Appendix 4E

(Rule 4.3A)

Preliminary final report

Name of entity

Peppermint Innovation Limited	ABN: 56 125 931 964

1. **Details of the Reporting Period and the Previous Corresponding Period**

Financial period ended ("current period")	Financial period ended ("previous period")
30 June 2024	30 June 2023

2. **Results for Announcement to the Market**

			$'000	%		$'000
2.1	Revenue from ordinary activities	up	496	132%	to	872
2.2	Loss from ordinary activities after tax attributable to members	up	1,436	59%	to	3,875
2.3	Net loss for the period attributable to members	up	1,570	67%	to	3,899
2.4	Loss per share	up		100%	to	0.2 cents

2.5 **Brief explanation of results**

The key highlights for FY24 were:

- Significant progress was made with MASS-SPECC to roll-out the Pinoy Coop Mobile App ("PCM") to member Co-Operatives and their individual membership base.
  - Peppermint Bizmoto continued to work closely with MASS-SPECC's PCM App delivery team to roll-out the PCM App across its 340+ cooperatives, representing some 3.4 million individual members.
  - A comprehensive delivery roadmap was implemented by MASS-SPECC's roll-out team which involved site visits to multiple cooperatives across the Mindanao region.
  - These site visits will continue during the rest of CY24 and into CY25 to onboard as many cooperatives and their individual members as possible.

- The economics of Peppermint's partnership with MASS-SPECC is compelling, with Peppermint forecast to earn on average 10c for every completed transaction via the PCM App.
- MASS-SPECC's current ATM network processed cash withdrawals, bills payment and funds transfer transactions valued at more than Php 10 billion since December 2023. The potential value of migrating just these fund transfer transactions to the PCM App would translate to an exponential rate of PCM mobile transactions.

- Increased bizmoLoan gross revenue by circa 675% during FY24.
  - Focused on micro-business loans to Sari-Sari stores yielding more revenue on fewer loans issued.
  - Strong bizmoLoan revenue growth is expected to continue from Sari-Sari stores. In addition, new loan product offerings and/or promotional strategies were also effective in attracting new borrowers.
  - PINT's AI & CX technology teams focused on the bizmoLoan user journey, including a comprehensive end-to-end analysis and review. Initiatives began to enhance lead generation, optimise onboarding conversions and explore AI-driven enhancements for Know-Your-Customer and credit score modelling.
- Peppermint Bizmoto Inc. ("PBI") issued with Certificate of Registration ("COR") as an Operator of Payment Systems ("OPS") by the Bangko Sentral ng Pilipinas ("BSP").
  - Certification allows PBI to be listed among the BSP's 'approved and supervised' Operator Payment Systems throughout the Philippines, providing a safe, efficient and reliable payment and settlement system for Its Bizmoto users.
- PBI issued with Certificate of Eligibility ("COE") by the BSP for direct membership with the Philippines Payments Management Inc. ("PPMI").
  - Certification allows PBI to join PPMI In the PESONet and InstaPay Automated Clearing Houses ("ACH") as a Sending and Receiving Participant under the National Retail Payment System ("NRPS") of the Philippines.
- Peppermint signed 5-year strategic partnership agreement to provide MASS-SPECC's PCM App.
  - Agreement provides for Peppermint to deliver end-to-end services for MASS-SPECC's PCM App via white-labelling the Company's Electronic Money Issuer ("EMI") wallet and mobile application banking & financial services technology platform.

	• Peppermint secured contract extension and new contracts with major Philippines' leading health management organisation, Cooperative Health Management Federation ("CHMF"). - Contract extension allows Peppermint to make greater use of its EMI licence to offer services to CHMF's loyal 58,000 customers and more than 820 health providers across 185 Co-operatives. - Peppermint Bizmoto Inc. secured a new contract to develop an Application Programming Interface (API) to enhance the services of CHMF's 1coophealth system. • Acquired established and proven 'Application Modernisation' (focused on the use of Artificial Intelligence ("AI") and the Customer Experience ("CX") business division from ASX-listed XPON Technologies. - Acquisition comprised Xpon Digital Limited (renamed Peppermint Intelligence Limited 'PINT') and Holoscribe Australia Pty Ltd (renamed Peppermint Intelligence Pty Ltd 'PIPL'). - The AI (Artificial Intelligence) and CX (Customer Experience) team aims to drive robust innovation, especially in the realm of the customer or user journeys, AI deployments, product efficiencies, scale and technology platform optimisation. - The primary purpose of the acquisition is to enable Peppermint to accelerate its AI transformation across loan origination, scoring, management and collections to deliver on our vision to become a leading automated lending business to the financially underserved

3. NTA Backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	$0.0002	$0.0014

4 Control gained or lost over entities having material effect

Name of entity: Peppermint Intelligence Ltd
Peppermint Intelligence Pty Ltd

Date gained control: 22 December 2024

Contribution of such entities to the reporting entity's (loss) from ordinary activities before income tax during the period ($210,332).

5. Dividends

There were no dividends declared or paid during the period and it is not recommend that any dividends be paid.

6. Dividend Reinvestment Plans

Not applicable.

7. Material interest in entities which are not controlled entities

Not applicable.

8. Foreign Entities

This report includes the following foreign subsidiaries:

- Peppermint Tech Inc., registered in the Philippines
- Peppermint Financing Inc., registered in the Philippines
- Peppermint Bizmoto Inc., registered in the Philippines
- Peppermint Intelligence Ltd, registered in United Kingdom
- Peppermint Intelligence Pty Ltd, registered in Australia

9. Audit Qualification or review

The financial statements have been audited and an unmodified opinion has been issued.

9. Annual Financial Report

This report should be read in conjunction with the attached Annual Financial Report for the year ended 30 June 2024.

Signed by: Date: 30 August 2024

Name: Christopher Kain
Executive Director

PEPPERMINT INNOVATION LIMITED

(ACN 125 931 964)

Annual Financial Report
for the Year Ended 30 June 2024

Corporate Information

ABN 56 125 931 964

Directors

Mr Christopher Kain
Managing Director

Mr Anthony Kain
Executive Director

Neal Cross
Non-executive Director

Company Secretary

Mr Anthony Kain

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Registered Office

Exchange Towers
Level 2 East, The Wentworth Building
300 Murray Street, Off Raine Lane
Perth WA 6000

Tel: +61 8 6255 5504

Web Address: www.pepltd.com.au

ASX Code: PIL

Share Registry

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000

Tel: +61 8 9323 2000
Fax: +61 8 9323 2033

Web: www.computershare.com.au

Auditors

RSM Australia Partners
Level 32, Exchange Tower
2 The Esplanade
Perth WA 6000

Directors' Report

Your Directors submit the financial report of Peppermint Innovation Limited (the Company or Peppermint), and the entities it controlled (the Group), for the year ended 30 June 2024.

1 Directors

The names of directors who held office during or since the end of the financial year and until the date of this report are as follows. Directors were in office for the entire financial year unless otherwise stated.

Name, qualifications, independence status and special responsibilities	Experience
Mr Anthony Kain (*BJuris, LLB*) *Chairperson* *Executive Director* *Company Secretary* Appointed 4 December 2015	Anthony has over 30 years' experience working in Australian capital markets. He has played a key role in the formation of numerous privately owned and publicly listed companies and has an in-depth understanding of intellectual property and its commercialisation. Anthony also has considerable experience as a director having held managing director, director and legal counsel roles with Australian Stock Exchange listed companies operating foreign assets. Anthony has held advisory roles in capital raising, joint ventures and mergers and acquisitions through his exposure to a diverse range of international and national development opportunities working with technical teams primarily in the energy, motor vehicle and resources sectors. Listed company directorships in the past 3 years: None
Mr Christopher Kain (B Comm, MBA) Managing Director and CEO Appointed 4 December 2015	Christopher is a practiced company director with more than 20 years experience in finance services, investment markets and corporate management with a proven capability to identify business opportunities and executing commercial strategies for the benefit of both stakeholders and investors. Christopher has specific expertise in investment evaluation, public and private capital raising programs, debt funding strategies and, project development and financing. Christopher has held advisory and development roles with institutions such as Barclays Capital and Credit Suisse First Boston in London, National Australia Bank and Macquarie Bank in Australia where he worked across institutional, wholesale and retail investment and financial markets. Listed company directorships in the past 3 years: None

Directors' Report

Mr Neal Cross *Independent Non-executive Director* Appointed 24 March 2022	30+ years' working in technology and innovation roles including executive positions at Microsoft, Mastercard and DBS Bank. Multi global award winning innovator – voted world's most disruptive CIO/CTO by Steve Wozniak and Sir Richard Branson. Well versed in innovation practices and digital & cultural transformation. Listed company directorships in the past 3 years: None

2 Company Secretary

The company secretary is Anthony Kain. Details are disclosed in director information.

