

Stakk Q1 Net Operating Cash Flow Increases 193.6% Against A\$16.1 Million in Reported Revenue

- **Positive net operating cash flow of A\$731,000** for Q1 FY2027, an increase of 193.6% over the preceding quarter and the second consecutive quarter of positive operating cash flow.
- **Pro-forma unaudited Group revenue of A\$16.1 million** for the September quarter, comprising A\$6.82 million from the underlying Stakk business and A\$9.26 million from ParaScript.
- **Customer cash receipts continue to closely track recognised revenue**, with statutory receipts reflecting the underlying Stakk business for the full quarter and ParaScript only from acquisition completion on 14 September 2026.
- **Completion of the ParaScript acquisition, supported by an A\$27.0 million institutional placement**, an A\$5.0 million working capital facility and existing cash reserves.
- **Consolidated cash and cash equivalents of A\$11.814 million** at 30 September 2026, following A\$37.168 million in acquisition-related cash outflows.
- **Q2 FY2027 will be the first full quarter of consolidated cash-flow reporting** for the combined Stakk and ParaScript businesses.

Sydney, Friday, 30 October 2026: Stakk Limited (ASX: SKK) provides its Appendix 4C and quarterly activities report for the three months ended 30 September 2026, reporting positive net operating cash flow of A\$731,000, an increase of approximately 193.6% from A\$249,000 in the preceding quarter.

The result represents the Company's second consecutive quarter of positive operating cash flow and accompanies the previously announced unaudited pro-forma Group revenue of A\$16.075 million for Q1 FY2027. The quarter also included completion of the acquisition of ParaScript on 14 September 2026, with the acquired businesses entering statutory consolidated cash-flow reporting from that date.



Following the acquisition and associated financing activities, the Company reported consolidated cash and cash equivalents of A\$11.814 million at 30 September 2026.

Operating Cash Flow Performance

Net cash generated from operating activities increased to A\$731,000 during the September quarter, compared with A\$249,000 in the June quarter. This represents an improvement of A\$482,000, or approximately 193.6%, quarter-on-quarter.

The principal operating cash-flow components for the quarter were:

Operating cash-flow item	Q1 FY2027 (A\$'000)
Customer receipts	7,681
Research and development	(12)
Product manufacturing and operating costs	(5,164)
Advertising and marketing	(40)
Staff costs	(1,305)
Administration and corporate costs	(458)
Interest received	29
Net operating cash flow	731

The Company maintained positive operating cash flow while continuing to fund its existing operations and incorporating ParaScript's operating cash flows from the date of acquisition completion.

Recognised Revenue and Customer Cash Receipts

As announced on 12 October 2026, the Company generated unaudited pro-forma Group revenue of A\$16.075 million for the September quarter, comprising A\$6.819 million attributable to the underlying Stakk business and A\$9.256 million attributable to ParaScript. These revenue figures incorporate both businesses for the full three months ended 30 September 2026.

By comparison, the Appendix 4C reflects statutory consolidated customer cash receipts of A\$7.681 million, comprising receipts from the underlying Stakk business for the full quarter and ParaScript only following completion of its acquisition on 14 September 2026.

Business	Pro-forma revenue (A\$)	Statutory receipts (A\$)
Underlying Stakk	6,819,223	6,289,401
ParaScript	9,255,808	1,391,181
Combined Group	16,075,030	7,680,581

Figures are unaudited and presented as supplied, with minor A\$1 rounding differences between component totals and reported Group totals.



For the underlying Stakk business, customer receipts represented approximately 92.2% of recognised revenue during the quarter, with the difference principally attributable to normal billing and collection cycles and accrued receivables.

The difference between A\$16.075 million in reported pro-forma revenue and A\$7.681 million in statutory customer receipts should not be interpreted as a corresponding shortfall in customer collections. The measures have materially different reporting periods in respect of ParaScript.

