. The contingent consideration was not revalued up to the date of the sale of Being Consultants Ltd, however based on share price movements in the intervening period, management believe the movement from 1 April 2024 to 29 November 2024 would have been significantly less than the half year movement recorded. The values allocated to the actual consideration on the sale of Being Consultants Limited were determined between two informed parties who understood the future potential of the specific operations involved. As a result, the Board has reversed the valuation at 30 September 2024 when recognising the gain on sale of Being Consultants Limited.

21. Share capital

	2025	2024
	NZ$000	NZ$000
At 1 April	6,632	3,944
Ordinary shares issued	342	-
Less: share issue costs	(50)	-
Share buyback	-	(3,943)
Shares issued on reverse acquisition (notes 29)	-	1,631
Shares issued on business acquisition	-	5,000
At 31 March	**6,924**	**6,632**

The table below details the movement in ordinary shares issued by the Company.

	2025	2024
	'000	'000
Ordinary shares as at 1 April	1,868,019	19,149
10 for 1 share consolidation	(1,681,217)	-
Ordinary shares issued	570	-
Ordinary shares issued pre reverse acquisition	-	2,350
Shares issued to Excalibur Partners Limited to settle debt	-	30,720
Shares issued to directors to settle outstanding directors fees due	-	15,800
Shares issued on reverse acquisition (note 29)	-	1,600,000
Shares issued on business acquisition	-	200,000
Ordinary shares as at 31 March	**187,372**	**1,868,019**

On 6 September 2024 the Company undertook a share consolidation of 10 shares into 1.

On 30 September 2024 the Company issued 477,711 new fully paid ordinary shares at an issue price of $0.60 per share.

On 18 October 2024 the Company issued 92,314 new fully paid ordinary shares at an issue price of $0.60 per share.

All ordinary shares on issue are fully paid, have equal voting rights, and share equally in dividends and any surplus on winding up.

22. Share based payments reserve

	2025	2024
	NZ$000	NZ$000
Balance as at 1 April		
Share options issued	472	-
Share options forfeited	(80)	-
Balance as at 31 March	**392**	**-**
Share based payments are included in:		
Employee benefit expense	381	-
Consultant expenses	11	-
	392	**-**

23. Share options

The Company has a share option scheme for selected directors, employees and consultants of the Company and its subsidiaries to purchase ordinary shares in the Company.

	2025		2024	
	Number of Options	**Weighted average exercise price**	**Number of Options**	**Weighted average exercise price**
Balance as at 1 April	-	-	-	-
Granted during the year	4,937,000	$0.383	-	-
Forfeited during the year	(2,000,000)	$0.318	-	-
Balance as at 31 March	**2,937,000**	**$0.427**	-	-
Exercisable at 31 March	-	-	-	-

On 6 September 2024 the Company undertook a share consolidation of 10 shares into 1 (note 21). This resulted in a corresponding consolidation of 10 share options into 1. The number of options issued and the weighted average exercise price shown in the table above, have been adjusted to reflect the impact of the share consolidation.

Each share options converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry no rights to dividends and no voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

Subject to continued employment, most option holders will be able to exercise one fifth of the options granted to them on each anniversary of the date of issue for five consecutive years. The exercise periods for these vested options expire five years after the relevant vesting date.

For 200,000 of the options issued on 25 September 2024, one quarter of the options granted to the option holder were able to be exercised on each anniversary of the date of their issue for four consecutive years. These options expired four years from the relevant vesting date. The option holder has ceased employment with the Group and these options have expired.

The weighted average contractual life of the share options outstanding at 31 March 2025 was 7.2 years.

23.1 Fair value of share options granted in the period

The fair values of the share options granted during the period (fair values adjusted to reflect the 10 to 1 share consolidation) are:

Options granted 27 May 2024

		Fair value per option	
	Vesting date	**$0.25 strike price**	**$0.90 strike price**
Number of options granted (adjusted for 10 to 1 share consolidation)		3.61m	0.63m
		$	**$**
Tranche 1	27 May 25	0.600	0.390
Tranche 2	27 May 26	0.600	0.410
Tranche 3	27 May 27	0.610	0.420
Tranche 4	27 May 28	0.620	0.430
Tranche 5	27 May 29	0.620	0.440

Options granted 25 September 2024

	Vesting date	Fair value per option Vesting over 5 years	Fair value per option Vesting over 4 years
Strike price		$0.60	$0.60
Number of options granted		0.5m	0.2m
		$	**$**
Tranche 1	25 Sept 25	0.500	0.463
Tranche 2	25 Sept 26	0.491	0.455
Tranche 3	25 Sept 27	0.482	0.446
Tranche 4	25 Sept 28	0.473	0.438
Tranche 5	25 Sept 29	0.464	

Options were valued using the Black-Scholes option pricing model. The key inputs used in valuing the options (adjusted to reflect the impact of the 10 to 1 share consolidation) are detailed in the table below.

Options granted		
Grant date	27 May 24	25 Sept 24
Options granted (adjusted for share consolidation)	4,237,000	700,000
Share price at grant date	$0.74	$0.67
Grant date one month VWAP	$0.78	$0.74
Exercise price	$0.25 or $0.90	$0.60
Expected volatility	0.75-0.65	0.75-0.65
Option life (from vesting date)	5 years	4 or 5 years
Dividend yield	0%	0%
Average risk free interest rate	4.61% - 4.79%	3.76% - 4.19%
Discount for illiquidity	15%	15%

24. Financial instruments

24.1 Classes and categories of financial instruments

The Group has entered into a number of non-derivative financial instruments. The Group does not have any derivative financial instruments (2024: nil).

The carrying values of financial assets and financial liabilities measured at amortised costs are detailed in the table below. The carrying values of these items approximate their fair value and represent the maximum exposures for each type of financial instrument.

	Note	2025 NZ$000	2024 NZ$000
Financial assets at amortised cost			
Cash and cash equivalents	12	410	2,215
Receivables and other current assets	13	4,354	3,987
Total financial assets		**4,764**	**6,202**

		2025	2024
		NZ$000	NZ$000
Financial liabilities at amortised cost			
Trade payables and other current liabilities	18	5,729	12,994
Borrowings - current	19	3,811	5,897
Borrowings - non current	19	12,374	1
Lease liabilities - current	16.2	285	450
Lease liabilities - non current	16.2	6,075	7,624
Total financial liabilities		**28,274**	**26,966**
Financial liabilities at FVTPL			
Contingent consideration - non current	20	-	5,600
		-	**5,600**

The contingent consideration financial liability represents the fair value of the outstanding consideration to be paid for the acquisition of Being Consultants. The fair value at 31 March 2024 was determined by an independent valuer. The future contingent consideration payable was calculated using probability adjusted potential future share prices. The contingent consideration value at various target share prices was combined with the probability to give a probability weighted value which is then discounted back to the valuation at the reporting date. Key inputs to the 31 March 2024 valuation model included:

- volatility over a 2-year period of 75% based on a range of small cap ASX and Nasdaq listed IT and software businesses. The higher the volatility, the higher the fair value. If the volatility was 5% higher/lower while all other variables were held constant, the carrying amount would increase/ decrease by $280,000;
- a discount rate of 22.5% per annum which is based off the mid-point of a range of discount rates from four international studies into the expected rates of return required by venture capitalist investors for “Bridge/IPO” funding rounds. The higher the discount, the lower the fair value. If the discount was 1% higher/lower while all other variables were held constant, the carrying amount would decrease/increase by $130,000; and
- a share price of 2.5 cent at acquisition date. At that date the Company’s shares had been suspending since 11 December 2023 pending the successful completion of the reversion acquisition transactions (the suspension was lifted on the first day of NZX trading following the successful approval of the reverse acquisition transactions). The valuation considered the 2.5 cent share price used in all the reverse acquisition related transactions as the best estimate of the current share price to be used in the valuation. A 1 cent lower current share price (at 1.5 cents instead of 2.5 cents) would decrease the value of the contingent consideration by $3.2 million (to $2.4 million) while a 1 cent higher share price (using 3.5 cents as the current price) would increase the value by $3.95 million (to $9.56 million).