3 Directors' Meetings

The number of meetings of Directors held during the financial year and the number of meetings attended by each Director was as follows:

Name	Number of meeting eligible to attend	Number of meetings attended
Anthony Kain	3	3
Christopher Kain	3	3
Neal Cross	3	3

4 Principal Activities

Peppermint delivers e-wallet money services, provides non-bank lending solutions and digital payment services via an established technology platform in the Philippines.

Peppermint has a strategic partnership with the Philippines' leading cooperative federation, MASS-SPECC, to deliver digital financial inclusion and owns a significant offering that is delivered by its Artificial Intelligence (AI) and Customer Experience (CX) business division.

Peppermint's AI and CX team aims to drive robust innovation, especially in the realm of the customer or user journeys, AI deployments, product efficiencies, scale and technology platform optimisation.

Peppermint works collaboratively with MASS-SPECC to progress its vision of providing millions of Filipinos with access to its Pinoy Coop Mobile (PCM) App, of which Peppermint is forecast to earn on average 10c for every completed transaction via the PCM App.

Directors' Report

Peppermint is officially recognised as a Non-Bank Financial Institution (NBFI) in the Philippines and holds a financial lending licence granted by the Securities Exchange Commission (SEC) of the Philippines and an Electronic Money Issuer (EMI) licence awarded by the Central Bank of the Philippines (BSP).

5 Operating and financial review

Overview for the year

Key highlights for FY24 year were:

- Significant progress was made with MASS-SPECC to roll-out the Pinoy Coop Mobile ("PCM") App to member Co-Operatives and their individual membership base.
  - Peppermint Bizmoto continued to work closely with MASS-SPECC's PCM App delivery team to roll-out the PCM App across its 340+ cooperatives, representing some 3.4 million individual members.
  - A comprehensive delivery roadmap was implemented by MASS-SPECC's roll-out team which involved site visits to multiple cooperatives across the Mindanao region. These site visits will continue during the rest of CY24 and into CY25 to onboard as many cooperatives and their individual members as possible.
  - The economics of Peppermint's partnership with MASS-SPECC is very compelling, with Peppermint forecast to earn on average 10c for every completed transaction via the PCM App.
  - MASS-SPECC's current ATM network processed cash withdrawals, bills payment and finds transfer transactions valued at more than Php 10 billion since December 2023. The potential value of migrating just these find transfer transactions to the PCM App would translate to an exponential rate of PCM transactions.
- Increased bizmoLoan gross revenue by circa 675% during FY24.
  - Focused on micro-business loans to Sari-Sari stores yielding more revenue on fewer loans issued.
  - Strong bizmoLoan revenue growth is expected to continue from Sari-Sari stores. In addition, new loan product offerings and/or promotional strategies were also effective in attracting new borrowers.
  - PINT's AI & CX technology teams focused on the bizmoLoan user journey, including a comprehensive end-to-end analysis and review. Initiatives began to enhance lead generation, optimise onboarding conversions and explore AI-driven enhancements for Know-Your-Customer and credit score modelling.
- Peppermint Bizmoto Inc. ("PBI") issued with Certificate of Registration ("COR") as an Operator of Payment Systems ("OPS") by the Bangko Sentral ng Pilipinas ("BSP").

Directors’ Report

- Certification allows PBI to be listed among the BSP's 'approved and supervised' Operator Payment Systems throughout the Philippines, providing a safe, efficient and reliable payment and settlement system for Its Bizmoto users.

• PBI issued with Certificate of Eligibility ("COE") by the BSP for direct membership with the Philippines Payments Management Inc. ("PPMI").

  - Certification allows PBI to join PPMI In the PESONet and InstaPay Automated Clearing Houses ("ACH") as a Sending and Receiving Participant under the National Retail Payment System ("NRPS") of the Philippines.

• Peppermint signed a 5-year strategic partnership agreement to provide MASS-SPECC's PCM App.

  - Agreement provides for Peppermint to deliver end-to-end services for MASS-SPECC's PCM App via white-labelling the Company's Electronic Money Issuer ("EMI") wallet and mobile application banking & financial services technology platform.

• Peppermint secured contract extension and new contracts with major Philippines' leading health management organisation, Cooperative Health Management Federation ("CHMF").

  - Contract extension allows Peppermint to make greater use of its EMI licence to offer services to CHMF's loyal 58,000 customers and more than 820 health providers across 185 Co-operatives.
  - Peppermint Bizmoto Inc. secured a new contract to develop an Application Programming Interface (API) to enhance the services of CHMF's 1coophealth system.

• Completed an opportunistic acquisition for no material consideration of an 'Application Modernisation' (focused on the use of Artificial Intelligence (“AI”) and Customer Experience (“CX") business division from ASX-listed XPON Technologies.

  - Acquisition comprised Xpon Digital Limited (renamed Peppermint Intelligence Limited 'PINT') and Holoscribe Australia Pty Ltd (renamed Peppermint Intelligence Pty Ltd 'PIPL').
  - The task of the AI e) and CX (Customer Experience) team was to drive innovation, especially in the realm of the customer or user journeys, AI deployments, product efficiencies, scale and technology platform optimisation.
  - The primary purpose of the acquisition is to enable Peppermint to accelerate its AI transformation across loan origination, scoring, management and collections to deliver on its vision to become a leading automated lending business to the financially underserved.
  - PINT reported securing new contracts and contract renewals contracts worth more than AUD$840,000 since being acquired in December 2023.
  - Cost-efficiencies have been identified and adopted within respective technology teams of the group which has resulted in significant cost savings which will be ongoing.

Directors' Report

Shareholder returns

	2024	2023	2022	2021	2020
Net loss for the year	(3,874,759)	(2,438,623)	(3,593,844)	(2,833,209)	(1,691,500)
Earnings per share (cents)	(0.2)	(0.1)	(0.2)	(0.2)	(0.2)
Net (liabilities)/assets	452,979	2,663,022	5,091,998	2,663,607	(988,458)
Share price	$0.010	$0.006	$0.009	$0.016	Suspended from the ASX

Investments for future

Peppermint will continue to invest in human resources to deliver on its two key assets – the Company's EMI licensed wallet and its bizmoLoan operations. Both areas are forecast to grow, delivering increased gross revenues for FY25.

Review of financial condition

The Company had $1,255,840 cash at bank as at 30 June 2024.

Directors have prepared a cash flow forecast for the Group for the next 12 months which demonstrates an ability for the Group to meet its debts as and when they fall due and payable.

Incorporated into the cash flow forecast are increased revenue from existing contracts, and new projects and the ability to achieve targeted cost savings across various business units.

Directors anticipate the availability of further funding, as needed, to be available through equity or debt raisings.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group to the date of this report, not otherwise disclosed in this report.

a) Dividends

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

b) Significant events after balance date

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

c) Likely developments

The Group intends to continue to develop its four business divisions via organic growth and strategic acquisitions.

d) Environmental legislation

Directors' Report

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Directors' Report

e) Directors' interests

As at the date of this report, the interests of the Directors in the Company were:

	Number of fully paid ordinary shares	Number of performance rights
Anthony Kain	83,991,416	5,000,000
Christopher Kain	110,325,322	5,000,000
Neal Cross	-	5,000,000

f) Share options

The following is a summary of option movements during the period:

Listed/Unlisted	Expiry Date	Exercise Price	Notes	Opening balance	Issued	Expired	Closing
Unlisted	18/02/24	$0.025		20,000,000	-	20,000,000	-
Unlisted	30/06/24	$0.020	(i)	2,500,000	-	2,500,000	-
Unlisted	30/06/24	$0.025	(i)	2,500,000	-	2,500,000	-
Unlisted	30/06/24	$0.030	(i)	2,500,000	-	2,500,000	-
Unlisted	30/06/24	$0.040	(i)	2,500,000	-	2,500,000	-
Unlisted	30/03/25	$0.015	(i)	20,000,000	-	-	20,000,000
Unlisted	30/03/25	$0.010	(i)	-	20,000,000	-	20,000,000
Unlisted	01/03/27	$0.025	(i)	-	15,000,000	-	15,000,000
Unlisted	01/03/27	$0.010	(i)	-	15,000,000	-	15,000,000
Unlisted	01/03/27	$0.015	(i)	-	20,000,000	-	20,000,000
Unlisted	01/03/27	$0.020	(i)	-	15,000,000	-	15,000,000
Total				**50,000,000**	**85,000,000**	**(30,000,000)**	**105,000,000**
Weighted average exercise price				$0.022	$0.015	$0.026	$0.015

(i) Issued to consultants as part of their remuneration

Options not exercised by the expiry date will lapse.

