Trade Window Holdings Limited

Consolidated Financial Statements - For the year ended 31 March 2025

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For the year ended 31 March 2025

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Corporate directory
For the year ended 31 March 2025

Incorporation number	8233653
Principal activities	Develop and commercialise technology solutions that provide international trade participants with a secure platform and tools to establish trust and trade globally in an efficient manner across interconnected networks. There have been no significant changes in the nature of these activities during the year ended 31 March 2025.
Registered office	TradeWindow, Suite 4 31 Northcroft Street, Takapuna Auckland, 0622 New Zealand
Directors	Kerry Michael Friend Alasdair (Alexander) John MacLeod Philip John Norman Albertus Johannes Smith The Directors were in office for the whole period unless otherwise stated.
Auditor	UHY Haines Norton Level 9 1 York Street Sydney NSW 2000

Trade Window Holdings Limited
Directors' report
For the year ended 31 March 2025

The directors present their report, together with the consolidated financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Trade Window Holdings Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the year ended 31 March 2025.

The directors are responsible for the preparation, in accordance with New Zealand law and generally accepted accounting practice, of consolidated financial statements which give a true and fair view of the financial position of the Company as at 31 March 2025 and its financial performance for the year ended on that date.

The directors consider that the consolidated financial statements of the Company have been prepared using appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all relevant financial reporting standards have been followed.

The directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the consolidated financial statements with the Financial Reporting Act 2013.

The directors have responsibility for the maintenance of a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting. The directors consider they have taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Signed in accordance with a resolution of the Directors.

Alasdair MacLeod	AJ Smith

29 May 2025

Trade Window Holdings Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 March 2025

	Note	2025 $	2024 $
Revenue			
Revenue	4	8,030,529	6,179,077
Other revenue	5	40,028	573,936
Revaluation of contingent consideration		-	1,216,000
		8,070,557	7,969,013
Expenses			
Personnel and employee expense	7	(6,908,098)	(9,454,439)
Depreciation and amortisation expense		(1,852,747)	(2,512,165)
Other expenses	6	(2,688,622)	(3,924,875)
		(11,449,467)	(15,891,479)
Operating loss		(3,378,910)	(7,922,466)
Net finance expense	8	(128,858)	(86,520)
Loss before income tax expense		(3,507,768)	(8,008,986)
Income tax expense	9	(9,917)	(4,629)
Loss after income tax expense for the year		(3,517,685)	(8,013,615)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(76,211)	(34,047)
		(76,211)	(34,047)
Total comprehensive income for the year		(3,593,896)	(8,047,662)
Loss per share			
Basic loss per share (cents)	27	(2.75)	(7.00)
Diluted loss per share (cents)	27	(2.75)	(7.00)

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

Trade Window Holdings Limited
Consolidated statement of financial position
As at 31 March 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	10	392,212	188,177
Trade and other receivables	11	1,150,225	968,172
Contract assets		5,250	30,239
Income tax receivable		-	4,995
Total current assets		1,547,687	1,191,583
Non-current assets			
Trade and other receivables	11	48,711	51,457
Property, plant and equipment	12	63,866	66,546
Right-of-use assets	15	59,850	69,374
Intangible assets	13	9,700,248	11,368,319
Restricted cash		-	26,853
Total non-current assets		9,872,675	11,582,549
Total assets		11,420,362	12,774,132
Liabilities			
Current liabilities			
Trade and other payables	14	1,348,849	1,365,898
Related party payables		-	4,076
Lease liabilities	15	45,325	78,994
Income tax payable	9	14,767	4,686
Contract liabilities		709,903	638,979
Interest bearing loans and borrowings	16	369,815	58,100
Total current liabilities		2,488,659	2,150,733
Non-current liabilities			
Lease liabilities	15	4,861	-
Interest bearing loans and borrowings	16	1,013,214	1,383,029
Total non-current liabilities		1,018,075	1,383,029
Total liabilities		3,506,734	3,533,762
Net assets		7,913,628	9,240,370
Equity			
Issued capital	17	49,098,450	47,290,673
Foreign currency translation reserve		(128,921)	(52,710)
Share-based payments reserve	18	853,428	394,051
Accumulated losses		(41,909,329)	(38,391,644)
Total equity		7,913,628	9,240,370

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

Trade Window Holdings Limited
Consolidated statement of changes in equity
For the year ended 31 March 2025

	Issued capital $	Accumulated losses $	Foreign currency translation reserve $	Share-based payment reserve $	Total equity $
Balance at 1 April 2023	46,180,576	(30,378,029)	(18,663)	188,935	15,972,819
Loss after income tax expense for the year	-	(8,013,615)	-	-	(8,013,615)
Other comprehensive income for the year, net of tax	-	-	(34,047)	-	(34,047)
Total comprehensive income for the year	-	(8,013,615)	(34,047)	-	(8,047,662)
Transactions with owners of the company:					
Issue of capital (note 17)	791,506	-	-	-	791,506
Equity-settled share-based payments	-	-	-	205,116	205,116
Share options exercised (note 17)	318,591	-	-	-	318,591
Balance at 31 March 2024	47,290,673	(38,391,644)	(52,710)	394,051	9,240,370

	Issued capital $	Accumulated losses $	Foreign currency translation reserve $	Share-based payments reserve $	Total equity $
Balance at 1 April 2024	47,290,673	(38,391,644)	(52,710)	394,051	9,240,370
Loss after income tax expense for the year	-	(3,517,685)	-	-	(3,517,685)
Other comprehensive income for the year, net of tax	-	-	(76,211)	-	(76,211)
Total comprehensive income for the year	-	(3,517,685)	(76,211)	-	(3,593,896)
Transactions with owners of the company:					
Contributions of equity, net of transaction costs (note 17)	2,033,196	-	-	-	2,033,196
Equity-settled share-based payments (note 17)	93,115	-	-	140,843	233,958
Reclassification (note 17)	(318,534)	-	-	318,534	-
Balance at 31 March 2025	49,098,450	(41,909,329)	(128,921)	853,428	7,913,628

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

Trade Window Holdings Limited
Consolidated statement of cash flows
For the year ended 31 March 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers		8,840,952	7,138,177
Payments to suppliers and employees		(10,368,139)	(13,994,881)
Income tax received		-	46,244
Grant and other income		2,668	1,056,538
Net cash used in operating activities	25	(1,524,519)	(5,753,922)
Cash flows from investing activities			
Payments for property, plant and equipment	12	(58,923)	(12,131)
Proceeds from disposal of property, plant and equipment		30,692	8,742
Interest received		21,142	80,017
Net cash from/(used in) investing activities		(7,089)	76,628
Cash flows from financing activities			
Interest paid on lease liability	15	(6,896)	(25,991)
Proceeds from share capital	17	2,033,196	500,000
Repayment of borrowings		(58,100)	(357,741)
Payments for lease liability - principal portion	15	(96,886)	(273,271)
Proceeds from exercise of share options		-	56
Interest paid		(135,671)	(125,707)
Net cash from/(used in) financing activities		1,735,643	(282,654)
Net increase/(decrease) in cash and cash equivalents		204,035	(5,959,948)
Cash and cash equivalents at the beginning of the financial year		188,177	6,148,125
Cash and cash equivalents at the end of the financial year	**10**	392,212	188,177

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

1. General information

The consolidated financial statements comprise Trade Window Holdings Limited (the 'Company') and its subsidiaries (together the 'Group').