The fair value calculation was considered to be level 3 on the fair value hierarchy because it relied on the key unobservable inputs noted above.

The contingent consideration was settled as part of the sale of Being Consultants (note 26).

24.2 Financial risk management objectives

The Group’s activities expose it to a variety of financial risks: market risk (including interest rate risk and currency risk), credit and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Risk management is carried out under policies approved by the Board of Directors.

24.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control the market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk is the risk that the fair value of the financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The Group's interest rate risk exposure primarily relates to its exposure to variable interest rates on borrowings. The interest rate risk exposure is currently not material enough to warrant the use of interest rate swap contracts.

For the year ended 31 March 2025, a 1% variance in the borrowing interest rates throughout the year, with all other variables remaining constant, would have had a $49,000 impact on the annual interest expense payable on bank loans (2024: $18,000) and $21,000 impact on the annual interest expense payable on related party loans (2024: $12,000).

24.4 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as and when the fall due. The Group's liquidity risk management includes maintaining sufficient cash reserves to meet future commitments.

The following table provides a maturity analysis of the Group's non-derivative financial liabilities. Contractual cash flows include contractual undiscounted principal and interest payments. The borrowings contractual cash flows do not include interest payable because the Group's ability to repay the loans is flexible and the timing of repayments will impact on the amount of interest incurred.

	Carrying amount	Contractual cash flows	0-6 months	6-12 months	1-2 years	2-5 years	5+ years
	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000	NZ$000
As at 31 March 2025							
Trade and other payables	5,729	5,729	5,729	-	-	-	-
Borrowings	16,185	16,182	2,300	1,500	12,381	-	-
Lease liability	6,360	12,498	391	395	806	2,001	8,905
	28,274	**34,409**	**8,420**	**1,895**	**13,187**	**2,001**	**8,905**
As at 31 March 2024							
Trade and other payables	12,994	12,994	12,994	-	-	-	-
Borrowings	5,898	5,898	-	5,897	1	-	-
Lease liability	8,074	14,883	503	503	1,026	3,020	9,831
Contingent consideration	5,600	-	-	-	-	5,600	-
	32,566	**33,775**	**13,497**	**6,400**	**1,027**	**8,620**	**9,831**

The Group's remaining operating businesses, following this divestment of the education group and closure of Project Treehouse, continue to generate positive cash flows and are forecasts to meet all future debt amortisation obligations.

24.5 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises from cash and cash equivalents, and the Group's receivables from customers. The Group's maximum credit risk is represented by the carrying value of these financial assets.

The credit risk associated with cash transactions and deposits is managed through the Group's policies that limit the use of counterparties to high credit quality financial institutions.

The Group minimises concentrations of credit risk in receivables by undertaking transactions with a large number of customers. In addition, receivable balances are monitored on an ongoing basis with the objective that the Group's exposure to expected credit losses is minimised.

24.6 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity.

The capital structure of the Group consists of equity, comprising issued capital and retained earnings, and debt. The Group reviews the capital structure on a regular basis to ensure that entities in the Group are able to continue as going concerns and to fund its growth strategy.

25. Subsidiaries

		Ownership interest held by Group at 31 March	
Name of subsidiary	**Principal activity**	**2025**	**2024**
Send Global Limited	Courier, business mail & logistics services	100%	100%
New Zealand Mail Limited	Courier, business mail & logistics services	100%	100%
Filecorp NZ Limited	Filing solutions	100%	100%
G3 Property Holdings Limited	Property management	100%	100%
Send New Zealand Limited	Non trading	100%	100%
Pete's Post Limited	Non trading	100%	100%
Being Bidco Limited	Non trading	100%	100%
Being Holdco Limited	Non trading	100%	-
Being US Limited	Non trading	100%	-
AGE Limited	Education	100%	100%
Being Educated Limited	Non trading	100%	-
Being Education GP Limited	Non trading	100%	-
Manawaroa GP Limited	Non trading	100%	-
Fingerprint IP Limited	Non trading	100%	-
Treehouse Technologies Limited	Non trading	100%	-
Being Consultants Limited	Professional services	-	100%
Being Ventures Limited	Investment	-	100%
Being Labs Limited	Development of AI initiatives	-	100%

All subsidiaries are domiciled in New Zealand, with the exception of Being US Limited which is incorporated in the United States. All subsidiaries have a balance date of 31 March.

26. Sale of Being Consultants Limited

On 29 November 2024 the Company sold Being Consultants Limited, including its wholly owned subsidiaries Being Labs Limited and Being Ventures Limited, back to 2384 Limited Partnership ('2384 LP'), the original vendor from whom the Company purchased Being Consultants Limited (and Being Labs Limited and Being Ventures Limited) on 28 March 2024.

In consideration for the purchase of Being Consultants Limited, 2384 LP agreed to cancel the outstanding contingent consideration it was due (note 20).

Under the agreement the Group agreed to:

- assign to 2384 LP the $737,000 owed to the Group by Being Consultants;
- pay the outstanding salary and annual leave entitlements of the three Being Consultant employees; and
- pay a reimbursement of $115,000 to Being Consultants for future entitlements of the Being Consultants employees.

2384 LP is an entity controlled by David McDonald (refer note 32.3).

	NZ$000
Net assets disposed of:	
Cash	60
Other receivables	29
Property, plant and equipment	7
Goodwill	5,000
Intercompany payables due from BCL to BAI Group	(1,126)
Trade and other payables	(28)
Net assets disposed of	**3,942**
Gain on disposal	806
Total consideration	**4,748**
Satisfied by:	
Cancellation of contingent consideration liability	5,600
Assignment of intercompany payables due from BCL to BAI Group	(737)
Reimbursement for future entitlements of the BCL employees	(115)
Total consideration	**4,748**
Net cash outflows on disposal	
Reimbursement for future entitlements of the BCL employees	(115)
Cash balance disposed of	(60)
	(175)

27. Business acquisition

27.1 Villa Education Trust

On 12 April 2024 AGE acquired the education business assets of Villa Education Trust ('VET') which comprise:

- the Mt Hobson Academy, an online learning platform that provides quality teaching and learning, positive learning focused relationships and an engaging Project Based Curriculum for Years 1-10 and follows the National Certificate of Educational Achievement (NCEA) pathway for Years 11-13;
- the rights to manage two Special Character Schools, one located in West Auckland, and one in South Auckland;
- the informal management arrangements in respect of the Mt Hobson campus located in Kaitaia; and
- the intellectual property rights of the project-based curriculum owned by VET.

The acquisition supports the Company to expand the Being Education division, and to actively integrate advanced technologies into Being's online and traditional school environments.

The total purchase price for the acquisition was $200,000.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below.

	NZ$000
Net assets acquired at fair value:	
Property, plant and equipment	5
Brands and trademarks	195
Net assets acquired	**200**
Satisfied by:	
Cash	200
Total consideration	**200**

The cash paid for the acquisition was funded from available cash balances.