The options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

Since the end of the financial year the Company has not issued any shares as a result of the exercise of options.

Directors' Report

g) Performance rights

The following performance rights were issued during the 2024 and 2023 year:

Vesting Condition	2024	2023 (i)
Tranche A: To be awarded when the Company achieves $4m annual revenue based on audited/reviewed financial reports on or before 30 June 2023 (ii)	-	5,000,000
Tranche B: To be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 30 June 2024 (iii)	-	5,000,000
Tranche C: To be awarded when the Company achieves $1m net income/profit as validated against audited/reviewed financial reports on or before 30 June 2025	-	5,000,000

(i) Performance rights were issued to Mr Neal Cross following receipt of shareholder approval at the annual general meeting of shareholders held on 30 November 2022.
(ii) The Tranche B performance rights expired on 30 June 2023
(iii) The Tranche A performance rights expired on 30 June 2024.

h) Indemnification and insurance of Directors and Officers

The Company has agreed to indemnify all the directors and executive officers against all liabilities to another person (other than the Company or related body corporate) that may arise from their position as officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

The Company has also agreed to indemnify the current Directors of its controlled entities for all liabilities to another person (other than the Company or related body corporate) that may arise from their position, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

i) Auditor Independence and Non-Audit Services

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

j) Non-Audit Services

The directors are of the opinion that the services as disclosed in Note 19 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

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

Directors' Report

k) Proceedings on Behalf of the Company

There are no proceedings on behalf of the Company under section 237 of the Corporations Act 2001 in the financial year or at the date of this report.

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Peppermint Innovation Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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

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

RSM

RSM AUSTRALIA

AWhyte

Perth, WA
Dated: 30 August 2024

ALASDAIR WHYTE
Partner

THE POWER OF BEING UNDERSTOOD
ASSURANCE | TAX | CONSULTING

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Remuneration Report (Audited)

This remuneration report for the financial year ended 30 June 2024 outlines remuneration arrangements of the Company and the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its regulations. This information has been audited as required by section 308(3C) of the Act.

The remuneration report details the remuneration arrangements for key management personnel (KMP) who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and including the executives in the Parent and the Group receiving the highest remuneration.

Individual key management personnel disclosures

Details of KMPs of the Company and Group are set out below:

Key management personnel

(i) Directors

Mr Anthony Kain	Chairman, Executive Director, Company Secretary, appointed 4 December 2015
Mr Christopher Kain	Managing Director and CEO, appointed 4 December 2015
Mr Neal Cross	Non-Executive Director, appointed 24 March 2022

(ii) Executives

None

There have not been any changes to KMP after reporting date and before the financial report was authorised for issue.

The Remuneration Report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration

B. Details of remuneration

C. Service agreements

D. Share-based compensation

E. Share holdings of key management personnel

F. Performance Rights

G. Other transactions and balances with Key Management Personnel

A. Principles used to determine the nature and amount of remuneration

Remuneration philosophy

The performance of the Group depends upon the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives.

To this end, the Group embodies the following principles in its compensation framework:

- Provide competitive rewards to attract high calibre executives;
- Link executive rewards to shareholder value; and
- Establish appropriate, demanding performance hurdles in relation to variable executive compensation

Remuneration consists of fixed remuneration and variable remuneration.

Fixed Remuneration

Fixed remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices.

Variable Remuneration

The Group does not currently have a variable component to the remuneration of the board and management, however, the Group intends to introduce a variable remuneration plan in the near future.

Remuneration Reviews

The Board of Directors of the Company is responsible for determining and reviewing compensation arrangements for the directors, the Managing Director and all other key management personnel.

The Board of Directors assesses the appropriateness of the nature and amount of compensation of key management personnel on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality board and executive team.

Remuneration structure

In accordance with best practice Corporate Governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive Director Remuneration

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Non-executive directors receive a fee for being a director of the Company. The compensation of non-executive directors for the year ended 30 June 2024 is detailed below.

The total maximum remuneration of non-executive directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions of each non-executive Director. This amount has been set at an amount not to exceed $300,000 per annum.

In addition, a director may be paid fees or other amounts and non-cash performance incentive such as options, subject to necessary shareholder approval, where a director performs special duties or otherwise performs services outside the scope of the ordinary duties of a director.

Directors are also entitled to be reimbursed reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as directors.

Senior Manager and Executive Director remuneration

Objective

The entity aims to reward executives with a level and mix of compensation commensurate with their position and responsibilities within the entity so as to:

- reward executives for company, business unit and individual performance against targets set to appropriate benchmarks;
- align the interests of executives with those of shareholders;
- link rewards with the strategic goals and performance of the Group; and
- ensure total compensation is competitive by market standards.

Compensation consists of the following key elements:

- Fixed Compensation; and
- Variable Compensation.

The proportion of fixed compensation and variable compensation (potential short term and long term incentives) is established for each key management person by the Directors.

Fixed Compensation

Objective

Fixed compensation is reviewed annually by the Directors. The process consists of a review of individual performance, relevant comparative compensation in the market and internally and, where appropriate, external advice on policies and practices.

Structure

Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans.

Variable Compensation

Objective

The objective of the Variable Compensation is to reward executives in a manner that aligns this element of compensation with the creation of shareholder wealth.

Structure

The Company and Group do not currently have a Variable Compensation plan, however, it is intended that one be established in the near future.

Use of remuneration consultants

The Group did not use the services of remuneration consultants.

Objective of the remuneration committee

The Company did not have a remuneration committee during the year.

Voting and comments made at 2021 Annual General Meeting

All resolutions at the 2021 Annual General Meeting were passed by poll.

Overview of Group performance

The performance of the Group is detailed in the Directors' Report.

There is no link between remuneration and performance.

B. Details of remuneration

Year ended 30 June 2024

Directors	**Salary & Fees**	**Non-monetary benefits** (i)	**Post employ-ment benefits** (ii)	**Share-based payments**	**Total**	**Performance Related**
Anthony Kain	221,000	14,326	21,847	-	257,173	-
Christopher Kain	293,000	19,185	32,230	-	345,056	-
Neal Cross	121,330	7,400	4,106	-	132,337	-
Totals	**$635,330**	**$40,911**	**$58,183**	**-**	**$734,424**	**-**

Compensation is stated on an accruals basis.

(i) Comprises of directors and officers' insurance.

(ii) Post employment benefits consists of superannuation.

Year ended 30 June 2023

Directors	Salary & Fees	Non-monetary benefits(i)	Post employ-ment benefits(ii)	Share-based payments (iii)	Total	Performance Related(iv)
Anthony Kain	215,402	22,217	22,617	(27,154)	233,082	(27,154)
Christopher Kain	293,000	22,606	30,765	(27,154)	319,217	(27,154)
Neal Cross	120,607	8,715	4,211	-	133,533	-
Totals	**629,009**	**53,538**	**57,593**	**(54,308)**	**685,832**	**(54,308)**

Compensation is stated on an accruals basis.

(i) Comprises of directors and officers' insurance and salary sacrificed notvated car lease.
(ii) Post employment benefits consists of superannuation.
(iii) Represents an apportionment of the value of the underlying shares from grant date to the expected date of achievement of the performance hurdle. The actual benefit, if received, may differ materially. The probability of the performance hurdles being achieved has been assessed as nil, and accordingly the expense recognised in prior periods was reversed.
(iv) Performance related remuneration is risk based, all other remuneration is not risk based.

C. Service agreements

Agreements with Executives

The Company entered into employment contracts with Christopher Kain (as Chief Executive Officer / Managing Director) and Anthony Kain (as General Counsel and Company Secretary).

The material terms of the employment agreements are as follows:

(a) Remuneration:

- Anthony Kain - $221,000 per annum plus statutory superannuation (currently 11%, 11.5% from 1 July 2024); and
- Christopher Kain - $293,000 per annum plus statutory superannuation (currently 11%, 11.5% from 1 July 2024).

(b) Annual review: performance reviewed on an annual basis with the possibility of a performance and CPI based remuneration adjustments.

(c) Termination: either party may give the other 12 months' notice, in which the case the Company may make a payment in lieu of notice. In the event of misconduct, the Company may terminate employment without notice.

(d) Standard employment terms and conditions.