Trade Window Holdings Limited is a profit-oriented entity incorporated on 10 September 2021 and domiciled in New Zealand and registered under the Companies Act 1993.

Trade Window Holdings Limited was incorporated for the purpose of being the holding company for Trade Window Limited. Prior to Trade Window Holdings Limited's incorporation, the Group comprised of Trade Window Limited and its subsidiaries.

The consolidated financial statements were authorised for issue, in accordance with a resolution of directors, on 29 May 2025. The directors have the power to amend and reissue the consolidated financial statements.

2. Material accounting policy information

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the External Reporting Board ('XRB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

NZ IFRS issued but not yet effective

Future changes

- *NZ IFRS18 - Presentation and Disclosure in Financial Statements*
  Replaces NZ IAS 1 as the standard describing the primary financial statements and sets out requirements for the presentation and disclosure of information in NZ IFRS-compliant financial statements. Amongst other changes, it introduces the concept of the "management-defined performance measure" to financial statements and requires the classification of transactions presented within the statement of profit or loss within one of the five categories - operating, investing, financing, income taxes, and discontinued operations. It also provides enhance requirements for the aggregation and disaggregation of information. This change is effective for annual reporting periods beginning on or after 1 January 2027. The Group has not undertaken an assessment as to the impact of these changes at this stage.
- *Amendments to NZ IFRS 9: Financial Instruments and NZ IFRS 7: Financial Instruments: Disclosures*
  This will provide clarifications on accounting for the settlement of liabilities through electronic payment systems, and on the application of the classification requirements for financial assets, including financial assets with environmental, social and corporate governance and similar features. In addition, it also introduces new disclosures for investments in equity instruments designated at fair value through other comprehensive income, and financial instruments with contingent features. This change is effective for annual reporting periods beginning on or after 1 January 2026. The Group has not undertaken an assessment as to the impact of these changes at this stage.

No other standards, amendments or interpretations that have been issued but are not yet effective are expected to materially impact the consolidated financial statements

2. Material accounting policy information (continued)

Basis of preparation

Statement of compliance
These consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand ('NZ GAAP'). They comply with the New Zealand Equivalents to International Financial Reporting Standards and other applicable Financial Reporting Standards, as appropriate for Tier 1 for-profit entities. The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS). The consolidated financial statements were authorised for issue by the directors on the date included on page 3. The Group is a reporting entity for the purposes of the Financial Reporting Act 2013 and its consolidated financial statements comply with that Act.

Accounting policies
The accounting policies set out below have been consistently applied to all periods presented in these consolidated financial statements. Where applicable, certain comparatives have been reclassified to comply with the accounting presentation adopted in the current year to ensure consistency with the current year classification.

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

Functional and presentation currency
Amounts are expressed in New Zealand Dollars ($) which is the functional and presentation currency and are rounded to the nearest dollar.

Going concern
The Group prepares its consolidated financial statements on a going concern basis and expects to be able to realise its assets and meet its financial obligations in the normal course of business.

The Group is an early-stage organisation and as such has reported a loss for the year ended 31 March 2025 of $3.5 million (31 March 2024: $8.0 million), and operating cash outflows of $1.5 million (31 March 2024: $5.8 million).

As previously announced, in response to various external factors, the Group shifted focus to growing revenues from core profitable products and to significant cost reductions to provide a pathway to monthly EBITDA breakeven in March 2025. The Group's proven disciplined cost structure is planned to continue through FY26, and is expected to deliver annual EBITDA profit for that period.

As at 31 March 2025, the Group held cash and cash equivalents of $0.4 million (31 March 2024: $0.2 million). During the period the Group successfully raised $2.2 million equity capital (before capital raise costs) which enabled it to achieve its budgeted monthly EBITDA breakeven in March 2025. No additional funding is required under the financial forecasts.

The Board-approved financial forecasts for FY26 and FY27 project sufficient cash available to satisfy all financial obligations which arise in the next 14 months from 31 March 2025. The forecast cash flows are dependent on the key assumptions outlined below:

a. Achievement of targeted revenue growth.
   Sales are budgeted to increase between 25% to 37% on the prior year. As reported in these consolidated financial statements, the revenue for FY25 is $8.0 million representing an increase of 30% over the same period last year. The full year impact of new customers and price increases implemented during FY25 is expected to generate the majority of the additional growth in FY26.

b. Successful operation of cost-reduced business.
   A low cost operating structure has been successfully implemented and in FY25 has proven the Group's continued ability to serve its current and future customers, meet market demand and generate revenue from existing solutions.

c. Compliance with ASB loan covenants.
   The Group is in full compliance with the terms of its ASB loan facility. A breach of these undertakings, which is not anticipated, could result in acceleration of remaining outstanding loan balance. Following regular monthly repayments from April 2025, a final payment is due to ASB of around $570 thousand in October 2026. As at 31 March 2025, this balance was $1.0m.

2. Material accounting policy information (continued)

The forecast's assumptions have been stress tested against a range of scenarios including material reduction in new business revenue without commensurate cost cutting, which demonstrates that the cashflow forecast is sensitive to changes in key growth assumptions.

Should the Group be unable to achieve the forecast cash flows mentioned above, the Group may have insufficient liquid assets to be able to continue as a going concern for a period of at least 12 months from the issuance of these financial statements. Therefore, material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore that the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors consider the Group to be a going concern and believe the Group will achieve its financial forecasts to the extent necessary to ensure the Group will have sufficient liquidity to continue as a going concern and meet its financial obligations for the foreseeable future.

Impairment
The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The Group has adopted the Value in Use method (previously Fair value less cost of disposal).

Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Trade Window Holdings Limited ('Company' or 'parent entity') as at 31 March 2025 and the results of all subsidiaries for the year then ended. Trade Window Holdings Limited and its subsidiaries together are referred to in these consolidated financial statements as the 'Group'.

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

3. Critical accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in conformity with NZ IFRS and IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The critical judgements are detailed below:

- Note 2 'Going concern', in determining whether the Group is a going concern.
- Note 13 'Intangible assets', in determining whether the Group's assets are impaired.

4. Revenue

The Group generates revenue primarily from customers subscribing to and utilising its software platforms. In the following table, revenue from contracts with customers is disaggregated by primary nature and timing of revenue recognition.

	2025 $	2024 $
Transactional revenue	4,288,953	2,970,783
Installation revenue	230,115	123,784
Subscription revenue	3,280,335	2,815,492
Service revenue	231,126	269,018
Total revenue	8,030,529	6,179,077

The Group's revenue disaggregated by primary geographical markets is as follows:

	2025 $	2024 $
New Zealand	4,623,329	3,974,394
Australia	3,073,223	1,827,586
Rest of world	333,977	377,097
	8,030,529	6,179,077

Revenue policy
Revenue is measured based on the consideration specified in the contract with a customer. The Group recognises revenue when it transfers control of a good or service to a customer. Revenue is disclosed net of credit notes and discounts. Unbilled revenue at year-end is recognised as a contract asset and any unearned revenue at year-end is recognised as a contract liability. See table below for details of contract assets and liabilities at year-end.