VET contributed $977,000 of revenue and $1,142,000 expenses to the Group's net loss for the period between the date of acquisition and the reporting date.

28. Investment in Tymestack.ai Pty Limited

	2025
	NZ$000
Balance at 1 April	-
Investment in Tymestack	249
Share of loss	(125)
Impairment of investment in Tymestack	(124)
	-

On 8 June 2024 Being AI entered into agreements to coinvest in a new AI startup, Tymestack.ai Pty Limited ("Tymestack"), an Australian company headquartered in Melbourne, Australia. Tymestack offers a unique approach to an AI-driven price optimisation engine that reduces and even eliminates gross margin losses in retail price markdowns while simultaneously accelerating sales and reducing waste.

Being AI subscribed for new shares in Tymestack, representing 50% of the total shares on issue. The aggregate cost of the investment, and total issue price for the shares, was AUD1.5 million. The consideration for the investment was to be paid over time by Being AI contributing a combination of cash and providing supporting services to Tymestack as the new business requires.

Tymestack was initially recognised as an associate and the Group's share of its results were included in the Group's consolidated results on an equity accounting basis.

On 31 October 2024 the parties agreed a variation to the original agreements in which the Group's investment in Tymestack was changed to a 10% shareholding with no further obligation to provide additional funding or services to Tymestack.

The Group subsequently recognised a full impairment of its investment due to the level of uncertainty of Tymestack securing sufficient funding to enable completion of the development of the AI-driven price optimisation engine and a successful market launch, and to fund the ongoing operational costs until the company becomes cash flow self-sufficient.

29. Prior period disclosure - listing expense – share-based payment

In the prior reporting period, the Company entered into a reverse listing transaction in respect of Being Consultants, Being Ventures, Being Labs, Send Global and AGE (together the Being AI Group) in which the Company acquired 100% of the shares of the already operating entities for total consideration of $45 million upfront plus further contingent consideration, as detailed below:

- an initial $5 million to acquire the shares in Being Consultants plus contingent consideration with an assessed fair value at acquisition date of $5.6 million. The contingent consideration was subject to the Company achieving certain share price milestones post-acquisition;
- $25 million to acquire the shares in Send Global; and
- $15 million to acquire the shares in AGE.

To satisfy the upfront payment of the initial $45 million purchase price, the Company issued 1,800,000,000 fully paid ordinary shares at an issue price of $0.025 per share to the vendors or their nominees.

The appropriate accounting treatment for recognising the new Group structure was to treat Send Global, which is the largest business in the Group, as the accounting acquirer of Being AI. This reverse acquisition of Being AI did not represent a business combination in accordance with NZ IFRS 3 *Business Combinations* because Being AI did not constitute 'a business', as it was a listed dormant and non-operating entity. The Board of Directors therefore accounted for the reverse acquisition as a share-based payment transaction, as an issue of shares, in accordance with NZ IFRS 2 *Share-based Payments*.

The share-based payment for Send Global's acquisition of Being AI was valued at the date of the reverse acquisition with reference to the fair value of equity instruments on issue by the Company. The share-based payment has been expensed as a listing cost.

The financial impact of the reverse acquisition of Being AI and the resulting share-based payment, is summarised as follows:

	NZ$000
The share based payment on acquisition was:	
Consideration	1,631
Fair value of net liabilities acquired (see below)	62
Share based payment on acquisition	**1,693**

Net assets / (liabilities) acquired:	
Cash and cash equivalents	17
Trade receivables and other current assets	38
Term deposit	22
Trade and other payables	(51)
Borrowings	(88)
Net liabilities acquired	**(62)**

The difference between the consideration and net liabilities acquired is accounted for as a share-based payment of $1.693 million and included in the net loss for the 2024 year.

30. Reconciliation of profit or loss after taxation with cash flow from operating activities

	2025	2024
	NZ$000	NZ$000
Net loss after taxation	**(11,517)**	**(1,069)**
Adjustments for:		
Finance income	(75)	(98)
Share base payments	392	1,693
Depreciation on property, plant and equipment	276	246
Depreciation on right of use assets	541	491
Amortisation of intangible assets	208	327
Gain on disposal of subsidiary	(806)	-
Impairment of goodwill in BCL	6,462	-
Impairment of term receivable	1,100	-
Share of net loss of Tymestack.ai	125	-
Impairment of investment in Tymestack.ai	124	-
Interest paid on borrowings	630	174
Interest paid on lease liabilities	451	145
Interest paid on related party borrowings	388	298
Movement in deferred tax	(416)	11
Gain on disposal of property plant and equipment	-	(1)
Movements in working capital		
(Increase) / decrease in receivables and other current assets	(416)	1,421
(Increase) / decrease in inventory	706	5,092
(Increase) / decrease in bond	(502)	-
Increase / (decrease) in trade payables and other current liabilities	(7,218)	(1,506)
Increase / (decrease) in student bonds	(15)	70
(Increase) / decrease in tax benefit	(644)	758
Movement in working capital due to disposal of subsidiary	389	-
Movement in other current liabilities related to financing activities	6,554	(6,581)
Movement in working capital due to reverse listing transaction	-	(33)
Net cash received from operating activities	**(3,263)**	**1,438**

31. Reconciliation of liabilities arising from financing activities

	2025	2024
	NZ$000	NZ$000
Borrowings:		
At 1 April	5,898	4,443
Cash:		
Proceeds from borrowings	29,384	8,299
Interest paid on borrowings	(981)	(375)
Payment of principal on borrowings	(19,136)	(7,545)
Borrowings on acquisition of subsidiary	-	382
Borrowings on reverse listing transaction	-	88
Non-cash:		
Interest accrued on borrowings	1,020	606
At 31 March	**16,185**	**5,898**

	2025	2024
	NZ$000	NZ$000
Lease liabilities:		
At 1 April	8,074	3,141
Cash:		
Payment of lease liabilities principal	(315)	(420)
Interest paid on lease liabilities	(451)	(144)
Non-cash:		
Lease liabilities recognised	1	5,276
Lease modifications	(1,400)	75
Interest on lease liabilities	451	146
At 31 March	**6,360**	**8,074**

32. Related parties

32.1 Directors

During the year the following were directors of the Company:

	Appointed	Resigned
Katherine Allsopp-Smith	28 March 2024	
Evan Christian (as an alternate for K Allsopp-Smith)	28 March 2024	
Gregory Cross	31 March 2025	
Paul Forno	7 March 2025	
Roger Gower	3 July 2020	30 October 2024
Andrew Higgs	30 October 2024	31 January 2025
Joe Jensen	28 March 2024	30 October 2024
Sean Joyce	3 July 2020	23 October 2024
David McDonald	28 March 2024	7 March 2025
Brett O'Riley	30 October 2024	31 January 2025
Stephen Phillips	31 March 2025	
Michael Stiassny	31 March 2025	

32.2 Key management personnel compensation

Key management personnel are the Directors, the Chief Executive Officer and members of the executive leadership team.

Key management personnel compensation is set out below.

	2025	2024
	NZ$000	**NZ$000**
Short term employee benefits - directors	1,255	-
Short term benefits - directors' fees	76	-
Short term benefits - consulting fees	103	-
Share-based payments - directors	261	-
Short term employee benefits - key management employees	2,131	1,740
Share-based payments - key management employees	146	-
	3,972	**1,740**

32.3 Related party transactions and balances

In 2025 the Group had the following transactions with related parties:

David McDonald (CEO and executive director),

David McDonald received remuneration as CEO of the BAI group of $415,000 (2024: nil).