Agreements with Non-Executive directors

The Company has entered into director and consultancy services agreements with Neal Cross (together with Cross Innovation Pty Ltd, an entity controlled by Neal Cross). The material terms of the agreement are as follows:

(a) Director's fees: director's fees at the rate of $37,330 plus superannuation together with:

- an entitlement to fees or other amounts in relation to special duties or service performed outside the scope of ordinary employment as a director; and
- reimbursement for out of pocket expenses incurred as a result of engagement as a director.

(b) Consulting fees of $7,000 per month plus GST, with Cross Innovation Pty Ltd.

(c) Termination: Non-Executive Directors may retire at any time and are subject to re-election at the annual general meeting of shareholders in accordance with the Company's policy of at least one third of the Non-Executive Directors being nominated for re-election each year based on the Company's rotation schedule.

D. Share-based compensation

Compensation shares, performance rights and options – granted and vesting over vesting period

Performance rights were granted as compensation as follows:

Vesting Condition	2024	2023
Tranche A: To be awarded when the Company achieves $4m annual revenue based on audited/reviewed financial reports on or before 30 June 2023	-	5,000,000
Tranche B: To be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 30 June 2024	-	5,000,000
Tranche C: To be awarded when the Company achieves $1m net income/profit as validated against audited/reviewed financial reports on or before 30 June 2025	-	5,000,000
	-	15,000,000

The tranche B performance rights expired on 30 June 2024.

The tranche A performance rights expired on 30 June 2023.

The probability of the performance hurdles being achieved has been assessed as nil.

E. Share holdings of key management personnel

30 June 2024	Balance at start of the financial year / date of appointment	Granted as remuneration	On exercise of options	Acquisitions /(Disposals)	Balance at the end of financial year / date of retirement
Directors					
Anthony Kain	83,991,416	-	-	-	83,991,416
Christopher Kain	110,325,322	-	-	-	110,325,322
Neal Cross	-	-	-	-	-
Totals	**194,316,738**	**-**	**-**	**-**	**194,316,738**

30 June 2023	Balance at start of the financial year / date of appointment	Granted as remuneration	On exercise of options	Acquisitions /(Disposals)	Balance at the end of financial year / date of retirement
Directors					
Anthony Kain	93,991,416	-	-	(10,000,000)	83,991,416
Christopher Kain	110,325,322	-	-	-	110,325,322
Neal Cross	-	-	-	-	-
Totals	**204,316,738**	**-**	**-**	(10,000,000)	**194,316,738**

F. Performance Rights

30 June 2024	Balance at start of the financial year / date of appointment	Granted as remuneration	On exercise of options	Acquisitions /(Disposals) (i)	Balance at the end of financial year / date of retirement
Directors					
Anthony Kain	10,000,000	-	-	(5,000,000)	5,000,000
Christopher Kain	10,000,000	-	-	(5,000,000)	5,000,000
Neal Cross	10,000,000	-	-	(5,000,000)	5,000,000
Totals	**$30,000,000**	**-**	**-**	(15,000,000)	15,000,000

(i) Tranche B performance rights expired

30 June 2023	Balance at start of the financial year / date of appointment	Granted as remuneration	On exercise of options	Acquisitions /(Disposals) (i)	Balance at the end of financial year / date of retirement
Directors					
Anthony Kain	15,000,000	-	-	(5,000,000)	10,000,000
Christopher Kain	15,000,000	-	-	(5,000,000)	10,000,000
Neal Cross (appointed 24 March 2022)	-	15,000,000	-	(5,000,000)	10,000,000
Totals	**30,000,000**	**15,000,000**	**-**	**(15,000,000)**	**30,000,000**

(i) Tranche A performance rights expired.

G. Other transactions and balances with Key Management Personnel

Apart from reimbursements for expenses paid on behalf of the Company and the Group, director and fees paid directly or indirectly to director related entities, there were no transactions or balances with KMP during the year ended 30 June 2024 (2023: Nil).

END OF THE REMUNERATION REPORT

Signed in accordance with a resolution of the Directors:

Christopher Kain
Managing Director

Perth, 30 August 2024

Statement Of Profit And Loss And Other Comprehensive Income For The Year Ended 30 June 2024

	Note	Consolidated 2024	2023
		$	$
Revenue	4	872,174	376,244
Cost of sales		(397,186)	(361,746)
Gross profit		474,988	14,498
Other income	4	355,975	19,048
Administration expenses	4	(3,935,042)	(2,571,978)
Finance costs		(11,849)	(408)
Impairment - Goodwill		(104,596)	-
Share based payment expense/credit	5	(654,235)	100,217
(Loss) before income tax		(3,874,759)	(2,438,623)
Income tax expense	6	-	-
(Loss) for the year		(3,874,759)	(2,438,623)
Other comprehensive (loss)			
Items that may be reclassified to profit or loss:			
- Translation of foreign operations		(24,364)	109,819
		(24,364)	109,819
Total comprehensive (loss) for the year		(3,899,123)	(2,328,804)
(Loss) for the year attributable to members of the parent entity		(3,899,123)	(2,328,804)
Total comprehensive (loss) for the year attributable to members		(3,899,123)	(2,328,804)
Basic and diluted loss per share (cents per share)	3	(0.2)	(0.1)

The accompanying notes form part of these financial statements

Statement Of Financial Position As At 30 June 2024

	Note	Consolidated 2024	2023
		$	$
CURRENT ASSETS			
Cash and cash equivalents	7	1,225,840	3,055,677
Trade and other receivables	8	350,221	375,894
Other assets		12,169	24,520
Total Current Assets		1,588,230	3,456,091
NON-CURRENT ASSETS			
Property, plant and equipment	9	7,200	6,011
Total Non-Current Assets		7,200	6,011
TOTAL ASSETS		1,595,430	3,462,102
CURRENT LIABILITIES			
Trade and other payables	11	745,385	458,367
Provisions	12	397,066	340,713
Total Current Liabilities		1,142,451	799,080
TOTAL LIABILITIES		1,142,451	799,080
NET ASSETS		452,979	2,663,022
EQUITY			
Issued capital	13	26,481,047	25,410,716
Accumulated losses		(27,261,404)	(23,472,644)
Reserves		1,233,336	724,950
TOTAL EQUITY		452,979	2,663,022

The accompanying notes form part of these financial statements

Statement Of Cash Flows For The Year Ended 30 June 2024

	Note	Consolidated 2024	2023
		$	$
Cash flows from Operating Activities			
Receipts from customers		897,847	295,067
Payments to suppliers and employees		(4,340,756)	(2,941,959)
Interest received		26,073	18,366
Finance Cost		(11,849)	-
Research and Development Tax Offset		329,902	-
Net cash (used in) operating activities	7(b)	(3,098,783)	(2,628,526)
Cash Flows from Investing Activities			
Cash acquired on acquisition of subsidiary	21	261,835	-
Acquisition of property, plant and equipment		(3,267)	-
Net cash (used in) by investing activities		258,568	-
Cash Flows from Financing Activities			
Issue of shares		1,102,500	45
Share issue expenses		(67,758)	-
Net cash provided by financing activities		1,034,742	45
Net (decrease) / increase in cash held		(1,805,473)	(2,628,481)
Cash at the beginning of the financial year		3,055,677	5,574,339
Foreign currency translation		(24,364)	109,819
Cash at the end of the financial year	7(a)	1,225,840	3,055,677

The accompanying notes form part of these financial statements

Statement Of Changes In Equity For The Year Ended 30 June 2024

	Issued Capital	Foreign Currency Translation Reserve	Share Based Payment Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2023	**25,410,716**	**109,819**	**615,131**	**(23,472,644)**	**2,663,022**
Loss for the year	-	(24,364)	-	(3,874,759)	(3,899,123)
Total comprehensive loss for the year	-	(24,364)	-	(3,874,759)	(3,899,123)
Transactions with owners in their capacity as owners					
Shares issued	1,252,500	-	-	-	1,252,500
Share Issue Expense	(182,169)	-	-	-	(182,169)
Option expiry	-	-	(86,000)	86,000	-
Share Based Payments	-	-	618,750	-	618,750
Balance at 30 June 2024	**26,481,047**	**85,455**	**1,147,881**	**(27,261,404)**	**452,979**

	Issued Capital	Foreign Currency Translation Reserve	Share Based Payment Reserve	Accumulated Losses	Total
	$	$	$	$	$
Balance at 1 July 2022	**25,410,671**	**-**	**715,348**	**(21,034,021)**	**5,091,998**
Loss for the year	-	109,819	-	(2,438,623)	(2,328,804)
Total comprehensive loss for the year		109,819	-	(2,438,623)	(2,328,804)
Transactions with owners in their capacity as owners					
Shares issued	45	-	-	-	45
Change in value of performance rights	-	-	(100,217)	-	(100,217)
Balance at 30 June 2023	**25,410,716**	**109,819**	**615,131**	**(23,472,644)**	**2,663,022**

The accompanying notes form part of these financial statements

Notes to the financial statements for the year ended 30 June 2024

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

Peppermint Innovation Limited (the Company) is an Australian company incorporated on 24 July 2014. On 4 December 2015, the Company listed on the Australian Securities Exchange.