Transactional revenue
Transactional revenue is recorded at the time the transactions are processed by the customer using the Group’s software platforms. Transaction revenue is based on volume of usage and is recognised at a point in time. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

Subscription revenue
Subscription revenue comprises recurring monthly fees from customers who have subscribed to the Group’s software platforms. The fee provides the customer with access to the various software platforms, regular software updates and customer support services. Subscription revenue is invoiced either in advance or monthly in arears, depending on the software product. Subscription revenue is recognised over time as the services are used or delivered to the customer. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

4. Revenue (continued)

Service revenue
Service revenue relates to ad-hoc customer support services outside of the scope of the standard support agreement. The services are mainly for customer support to customers who request non-standard customisation or assistance with a specific project. Service revenue is recognised over time as the service is delivered to the customer, these range from a few hours to a week. Customers are mainly invoiced monthly and have payment terms of up to 30-days.

Installation revenue
Installation revenue comprises of one-off installation, software customisation and user training services. The Group has assessed that installation is a separate performance obligation for certain products, and all the activities are considered as one performance obligation which is satisfied over the term of the contract as the customer simultaneously receives and consumes the benefits provided to them. On commencement of the software installation, the customers subscribe to ongoing maintenance and support services to ensure that the software is regularly maintained by the Group. The Group uses the output method of measuring progress of installation as it fairly depicts the entity's performance towards complete satisfaction of the performance condition. Majority of customers are invoiced in advance and then on milestone completion. Payment terms are up to 30-days from invoice date.

Contract balances
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2025 $	2024 $
Receivables, which are included in "Trade and other receivables"	982,126	693,117
Contract assets	5,250	30,239
Contract liabilities	(709,903)	(638,979)
	277,473	84,377

The contract liabilities primarily relate to advance consideration the Group received from customers for installation and for subscribing to its software platforms, for which revenue is recognised over time.

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. Contract assets are assessed for impairment under the requirements in the financial instruments standard. Any unconditional rights to consideration are presented separately as a receivable.

Information about remaining performance obligation has not been provided as these have an expected duration of less than 12 months.

5. Other revenue

	2025 $	2024 $
Profit on sale of fixed assets	32,478	40,573
Grant income	-	309,750
Other income	7,550	223,613
	40,028	573,936

Grant income
In the prior year, the Group was eligible for the IRD's Research & Development Tax Incentive (RDTI) scheme which allows for a 15% tax credit for eligible R&D expenditure not claimed under any other scheme.

Other income
Other income in the prior year included a settlement payment resulting from the cancellation of a strategic partnership agreement.

6. Other expenses

Other expenses include the following:

	2025 $	2024 $
Director fees	178,582	201,375
Bad debts written off	758	7,978
The following fees were paid or payable for services provided by the auditor		
- Fees relating to the audit	155,520	124,000

7. Personnel and employee expense

	2025 $	2024 $
Short-term employee benefits (salaries)	5,568,580	7,153,095
Post-employment benefits (superannuation)	236,193	251,073
Contracted resources	741,495	1,179,644
Other employee benefits	361,830	870,627
	6,908,098	9,454,439

8. Net finance expense

	2025 $	2024 $
Interest income	(16,147)	(80,017)
Interest expense	138,109	140,546
Interest on lease liabilities	6,896	25,991
	128,858	86,520

Finance income and expense policy
Interest income is income on funds invested using the effective interest method. Interest expenses are expenses on borrowings and interest on lease liabilities.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

9. Income tax

	2025 $	2024 $
Income tax expense		
Current tax	9,917	4,629
Aggregate income tax expense	9,917	4,629
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(3,507,768)	(8,008,986)
Tax at the statutory tax rate of 28%	(982,175)	(2,242,516)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expense	51,658	242,392
Non-assessable income	-	(490,284)
Deferred tax not recognised in current tax year	930,683	2,491,631
Effect of different tax rates	9,751	3,406
Income tax expense	9,917	4,629

The current tax asset of $Nil (2024: $4,995) represents the amount of New Zealand income taxes receivable in respect of the current period. The current tax liability of $14,767 (2024: $4,686) represents the amount of Philippines income taxes payable in respect of the current period.

9. Income tax (continued)

Deferred Tax

	Balance 1 April 2024 $	Recognised in profit/loss $	Balance 31 March 2025 $
Year ended 31 March 2025			
Intangible and Property, plant and equipment	(950,373)	391,048	(559,325)
Lease liabilities	2,693	1,321	4,014
Accruals and Employee Benefits	133,887	31,414	165,301
Net taxable loss	813,793	(423,783)	390,010
	-	-	-

	Balance 1 April 2023 $	Recognised in profit/loss $	Balance 31 March 2024 $
Year ended 31 March 2024			
Intangibles and Property, plant and equipment	(1,204,249)	253,876	(950,373)
ESOP	52,902	(52,902)	-
Lease liabilities	8,540	(5,847)	2,693
Accruals and Employee benefits	128,127	5,760	133,887
Net taxable loss	1,014,680	(200,887)	813,793
	-	-	-

The Group has $37,917,918 (2024: $36,267,332) of tax losses for which no deferred tax asset has been recognised in the statement of financial position as it is not probable that the Group will be achieving sufficient taxable profits in the foreseeable future. The current year tax loss is subject to Inland Revenue assessment.

10. Cash and cash equivalents

	2025 $	2024 $
Cash at bank	392,212	188,177

The bank accounts include cash balances held with ASB Bank Limited of $210,906 (2024: $82,280), which is a related party. Bank balances are also held with the Commonwealth Bank of Australia, the parent company of ASB Bank Limited, of $141,817 (2024: $ 95,889). The Group also had an undrawn overdraft facility with ASB Bank limited to a maximum of $150,000. The interest rate at balance date was 8.85% (2024: 10.88%) per annum.

Restricted cash is comprised of cash balances held with Commonwealth Bank Australia of $Nil (2024: $26,853), that is held as a rent guarantee over one of the leases.

11. Trade and other receivables

	2025 $	2024 $
Current assets		
Trade receivables	982,126	693,117
Less: Allowance for expected credit losses	(69,111)	(46,801)
	913,015	646,316
Prepayments	237,210	321,214
Other receivables	-	642
	237,210	321,856
	1,150,225	968,172
Non-current assets		
Prepayments	48,711	51,457

Bad debt expense of $758 (2024: $7,978) has been recorded within other expenses in the statement of profit or loss and other comprehensive income.

Allowance for expected credit losses

	2025 $	2024 $
Opening loss allowance	46,801	6,745
Loss allowance recognised during the year	22,120	54,637
Bad debts written off during the year	(758)	(7,978)
Loss allowance unused and reversed during the year	-	(1,431)
Effects of movements in exchange rate	948	(5,172)
Closing loss allowance	69,111	46,801

Trade and other receivables policy
Trade and other receivables (unless it is a trade receivable without a significant financing component) is initially recognised at fair value plus transaction costs. A trade receivable without a significant financing component is initially measured at the transaction price. It is then subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Impairment is calculated based on an expected credit loss (ECL) model under NZ IFRS 9. Refer to Note 16 for information about calculation and recognition of expected credit losses. The amount of the provision is recognised in profit or loss.

