

29 October 2025

Gathid Ltd – Release to ASX

- **4C, Quarterly Activity Statement & Business update**
 - **Customer numbers stable**
 - **ARR \$1.68m following customer mix changes, positioning for resumed growth**
 - **Operational cash outflow \$154,000 for the quarter**
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Gathid – 4C

The Directors have approved the 4C release for the first quarter of the 2026 financial year.

The Company closed the period with a cash & cash equivalents balance of \$4.56m. (Q4 FY25 4.72m)

Annual Recurring Revenue (ARR) was \$1.679m, down from \$1.936m at the end of Q4 FY25. The decrease reflects three customer non-renewals - two were outside Gathid's Ideal Customer Profile and one where Gathid elected not to renew due to limited strategic alignment. This still represents an increase of over 140% since the end of FY24 (\$0.7m at 30 June 2024).

The company secured contracts with an additional three new customers, in addition to renewing existing contracts which were due for renewal

New sales opportunities continue to progress through the sales cycle, including a number in customer procurement departments. When coupled with the anticipated renewals, the Board continues to be confident that Gathid's SaaS platform is delivering clear value to customers and steadily gaining traction in the market.

Sales revenue in Q1 was \$428k (down from \$444k in Q4 FY25). The small reduction in revenue reflects lower implementation services activity this quarter as well as a reduction in software subscription revenue.

The Company's operating activities net cash outflow decreased in Q1 from the Q4 quarter. The spending on staff in Q1 showed a slight increase on FY25Q4 reflecting the commencement of a key new hire in the North American market. The Company has continued to incur costs in relation to the divestment of its physical security business, including some specific advice regarding the dispute with Bloom. These costs are included in the Payments to Suppliers line in the 4C. Expected government grants were received in Q1, resulting the reduction of net cash outflow for the quarter.

The Board is satisfied with the progress being made in the business and is confident growth will resume given the continued focus on disciplined sales execution and cost management.

Update on sale of RightCrowd physical security business

The position on the finalisation of the sale of the physical security business to Bloom, completed 21 September 2023, has not changed substantially during Q1. The Court proceedings are still awaited over the items related to the Net Working Capital adjustment. Communication has continued over the resolution of any potential warranty and tax items under the Share Purchase Agreement and the parties are making progress with the Board continuing to believe that there will not be any material liability.

The Directors and management continue to explore all options to ensure a satisfactory resolution for Gathid shareholders but are currently unable to provide a specific timeframe for completion.

Q1 ARR

At the end of Quarter 1 of the FY26 year, the Company's Software as a Service recurring revenue (ARR – Annual Recurring Revenue) was \$1.679m, down from \$1.936m.

As with any early-stage solution, each deployment provides valuable insight into the type of business that is Gathid's Ideal Customer Profile (ICP). Two customers outside this profile elected not to renew their subscriptions, and Gathid made the strategic decision not to renew a third engagement where the overall customer fit was assessed as outside Gathid's ICP.

While it is disappointing to see any customer depart, these experiences proved invaluable to Gathid's ongoing development. One, a very large enterprise, pushed the platform's deployment and modeling capabilities to new levels, successfully scaling across an extremely complex environment and revealing deep identity insights not previously visible within that organisation.

The engagement also highlighted the need for expanded deployment support to meet highly accelerated implementation timelines, reinforcing the opportunity for Gathid to strengthen relationships with integration and delivery partners to better support future large-scale rollouts.

The second, a very small customer, provided valuable perspective on how best to support lighter, lower-complexity environments. Collectively, these experiences have broadened the company's capability, enriched its product maturity, and reinforced our understanding of where Gathid delivers the greatest value, while also expanding and refining its Ideal Customer Profile to capture a wider range of enterprise opportunities.

At the same time, Gathid signed three new enterprise contracts and successfully renewed an existing subscription during the quarter. These new customers represent strong alignment with Gathid's ICP.

Management views this reduction in ARR as a short-term adjustment. Despite this short-term decrease, ARR remains up more than 140% year-on-year, compared to \$0.7 million as of 30 June 2024.

New Customer contracts, marketing activity and outlook

In Quarter 1, the company added 3 new customers. Two of the new customers are in the finance and finance related market and one in government.

The Board continues to support management in maintaining a disciplined growth trajectory while ensuring the business remains fiscally responsible. In response to the short-term adjustment in ARR, the Company has realigned its cost base, removing or deferring non-essential expenditure to better align with current revenue levels. Additional headcount increases are planned within the approved budget, with timing to be carefully aligned to the sales-close cycle and upcoming customer renewals.

In Q1, the Gathid team leveraged targeted event participation to drive deeper engagement with high-value sales leads and expand our presence in key international markets. We attended select industry events across Australia, Hong Kong, and the United States, each chosen for their alignment with our ICP and market priorities. These events provided valuable opportunities to showcase the Gathid solution, network with decision-makers, and gain direct insights into regional identity and risk management needs.

Importantly, they also opened new channels for collaboration with systems integrators and resellers, strengthening our indirect go-to-market capability and expanding our future distribution potential. As a result, we saw an increase in qualified lead generation, with early-stage conversations now progressing into active pipeline opportunities. Feedback from these engagements continues to refine our messaging and sharpen our go-to-market approach across regions for Q2.