The principal activities of the Group (the Company and its controlled entities) were the development and commercialisation of its mobile banking, payment and remittance platform.

(a) Basis of Preparation

Statement of compliance

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations, and as appropriate for profit oriented entities.

Accounting Standards include Australian Accounting Standards (AASBs). Compliance with Australian Accounting Standards ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The financial statements were authorised for issue by the directors on 30 August 2024.

Basis of measurement

The financial report has also been prepared under the historical cost convention.

Functional and presentation currency

The financial report is presented in Australian dollars, which is the Company's functional currency.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Peppermint Innovation Limited ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Peppermint Innovation Limited and its subsidiaries together are referred to in these 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 de-consolidated from the date that control ceases.

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

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

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are attributed to the non-controlling interest in full, even if that results in a deficit balance.

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

(b) New or amended Accounting Standards and Interpretations adopted

New standards and interpretations adopted

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

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

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

(c) Statement of Compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values 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.

Share-based payment transactions:

The Group measures the cost of equity-settled share-based payments at fair value at the grant date using an option pricing model, taking into account the terms and conditions upon which the instruments were granted. The fair value is determined by a valuation using a Black Scholes or Trinomial Option Pricing Model. Performance rights are valued at the share price at the date of grant with this value being amortised over the vesting period after considering the probability of the performance hurdle being achieved.

(e) Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

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

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

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

Other revenue

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

(f) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Trade and other receivables

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

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

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

(h) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

(i) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by reporting date.

Deferred income tax is provided on all temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

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

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(j) Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax ('GST') except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

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

(k) Intangible assets

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

Goodwill

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

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

(l) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset’s recoverable amount. An asset’s recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset’s recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(m) Contract liabilities

Contract liabilities are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), before the Group has transferred the goods or services to the customer. The liability is the Group's obligation to transfer goods or services to a customer from which it has received consideration.

(n) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost or fair value. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale. Borrowing costs cease to be capitalised upon the earlier of extinguishment of the liability or the commencement of commercial production from the qualifying asset.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(p) Property, plant and equipment

Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

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

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

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

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

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

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

(q) Share-based payment transactions

The Group provides benefits to employees (including senior executives) and consultants of the Group in the form of share-based payments, whereby employees and consultants render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants are measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using an option pricing model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Group (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(r) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Operating segments

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

(t) Foreign currency translation

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

Foreign currency transactions

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

Foreign operations

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

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

(u) Government grants

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

(v) Current and non-current classification

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

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

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

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

(w) Right-of-use assets

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

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

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

(x) Trade and other payables

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

(y) Lease liabilities

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

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

(z) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

(aa) Borrowings

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

(bb) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating long service leave are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(cc) Business Combination

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

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

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

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

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

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

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

(dd) Fair value of assets and liabilities

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques.

These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

(ee) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

(ff) Going Concern

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

As disclosed in the financial statements, for the 12 months ended 30 June 2024, the Group incurred a loss after tax of $3,874,759 and reported net cash used in operating activities of $2,987,641.

Accordingly, the above matters give rise to a material uncertainty with respect to the Group's ability to continue as a going concern and therefore its ability to realise its assets and settle its liabilities in the ordinary course of business and at the amounts set out in the financial statements. The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate for it to adopt the going concern basis in the preparation of the financial report after consideration of following factors:

- Directors have prepared a cash flow forecast for the Group for the next 12 months which demonstrates an ability for the Group to meet its debts as and when they fall due and payable. Incorporated into the cash flow forecast are:
    - increased revenue from existing contracts, and new projects
    - the ability to achieve targeted cost savings across various business units
- Directors anticipate the availability of further funding, as needed, to be available through equity or debt raisings.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

2. SEGMENT REPORTING

The Group operates predominantly in the mobile banking, payment and remittance industry. For management purposes, the Group is organised into business units based on its services and has three reportable segments, as follows:

- mobile banking and payment services, presently operating in the Philippines;
- international remittances, recently established from Australia; and
- corporate and head office.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Also, the Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year Ended 30 June 2024	Mobile Banking and Payment Services	AI/CX Services	Head Office/Other	Total Segments	Adjustments and Eliminations	Consolidated
Revenue						
External customers	227,887	644,287		872,174	-	872,174
Inter-segment	-	-		-	-	-
Total revenue	227,887	644,287		872,174	-	872,174
Income/(expenses)						
Depreciation and amortisation	(2,071)	(19,552)		(21,623)	-	(21,623)
Segment profit	(985,274)	(210,332)	(2,679,153)	(3,874,759)	-	(3,874,759)
Total assets	720,796	181,667	3,978,595	4,881,057	(3,285,627)	1,595,430
Total liabilities	497,124	239,848	3,691,106	4,428,078	(3,285,627)	1,142,451

Year Ended 30 June 2023	Mobile Banking and Payment Services	International Remittance	Head Office	Total Segments	Adjustments and Eliminations	Consolidated
Revenue						
External customers	376,244	-	-	376,244	-	376,244
Inter-segment	-	-	-	-	-	-
Total revenue	376,244	-	-	376,244	-	376,244
Income/(expenses)						
Depreciation and amortisation	-	-	22,208	22,208	-	22,208
Segment profit	(381,902)	(548)	(2,056,174)	(2,438,623)	-	(2,438,623)
Total assets	2,730,861	1	3,901,451	6,632,313	(3,170,211)	3,462,102
Total liabilities	2,367,591	605,573	996,127	3,969,291	(3,170,211)	799,080

Inter-segment revenues are eliminated upon consolidation and reflected in the 'adjustments and eliminations' column. All other adjustments and eliminations are part of detailed reconciliations presented further below.

Adjustments and eliminations

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis. Current taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis. Inter-segment revenues are eliminated on consolidation.

3. LOSS PER SHARE

	2024	2023
	$	$
Basic and diluted loss per share (cents per share)	(0.2)	(0.1)

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

Loss for the year	(3,874,759)	(2,438,623)
Weighted average number of shares outstanding during the year used in the calculations of basic loss per share:	2,061,849,830	2,037,851,062

There is no dilution of shares due to options as the potential ordinary shares are not dilutive and are therefore not included in the calculation of diluted loss per share.

4. RESULT FOR THE YEAR

	2024	2023
	$	$
Revenue from contracts with customers		
Transaction revenue	227,887	376,244
Project revenue	644,287	-
	872,174	376,244
Other income		
Research and Development rebate	329,902	-
Interest income	26,073	19,048
	355,975	19,048

Disaggregation of revenue

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

	Mobile Banking and Payment Services	AI/CX Project Income	Total
30 June 2024			
Major product lines			
ELoad sales	118,920	-	118,920
System usage fees and commissions	108,967	-	108,967
AI and CX Project Income	-	644,287	644,287
	227,887	644,287	872,174
Timing of revenue recognition			
Goods transferred at a point in time	118,920	-	118,920
Services transferred at a point in time	108,967		108,967
Services transferred over time	-	644,287	644,287
	227,887	644,287	872,174

	2024	2023
	$	$
Administration costs		
Audit fees	93,692	91,962
Bad debts	48,906	17,518
Consulting fees	441,047	233,966
Depreciation and amortisation	21,623	23,278
Directors' fees and consulting remuneration	734,424	686,602
Employee expenses	1,514,273	817,143
Insurance	31,637	48,809
Investor relations	83,920	99,275
Legal fees	95,468	95,805
Rent	105,099	65,299
Share registry fees	23,237	22,616
Stock exchange fees	46,021	41,556
Sundry expenses	590,824	303,010
Travel	122,720	25,139
	3,935,043	2,571,978

Finance costs

Interest	11,849	408
	11,849	408

Finance costs includes all interest-related expenses.