Trade Window Holdings Limited
Notes to the consolidated financial statements
For the year ended 31 March 2025

12. Property, plant and equipment

	Leasehold Improvements $	Furniture and fittings $	Plant and equipment $	Motor vehicles $	Total $
Year ended 31 March 2025					
Opening balance	59,016	78,930	423,490	-	561,436
Effects of movements in exchange rate	182	-	451	-	633
Additions	15,163	-	43,760	-	58,923
Disposal	(59,198)	(50,797)	(327,621)	-	(437,616)
Total cost	15,163	28,133	140,080	-	183,376
Accumulated depreciation					
Opening balance	58,776	54,099	382,015	-	494,890
Effects of movements in exchange rate	182	-	491	-	673
Depreciation on disposal	(63,389)	(49,050)	(328,267)	-	(440,706)
Depreciation expense	11,340	4,713	48,600	-	64,653
Total accumulated depreciation	6,909	9,762	102,839	-	119,510
Summary					
Net carrying amount at 31 March 2024	240	24,831	41,475	-	66,546
Net carrying amount at 31 March 2025	8,254	18,371	37,241	-	63,866

	Leasehold Improvements $	Furniture and fittings $	Plant and equipment $	Motor vehicles $	Total $
Year ended 31 March 2024					
Opening balance	58,684	78,394	427,863	9,556	574,497
Effects of movements in exchange rate	332	536	307	-	1,175
Additions	-	-	7,949	-	7,949
Disposal	-	-	(12,629)	(9,556)	(22,185)
Total cost	59,016	78,930	423,490	-	561,436
Accumulated depreciation					
Opening balance	28,883	13,539	280,618	7,024	330,064
Effects of movements in exchange rate	88	536	154	-	778
Depreciation on disposal	-	-	(9,451)	(8,864)	(18,315)
Depreciation expense	29,805	40,024	110,694	1,840	182,363
Total accumulated depreciation	58,776	54,099	382,015	-	494,890
Summary					
Net carrying amount at 31 March 2023	29,801	64,855	147,245	2,532	244,433
Net carrying amount at 31 March 2024	240	24,831	41,475	-	66,546

Property, plant and equipment policy
All property, plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses.

The depreciation rates for significant items of property, plant and equipment are as follows:

Leasehold improvements	20.00% - 33.30%
Motor vehicles	21.00%
Furniture and fittings	10.50%
Plant and equipment	30.00% - 40.00%

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

12. Property, plant and equipment (continued)

Impairment
The carrying amounts of property, plant and equipment are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

There was no impairment of assets recognised for during the year.

13. Intangible assets

	Software $	Customer relationships $	Goodwill $	Total $
Year ended 31 March 2025				
Opening balance	8,860,557	456,016	7,615,761	16,932,334
Total cost	8,860,557	456,016	7,615,761	16,932,334
Accumulated amortisation				
Opening balance	5,370,207	193,808	-	5,564,015
Amortisation expense	1,622,469	45,602	-	1,668,071
Total accumulated amortisation	6,992,676	239,410	-	7,232,086
Summary				
Net carrying amount at 31 March 2024	3,490,350	262,208	7,615,761	11,368,319
Net carrying amount at 31 March 2025	1,867,881	216,606	7,615,761	9,700,248

	Software $	Customer relationships $	Goodwill $	Total $
Year ended 31 March 2024				
Opening balance	8,860,557	456,016	7,615,761	16,932,334
Total cost	8,860,557	456,016	7,615,761	16,932,334
Accumulated amortisation				
Opening balance	3,581,207	148,206	-	3,729,413
Amortisation expense	1,789,000	45,602	-	1,834,602
Total accumulated amortisation	5,370,207	193,808	-	5,564,015
Summary				
Net carrying amount at 31 March 2023	5,279,350	307,810	7,615,761	13,202,921
Net carrying amount at 31 March 2024	3,490,350	262,208	7,615,761	11,368,319

Intangible assets policy
Goodwill is measured at cost less accumulated impairment losses. Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

The estimated useful lives and remaining amortisation period are as follows:

Asset class

Software	1 to 5 years
Customer relationships	10 years

The Group tests whether goodwill has suffered any impairment on an annual basis. No impairment on the carrying amount of goodwill has been recognised during the financial year (2024: $Nil).

13. Intangible assets (continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. The Group has adopted the Value in Use method.

In assessing Value in Use, estimated future cash flows are discounted to their present value using a pre-tax discount rate of 17% that reflects current market assessments of the time value of money and the risk specific to the asset.

Future cashflows are based on five-year projections for the Group, which included the Board approved budget for the year to 31 March 2026. The forecast financial information is based on both past experience and future expectations of operating performance and requires judgements to be made as to the revenue growth, operating cost projections and the market environment. Revenue is projected to grow at a compound average growth rate of 16% for the first 5 years. Actual results may be substantially different. The terminal growth rate assumed is 2.5% which does not exceed the long-term average growth rate for the market in which the Group operates.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount to exceed its recoverable amount.

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment.

Research and development
Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life.

14. Trade and other payables

	2025 $	2024 $
Trade payables	253,746	256,176
Accruals	442,326	422,217
Sundry payables	290,479	253,072
Employee benefits	362,298	434,433
	1,348,849	1,365,898

Trade and other payables policy
Trade and other payables are measured at amortised cost. These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits policy
Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid for outstanding annual leave balances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be estimated reliably.

15. Leases

Right-of-use assets

	2025 $	**2024** $
Buildings		
Cost		
Opening balance	1,248,738	1,784,505
Additions	110,492	-
Disposals	(1,248,738)	(544,957)
Effects of movements in exchange rates	-	9,190
Total cost	110,492	1,248,738
Accumulated depreciation		
Opening balance	1,179,364	941,707
Disposals	(1,248,738)	(261,125)
Depreciation expense	120,016	495,719
Effects of movements in exchange rates	-	3,063
Total accumulated depreciation	50,642	1,179,364
Opening net carrying amount	69,374	842,798
Closing net carrying amount	59,850	69,374

The right-of-use assets are regularly assessed for impairment.

Lease Liabilities

	2025 $	**2024** $
Current liabilities		
Lease liability	45,325	78,994
Non-current liabilities		
Lease liability	4,861	-
Amounts recognised in statement of comprehensive income		
Interest on lease liabilities	6,896	25,991
Depreciation on right-of-use assets	120,016	495,719
Variable lease payments	37,513	125,959
Short-term lease expenses	54,142	102,221
Amounts recognised in statement of cash flow		
Interest on lease liabilities	6,896	25,991
Principal lease payments	96,886	273,271

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the consolidated statement of financial position.

Right-of-use asset	**Buildings**
No. of right-of-use assets leased	1
Range of remaining terms in months	13
Average remaining term in months	13
No. of leases with options to purchase	-
No. of leases with termination options	-

16. Interest bearing loans and borrowings

	2025 $	2024 $
Current liabilities		
ASB term loan	310,104	-
Callaghan R&D loan	59,711	58,100
	369,815	58,100
Non-current liabilities		
ASB term loan	728,199	1,038,303
Callaghan R&D loan	285,015	344,726
	1,013,214	1,383,029

Terms and repayments schedule

Loan	Currency	Interest rate	Maturity date	$	$
ASB term loan	NZD	10.39%	30/10/2026	1,038,303	1,038,303
Callaghan R&D loan	NZD	3.00%	13/08/2030	344,726	402,826
				1,383,029	1,441,129

The face value and carrying value of the loans are the same.