On 29 November 2024 the Company entered into a share sale and purchase agreement to sell Being Consultants Limited back to 2384 Limited Partnership ('2384 LP'), the original vendor from whom the Company purchased Being Consultants (note 26). 2384 Limited Partnership ('2384 LP') is an entity controlled by David McDonald.

The contingent consideration liability (note 20) was due to 2384 LP on the achievement of certain milestones. The liability was cancelled as part of the sale of Being Consultants.

2024

2384 LP held 100% of the shares in Being Consultants prior to the reverse acquisition. As part of the reverse acquisition, 2384 LP received 200,000,000 ordinary shares in Being AI plus an entitlement to the contingent consideration detailed in note 24, in exchange for its shareholding in Being Consultants. The

$5.6 million contingent consideration liability at the reporting date is due to 2384 LP on the achievement of the milestones.

Katherine Allsopp-Smith (executive director) and Evan Christian (executive alternate director)

Katherine Allsopp-Smith and Evan Christian each received a salary of $125,000 for the provision of executive management services (2024: nil).

2061 Limited Partnership ('2061 LP'), an entity controlled by Katherine Allsopp-Smith and Evan Christian. The Group had $187,000 payable to 2061 LP at the reporting date (note 18) for Katherine Allsopp-Smith's and Evan Christian's remuneration. At 31 March 2024 the Group had $6.6 million payable to 2061 LP which related to distributions made during the 2024 year. This payable was settled in April 2024.

At the reporting date the Group had a related party loan of $7.6 million from Wilshire Treasury Limited (note 19.1) (2024: $5.6 million). Wilshire Treasury Limited is 100% owned by the Christian Family Trust Limited which is controlled by Katherine Allsopp-Smith and Evan Christian. Evan Christian is the sole director of Wilshire Treasury Limited. The Group was charged $388,000 in interest by Wilshire Treasury Limited in 2025 (2024: $298,164).

2061 LP purchased 83,333 ordinary shares in the Company at $0.60 per share under the Company's share purchase plan in September 2024.

<u>2024</u>
2061 LP held 100% of the shares in Send Global and 87% of the shares in AGE prior to the reverse acquisition on 28 March 2024. As part of the reverse acquisition, 2061 LP received 1,520,000,000 ordinary shares in Being AI in exchange for its shareholding in Send Global and AGE. 2061 LP is the majority shareholder of Being AI.

During the year the Group paid $400,000 to 2061 LP for management services provided during 2024 and 2023.

The Group has a loan of $240,000 payable to the Te Turanga Ukaipo Charitable Trust (note 19.1). Katherine Allsopp-Smith and Evan Christian are trustees of the Te Turanga Ukaipo Charitable Trust. Te Turanga Ukaipo Charitable Trust is a substantial shareholder of Being AI. No interest is charged on this loan.

Sean Joyce (executive director)

During the year Sean Joyce received a salary of $125,000 for the provision of executive management services (2024: nil).

Sean Joyce is the sole director and shareholder of Excalibur Capital Partners Limited ('Excalibur'). Excalibur is a substantial product holder of Being AI.

In December 2023, and prior to the reverse listing on 28 March 2024, the Group provided a loan of $2.0 million to Excalibur to acquire shares in AGE Limited. The $2.0 million less a $1.1 million provision for impairment is recognised as a term receivable in the Consolidated Statement of Financial Position. The loan has a five-year term, is interest free and is secured over the shares held by Excalibur. The Company will seek full recovery of the term receivable but has reduced the carrying value of the term receivable by way of provision amounting to $1.1 million, therefore reducing the balance to the value of its security. This provision is reflected in the result for the year to 31 March 2025 (2024 - nil provision).

Excalibur purchased 16,666 ordinary shares in the Company at $0.60 per share under the Company's share purchase plan in September 2024.

2024
Excalibur held 13% of the shares in AGE at the date of the reverse acquisition on 28 March 2024. As part of the reverse acquisition, Excalibur received 80,000,000 ordinary shares in Being AI in exchange for its shareholding in AGE.

At the date of the reverse acquisition, Being AI owed $768,000 to Excalibur. 30,720,000 ordinary shares in Being AI were issued to Excalibur to settle this debt as part of the reverse acquisition transactions.

At the date of the reverse acquisition, Being AI owed $75,000 to Sean Joyce in directors fees. This outstanding balance was settled through the issue of 3,000,000 ordinary shares in Being AI.

Roger Gower (independent director)
Roger Gower purchased 5,000 ordinary shares in the Company at $0.60 per share under the Company's share purchase plan in September 2024.

2024
At the date of the reverse acquisition, Being AI owed $75,000 to Roger Gower in directors fees. This outstanding balance was settled through the issue of 3,000,000 ordinary shares in Being AI.

Paul Forno (executive director),
Paul Forno received executive remuneration of $421,000.

During the year Paul Forno was granted 1.51 million share options.

Brett O'Riley (independent director),
During the year Brett O'Reilly received $52,800 in fees for consulting services provided to the Group.

Andrew Higgs (independent director),
During the year Andrew Higgs received $49,800 in fees for consulting services provided to the Group.

33. Contingent liabilities
The Group has provided an unconditional bank guarantee for $780,000 (2024: $780,000), to secure the payment of charges from New Zealand Post in respect of certain mail services.

There are no contingent liabilities as at 31 March 2025 other than noted above or disclosed elsewhere in these financial statements (2024: nil).

34. Commitments
There were no commitments for capital expenditure at the reporting date (2024: nil).

35. Events subsequent to reporting date

35.1 Sale of AGE

On 2 May 2025 the Company announced it had entered into an agreement to divest its education group. The transaction eliminated debt of approximately $3.9 million due to Wilshire Treasury, and related trading liabilities.

The sale of AGE will result in a gain on sale of $1.6 million which will be reflected in the financial statements for the year ending 31 March 2026.

35.2 Wind down of Project Treehouse

On 16 May 2025 the Board announced that it had decided to close Project Treehouse, BAI's artificial intelligence initiative. Related to the closure of the project, the Board announced that BAI Group's Chief Executive Officer, David McDonald, its Chief Technology Officer and two staff members who were all supporting Project Treehouse, had resigned. In connection with the resignations, the Company has agreed with 2384 Limited Partnership, an entity associated with David McDonald, that 11,900,000 of the Company's shares held by that entity will be subject to a share buyback by BAI for nil consideration.

With the full impairment of goodwill as at 31 March 2025 there were no material assets left in the segment at the time of closure and accordingly no loss or gain resulting from the closure.

William Buck
ACCOUNTANTS & ADVISORS

Independent auditor's report to the shareholders of Being AI Limited

Report on the audit of the consolidated financial statements

Qualified opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* section of our report, the accompanying consolidated financial statements of Being AI Limited (the Company) and its subsidiaries (the Group), present fairly, in all material respects:

— the consolidated financial position of the Group as at 31 March 2025, and

— its consolidated financial performance and its cash flows for the year then ended

in accordance with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and International Financial Reporting Standards (IFRS).

What was audited?

We have audited the consolidated financial statements of the Group, which comprise:

— the consolidated statement of financial position as at 31 March 2025,

— the consolidated statement of profit or loss and other comprehensive income for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended, and

— notes to the consolidated financial statements, including material accounting policy information.