5. SHARE BASED PAYMENTS

(a) Options Issued

2024:

The following options were issued during the 2024 year:

Number	Grant Date	Exercise Price	Expiry Date	Comments
15,000,000	14/03/2024	$0.0225	01/03/2027	Broker Options
15,000,000	14/03/2024	$0.0100	01/03/2027	Granted to a consultant as part of their remuneration
20,000,000	14/03/2024	$0.0150	01/03/2027	
15,000,000	14/03/2024	$0.0200	01/03/2027	
65,000,000				

(b) Shares Issued

The following shares were issued during the 2024 year:

Number	Date	Price
5,000,000	14/03/2024	$0.015
5,000,000	14/03/2024	$0.015

A share based payment expense of $654,235 was recognised in the profit and loss statement to reflect the issue of options and shares.

2023:

No options or shares were issued.

	2024	2023
	$	$
Recognised in Profit and Loss		
Performance rights	-	(100,217)
Shares	504,234	-
Options	150,000	-
	654,234	(100,217)

Recognised in equity

Share Based Payment – Option – Equity	114,516	-
	114,516	-

(c) Performance Rights Issued

No performance rights were issued during the 2024. Performance rights issued during 2023 years:

Grant Date	Vesting Condition	2024	2023
28/2/2022	Tranche A: To be awarded when the Company achieves $4m annual revenue based on audited/reviewed financial reports on or before 30 June 2023	-	5,000,000
28/2/2022	Tranche B: To be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 30 June 2024	-	5,000,000
28/2/2022	Tranche C: To be awarded when the Company achieves $1m net income/profit as validated against audited/reviewed financial reports on or before 30 June 2025	-	5,000,000
		-	15,000,000

The Tranche B performance rights expired on 30 June 2024.

The Tranche A performance rights expired on 30 June 2023.

6. INCOME TAX

(a) Income tax recognised in profit/loss

No income tax is payable by the Company as it recorded a loss for income tax purposes for the period.

(b) Numerical reconciliation between income tax expense and the loss before income tax

The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense in the financial statements as follows:

	2024	2023
	$	$
Accounting loss before tax	(3,874,759)	(2,438,623)
Income tax benefit at 25%	968,690	609,656
Unrecognised tax losses	(968,690)	(609,656)
Income tax expense	-	-

(c) Unrecognised deferred tax balances

	2024	2023
	$	$
Tax losses at 25%	(4,603,026)	(4,159,187)
Deferred tax asset not booked		
Accrued liabilities	(15,477)	(8,750)
Provision for annual and long service leave	(99,267)	(85,178)
Prepayments	5,966	-
Net unrecognised deferred tax assets at 25%	(4,711,804)	(4,253,115)

A deferred tax asset attributable to income tax losses has not been recognised at balance date as the probability criteria disclosed in Note 1(j) is not satisfied and such benefit will only be available if the conditions of deductibility also disclosed in Note 1(j) are satisfied.

The Group has $18,412,104 (2023: $16,636,479) of tax losses arising in Australia and that are available indefinitely for offset against future profit of the Group in which the losses arose.

7. CASH AND CASH EQUIVALENTS

	2024	2023
	$	$
Cash at bank	1,225,840	3,055,677
	1,225,840	3,055,677

Cash at bank earns interest at floating rates based on daily bank deposit rates.

(a) Reconciliation to the Statement of Cash Flows

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank.

Cash and cash equivalents as shown in the statement of cash flows are reconciled to the related items in the balance sheet as follows:

	2024	2023
	$	$
Cash and cash equivalents	1,225,840	3,055,677

(b) Reconciliation of loss after income tax to net cash flows from operating activities:

	2024	2023
	$	$
Loss for the year	(3,874,760)	(2,438,623)
Adjustments:		
- Depreciation / assets written off	126,219	22,208
- Share based payment	654,235	(100,217)
Changes in operating assets and liabilities:		
- Decrease/(Increase) in trade and other receivables	74,074	(197,797)
- Decrease in inventory	12,352	24,156
- (Decrease)/increase in trade and other payables	(147,256)	30,326
- Increase in provisions	56,353	31,421
Net cash used in operating activities	(3,098,783)	(2,628,526)

(c) Non-cash financing activities:

There were no non-cash financing activities in 2024.

8. TRADE AND OTHER RECEIVABLES – current

	2024	2023
	$	$
Current:		
Trade receivables	250,350	39,588
Loans receivable	126,770	45,275
Allowance for expected credit losses	(65,688)	(35,677)
Other	38,789	326,708
	350,221	375,894

Allowance for expected credit losses

The Group has recognised a loss of $30,011 (2023: $18,037) in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

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

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	2024	2023	2024	2023	2024	2023
	%	%	$	$	$	$
Not overdue		-	246,570	43,785	-	-
0 to 3 months overdue	2%	6%	66,091	5,960	1,229	559
3 to 6 months overdue	100%	100%	5,175	4,738	5,175	4,738
Over 6 months overdue	100%	100%	59,284	30,380	59,284	30,380
			377,120	84,863	65,688	35,677

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

	2024	2023
	$	$
Opening balance	35,677	17,640
Additional provisions recognised	30,011	18,037
Closing balance	65,688	35,677

9. NON-CURRENT ASSETS – Property, plant and equipment

	Consolidated	
	2024	2023
Plant and equipment		
Plant and equipment - at cost	59,707	36,895
Less: Accumulated depreciation	(52,507)	(30,884)
	7,200	6,011

Reconciliations

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

Consolidated	Total $
Balance at 1 July 2022	28,219
Additions	1,070
Depreciation expense	(23,278)
Balance at 30 June 2023	6,011
Additions	3,269
Additions through business combinations (note 21)	19,543
Depreciation expense	(21,623)
Balance at 30 June 2024	7,200

10. NON-CURRENT ASSETS – Goodwill

	Consolidated	
	2024	2023
	$	$
Goodwill on business combination (note 21)	104,596	-
Less: Impairment	(104,596)	-
	-	-

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 2 year projection period and extrapolated for a further 3 years using a steady rate, together with a terminal value.

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

The following key assumptions were used in the discounted cash flow model for the AI and CX division:

- 18% (2023: 18%) pre-tax discount rate;
- 10% (2023: 5%) per annum projected revenue growth rate;
- 5% (2023: 8%) per annum increase in operating costs and overheads.

There were no other key assumptions for the AI and CX division.

11. TRADE AND OTHER PAYABLES – current

	2024	2023
	$	$
Sundry payables and accrued expenses	745,385	458,367

12. PROVISIONS – current

	2024	2023
	$	$
Unused annual and long service leave	397,066	340,713

13. ISSUED CAPITAL

	2024	2023
	$	$
Paid up capital – ordinary shares	28,406,551	27,154,051
Capital raising costs	(1,925,504)	(1,743,335)
	26,481,047	25,410,716

(a) Ordinary shares

	Number of shares	$
30 June 2024 movements in issued capital:		
Balance at 1 July 2023	2,037,852,562	25,410,716
Share Issue at $0.015 per share	83,500,000	1,252,500
Capital raising costs	-	(182,169)
Balance at 30 June 2024	2,121,352,562	26,595,412

Includes $114,516 of share based payments (note 5)

(b) Performance rights

The following performance rights were issued during the 2024 and 2023 years:

Vesting Condition	2024	2023	Assumed Probability of Achievement
Tranche A: To be awarded when the Company achieves $4m annual revenue based on audited/reviewed financial reports on or before 30 June 2023	-	5,000,000	0%
Tranche B: To be awarded when the Company achieves Breakeven as validated against audited/reviewed financial reports on or before 30 June 2024	-	5,000,000	0%
Tranche C: To be awarded when the Company achieves $1m net income/profit as validated against audited/reviewed financial reports on or before 30 June 2025	-	5,000,000	0%
	-	15,000,000	

The Tranche B performance rights expired on 30 June 2024.

The Tranche A performance rights expired on 30 June 2023.