Financial covenants
Trade Window Services Limited (TWSL) has a secured bank loan with ASB Bank with a carrying amount of $1,038,303 at 31 March 2025 (2024: $1,038,303), to which Trade Window Limited is the guarantor. The loan is repayable in monthly instalments of interest and principal until 30 October 2026, followed by a final payment of around $570 thousand in October 2026. The loan contains financial covenants, which if breached, could permit the lender to immediately call on the loan. The specific covenants relating to financial ratios of Trade Window Services Limited is required to meet within 12 months of reporting date are:

Ratio	Gearing ratio	Interest cover ratio	Equity ratio	Revenue target
Detail	Core debt to equity	EBITDA to total bank interest	Shareholders' funds to total assets	Actual revenue as a percentage of forecast for the past 12 months
Requirement	Less than 2.5 times	More than 3 times	Greater than 45%	Greater than 85%
Timing	End of each financial quarter	End of each financial quarter	End of each financial year	End of each month
Actual	0.3 times at 31 March 2025	37.4 times at 31 March 2025	90% at 31 March 2025	102% for the period ended 31 March 2025

At balance date, the Company has met all its covenants.

The ASB loan is secured over the assets of TradeWindow Services Limited together with an unlimited guarantee and indemnity from Trade Window Limited.

16. Interest bearing loans and borrowings (continued)

On 13 August 2020, the Company received an R&D loan of $400,000 from Callaghan Innovation as assistance for the economic impacts of COVID19 on the business. The loan balance at 31 March 2025 was $344,726 which included an interest accrual of 3% (2024: $402,826).

17. Issued capital

	2025 Number of shares	2024 Number of shares	2025 $	2024 $
Shares				
Balance 1 April	117,195,875	113,026,232	47,290,673	46,180,576
Issue of ordinary shares	12,690,858	2,057,614	2,033,196	500,000
Shares issued in respect of payment of vendor services	483,466	1,079,693	93,115	291,506
Shares issued in respect of employee share options exercised	420,749	1,032,336	-	318,591
Reclassification	-	-	(318,534)	-
	130,790,948	117,195,875	49,098,450	47,290,673

During April 2024, Trade Window Holdings Limited raised $2,221,132 before capital raise expenses, by way of a private placement ($2,000,226) and a share purchase plan ($221,907). As announced through NZX on 17 April 2024, and approved at the 13 June 2024 special meeting of shareholders, TradeWindow Founder and CEO, AJ Smith's share subscription had delayed settlement dates of July 2024 and November 2024.

During the period vendors accepted payment in shares of $93,115 (shares issued 483,466).

At 31 March 2025, share capital comprised 130,790,948 shares. All issued shares rank equally, are fully paid and have no par value.

Capital management
For the purpose of the Group's capital management, capital includes issued capital, convertible notes and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. There are no externally imposed capital requirements.

18. Share-based payments reserve

As at 31 March 2025 the Group had the following share-based payments arrangements:

2019/20 Share Option scheme
The Group established a share option programme that entitled senior management to purchase shares in the Company on 31 October 2019, which was revised on 25 March 2020 and 19 November 2021. Under this programme, holders of vested options are entitled to purchase shares at the exercise price specified at grant date. All options are to be settled by the physical delivery of shares.

Under this plan, grantees have been granted options to purchase ordinary shares at an exercise price based on the fair value of Trade Window Holdings Limited's shares on the date of the grant as approved by the directors. Once granted, options vest over a period of time which is stated in the options offer letter to the grantee. The grantee may exercise an option that has vested at any time during the period commencing on the date on which the option vested and ending on the expiry date. Under the terms of the scheme unvested options lapse immediately on termination of service. For a good leaver, as defined, vested options must be exercised within three months following termination of services, and any options exercised and converted to shares may be retained. For a bad leaver, as defined, vested options are cancelled on the leaving date.

No options were approved to be issued under the existing scheme since prior to listing on 19 November 2021.

The number and weighted average exercise prices of share options under the employee share option programmes were as follows:

	Number of options	**Weighted average exercise price**
Year ended 31 March 2025		
Outstanding at the beginning of the period	14,490	0.00092
Granted during period	-	-
Revoked during period	-	-
Exercised at end of 31 March 2025	-	-
Outstanding at the end of the period	14,490	0.00092
Comprised of:		
Vested (and not exercised)	14,490	-
Granted but not vested	-	-
	14,490	-

	Number of options	**Weighted average exercise price**
Year ended 31 March 2024		
Outstanding at the beginning of the period	85,511	0.00092
Revoked during period	(12,294)	0.00092
Exercised at end of 31 March 2024	(58,727)	0.00092
Outstanding at the end of the period	14,490	0.00092
Comprised of:		
Vested (and not exercised)	14,490	-

18. Share-based payments reserve (continued)

2022 Share Option schemes

Employees LTI Option Plan
During the financial year ended 31 March 2023, the Group introduced a share option programme to replace the 2019/20 scheme. The establishment of the 2022 Share Option Plan is designed to provide long-term incentives for senior managers (including executive directors) to deliver long-term shareholder value, as well as retain and motivate participants. Under this programme, participants were issued options at the equivalent price of $0.74. This price was determined with reference to TWL's closing share price on 29 July 2022. Under the terms of the scheme, unvested options lapse on the date employment ceases.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant date	Number of instruments	Exercise price	Vesting date	Vesting conditions	Contractual life of options
July 2022	1,169,670	Nil	1 July 2025	Subject to hurdle rate of 17.5% per annum growth in the share price, based on the issue price.	5 years
July 2022	54,054	Nil	1 July 2025	Must be employed by the company on vesting date	5 years

Non-Executive Directors Option Plan
Also during the prior year the Group introduced a share option programme for Non-Executive Directors.

Under this programme, holders of vested options are entitled to purchase shares at an exercise price equal to the VWAP of TradeWindow shares over the 20 Business Day period prior to the date of issuance of the Options, subject to a floor price of $0.70 per share.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant date	Number of instruments	Exercise price	Vesting date	Vesting conditions	Contractual life of options
Sep 2022	300,000	$0.70	Progressively over two years from grant date	None	3 years

2023/24 Salary Sacrifice Option Plan
During the prior year, the Group introduced a share option programme for senior management where participants make a salary sacrifice in exchange for employee share options in the Company. The programme ran for 13 months, ending 30 April 2024. Under this programme, the number of options to be granted to a participant was determined each payday by dividing 150% of the salary sacrifice amount by the mid-point share price on the salary payment date. Granted options vest immediately and the participant has five years from issue date to exercise the options. Holders of vested options are entitled to purchase shares at $Nil exercise price.

