

ASX ANNOUNCEMENT

ASX: CDE | 29th August 2025

2025 H1 opens opportunities in QuantumAI secure payments

- **Codeifai has set itself up for success in the half year to June 2025 with significant acquisitions announced and contracted**
- **The acquisition of the Antennae transfer platform from Canadian listed Credissential and Trust Codes scheduled to be concluded in the second half of 2025 subject to Due Diligence and shareholder approval**
- **Tight cost controls maintained with operating costs (excluding consulting fees, Finance costs, Foreign Exchange loss etc), down on the PcP at \$1,396k in H1 2025 against \$1,555k in the PcP.**
- **CDE proposes to add capabilities in QR code payments, Quantum secured File transfers with the acquisition of Antennae Transfer**
- **Opportunity pipeline expanding for self-service SaaS connectqr.ai**

Codeifai Limited (ASX: CDE), a dynamic disrupter in the digital, quantum secure and AI powered solution space is pleased to announce operating results for the half year to end June 2025.

In H1 2025 in what the Company believes holds the most significant addition to our future prospects is the proposed acquisition of the Antennae Transfer (to be re-branded QuantumAI Secure) self-service SaaS platform from Canadian listed Credissential Inc. H1 2025 also saw the Company strategically pivot to add revenue opportunities in the QR code generation and management spaces with the proposed acquisition of competitor Trust Codes Global Limited. Both these acquisitions are under due diligence review and subject to Shareholder approvals to be sought at an upcoming General Meeting.

Considerable focus and additional costs in the half were attributed to product development, fees for the acquisitions noted above and the costs of raising capital in an historically challenging time.

The Company's ConnectQR launch in 2024 marked a pivot from a legacy physical anti-counterfeit focus into a *Digital & Engagement First* focus with greater market opportunity, proven demand, and pronounced scalability.

Given the quality of the opportunities unveiled during the half year, especially the pivot into the payments and Quantum Secure arenas the Company's prospects and opportunity to accelerate revenue growth at low marginal cost are significant.

The company is determinedly driving toward creating shareholder value.

Access to Capital improves the Company's prospects but increases costs

The net operating cash outflow in H1 2025 of \$1,409k was an increase on the PcP number of \$910k represented by increases in consulting fees to external contractors of \$384k and \$713k in Finance costs on the PcP. The half year result is amplified by significant increases in non-operating costs such as Consulting fees to external suppliers (up 384k on the PcP), Finance costs (up 713k on the PcP), Foreign exchange loss (up \$1,254k on the PcP) and Investor relations (up \$94k on the PcP).

The underlying operating costs were largely on track from the PcP with employment costs down \$20k to \$388k on the PcP, R&D down \$32k on the PcP, marketing costs down \$144k on the PcP and Professional fees down \$49k on the PcP.

Revenue from product sales was largely in line with the revenue in the PcP (which had included a \$200k reversal on the prior acquisition of nTouch).

Gross margin (revenue less cost-of-goods) remained exceptional in H1 2025 at 98% due to proprietary intellectual property and the digital nature of the company's products. The very high gross margin remains a key element in the company's path to profitability.

Operating costs (excluding consulting fees, Finance costs, Foreign Exchange loss), were down on the PcP at \$1,396k in H1 2025 against \$1,555k in the PcP.

Valuable technical and commercial progress in H1 2025

The reduction in R&D spend undertaken in H1 belies the technical progress made to advance the company's digital product suite. In H1 2025 our technical team's achievements were outstanding, with best-in-class new products and features released in accord with a challenging product roadmap.

Marketing activities in H1 2025 have been limited due to cash and are expected to renew in the second half of 2025 following a successful Capital raise after the Half year completion.

The ConnectQR digital marketing strategy had previously proved to be a magnet for interest in other key products, namely ProtectCode (serialised anti-counterfeit and consumer engagement) and Brand Reporter (supply chain track'n'trace). New generations of both products are seeing increased interest and the new business pipelines for both products have expanded with potential valuable wins possible in 2025.

The Company announced a strategic review of the material Science division in the first half of 2025 and the termination of the Motif Micro Patent rights agreement with MIT. As previously reported the licenses with Nviso SA and its successor have been written off and hold no value to the Company and accordingly no further focus or development will be undertaken.

Corporate

Capital was raised in the half year in the form of a Convertible note to raise \$750k from the Executive Chairman. Further Capital, loan funds and/or convertible notes were raised in the Half under the Company's mandate with Oakley Capital Pty Ltd.

Acquisitions

As previously announced, the Company has secured 2 exciting acquisitions during the Half Year.