(c) Options

The following is a summary of option movements during the period:

2024

The following is a summary of option movements during 2024:

Listed/ Unlisted	Expiry Date	Exercise Price	Notes	Opening balance	Issued	Expired	Closing
Unlisted	18/02/24	$0.025		20,000,000	-	20,000,000	-
Unlisted	30/06/24	$0.020	(i)	2,500,000	-	2,500,000	-
Unlisted	30/06/24	$0.025	(i)	2,500,000	-	2,500,000	-
Unlisted	30/06/24	$0.030	(i)	2,500,000	-	2,500,000	-
Unlisted	30/06/24	$0.040	(i)	2,500,000	-	2,500,000	-
Unlisted	30/03/25	$0.015	(i)	20,000,000	-	-	20,000,000
Unlisted	30/03/25	$0.010	(i)		20,000,000		20,000,000
Unlisted	01/03/27	$0.0225	(i)		15,000,000		15,000,000
Unlisted	01/03/27	$0.0100	(i)		15,000,000		15,000,000
Unlisted	01/03/27	$0.015	(i)		20,000,000		20,000,000
Unlisted	01/03/27	$0.020	(i)		15,000,000		15,000,000
Total				**50,000,000**	**85,000,000**	**(30,000,000)**	**105,000,000**
Weighted average exercise price				$0.022	$0.015	$0.026	$0.015

(i) Issued to brokers as part of their remuneration

2023

The following is a summary of option movements during 2023:

Listed/ Unlisted	Expiry Date	Exercise Price	Notes	Opening balance	Issued	Converted	Expired	Closing
Unlisted	18/02/24	$0.025		20,000,000	-		-	20,000,000
Unlisted	30/06/24	$0.020	(i)	2,500,000	-	-	-	2,500,000
Unlisted	30/06/24	$0.025	(i)	2,500,000	-	-	-	2,500,000
Unlisted	30/06/24	$0.030	(i)	2,500,000	-	-	-	2,500,000
Unlisted	30/06/24	$0.040	(i)	2,500,000	-	-	-	2,500,000
Listed	30/06/23	$0.030	(ii)	115,739,110	-	(1,500)	(115,737,610)	-
Unlisted	30/03/25	$0.015	(i)	20,000,000	-	-	-	20,000,000
Total				**165,739,110**	**20,000,000**	**(1,500)**	**(115,737,610)**	**50,000,000**
Weighted average exercise price				$0.028	$0.010	$0.03	$0.03	$0.022

(i) Issued to consultants as part of their remuneration.

(ii) Options attaching to placements and an entitlement issue, including 30,000,000 options issued to a broker as part of their compensation for raising capital for the Company.

Options are valued using a Trinomial Lattice Option Pricing Model or Black-Scholes Option Pricing Model. The following table lists the assumptions to the model used to value options issued.

Number	Grant Date	Exercise Price	Assumed Stock Price at Grant Date	Issue Price	Interest Rate	Volatility	Value Per Option
2,500,000	1/11/2021	$0.02	$0.018	nil	0.98%	80%	$0.0084
2,500,000	1/11/2021	$0.025	$0.018	nil	0.98%	80%	$0.0074
2,500,000	1/11/2021	$0.03	$0.018	nil	0.98%	80%	$0.0065
2,500,000	1/11/2021	$0.04	$0.018	nil	0.98%	80%	$0.0053
20,000,000	18/02/2021	$0.025	$0.011	nil	0.22%	100%	$0.0043
20,000,000	29/03/2022	$0.015	$0.014	nil	2.11%	100%	$0.0075
20,000,000	01/04/2023	$0.010	$0.007	Nil	3.04%	100%	$0.0030
15,000,000	14/03/2024	$0.0225	$0.014	nil	4.35%	100%	$0.0076
15,000,000	14/03/2024	$0.010	$0.014	nil	4.35%	100%	$0.0100
20,000,000	14/03/2024	$0.015	$0.014	nil	4.35%	100%	$0.0090
15,000,000	14/03/2024	$0.0200	$0.014	Nil	4.35%	100%	$0.0080

14. RELATED PARTIES

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(a) The Group's related parties are as follows:

(i) Key management personnel ('KMP'):

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company are considered key management personnel.

For details of remuneration disclosures relating to key management personnel, refer to Note 15: Key Management Personnel Disclosures.

Other transactions with KMP and their related entities are shown below.

(ii) Other related parties include close family members of key management personnel and entities that are controlled.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(iii) Other transactions with related parties,

Apart from expenses paid on behalf of the Company and the Group, director and fees paid directly or indirectly to director related entities, there were no transactions or balances with KMP during the year ended 30 June 2024 (2023: Nil).

(b) Subsidiaries

All controlled entities are included in the consolidated financial statements. The parent entity does not guarantee to pay the deficiency of its controlled entities in the event of a winding up of any controlled entity.

Name	Country of Incorporation	Principal Activity	% Equity interest 2024	% Equity interest 2023
Peppermint Technology Pty Ltd	Australia	Information technology	100%	100%
Peppermint Payments Pty Ltd	Australia	International remittance	100%	100%
Peppermint Tech, Inc	Philippines	Information technology	100%	100%
Peppermint Financing, Inc	Philippines	Lending	100%	100%
Peppermint Bizmoto, Inc	Philippines	Payments	100%	100%
Peppermint Intelligence Ltd	UK	Information technology	100%	0%
Peppermint Intelligence Pty Ltd	Australia	Information technology	100%	0%

15. KEY MANAGEMENT PERSONNEL

	2024	2023
	$	$
Remuneration paid:		
Short-term employee benefits	635,330	629,009
Post-employment benefits	58,183	57,593
Share based payments	-	(54,308)
Non-monetary benefits	40,911	53,538
	734,424	685,832

Please see the Remuneration Report for further details.

16. PARENT ENTITY INFORMATION

(a) Information relating to Peppermint Innovation Limited

	2024	2023
	$	$
Current assets	693,869	616,598
Non-current assets	-	-
Total assets	693,869	616,598
Current liabilities	(577,013)	(581,635)
Non-current liabilities	-	-
Total liabilities	(577,013)	(581,635)
Net assets (liabilities)	116,856	34,963
Issued capital	26,481,047	25,410,716
Accumulated losses	(27,512,072)	(26,091,101)
Reserves	1,147,881	715,348
Total shareholders' equity	116,856	34,963
Loss for the parent entity	(1,527,398)	(4,955,880)
Total comprehensive income of the parent entity	(1,527,398)	(4,955,880)

(b) Guarantees

No guarantees have been entered into by the Company in relation to the debts of its subsidiaries.

(c) Commitments

The Company does not have any commitments as at reporting date.

17. COMMITMENTS

Other than the matter noted above, the Group did not have any contractual commitments to capital expenditure not recognised as liabilities at 30 June 2024.

18. CONTINGENT LIABILITIES

There are no contingent assets nor liabilities.

19. AUDITORS' REMUNERATION

	2024	2023
	$	$
Amounts received or due and receivable by the auditors for:		
- Auditing or reviewing the financial report (RSM Australia Partners)	61,428	83,936
- Auditing of subsidiary companies (Reyes Tacandong & Co)	14,033	8,026
- Audit of subsidiary company (Mushambi & Associates Ltd)	18,231	-
	93,692	91,962

20. FINANCIAL RISK MANAGEMENT

The Group's financial situation is not complex. Its activities may expose it to a variety of financial risks in the future: market risk (including currency risk and fair value interest rate risk), credit risk, liquidity risk and cash flow interest rate risk. At that stage the Group's overall risk management program will focus on the unpredictability of the financial markets and seek to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out under an approved framework covering a risk management policy and internal compliance and control by management. The Board identifies, evaluates and approves measures to address financial risks.

The Group holds the following financial instruments:

	2024	2023
	$	$
Financial Assets:		
Cash and cash equivalents	1,225,840	3,055,677
Restricted cash	-	-
Trade and other receivables	350,221	375,894
Other assets	12,169	24,520
	1,588,230	3,456,091
Financial Liabilities:		
Financial liabilities at amortised cost:		
- Trade and other payables	745,385	458,367
	745,385	458,367

Financial risk management policies

The Board of Directors has overall responsibility for the establishment of the Group's financial risk management framework. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Mitigation strategies for specific risks faced are described below.

Specific financial risk exposures and management

The main risk the Group is exposed to through its financial instruments are interest rate risk, credit risk, liquidity and foreign currency risk.

Interest rate risk

The Group is not exposed to any material interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposure to wholesale and retail customers, including outstanding receivables and committed transactions.

The Group does not have any material credit risk exposure to any single receivable under financial instruments entered into by the Group.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as and when they fall due.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for liabilities as well as cash outflows for day-to-day operations.

The Group's liabilities have contractual maturities which are summarised below:

	Within 1 year		**1 to 5 years**		**Total**	
	2024 **$**	**2023** **$**	**2024** **$**	**2023** **$**	**2024** **$**	**2023** **$**
Trade and other payables	745,385	458,367		-	745,385	458,367
Total	**745,385**	**458,367**		**-**	**745,385**	**458,367**

Foreign currency risk

The Group earns revenues and incurs expenses in Philippines Pesos (PHP) and British Pounds (GBP). As such, the Group is subject to foreign exchange risk arising from fluctuations between the PHP, GBP and AUD.