The key terms and conditions of the share options granted under this programme are as follows, all options are to be settled by the physical delivery of shares:

Grant period	Number of instruments	Exercise price	Vesting date	Vesting conditions	Contractual life of options
1 April 2023 - 31 March 2024	1,592,695	$0.00	Immediately	None	5 years
1 April 2024 - 31 March 2025	290,854	$0.00	Immediately	None	5 years

18. Share-based payments reserve (continued)

The number and weighted average exercise prices of share options under the employee share option programmes were as follows:

	Number of options	Weighted average exercise price
Year ended 31 March 2025		
Outstanding at the beginning of the period	1,832,795	0.10185
Granted during period	290,854	-
Revoked during period	(133,896)	0.34853
Exercised at end of 31 March 2025	(420,749)	-
Outstanding at the end of the period	1,569,004	0.08923
Comprised of:		
Vested (and not exercised)	743,214	-
Granted but not vested	825,790	-
	1,569,004	-

	Number of options	Weighted average exercise price
Year ended 31 March 2024		
Outstanding at the beginning of the period	1,448,649	0.14496
Granted during period	1,646,719	-
Revoked during period	(288,964)	0.08075
Exercised at end of 31 March 2024	(973,609)	-
Outstanding at the end of the period	1,832,795	0.10185
Comprised of:		
Vested (and not exercised)	873,110	-
Granted but not vested	959,685	-
	1,832,795	-

Expense recognised in profit or loss
The total expense recognised in the statement of comprehensive income during the year was $140,843 (2024: $523,638).

19. Contingent liabilities

The Group has a contingent liability in 2025 of $1,035,902 relating to R&D tax losses cashed out (2024: $1,035,902). If the Group becomes profitable in the future, there is a change in the shareholders greater than 90%, or a liquidation event occurs, it would become payable.

There are no other contingencies.

20. Financial instruments classification and risk management

The Group's overall financial risk management programme focuses primarily on maintaining a financial risk profile that provides flexibility to implement the Group's strategies, while optimising return on assets. Financial risk management is centralised, which supports compliance with the financial risk management policies and procedures set by the Board.

The Group holds the following financial assets and liabilities, the table below shows their carrying amount and measurement basis.

Categories of financial assets and liabilities

31 March 2025	**Amortised cost $**	**Financial liabilities at amortised cost $**	**Total $**
Assets			
Cash and cash equivalents	392,212	-	392,212
Trade receivables	913,015	-	913,015
Total financial assets	1,305,227	-	1,305,227
Liabilities			
Trade payables	-	1,348,849	1,348,849
Interest bearing loans and borrowings	-	1,383,029	1,383,029
Lease liability	-	50,186	50,186
Total financial liabilities	-	2,782,064	2,782,064

31 March 2024	**Amortised cost $**	**Financial liabilities at amortised cost $**	**Total $**
Assets			
Cash and cash equivalents	188,177	-	188,177
Trade and other receivables	646,316	-	646,316
Restricted cash	26,853	-	26,853
Total financial assets	861,346	-	861,346
Liabilities			
Trade and other payables	-	1,365,898	1,365,898
Interest bearing loans and borrowings	-	1,441,129	1,441,129
Related party payables	-	4,076	4,076
Lease liability	-	78,994	78,994
Total financial liabilities	-	2,890,097	2,890,097

Financial risk management
The Group had exposure to the following risks from its use of financial instruments:
- Market risk (mainly interest rate risk)
- Credit risk
- Liquidity risk

Risk management framework
The Company's board of directors has overall responsibility for the establishment and oversight of the Group 's risk management framework. The board of directors has established the Audit and Risk Committee, which is responsible for developing and monitoring the Group 's risk management policies. A risk register is maintained, and the Committee reports regularly to the board of directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

20. Financial instruments classification and risk management (continued)

Market risk
Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates and equity prices - 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 market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk
The Group 's exposure to the risk of changes in interest rates primarily affects borrowings. The Group had floating interest rates throughout the year.

The following table illustrates the sensitivity of profit/ (loss) and equity to a reasonably possible change in interest rates of +/- 1% (2024: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change
in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

	2025		2024	2024
	Change in profit/(loss) $	Change in equity $	Change in profit/(loss) $	Change in equity $
Variable interest rates +1%	(6,461)	(6,461)	(11,647)	(11,647)
Variable interest rates -1%	6,461	6,461	11,647	11,647

Foreign exchange risk
Foreign exchange risk arises from future commercial transactions and recognised financial assets and liabilities denominated in currencies other than the Group's functional currency, New Zealand dollars (NZD). The Group's primary exposure to currency exchange rate fluctuations stems from its overseas sales and purchases, predominantly in Australian dollars (AUD).

To manage this risk, the Group employs natural hedging by aligning AUD revenue with AUD expenses within the same entity, significantly reducing the impact of exchange rate volatility. As an early-stage company undergoing recent changes in operations, expenses, and revenue, the timing of cash flows is uncertain. Management regularly monitors unhedged exposures and will consider formal hedging strategies when greater certainty around cash flow timing is established.

Credit risk
The Group is not exposed to any significant credit risk. There is no history of customer default and management consider the credit quality of trade receivables to be good. The Group trades with recognised, creditworthy third parties or requires payment in advance. The profile of future customers is expected to be similar to that of past customers. On this basis, the Group does not feel it necessary to have a written credit policy in place, however management continue to monitor this risk.

Credit risk relating to bank balances is managed by banking with major financial institutions with high quality external credit ratings.

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by maintaining adequate cash reserves and banking facilities. Forecast and actual cash flows are continuously monitored with the maturity profiles of the majority of financial assets and liabilities matched.

20. Financial instruments classification and risk management (continued)

Liquidity profile of financial assets

	1 Year or less $	1 to 5 Years $	More than 5 years $	Total contractual cash flows $
Year ended 31 March 2025				
Cash and cash equivalents	392,212	-	-	392,212
Trade and other receivables	913,015	-	-	913,015
	1,305,227	-	-	1,305,227
Year ended 31 March 2024				
Cash and cash equivalents	188,177	-	-	188,177
Trade and other receivables	646,958	-	-	646,958
Restricted cash	26,853	-	-	26,853
	861,988	-	-	861,988

Financial liabilities based on contractual cashflows due within

	1 Year or less $	1 to 5 Years $	More than 5 years $	Total contractual cash flows $	Carrying amount of liabilities $
Year ended 31 March 2025					
Trade and other payables	1,348,849	-	-	1,348,849	1,339,628
Interest bearing loans and borrowings	446,860	1,052,603	29,077	1,528,540	1,383,030
Lease liabilities	48,288	4,037	-	52,325	50,186
	1,843,997	1,056,640	29,077	2,929,714	2,772,844
Year ended 31 March 2024					
Trade and other payables	1,365,898	-	-	1,365,898	1,365,898
Interest bearing loans and borrowings	166,100	1,519,029	-	1,685,129	1,441,129
Related party payables	4,076	-	-	4,076	4,076
Lease liabilities	78,994	-	-	78,994	78,994
	1,615,068	1,519,029	-	3,134,097	2,890,097

21. Commitments

As at balance date there were no known capital commitments.

22. Segment reporting

An operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM") on a monthly basis. The CODM, who is responsible for allocating resources and assessing performance of the operating segment(s) is part of the senior leadership team and is involved in strategic decision making of the Group. Management has determined there is one operating segment based on the reports reviewed by the CODM.