ASX listing and future considerations

Notwithstanding a satisfactory resolution of the dispute over the consideration due for the sale of the physical security businesses has not been achieved, the company continues to have open communication lines with ASX on the requirements for re-submission to trading and will update shareholders should there be any progress.

Whilst necessarily focusing on responding to, and resolving, the dispute with Bloom and the development of the Gathid business, the Board continues to actively consider all options available to it in respect of maximizing value to shareholders so that action can be taken when it is appropriate to do so.

Peter Hill, CEO and Managing Director said:- "This quarter strengthened our platform and broadened our understanding of customer environments. The lessons learned from engagements beyond our core ICP have been invaluable, driving new breakthroughs in enterprise identity visibility and deepening our ability to help organisations simplify and secure their access ecosystems. While ARR stepped back this quarter due to changes to our customer mix, the experience has better positioned us to manage extremely large-scale deployments and support accelerated implementation demands on that scale. We're now seeing increasing momentum with integrators and resellers following a successful series of conferences, and these partnerships are opening exciting new avenues for growth and innovation."

Selection of Gathid Coverage Throughout Last Quarter

Date	Publication	Article
21/07/2025	Forbes	Balancing Risk And Reward: A Data-First Approach To Identity Governance: https://www.forbes.com/councils/forbesfinancecouncil/2025/07/21/balancing-risk-and-reward-a-data-first-approach-to-identity-governance/
06/08/2025	Forbes	What CISOs Need To Know About Identity Governance Across OT And IT: https://www.forbes.com/councils/forbestechcouncil/2025/08/06/what-cisos-need-to-know-about-identity-governance-across-ot-and-it/
22/08/2025	Forbes	AI And Identity Governance Unlock New Possibilities For Businesses: https://www.forbes.com/councils/forbestechcouncil/2025/08/22/ai-and-identity-governance-unlock-new-possibilities-for-businesses/
28/08/2025	Forbes	Mitigating Financial Risks: The Importance Of Robust Identity Governance In Cost-Conscious Times: https://www.forbes.com/councils/forbesfinancecouncil/2025/08/28/mitigating-financial-risks-the-importance-of-robust-identity-governance-in-cost-conscious-times/
12/09/2025	Forbes	The Overlooked Perimeter: Why Physical Access Is A Cybersecurity Priority: https://www.forbes.com/councils/forbestechcouncil/2025/09/12/the-overlooked-perimeter-why-physical-access-is-a-cybersecurity-priority/
19/09/2025	Forbes	20 Root Causes Of Application Inefficiency And How To Fix Them: https://www.forbes.com/councils/forbestechcouncil/2025/09/19/20-root-causes-of-application-inefficiency-and-how-to-fix-them/
30/09/2025	Forbes	Mitigating Identity Risks: Managing Access Across Diverse Systems: https://www.forbes.com/councils/forbestechcouncil/2025/09/30/mitigating-identity-risks-managing-access-across-diverse-systems/
		GATHID LABS SERIES

28/08/2025	N/A	The IAM Reality Check: Why Most Organizations Are Stuck: https://gathid.com/blog/the-iam-reality-check-why-most-organizations-are-stuck/
24/09/2025	N/A	Full IGA Is Never Really Full IGA. You Still Need Gathid: https://gathid.com/blog/full-iga-is-never-really-full-iga-you-still-need-gathid/
24/09/2025	N/A	No Matter Your IAM Stack, Here's How to Get Daily Identity Trust: https://gathid.com/blog/no-matter-your-iam-stack-heres-how-to-get-daily-identity-trust/

Related Entities:

Payments to related entities during the Quarter were \$0.104m which represented the Managing Director and Executive Director's remuneration, and fees paid to the Board of Directors of Gathid.

Note to Market:

None of the information included in this announcement should be considered individually material, unless specifically stated. All figures in this announcement are provided on an unaudited basis.

This Company presentation may include certain statements, estimates or projections with respect to the anticipated future performance of the Company, the projects or both.

Those statements, estimates or projections are based on assumptions about future events and management actions that may not necessarily take place and are subject to significant uncertainties, many of which are outside the control of the Company. Those assumptions may, or may not, prove correct. No representation is made as to the accuracy of those statements, estimates or projections.

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The release of this announcement was authorised by the Board of Directors.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Gathid Ltd

ABN

20 108 411 427

Quarter ended ("current quarter")

30 September 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	369	369
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(55)	(55)
(d) leased assets	-	-
(e) staff costs	(1,024)	(1,024)
(f) administration and corporate costs	(504)	(504)
1.3 Dividends received (see note 3)		
1.4 Interest received	68	68
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes (paid) / received	-	-
1.7 Government grants and tax incentives	992	992
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(154)	(154)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other cash held by entities disposed of		
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities / convertible debt securities or sale of business streams		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,718	4,718
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(154)	(154)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(2)	(2)
4.6	Cash and cash equivalents at end of period	4,562	4,562

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	4,562	4,718
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,562	4,718

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(104)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		0
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(154)
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,562
8.3 Unused finance facilities available at quarter end (item 7.5)	
8.4 Total available funding (item 8.2 + item 8.3)	4,562
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	29.5
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 October 2025

Date:

Board of Directors

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.