While ParaScript's A\$9.256 million revenue contribution represents the full July–September quarter for pro-forma reporting purposes, the Appendix 4C includes only customer receipts attributable to ParaScript from 14 September 2026. Receipts generated before completion are excluded from statutory consolidated cash flows.

Customer receipts continue to track closely with recognised revenue, subject to ordinary billing cycles and accrued receivables. The December 2026 quarter (Q2 FY2027) will be the first complete reporting period incorporating three months of consolidated cash flows from both businesses.

Completion of ParaScript Acquisition

On 14 September 2026, Stakk completed the acquisition of ParaScript, LLC and ParaScript Management, Inc. for total consideration of US\$63.0 million, comprising US\$25.0 million cash consideration, US\$18.0 million in Stakk shares and US\$20.0 million deferred consideration through a Seller's Note.

During the September quarter, the Company completed its A\$27.0 million institutional placement and drew A\$5.0 million under a short-term working capital facility. These funding sources, together with existing cash reserves, supported the acquisition and associated transaction payments.

The Appendix 4C records A\$37.168 million in payments to acquire entities and A\$757,000 of cash acquired with the subsidiary, resulting in net cash used in investing activities of A\$36.411 million.

Financing cash-flow item	Q1 FY2027 (A\$'000)
Proceeds from equity securities	27,000
Proceeds from borrowings	5,000
Equity issuance transaction costs	(1,571)
Borrowing transaction costs	(500)
Net cash from financing activities	29,929



The US\$20.0 million Seller's Note represents deferred acquisition consideration rather than cash financing proceeds received during the quarter. At 30 September 2026, financing facilities totalled A\$33.802 million, comprising the A\$5.0 million working capital facility and A\$28.802 million attributable to the Seller's Note. Both were fully drawn.

Consolidated Cash Position

The Company closed the September quarter with consolidated cash and cash equivalents of A\$11.814 million following completion of the ParaScript acquisition and associated investing and financing activities.

Cash-flow item	Q1 FY2027 (A\$'000)
Opening cash and cash equivalents	17,558
Net cash from operating activities	731
Net cash used in investing activities	(36,411)
Net cash from financing activities	29,929
Foreign exchange movements	7
Closing cash and cash equivalents	11,814

The opening cash balance reflects the updated balance following the FY2026 year-end audit process. The net reduction in cash principally reflects acquisition-related investing outflows, partially offset by financing proceeds and positive operating cash flow. The closing balance includes cash held by ParaScript.

Related-Party Payments

Payments to related parties and their associates totalled A\$120,000 during the September quarter, compared with A\$159,000 in the preceding quarter. These payments comprised director fees and salaries on commercial terms and are included within operating cash flows. No related-party payments were recorded within investing activities.

Reporting Basis and Subsequent Quarter

The Q1 FY2027 revenue of A\$16.075 million was prepared on an unaudited pro-forma basis incorporating both Stakk and ParaScript for the full three-month period ended 30 September 2026. The accompanying Appendix 4C is prepared on a statutory consolidated cash-flow basis, with ParaScript included only from 14 September 2026. These different reporting bases should be taken into account when comparing recognised revenue and statutory customer receipts.



The December 2026 quarterly activities report will be the first to incorporate a complete quarter of consolidated cash flows from both businesses. At 30 September 2026, Stakk reported positive quarterly net operating cash flow of A\$731,000 and consolidated cash and cash equivalents of A\$11.814 million.

Stakk Executive Director Arthur Lo said:

"Over the past 12 months, we have established a clear track record of financial discipline, translating substantial revenue growth into customer receipts and increasingly strong operating cash flow. Our second consecutive quarter of positive operating cash flow, with a 193.6% increase this quarter, demonstrates the financial progress we are making and provides a solid foundation for our next phase of growth."