The reason for looking at the business as one segment is because of the inter-related nature of the services and their dependence on the Trade Window software which cannot be separated between different products and services. The performance of the operating segment is reviewed by the CODM and action plans are agreed with the management where necessary to improve performance of the business.

The reportable operating segment derives its revenues from the provision of software solutions to its customers. There are no major customers that contribute more than 10% of revenues. The CODM assesses the performance of the operating segment from revenue to net income. The total revenue, direct costs, operating expenses, interest and foreign exchange gains and losses, tax and net income are reviewed.

22. Segment reporting (continued)

The amounts reported with respect to segment total assets and liabilities are measured in a manner consistent with the consolidated statement of financial position. Reportable segment assets and liabilities are equal to total assets and liabilities hence no reconciliation is required.

23. Related party transactions

Key management personnel
The Group has related party relationships with its directors and other key management personnel as listed below. Remuneration of key management personnel during the year amounted to $1,101,049 (2024: $1,247,769), of which $1,011,029 (2024: $923,774) was for short-term employee benefits and $90,020 (2024: $323,996) was for share-based payment expense.

Remuneration for the directors during the year amounted to $181,580 (2024: $217,668), of which $178,582 (2024: $201,375) was for directors fees and $2,998 (2024: $16,293) was for share-based payment expense.

Other related parties
ASB Bank Limited is a shareholder of the Group. The ASB Bank is 100% owned by the Commonwealth Bank of Australia (CBA). The Group has bank balances with the ASB Bank and CBA (see note 10) as well as some interest bearing loan facilities as stated in note 16.

Transactions involving related entities
The entities, the nature of the relationship and the types of transactions which the Group entered into during the period are detailed below:

Related entity	Nature of relationship	Types of transactions
ASB Bank Limited	Shareholder	Funds advanced, balances payable, cash at bank, shares issued
Commonwealth Bank of Australia	Ultimate parent of ASB Bank Limited	Cash at bank, restricted cash
Kerry Friend	Executive director, beneficial shareholder	Employment agreement, ESOP
Albertus Johannes Smith	Executive director, shareholder	Employment agreement, ESOP

The following transactions and outstanding balances between related parties occurred during the year:

	Purchases/ Salaries $	Balances payable $	Interest bearing loans $	Cash at bank $	Restricted cash $
31 March 2025					
ASB Bank Limited	-	-	1,038,303	210,906	-
Commonwealth Bank of Australia	-	-	-	141,817	-
	-	-	1,038,303	352,723	-

23. Related party transactions (continued)

31 March 2024	Purchases/ Salaries $	Balances payable $	Interest bearing loans $	Cash at bank $	Restricted cash $
ASB Bank Limited	-	-	1,038,303	82,280	-
Commonwealth Bank of Australia	-	-	-	95,889	26,853
Independent Verification Services Limited	6,420	184	-	-	-
OntrackNZ 2020 Limited	44,573	3,892	-	-	-
	50,993	4,076	1,038,303	178,169	26,853

Transactions with Directors and Related Entities

Other than disclosed above, there were no other transactions with Directors or their related entities.

24. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following material subsidiaries of the Group:

Name	Principal place of business / Country of incorporation	Ownership interest 2025 %	2024 %
Trade Window Limited	New Zealand	100%	100%
Trade Window Pty Limited	Australia	100%	100%
Trade Window Pte Limited	Singapore	100%	100%
TradeWindow Services Limited	New Zealand	100%	100%
Trade Window Origin Limited	New Zealand	100%	100%
Trade Window Incorporated	Philippines	100%	100%

All subsidiaries have a 31 March balance date.

25. Reconciliation of loss after income tax to net cash used in operating activities

	2025 $	2024 $
Loss after income tax expense for the year	(3,517,685)	(8,013,615)
Classification differences		
- Net finance expense	128,858	86,520
- Gain on disposal	(33,750)	(40,573)
Statement of financial position movements		
- Trade and other receivables (excluding related party)	(164,982)	933,231
- Contract assets	24,988	62,220
- Trade and other payables	(66,523)	(861,003)
- Contract liabilities	75,424	87,143
- Income tax payable	10,118	46,244
- Other movements	25,443	42,096
Other non-cash items		
- Depreciation, amortisation and impairment	1,852,747	2,512,165
- Employee share scheme	140,843	607,650
- Revaluation of contingent consideration	-	(1,216,000)
Net cash used in operating activities	(1,524,519)	(5,753,922)

26. Reconciliation of liabilities arising from financing activities

The changes in liabilities arising from financing activities can be classified as follows:

	Lease liabilities $	Long-term $	Short-term $	Total $
1 April 2024	78,994	1,383,029	58,100	1,520,123
- Repayment	(96,886)	-	(58,100)	(154,986)
- Interest	(6,896)	-	(135,671)	(142,567)
	(24,788)	1,383,029	(135,671)	1,222,570
Non-cash:				
- Reclassification	-	(369,815)	369,815	-
- Disposals	86,492	-	-	86,492
- Repayment settled in shares	(18,413)	-	-	(18,413)
- Interest	6,896	-	135,671	142,567
Balance as at 31 March 2025	50,187	1,013,214	369,815	1,433,216

26. Reconciliation of liabilities arising from financing activities (continued)

	Lease liabilities $	Long-term $	Short-term $	Total $
1 April 2023	873,298	1,264,885	529,580	2,667,763
Cashflows:				
- Repayment	(273,271)	-	(357,741)	(631,012)
- Interest	(25,991)	-	(125,707)	(151,698)
	574,036	1,264,885	46,132	1,885,053
Non-cash:				
- Reclassification	-	113,739	(113,739)	-
- Disposals	(303,562)	-	-	(303,562)
- Repayment settled in shares	(207,505)	-	-	(207,505)
- Effects of movements in exchange rates	(9,966)	-	-	(9,966)
- Interest	25,991	4,405	125,707	156,103
Balance as at 31 March 2024	78,994	1,383,029	58,100	1,520,123

27. Earnings per share

The earnings per share for the year ended 31 March was as follows:

	2025 $	2024 $
Loss after income tax	(3,517,685)	(8,013,615)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	127,744,895	114,428,949
Weighted average number of ordinary shares used in calculating diluted earnings per share	127,744,895	114,428,949
	Cents	**Cents**
Basic earnings per share	(2.75)	(7.00)
Diluted earnings per share	(2.75)	(7.00)

As at 31 March 2025 share options that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented total 1,583,494 (2024: 1,847,285).