What is the QuantumAI Secure platform CDE is acquiring:

- Quantum Secured Payments and BNPL offering
- Quantum Secured File Transfers
- Quantum Encrypted end to end Communications

Developed by Credissential Inc, a Canadian registered financial technology Company listed on the CSE (WHIP.CNQ), the platform is a Quantum Secure next-generation platform for extremely secure payments, file transfers, and digital communications that integrates proprietary Post-Quantum Cryptography (PQC) with AI-optimised encryption architecture.

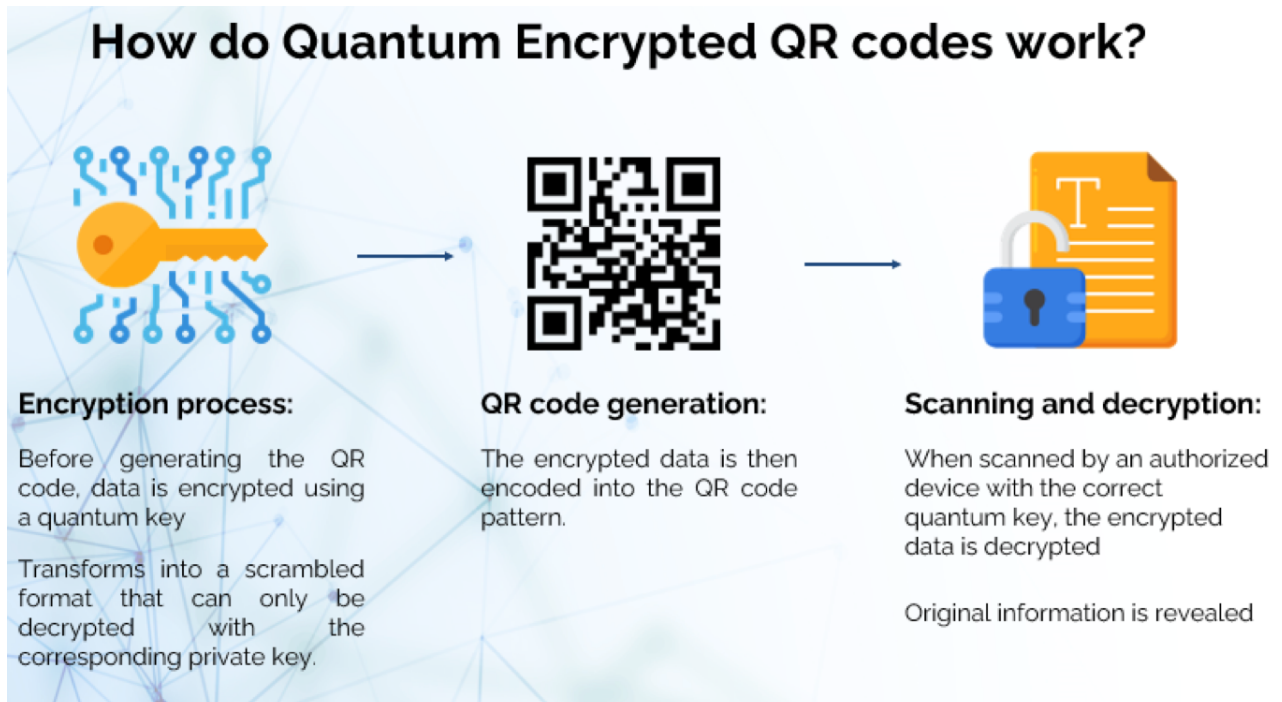
The system is designed from the ground up to withstand both classical and quantum computational threats and operates as a self-service SaaS platform.

While most existing financial and communications systems rely on encryption vulnerable to quantum decryption (such as RSA or ECC), QuantumAI Secure employs quantum-resistant algorithms, including lattice-based cryptography and hash-based signature schemes — technologies recommended by NIST's post-quantum standardisation project.

QuantumAI Secure's innovation doesn't stop at cryptographic resilience. QuantumAI Secure also uses AI-driven anomaly detection to identify threats in real-time, learning and adapting to potential quantum-assisted attack patterns as they evolve. QuantumAI will incorporate agentic AI to its offering allowing for efficiency, speed and useability to its customers.

The QuantumAI Secure platform utilises quantum key distribution (QKD) and post-quantum cryptographic techniques to ensure excellent security in financial transactions—an essential capability as the world transitions into a quantum-aware era. By integrating this platform into its existing ecosystem, Codeifai aims to launch a new class of intelligent, quantum- resilient solutions for the fintech, cybersecurity, data-licensing, digital content creation and enterprise software sectors.

How do Quantum Encrypted QR codes work?