"With the ParaScript acquisition now completed, Stakk has entered a new phase of scale and commercial opportunity. The momentum since completion has been significant, with major customer wins, contract renewals and an expanding pipeline of advanced engagements. We expect to announce further meaningful commercial agreements during the current quarter, reinforcing our confidence in the Group's growth trajectory. Our priority is to convert this momentum into sustained revenue growth, increasing cash generation and long-term shareholder value."

This announcement has been authorised for release by the Board of Stakk Limited.

—End—



About Stakk

Stakk Limited (ASX: SKK) is a scaled, profitable and globally relevant AI-native Digital Trust infrastructure Group focused on combating fraud. Its integrated platform enables financial institutions, governments, law-enforcement agencies, healthcare providers, insurers, telecommunications companies, and other regulated enterprises to establish trust across the complete interaction – from identity verification and document authentication through to fraud prevention, transaction authorisation, and real-time contextual decisioning.

Stakk combines more than 30 years of proprietary AI-powered document intelligence with contextual Digital Personas, federated signal intelligence and pre-execution decisioning. The group serves more than 300 enterprise customers across the United States, Europe, the Middle East and Australia and processes more than 110 billion interactions annually, creating a continuously expanding intelligence asset that strengthens its ability to identify and respond to evolving AI-driven fraud threats.

For more information visit www.stakk.tech

Forward-looking statements

This announcement contains forward-looking statements concerning the Company's growth pipeline, anticipated client wins, international expansion and expected revenue contribution. These statements are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the Company's control, and actual outcomes may differ materially. Except as required by law or the ASX Listing Rules, the Company undertakes no obligation to update any forward-looking statement.

Appendix 4C

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

Name of entity

STAKK LIMITED

ABN

41 108 042 593

Quarter ended ("current quarter")

30 September 2026

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	7,681	7,681
1.2 Payments for		
(a) research and development	(12)	(12)
(b) product manufacturing and operating costs	(5,164)	(5,164)
(c) advertising and marketing	(40)	(40)
(d) leased assets	-	-
(e) staff costs	(1,305)	(1,305)
(f) administration and corporate costs	(458)	(458)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	29	29
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (advance payment for configuration work, subject to completion acceptance)	-	-
1.9 Net cash from / (used in) operating activities	731	731

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	(37,168)	(37,168)
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	-	-
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 from acquired subsidiary)	757	757
2.6	Net cash from / (used in) investing activities	(36,411)	(36,411)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)*	27,000	27,000
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 or convertible debt securities	(1,571)	(1,571)
3.5	Proceeds from borrowings	5,000	5,000
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(500)	(500)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	29,929	29,929

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	17,558	17,558
4.2	Net cash from / (used in) operating activities (item 1.9 above)	731	731
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(36,411)	(36,411)

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)	29,929	29,929
4.5	Effect of movement in exchange rates on cash held	7	7
4.6	Cash and cash equivalents at end of period	11,814	11,814

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	11,814	17,558
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)	11,814	17,558

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

120

-

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

7. Financing facilities

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.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	5,000	5,000
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	28,802	28,802
7.4 Total financing facilities	33,802	33,802

7.5 Unused financing facilities available at quarter end

-

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.

At 30 September 2026, Stakk Limited had A\$5.0 million in loans from Pheakes (A\$625K), Melbor (A\$625K), Sammex (A\$1.25M), and Providus (A\$2.5M), with fixed interest of 10% and maturity on 5 January 2027. All loans are secured except Providus. On 7 October 2026, Pheakes, Melbor, and Sammex were fully repaid, including A\$250K in interest.

The Group also had a secured US\$20.0 million Seller's Note (A\$28.802 million) issued to Para-R, LLC for the ParaScript acquisition, bearing interest at 10.8% per annum, with quarterly repayments beginning 14 December 2026 and final maturity on 14 September 2030.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	731
8.2 Cash and cash equivalents at quarter end (Item 4.6)	11,814
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	11,814
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	N/A

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

Answer: N/A

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?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

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.

30 October 2026

Date:

By the Board

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.