28. Events after the reporting period

No matter or circumstance has arisen since 31 March 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Trade Window Holdings Limited
Interest register
For the year ended 31 March 2025

Interest register

In accordance with Section 140(2) of the Companies Act, the directors named below have made a general disclosure of interest by a general notice disclosed to the Board and entered in the Company's interests register. General notices given by directors which remain current as at 31 March 2025 are as follows:

Albertus J Smith

Trade Window Origin Limited	Director
Trade Window Services Limited	Director
Trade Window Limited	Director
Trade Window Pty Limited	Director
Trade Window Pte Limited	Director
Trade Window Incorporated	Director
77X Ventures Pty Limited	Director/Shareholder

Kerry M Friend

Tomadachi No.1 Trust	Trustee
Tomadachi No.2 Trust	Trustee and Shareholder in TWHL
Trade Window Limited	Director
Trade Window Services Limited	Director
Northpower Limited	Director
Northpower Fibre Limited	Director
Northpower Generation Limited	Director

Alasdair J MacLeod

Trade Window Limited	Chair
Silverstripe Limited	Chair
Kotahi Engineering Studio (appointed 16 May 2024)	Chair
Hold Fast Investments Limited	Chair
Silverstripe Trustees Limited	Director
IHC- Board Appointments Committee	Independent Director
Hawkes Bay Regional Economic Development Agency (resignation effective 13 June 2025)	Chair

Phillip J Norman

Trade Window Limited	Director
Nortek Management Services Limited	Director/Shareholder
TruScreen Limited (NZX listed)	Shareholder
MyWave Holdings Limited	Shareholder
Touchpoint Group Limited	Director/Options Holder
Atrax Group New Zealand Limited	Advisory Board Member
Xero Limited (ASX listed)	Shareholder
Loyalty New Zealand Limited (in liquidation)	Director
Activedocs Limited	Shareholder

Trade Window Holdings Limited
Interest register
For the year ended 31 March 2025

As required by Section 211 of the Companies Act 1993 we disclose the following information:

Directors remuneration
The persons who held office as directors of Trade Window Holdings Limited at any time during the year ended 31 March 2025 and their remuneration, are as follows:

	Director and consulting fees $	**Salary $**	**ESOP $**	**Total $**
Albertus J Smith*	-	392,879	44,495	437,374
Kerry M Friend*	-	130,079	21,200	151,279
Alasdair J MacLeod	104,125	-	1,499	105,624
Phillip J Norman	74,457	-	1,499	75,956

No directors fees were paid to directors of subsidiary entities.

*The Executive Director's ESOP remuneration included 2023/24 Salary Sacrifice Options Plan issuances as described in note 18.

Employee remuneration
Trade Window Holdings Limited and our subsidiaries have employees in New Zealand, Australia and Singapore. Our pay levels reflect the different market rates in each country and region. The overseas remuneration amounts are converted into New Zealand dollars. Noted in the table below are employees who received remuneration and other benefits that exceed NZ $100,000:

Remuneration including share-based remuneration ($)	**Number of employees (Total: 25)**
100,001 - 110,000	4
110,001 - 120,000	3
120,001 - 130,000	1
130,001 - 140,000	3
140,001 - 150,000	3
150,001 - 160,000	2
160,001 - 170,000	2
170,001 - 180,000	1
210,001 - 220,000	1
230,001 - 240,000	1
240,001 - 250,000	1
270,001 - 280,000	1
290,001 - 300,000	1
430,001 - 440,000	1

Donations
During the year ended 31 March 2025, the Group made donations of $Nil (2024: $Nil).

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Independent Auditor's Report

To the Shareholders of Trade Window Holdings Limited

Opinion

I have audited the consolidated financial statements of Trade Window Holdings Limited ("the Company") and its subsidiaries ("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, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements including a summary of material accounting policies.

I am a partner with UHY Haines Norton Chartered Accountants Sydney (the Firm) and I have used the staff and resources of the Firm to perform the audit of the Group.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 March 2025, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS") issued by the New Zealand Accounting Standards Board and IFRS Accounting Standards ("IFRS") issued by the International Accounting Standards Board.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (New Zealand) ("ISAs (NZ)") issued by the New Zealand Auditing and Assurance Standards Board. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report.

I am 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 the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other than in my capacity as auditor, neither myself, the firm or the firm's staff have no relationship with, or interests in, the Group.

Material uncertainty related to going concern

I draw attention to Note 1 in the consolidated financial statements, which indicates that the Group incurred a loss of $3.5 million and operating cash outflows of $1.5 million for the year ended 31 March 2025. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated financial statements of the current year. Except for the matter described in the material uncertainty related to going concern, I summarise below those matters and my key audit procedures to address those matters in order that the shareholders as a body may better understand the process by which I arrived at my audit opinion. The procedures were undertaken in the context of and solely for the purpose of my statutory audit opinion on the consolidated financial statements as a whole and I do not provide a separate opinion on these matters.

Why the audit matter is significant	How my audit addressed the key audit matter
Revenue recognition The Group has recognised revenue of $8.03m (FY 2023: $6.18m) (Note 4). The Group has several revenue streams, and the revenue recognition policy for each stream is different. I focused on this area because the recognition of revenue in accordance with NZ IFRS 15 involves judgement and the outcome has a significant impact on profit or loss and the financial position of the Group. Also, there is a risk of overstatement of revenues through premature revenue	To address the risk associated with revenue recognition, the following audit procedures were carried out: • Evaluated the design of management's internal controls related to revenue recognition. • Reviewed revenue recognition policies for appropriateness and compliance with the requirements of the relevant accounting standard NZ IFRS 15; • Selected a sample of transactions and agreed them to supporting documentation such as customer contract, sale invoice, cash receipt and assessed whether all criteria related to revenue recognition has been met before being recognised as revenue; • Reviewed credit notes posted after year end to ascertain correct revenue recognition during the year; • Performed revenue cut off procedures by selecting revenue samples before and after year end and testing that revenue is recorded in the correct period;

recognition or recording fictitious revenues to meet budgets and/or market guidance.	• Tested a sample of deferred revenue balances and agreed it to the supporting documents; • Reviewed manual revenue journals as part of the journal entry testing process with the criteria specifically targeting unusual entries to revenue accounts; and • Assessed the reasonability and completeness of the revenue related disclosures to test compliance with the requirements of the accounting standards.

Why the audit matter is significant	**How my audit addressed the key audit matter**
Intangible assets & Goodwill The Group has significant intangible assets relating to the acquisitions made in previous periods. The Group has significant intangible assets with finite useful lives including software and customer relationships totalling $2.08m (note 13) of carrying value as at 31 Match 2025 that are amortised over their useful life. In addition there is a significant goodwill balance recorded of $7.62 million (note 13) as at 31 March 2025. I consider this area to be significant as balances are material to the financial report and the significant estimates and judgements applied in testing these balances for impairment.	To address the risk associated with intangible balance, the following audit procedures were carried out: • Assessed reasonability of the useful life used for the purpose of calculating amortisation on software and customer relationship i.e. finite life intangible assets; • Analysed the Group's impairment assessment for the correct methodology with particular emphasis on the key assumptions being discount rate, growth rate and forecast cash flows; • Performed an independent recalculation of the Group's recoverable amount and compared it to management's assessment and the relevant carrying amount; • Performed stress testing of the key assumptions; and • Assessed the reasonability and completeness of the related disclosures to test compliance with the requirements of the accounting standards.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Directors are responsible for the other information. The other information comprises the annual report but does not include the consolidated financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to report that fact.

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 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

My objective is 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 my 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 the auditor's responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at: https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-1/.

This description forms part of my auditor's report.

Restriction on use of my report

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

Vikas Gupta
Audit Partner - UHY Haines Norton Chartered Accountants Sydney
Signed at Sydney, Australia on 29 May 2025