Basis for qualified opinion

The consolidated financial statements for the year ended 31 March 2024 disclosed goodwill of $10.962m relating to the purchase of Being Consultants Limited (and group) and contingent consideration relating to this purchase of $5.6m.

The calculation of the deferred consideration and the assessment of goodwill impairment involved a number of subjective assumptions relating to the future performance of Being Consultants Limited and the resulting impact of this performance on the share price of the Group.

William Buck
ACCOUNTANTS & ADVISORS

We were unable to obtain sufficient appropriate audit evidence to provide assurance over these assumptions due to their subjective nature and accordingly we were unable to express an opinion as to whether the recorded carrying value of the goodwill of $10.962m and contingent consideration of $5.6m recognised by the Group and relating to the purchase of Being Consultants Limited in the year ended 31 March 2024 were materially correct and whether any adjustments to these amounts were necessary.

Our audit opinion for the year ended 31 March 2024 accordingly contained a qualification over these two balances.

Being Consultants Limited was disposed of during the year ended 31 March 2025. However, since opening balances enter into the determination of financial performance, we were unable to determine whether adjustments might have been necessary in respect of the loss for the year reported in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2025.

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Company or any of its subsidiaries.

Material uncertainty related to going concern

We draw attention to Note 4.1 in the consolidated financial statements, which indicates that the Group incurred a net loss of $11.5m and net cash outflows from operating activities of $3.3m during the year ended 31 March 2025 and, as of that date, the Group's current liabilities exceeded its total assets by $4.6m and the Group was in a negative equity position of $7.0m. As stated in Note 4.1, these events or conditions, along with other matters as set forth in Note 4.1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the *Basis for qualified opinion* and *Material uncertainty related to going concern* sections we have determined the matters described below to be the key audit matters to be communicated in our report.

WilliamBuck
ACCOUNTANTS & ADVISORS

	Area of focus (refer also to note 14)	How our audit addressed the key audit matter
Inventory	The Group holds inventory of finished good with a net book value of $511,000 as disclosed in Note 14. The valuation of these assets has a direct impact on the Comprehensive Income of the Group which is the reason why we have given specific audit focus and attention to this area.	**Our audit procedures included:** — Understanding the system of processing inventory transactions — Attended physical inventory counts on or around balance date — Completed detailed substantive testing of the costing of inventory — Tested that inventory at the reporting date is stated at the lower of Cost or Net Realisable Value by testing a selection of inventory items to the most recent sales price less costs to sell — Review of disclosures in the financial statements.

	Area of focus (refer also to note 17)	How our audit addressed the key audit matter
Intangible Assets	The Group holds intangible assets with a net book value of $5.583m as disclosed in Note 17. The valuation of these assets and the significant judgements involved in the valuation has a direct impact on the Comprehensive Income of the Group which is the reason why we have given specific audit focus and attention to this area.	**Our audit procedures included:** — Understanding the breakdown of the balances and reviewing the original documentation and calculations that produced the balances; — Assessed the accounting treatment of the balances including the allocation of the intangible assets to the relevant cash generating units; — Performed a review of the impairment assessment performed by management and assessed the assumptions and components; — Performed a review of the significant areas of judgement involved in assessing the intangible assets for impairment and management's response to these; — Ensured appropriate disclosure has been included in the financial statements

William Buck
ACCOUNTANTS & ADVISORS

Other information

The directors are responsible for the other information. The other information comprises the Letter from the Chair and CEO, Shareholder and Statutory information, Corporate Governance Statement, and Directory included in the Group's annual report for the year ended 31 March 2025, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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.

Directors' responsibilities for the consolidated financial statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs (NZ) 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 these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the External Reporting Board's website:

https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1

This description forms part of our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Michael Wood.

Restriction on distribution and use

This independent auditor's report is made solely to the shareholders, as a body. Our audit work has been undertaken so that we might state to the shareholders those matters which we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders, as a body, for our audit work, this independent auditor's report, or for the opinions we have formed.

William Buck

William Buck Audit (NZ) Limited
Auckland, 30 June 2025

Stock exchange listing

The Group's shares are quoted on the NZX Main Board. As at 10 June 2025, the Company had 187,371,901 ordinary shares on issue (31 March 2025: 187,371,901 ordinary shares).

Distribution of security holders

Details of the distribution of ordinary shares amongst shareholders at 10 June 2025 are set out below.

	Number of Security Holders		Number of Securities	
Size of Holding	**Number**	**%**	**Number**	**%**
1-999	521	72.36%	68,471	0.04%
1,000-4,999	119	16.53%	239,899	0.13%
5,000-9,999	27	3.75%	171,268	0.09%
10,000-99,999	39	5.42%	1,094,996	0.58%
100,000 - 499,999	8	1.11%	1,769,238	0.94%
500,000 or more	6	0.83%	184,028,029	98.22%
	720	100.00%	187,371,901	100.00%

20 largest shareholdings

The 20 largest shareholdings at 10 June 2025 are provided in the table below.

Name	**Number of shares held**	**% of shares held**
2061 Limited Partnership	127,000,000	67.78%
Te Turanga Ukaipo Charitable Trust	25,000,000	13.34%
2384 Limited Partnership	20,000,000	10.67%
Excalibur Capital Partners Limited	9,616,666	5.13%
Apz Limited	1,363,466	0.73%
New Zealand Depository Nominee Limited	1,047,897	0.56%
Jackson & Associates Limited	400,000	0.21%
Johannes Lodewikus Cilliers	380,000	0.20%
Arno Investments Limited	305,000	0.16%
Russell Graham Roberts	180,682	0.10%
Custodial Services Limited	167,528	0.09%
Trinity Portfolio Limited	130,000	0.07%
Anthony Theodore Bus	105,432	0.06%
Guiping Chen	100,596	0.05%
Wendi Kuang	98,269	0.05%
Grant James Paterson & Joanne Therese Paterson	90,000	0.05%
Evan Christian	83,333	0.04%
Li Da Yang	66,666	0.04%
Beconwood Superannuation Pty Limited	60,000	0.03%
Chao Wang	53,334	0.03%

Substantial product holders

The following information is given pursuant to Section 293 of the Financial Markets Conduct Act 2013.

The following are recorded by the Company at 31 March 2025 as Substantial Product Holders in the Company, and have declared the following relevant interest in quoted financial products under the Financial Markets Conduct Act 2013:

Substantial product holder	Relevant interest
2061 LP and E K Trust Limited	127,000,000
Te Turanga Ukaipo Charitable Trust	25,000,000
2384 LP	20,000,000
Excalibur Capital Partners Limited	9,616,666

The total number of quoted financial products issued by the Company at 31 March 2025 were the 187,371,901 ordinary shares.