At 30 June 2024, the Group had the following exposure to PHP foreign currency expressed in A$ equivalents, which are not designated as cash flow hedges:

	2024	2023
	$	$
Financial Assets		
Cash and cash equivalents	562,159	2,456,012
Trade and other receivables	257,295	359,863
Other assets	12,169	14,923
	831,623	2,830,798
Financial Liabilities:		
Trade and other payables	565,437	321,406
	565,437	321,406

Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The capital structure of the Group consists of equity attributable to equity holders, comprising issued capital and retained earnings as disclosed in Note 13.

The Board reviews the capital structure on a regular basis and considers the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues as well as the issue of debt, if the need arises.

Sensitivity analysis

The sensitivity effect of possible interest rate and foreign exchange rate movements have not been disclosed as they are not material.

Fair value of financial instruments

The carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their respective net fair values, determined in accordance with the Company's accounting policies. All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, is described as follows:

- Level 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Fair value of other financial instruments not measured at fair value

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

21. BUSINESS COMBINATIONS

On 22 December 2023 Peppermint Innovation Limited, acquired 100% of the ordinary shares of Peppermint Intelligence Ltd "PINT" and Peppermint Intelligence Pty Ltd (formerly known as Xpon Digital Ltd and Holoscribe Australia Pty Ltd) for the total consideration transferred of $2. The goodwill of $104,596 represents the expected synergies from expertise in AI and CX that will benefit Peppermints EMI licenced technology platform and loan book operations in the Philippines as well as vertically integrate across current operations to deliver new and diversified revenue streams.

The acquired business contributed revenues of $644,287 and loss after tax of $210,332 to the consolidated entity for the period from 22 December 2023 to 30 June 2024. If the acquisition occurred on 1 July 2023, the full year contributions would have been revenues of $1,118,815 and loss after tax of $675,425. The values identified in relation to the acquisition of Xpon Digital Ltd are final as at 30 June 2024.

Details of the acquisition are as follows:

	Fair value **$**
Cash and cash equivalents	261,837
Trade receivables	44,990
Prepayments	3,411
Plant and equipment	19,543
Trade payables	(25,925)
Other Payables	(68,733)
Income in Advance	(336,343)
Employee benefits	(3,374)
Net liabilities acquired	(104,594)
Goodwill	104,596
Acquisition-date fair value of the total consideration transferred	2
Representing:	
Cash paid or payable to vendor	2
Acquisition costs expensed to profit or loss	54,305
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	2
Less: cash and cash equivalents	(261,837)
Net cash acquired	(261,835)

22. EVENTS AFTER THE BALANCE SHEET DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future.

Consolidated Entity Disclosure Statement

Name	Country of Incorporation	Entity Type	% Equity interest 2024	Tax Residency
Peppermint Technology Pty Ltd	Australia	Body Corporate	100%	Australia
Peppermint Payments Pty Ltd	Australia	Body Corporate	100%	Australia
Peppermint Tech, Inc	Philippines	Body Corporate	100%	Philippines
Peppermint Financing, Inc	Philippines	Body Corporate	100%	Philippines
Peppermint Bizmoto, Inc	Philippines	Body Corporate	100%	Philippines
Peppermint Intelligence Ltd	UK	Body Corporate	100%	UK
Peppermint Intelligence Pty Ltd	Australia	Body Corporate	100%	Australia

Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- The information disclosed in the attached consolidated entity disclosure statement is true and correct

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

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

On behalf of the directors.

Christopher Kain
Managing Director

30 August 2024

RSM

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT

To the Members of PEPPERMINT INNOVATION LIMITED

Opinion

We have audited the financial report of Peppermint Innovation Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including independence standards*) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

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Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the year ended financial report, which indicates that the consolidated entity incurred a net loss of $3,874,759, had net cash outflows from operating activities of $2,987,641 during the year ended 30 June 2024. As stated in Note 1, 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 consolidated entity's ability to continue as a going concern. Our conclusion 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 financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Recognition of Revenue Refer to Note 4 in the financial statements	
During the financial year the Group recognised revenue of $872,174 from its Mobile Banking Payment and AI/CX segments. Revenue recognition was considered a key audit matter, as it may be complex and involves significant management judgements. These include: • Determination of the appropriate allocation of multiple-element arrangements, for example where a single transaction combines the delivery of goods and services. • determination of when risk and reward have passed to the customer, and the estimation of rebates. • the estimation of volume rebates and other discounts offered to customers.	Our audit procedures in relation to the recognition of revenue included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Obtaining an understanding of each of the revenue sources and the process for determining and recognising revenue; • On a sample basis, testing the occurrence and completeness of transactions by comparison to supplier transactions reports to determine whether revenue had been recorded in the correct financial year; • Assessing the work performed by component auditors; and • Assessing the disclosures in the financial statements.

Key Audit Matter	How our audit addressed this matter
Share-based payment Refer to 5 in the financial statements	
During the financial year, the Group issued options in accordance with AASB 2 Share-based Payment for capital raising, corporate and consulting services. We determined this to be a key audit matter due to the material amount of the share-based payment and the significant judgement involved in assessing the fair value of the transactions in accordance with AASB 2 Share-based Payment.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards. • Reading the terms and conditions of the options issued. • Obtaining the valuation models prepared by management and assessing whether the models were appropriate for valuing the options. • Testing the mathematical accuracy of the computation and the apportioned expense over the vesting period. • Challenging the reasonableness of key assumptions used by management to value the options; and • Assessing the disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and the auditor's report thereon.

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

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

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

Responsibilities of the Directors for the Financial Report

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

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

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in within the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Peppermint Innovation Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

RSM

RSM AUSTRALIA

AWhyte

Perth, WA
Dated: 30 August 2024

ALASDAIR WHYTE
Partner

ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 2 August 2024.

(A) DISTRIBUTION OF EQUITY SECURITIES

Ordinary share capital

2,121,358,336 fully paid ordinary shares are held by 2,496 individual shareholders

All issued ordinary shares carry one vote per share and carry the rights to dividends.

The number of security holders by size of holding are:

			Fully paid ordinary shares
1	–	1,000	46
1,001	–	5,000	126
5,001	–	10,000	70
10,001	–	100,000	1,176
100,001		and over	1,078
			2,496
Holding less than a marketable parcel			1,126

(B) SUBSTANTIAL SHAREHOLDERS

Ordinary shareholders	Number	Percentage
Christopher Kain	110,325,322	5.2
	110,325,322	**5.2**

(C) TWENTY LARGEST SECURITY HOLDERS

Fully paid ordinary shares:

Rank	Name	Units	% Units
1	CPS CAPITAL GROUP PTY LTD	112,212,852	5.29
2	OHKA PTY LTD	106,500,214	5.02
3	CICAK PTY LTD <CREATIVE TECHNOLOGY A/C>	67,518,513	3.18
4	LEGAL TOOLBOX PTY LTD <THE SMIDGE DIGITAL UNIT A/C>	61,768,152	2.91
5	ADMARK INVESTMENTS PTY LTD <THE PINTO FAMILY A/C>	58,750,000	2.77
6	EAGLE BRILLIANT HOLDINGS LTD	57,247,358	2.70
7	OTIS DEVELOPMENTS PTY LTD	53,500,000	2.52
8	MR ROBERT ANTHONY ANGLEY + MS SUSAN JANE ARTHUR <VERTEX DESIGN SUPER FUND A/C>	47,095,240	2.22
9	JONMEG PTY LTD	40,841,600	1.93
10	CITICORP NOMINEES PTY LIMITED	40,398,224	1.90
11	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	36,770,000	1.73
12	PEGG TWO PTY LTD <PEGG TWO UNIT A/C>	36,535,275	1.72
13	MR GREGORY JOHN HOOK	32,404,753	1.53
14	MR BRETT WILLIAM COMISKEY <THE BC FAMILY A/C>	31,580,509	1.49
15	MR ROBERT VIDOTTO + MS LINDA ELLIOTT LARKIN	31,000,000	1.46
16	MR JOHN HENRY FORRESTER	26,342,897	1.24
17	MR BRIAN KEITH SMITH	23,586,042	1.11
18	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	23,207,641	1.09
19	WRS ASSOCIATES PTY LTD <WRS FAMILY A/C>	19,866,992	0.94
20	MYXLPLIX PTY LTD <RYAN FAMILY SUPER A/C>	19,133,817	0.90
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		**926,270,076**	**43.66**
Total Remaining Holders Balance		**1,195,088,260**	**56.34**

(D) ADDITIONAL ASX REQUIRED DISCLOSURES NOT MADE ELSEWHERE

In accordance with Listing Rule 4.10, the Company confirms:

- There is no current on-market share buy-back; and
- The Company used its cash and assets in a form readily convertible to cash that it has at the time of admission to the Official List of the ASX in a way consistent with its business objectives.