Key Features and Applications:

- **Quantum-Secure Payments Gateway:** Enables banks, fintechs, and payment processors to adopt payment infrastructure that resists retroactive decryption — even by quantum-computer equipped adversaries.
- **Quantum-Secure File Transfer Gateway:** Ensures highly sensitive documents (financial contracts, IP, health records) remain confidential across time horizons.
- **Quantum-Secure Messaging and Communication Protocols:** Provides quantum-hardened alternatives to conventional secure messaging apps and collaboration platforms.
- **Plug-and-Play Compatibility:** Designed to integrate with existing enterprise APIs and financial platforms, including Buy Now Pay Later (BNPL) gateways and cryptocurrency payment portals, enabling smooth migration paths toward quantum readiness.

What makes the QuantumAI Secure platform particularly compelling is its first-mover advantage in combining PQC (Post Quantum Cryptography) with AI and real-time quantum threat monitoring. While many legacy security firms are scrambling to retrofit existing systems, the QuantumAI Secure platform was built on a post-quantum native foundation. This gives it a significant head start in compliance, performance, and credibility.

Synergies with Codeifai's existing business

The acquisition of the antennatransfer.io (to be rebranded QuantumAI Secure) Business is highly complementary to CDE's existing business, as both platforms share a core technological foundation — the use of QR codes — while targeting different but converging domains: AI-driven traceability and compliance (Codeifai's existing business platform) and quantum-secured communications and transactions with QuantumAI Security. This synergy will allow Codeifai to not only enhance the

security layer of its traceability and engagement solutions, but also cross-sell the QuantumAI Secure platform offering as a premium addition to its existing self-service SaaS suite - while expanding into the fast-emerging field of quantum-resilient infrastructure.

Codeifai's existing platform leverages QR codes to provide authentication, supply chain transparency, consumer engagement and data verification across diverse industries. The QuantumAI Secure platform also uses QR codes—but to encrypt and enable secure payments, file transfers, and communications using Post-Quantum Cryptography (PQC). The integration of both platforms means Codeifai can now offer end-to-end trust, from the physical or digital asset's origin (tracked via Codeifai's system) to its secure transfer or transaction (protected by the QuantumAI Secure platform). This creates a seamless, quantum-hardened trust layer that is both user-friendly and future-proof, aligning with the increasing regulatory and security demands across global markets.

Market Opportunity

Codeifai is targeting a rapidly growing market suite through its proposed acquisition of antennatransfer, the QuantumAI Secure platform.

Assembly of Strategic Advisory Panel

Codeifai's Strategic Advisory Panel now features four highly skilled industry experts from some of the most transformative companies in technology: Nvidia, OpenAI, Google, WhatsApp and Binance:

Rafael Possas – Nvidia, AI Machine Learning

Toni Timonen – OpenAI, Member of Technical Team

Helen Chen – WhatsApp Inc, Head of Product Strategy

Marcel Thiess – Binance, Country Lead (Germany, Austria, Switzerland)

These distinguished advisory panel members bring decades of collective experience and commercialisation success across fintech, AI research, blockchain & cryptocurrency innovation, quantum computing, and global-scale messaging systems. Their decision to join Codeifai's panel serves as a strong endorsement of the significant market opportunity and the urgency for secure, quantum-resilient solution.

Strategic Rationale for acquisition of Trust Codes

The acquisition will strengthen Codeifai's presence in Australasia, North America, and Europe, while uniting complementary strengths in self-service QR code management, enterprise serialisation, and anti-counterfeit protection.

The combined strengths of Codeifai and Trust Codes are tailored to meet these needs, offering:

- Authenticity Verification
- Supply Chain Traceability
- Consumer Data Insights and Analytics
- Augmented Reality and Gamification for Consumer Experiences
- Direct-to-Consumer Communication Channels
- Support for Global Regulatory and Compliance Standards

By leveraging AI, Machine Learning and Data Science, Codeifai enables brands to unlock supply chain traceability, drive operational excellence, and build lasting trust with consumers — one QR Code scan at a time.

Codeifai Executive Chairman and Group CEO John Houston said: "I'm delighted to report significant opportunities for the Company during H1 2025.

I am particularly excited about the Credissential acquisition which potentially takes the Company into the Quantum secure payment, AI and file transfer spaces."

This announcement has been authorised by the Board of Codeifai Limited.

For further information, please contact:

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About Codeifai Limited

Codeifai Limited (ASX: CDE) is a leading provider of digital and AI-powered brand solutions. With a strong focus on empowering brands through smart digital engagement, Codeifai's high-margin offerings are designed to deliver exceptional scalability and profitability.

Codeifai's digital Brand Solutions provide a code for everybody and everything.