Directors

The names of the Company's directors holding office during the year are:

Name	Office held	Date
Katherine Allsopp-Smith	Executive director	Appointed March 2024
Evan Christian	Executive director (alternate to K Allsopp-Smith)	Appointed March 2024
Gregory Cross	Independent director	Appointed March 2025
Paul Forno	Executive director	Appointed March 2025
Roger Gower	Independent director	Appointed July 2020 Resigned October 2024
Andrew Higgs	Independent director	Appointed October 2024 Resigned January 2025
Joe Jensen	Independent director	Appointed March 2024 Resigned October 2024
Sean Joyce	Executive director	Appointed July 2020 Resigned October 2024
David McDonald	Executive director	Appointed March 2024 Resigned March 2025
Brett O'Riley	Independent director	Appointed October 2024 Resigned January 2025
Stephen Phillips	Independent director	Appointed March 2025
Michael Stiassny	Independent director	Appointed March 2025

The names of directors of the Group's subsidiaries during the year were:

Name of subsidiary	Director
AGE Limited	Katherine Allsopp-Smith, Evan Christian
Being Bidco Limited	Paul Forno
Being Consultants Limited	David McDonald
Being Education GP Limited	Katherine Allsopp-Smith, David McDonald
Being Educated Limited	Katherine Allsopp-Smith, David McDonald
Being Holdco Limited	Paul Forno, Sean Joyce
Being Labs Limited	David McDonald
Being US Limited	Paul Forno
Being Ventures Limited	David McDonald
Filecorp NZ Limited	Mike Dunshea, Paul Forno
Fingerprint IP Limited	Katherine Allsopp-Smith, David McDonald
G3 Property Holdings Limited	Mike Dunshea, Paul Forno
Manawaroa GP Limited	Katherine Allsopp-Smith
New Zealand Mail Limited	Mike Dunshea, Paul Forno
Pete's Post Limited	Paul Forno
Send New Zealand Limited	Paul Forno
Send Global Limited	Evan Christian, Paul Forno
Treehouse Technologies Limited	Mike Dunshea, David McDonald

Interests register

The following entries were made in the Company's interest register during the year ended 31 March 2025:

The directors provided the following disclosure of entities in which, due to the nature of their relationship, may be related parties to the Group, and transactions in which they have an interest.

Katherine Allsopp-Smith	Nature of Interest	Financial Interest
Being AI Limited	Director and shareholder	Executive remuneration & ownership
2061 LP	Director and shareholder	Ownership
Wilshire Treasury Limited	Shareholder	Ownership
Wilshire Holdings Limited	Shareholder	Ownership

The Group had $187,000 payable to 2061 LP at 31 March 2025.

2061 LP purchased 83,333 ordinary shares in the Company at $0.60 per share under the Company's share purchase plan in September 2024.

At 31 March 2025 the Group had a related party loan of $7.6 million from Wilshire Treasury Limited.

Katherine Allsopp-Smith receives a salary of $125,000 per annum for the provision of executive management services.

Evan Christian	**Nature of Interest**	**Financial Interest**
Being AI Limited	Director and shareholder	Executive remuneration & ownership
2061 LP	Director and shareholder	Ownership
Wilshire Treasury Limited	Director and shareholder	Ownership
Wilshire Holdings Limited	Director and shareholder	Ownership

Evan Christian is an alternate for Katherine Allsopp-Smith.

The Group had $187,000 payable to 2061 LP at 31 March 2025.

2061 LP purchased 83,333 ordinary shares in the Company at $0.60 per share under the Company's share purchase plan in September 2024.

At 31 March 2025 the Group had a related party loan of $7.6 million from Wilshire Treasury Limited.

Evan Christian receives a salary of $125,000 per annum for the provision of executive management services.

Greg Cross	**Nature of Interest**	**Financial Interest**
Being AI Limited	Director	Directors' fees
Cross Ventures Limited	Director and shareholder	Ownership
Eighty20.AI Inc, Eighty20.AI Limited	Director, shareholder & CEO	Salary & ownership

Paul Forno	**Nature of Interest**	**Financial Interest**
Being AI Limited	Director	Employee remuneration & share options
Send Global Limited	Director and shareholder	None
New Zealand Mail Limited	Director, shareholder & CEO	None
Filecorp Limited	Director	None
G3 Property Holdings	Director	None

Roger Gower	Nature of Interest	Financial Interest
Roger Gower & Associates Limited	Director & shareholder	Ownership
WasteCo Group Limited	Director & shareholder	Directors' fees
PrimePort Timaru Limited	Director	Directors' fees
IntoWork Australia Limited	Director	Directors' fees
IntoWork New Zealand Limited	Director	Directors' fees
Me Today Limited	Director & shareholder	Directors' fees
Being AI Limited	Director & shareholder	Directors' fees
New Zealand Food Innovation Auckland Limited	Director	Directors' fees

David McDonald	Nature of Interest	Financial Interest
Being AI Limited	Director, CEO & shareholder	Employee remuneration & ownership
2384 LP	Director & shareholder	Ownership
Futureverse Holdings Limited	Shareholder	Share ownership
DCG McDonald Limited	Director & shareholder	Ownership
BIMU Limited	Director & shareholder	Ownership
TrackBack Limited	Director & shareholder	Share ownership

David McDonald received remuneration as CEO of the BAI group of $415,000 per annum.

On 29 November 2024 the Company entered into a share sale and purchase agreement to sell Being Consultants Limited back to 2384 LP, the original vendor from whom the Company purchased Being Consultants Limited.

Sean Joyce	Nature of Interest	Financial Interest
Being AI Limited	Director & shareholder	Executive salary
Excalibur Capital Partners Limited	Director & shareholder	Ownership
Connemara Capital Trust Limited	Director & shareholder	Ownership

Excalibur owes Send Global Limited $2,000,000 pursuant to a loan agreement.

Connemara Capital Trust Limited, a consulting company owned and controlled by Sean Joyce, received an annual remuneration of $250,000 per annum for the provision of services by Sean Joyce to the Company as Director of Acquisitions and Capital.

Excalibur purchased 16,666 ordinary shares in the Company at $0.60 per share under the Company's share purchase plan in September 2024.

Joe Jensen	Nature of Interest	Financial Interest
Being AI Limited	Director & shareholder	Directors' fees

Michael Stiassny	Nature of Interest	Financial Interest
Being AI Limited	Director	Directors' fees
MS10 Limited T/A Stiassny + Co	Director & shareholder	Ownership

Steve Phillips	Nature of Interest	Financial Interest
Being AI Limited	Director	Directors' fees

Other directors of subsidiary companies

The following entries were made in the interest registers of subsidiary companies during the year ended 31 March 2025:

Mike Dunshea	Nature of Interest	Financial Interest
New Zealand Mail Limited	Director	None
Filecorp Limited	Director	None
G3 Property Holdings Limited	Director	None

Directors' relevant interest in equity securities

As at 31 March 2025 the directors of the Group held the following relevant interests in quoted financial products and financial products that may convert to quoted financial products.

	Ordinary	Share options granted	
Name	Shares	Vested	Not vested
Katherine Allsopp-Smith	152,000,000	-	-
Evan Christian	152,000,000	-	-
Gregory Cross	-	-	-
Paul Forno	-	-	1,009,000
Gregory Cross	-	-	-
Stephen Phillips	-	-	-
Michael Stiassny	-	-	-

Directors' remuneration

During the year the following remuneration and other benefits were paid or payable to directors of the Group. The amounts below reflect the remuneration related expenses included in the Group's consolidated financial statements.

	Directors' fees	Employee remuneration	Consulting fees	Share based payments
	NZ$000	NZ$000	NZ$000	NZ$000
Directors of Being AI Limited				
Katherine Allsopp-Smith	-	125	-	-
Evan Christian	-	125	-	-
Gregory Cross	-	-	-	-
Paul Forno	-	421	-	261
Roger Gower	38	-	-	-
Andrew Higgs	-	-	50	-
Joe Jensen	38	-	-	-
Sean Joyce	-	146	-	-
David McDonald	-	438	-	-
Brett O'Riley	-	-	53	-
Stephen Phillips	-	-	-	-
Michael Stiassny	-	-	-	-

BAI Group permanent employees do not receive additional remuneration for acting as Directors of subsidiary companies.

Directors' indemnification

The Group indemnifies all current directors of the Group against all liabilities which arise out of the performance of their normal duties as directors, unless the liability relates to conduct involving lack of good faith.

Auditor

William Buck is the auditor for the Group. Audit fees due and payable to the auditor for the year ended 31 March 2025 were $90,000.

Chief Executive Officer's ('CEO's') remuneration

David McDonald was CEO of the Group during the year to 31 March 2025. He received an annual salary of $438,000 with no other remuneration or benefits in his role as CEO.

Employee remuneration

The number of employees, not being directors of the Company disclosed in the Directors' renumeration section above, within the Group receiving annual remuneration and benefits above $100,000 are:

Remuneration	Number
$100,000 - $109,999	5
$110,000 - $119,999	2
$130,000 - $139,999	1
$140,000 - $149,999	3
$150,000 - $159,999	2
$160,000 - $169,999	1
$200,000 - $209,999	1
$210,000 - $219,999	1
$220,000 - $229,999	1
$230,000 - $239,999	1
$280,000 - $289,999	1
$360,000 - $369,999	1
$370,000 - $379,999	1
$460,000 - $469,999	1

Donations

No donations were made by the Group during the year.

Exercise of NZ RegCo's powers

NZ RegCo suspended the Company's shares from trading in the period from 3 February 2025 until 14 April 2025.

The suspension was initially due to the resignations of BAI's two independent directors which resulted in the Company did not meeting the NZX Listing Rules governance requirements relating to board and audit committee composition, including as to the minimum number of directors and independent directors.

On 31 March 2025 BAI announced the appointment of new independent, non-executive directors. Following those appointments, BAI complied with the NZX Listing Rules governance requirements relating to board and audit committee composition.

On 31 March 2025 NZ RegCo advised the market that the suspension would remain in place, pending the release of a cleansing statement by BAI in the form of a trading update. BAI provided this market update on Friday 11 April 2025 and trading in the ordinary shares in the Company resumed on Monday 14 April 2025.

NZX Waivers

BAI has not relied on any waivers issued by the NZX in the 12 months ended 31 March 2025.

Board of Directors

Michael Stiassny (Chair)

Michael is a pre-eminent business advisory and restructuring specialist, holding both commerce and law degrees from the University of Auckland. A Chartered Fellow and past President of the New Zealand Institute of Directors, Michael has built a high-profile governance career and is currently Chairman of Tower Limited, 2 Cheap Cars Group Limited, and Director of Tegel Group Holdings Limited and New Talisman Gold Mines Limited.

Michael Stiassny is the Chair of BAI and is also a member of BAI's Risk & Audit and Remuneration committees.

Katherine Allsopp-Smith

Katherine is a Design Graduate from Auckland University of Technology. Katherine along with Evan are both currently involved with 2061.ai, AGE Foundation Charitable Trust, AGE School, Send Global, Wilshire Group and CM LLC.

Katherine's passions lie at the intersection of business, environmental sustainability and emotional wellbeing.

Evan Christian (as alternate to Katherine Allsopp-Smith)

Evan Christian is a New Zealand born technology entrepreneur, recently known for his association with AGE School which he co-foundered with his partner Katherine Allsopp-Smith in 2017. Evan is a Computer Science Graduate from Auckland University. Evan made his initial fortune through Transport Investments, one of New Zealand's largest transport and logistics group, which was sold in 1996. He was a former director and shareholder of Tech Trans LLP(Fintech), Albano Healthcare (NZX Aged Care), Zintel Communications (NZX telecommunications), Advantage Group (NZX Fintech, Web 1.0 and 2.0) and United Electricity (Retailer) amongst others.

Greg Cross

Greg Cross is an experienced global entrepreneur and technology executive with a focus on commercialising deep technology research. He founded native AI company, Eighty20.AI in 2024. In 2016 he co-founded Soul Machines, quickly establishing it as a leading artificial intelligence research company backed by international investors. Earlier in his career, he was a founder of PowerbyProxi, a company that was sold to Apple.

He has also been Chair of SLI Systems, Vice-Chair of Metservice and Chairman of NZTE's Beachhead Board. Greg was recognized by the World Economic Forum as a Technology Pioneer for his work in the field of Artificial Intelligence in 2018 and in 2019 he was inducted into New Zealand's Technology Hall of Fame as the recipient of the Flying Kiwi Award.

Greg Cross is Chair of the Remuneration Committee and is also a member of BAI's Risk & Audit Committee.

Paul Forno

Paul is Chief Executive Officer of Send Global, Acting Chief Executive Officer of Being AI, and is an experienced executive, having held senior executive positions in various other large New Zealand companies over the past 25 years. Paul has worked in the government, not for profit, media and education sectors. More recently, Paul has worked in the services sector, running his own consultancy business. In addition to his senior executive positions, he has also held a number of directorships in companies across New Zealand.

Paul has been responsible for driving several significant change management programmes and is known for his down-to-earth approach, and as leader that gets the best out of his team members.

Outside of his professional career, Paul enjoys spending time with his wider family, the outdoors, renovating properties and contributing to various not for profit organisations.

Steve Phillips

Steve Phillips has a forty-year career in CEO, Managing Director and governance positions including as a chair, director and audit committee chair of numerous public and private entities. His expertise in strategic planning and facilitation led him to work with Cin7, Brierley Investments, Blue Star Group, G3 Group Limited, Boise Corporation, U.S. Office Products, Ngai Takatu Iwi, Te Runanga O Whaingaroa and many minor entities. Steve retired from his last governance position in 2020.

Steve Phillips is Chair of the Risk & Audit Committee. He is also a member of BAI’s Remuneration Committee.

Corporate Governance Statement

For the year ended 31 March 2025

The Board is committed to achieving best-practice corporate governance and the highest ethical behaviour across its directors. The governance principles adopted by the Board are designed to achieve these goals.

This statement is a summary of the Corporate Governance arrangements approved and observed by the Board as at 31 March 2025.

Code of ethics

The Board has documented a code of ethics. The code of ethics details the standards of ethical behaviour on which the directors and employees of the Company and its subsidiaries ('the Group') are required to conduct their professional lives.

Role of the Board

The objective of the Board is to enhance shareholder value by directing the Company in accordance with sound governance principles. The Board assumes the following primary responsibilities.

- Formulation and approval of the strategic direction, objectives and goals of the Company;
- Monitoring the financial performance of the Company, including approval of the Company's financial statements;
- Ensuring adequate internal control system and procedures exist and that compliance with these systems and procedures is maintained
- Review of performance and remuneration of directors and executive officers; and
- Establishment and maintenance of appropriate ethical standards for the Company to operate by.

A formal Governance Code has been adopted by the Board and further outlines directors' responsibilities.

The Board internally evaluates its performance and continues to assess the size, diversity and skills of the Board.

Board composition

In accordance with the Company's constitution and the NZX Listing Rules, the Board will comprise not less than three directors. The Board will be comprised of a mix of persons with complimentary skills appropriate to the Company's objectives and strategies. The Board must include not less than two persons who are deemed to be independent.

Being AI's Board currently comprises the following directors

Michael Stiassny	Independent Director	Chairperson
Greg Cross	Independent Director	Chair of the Remuneration Committee
Steve Phillips	Independent Director	Chair of the Risk & Audit Committee
Katherine Allsopp-Smith	Executive Director	
Evan Christian	Executive Director	As an alternate to K Allsopp-Smith
Paul Forno	Executive Director	Chief Executive Officer

As set our above, Michael Stiassny, Greg Gross and Steve Phillips are considered by the Board to be independent directors, as defined under the NZX Listing Rules, as at 31 March 2025. This determination has been made on the basis that neither Mr Stiassny, Mr Cross nor Mr Phillips are employees of the Group, nor do they have any 'Disqualifying Relationship' as that term is defined in the Listing Rules.

The Board consider that it has the right balance for the size and structure of the Company. The Board will continue to reassess this going forward to ensure that the balance of Board members remains appropriate for the Company's needs.

Information about each director is included in the Annual Report.

Board meetings

Board meetings are held monthly and are attended by key management personnel, as required. Additional meeting will be held as and when required. Board meetings involve discussion and review of health and safety, finances, market information, strategy and relevant operational matters.

The following table show Director attendance at Board meetings for the 2025 financial year.

Board member	Board meetings attended
Michael Stiassny	-[1]
Greg Cross	-[1]
Steve Phillips	-[1]
Katherine Allsopp-Smith	10
Evan Christian	9
Paul Forno	1[1]
David McDonald	9[2]
Andy Higgs	2[3]
Brett O'Riley	2[3]
Roger Gower	6[4]
Joe Jensen	6[4]
Sean Joyce	6[4]

Notes:

[1] appointed March 2025
[2] resigned March 2025
[3] resigned January 2025
[4] resigned October 2024

Criteria for Board membership

When a vacancy arises, the Board will identify candidates with a mix of diversity, capabilities and perspectives considered necessary for the board to carry out its responsibilities effectively. A director appointed by the Board must stand for election at the next annual meeting. At each Annual Meeting one third of directors must retire by rotation. A director may not hold office for longer than three years or past the third annual meeting following that director's appointment. Retiring directors are eligible for re-election.

Board committees

The board has established an Audit Finance and Risk Committee and a Remuneration, Nomination and Health and Safety committee.

The Audit, Finance, and Risk Committee operates under a charter approved by the board and is accountable for:

- the business relationship with and the independence of external auditors;
- the reliability and appropriateness of the disclosure of the financial statements and external financial communication;
- and the maintenance of an effective business risk management framework, including compliance and internal controls.

The current members of the Audit, Finance, and Risk Committee are Steve Phillips, Greg Cross and Michael Stiassny.

The Remuneration, Nominations and Health and Safety Committee operates under a charter approved by the board and is accountable to the board for:

- the appointment remuneration and evaluation of the CEO and succession planning in relation to them;
- the remuneration of the leadership team;
- reviewing risks and compliance with statutory and regulatory requirements relative to human resources;
- reviewing health and safety policies to ensure the Company is providing a safe working environment for all employees and contractors; and
- recommending to the board candidates to be appointed as a director.

The current directors of the Remuneration, Nominations and Health and Safety Committee are Greg Cross, Steve Phillips and Michael Stiassny.

Health and safety

The Board ensures that the Company effectively manages health and safety. Providing leadership and securing and allocating resources, as well as ensuring the Company has appropriate people systems and equipment to manage the risks related to its work activities, are important aspect of the Board's responsibility to health and safety management. The Group has a health and safety incident reporting system by which it reports incidents to the board for its information review and assurance on a monthly basis.

Diversity

The board recognise a wide-ranging benefits that diversity brings to an organisation. The Company endeavours to incorporate diversity to ensure a balance of skills and perspectives are available to benefit our shareholders.

As at 31 March 2025, the gender balance of the Company's directors and officers were as follows.

	2025		2024	
	Female	Male	Female	Male
Directors	1	4	1	4
Officers (excluding Directors)	-	1	3	4
	1	5	4	8

Being AI is committed to fostering an equitable, diverse and inclusive workplace where all employees feel valued and empowered to contribute their unique perspectives. This commitment is founded on the principles of the companies in the Group. It helps drive innovation and creativity and aligns with the Group’s values as a responsible participant in the New Zealand corporate landscape.

Trading in Shares

The Company has a detailed financial products trading policy applying to all directors and employees. The procedures, outlined in this policy, must be followed by all directors and employees to obtain consent to trade the Company's shares. Under the policy, trading restrictions apply during the following specific blackout periods

- two weeks before 30 September until 48 hours after half-year results are released to NZX;
- two weeks before 30 March until 48 hours after the full year results are released to NZX; and
- and 30 days prior to release of an offer document (such as a product disclosure statement or prospectus) for a general offer of the same class of restricted securities.

Outside the blackout periods, specified above, dealing is subject to the notification consent requirements outlined in the policy.

Continuous disclosure

The Company has in place procedures designed to ensure compliance with the NZX Listing Rules such that all investors have equal and timely access to material information concerning the Company, including its financial situation, performance, ownership, and governance.

Announcements are factual and presented to in a clear and balanced way. Significant market announcements, including the announcements of the half year and full-year results and the financial statement for those periods, require review by the Board prior to release.

The group's market disclosure policy has been put in place to ensure that the Company complies with its continuous disclosure obligations at all times.

Corporate governance best practice code

During the year ended 31 March 2025 the Company has followed the NZX Corporate Governance best practise code in all material aspects with the following exceptions:

Reference	Recommendation	Alternative Governance Practice and Reason for the Practice
Recommendation 4.2	An issuer should make its code of ethics, board and committee charters and the policies recommended in the NZX code, together with any other key government documents available on its website.	These documents were recently removed from the Being AI website. The reconstituted Board will ensure these are reviewed reloaded to the Being AI website over the next six months.
Recommendation 4.4	An issuer should provide non-financial disclosure at least annually including considering environmental, economic and social sustainability factors and practices. It should explain how operational or non-financial targets are measured. Non-financial reporting should be informative, include forward-looking assessments and align with key strategies and metrics monitored by the Board.	Being AI has provided limited reporting on environmental economic and social sustainability factors to date while it focuses on establishing its strategic priorities. The wellbeing of its customers, employees and other stakeholders is important to Being AI, as is its social responsibility and environmental impact. The Company will implement and report on appropriate non-financial measures in future periods.
Recommendation 6.1	An issuer should have a risk management framework for its business and the issuer's board should receive and review regular reports. An issuer should report the material risks facing the business and how these are being managed.	Being AI does not currently have a group wide risk management policy or risk management framework. However, key risks for the Group were a regular topic of discussion at Board meetings. The newly appointed audit, finance and risk committee will work with management to ensure an appropriate compliance and monitoring process is implemented.
Recommendation 7.2	The external auditor should attend the issuer's Annual Meeting to answer questions from shareholders in relation to the audit.	William Buck, the Group's Auditor, did not attend the 2024 Annual meeting. However, no matters arose at the meeting that needed to be addressed by the Auditor. The Group will ensure it makes adequate arrangements to have the Auditor attend the 2025 Annual Meeting.

Directory

Registered Office
14 Honan Place
Avondale
Auckland

Website
www.beingai.group

Share register
Computershare Investor Services Limited
159 Hurstmere Road
Takapuna
+ 64 9 488 8700

Auditor
William Buck
Level 4, 21 Queen Street
Auckland

Solicitors
Chapman Tripp
15 Customs Street West
Auckland

Bankers
ANZ Bank
23 Albert Street
Auckland
New Zealand

Board of Directors

Michael Stiassny
Independent Director and Chair

Paul Forno
Executive Director and Acting CEO

Katherine Allsopp-Smith
Executive Director

Steve Phillips
Independent Director

Greg Cross
Independent Director

Evan Christian
Executive Director
(Alternate to K Allsopp Smith)