

INTERIM REPORT

APPENDIX 4D

1. Company details

Name of entity:	Tetratherix Limited
ABN:	72 607 771 077
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

2. Results for announcement to the market

	31 Dec 2025 \$'000	31 Dec 2024 \$'000	%
Total revenue and other income	1,794	459	291%
Statutory loss after income tax	(4,621)	(2,080)	122%
Total operating expenses	(6,414)	(2,539)	
Non-operating items	-	476	
Underlying* loss after income tax	(4,621)	(1,604)	188%
Earnings per share (cents)	(9.18)	(8.63)	

* Excluding non-operating items in H1FY25 relating to non-cash adjustment for fair value on financial instruments (\$0.4m) and IPO costs (\$0.1m) expensed to profit or loss statement. Underlying loss after income tax is a financial measure not prescribed by Australian Accounting Standards. The directors consider Underlying loss after income tax to represent the core earnings of the Consolidated Entity.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Comments

The loss for the half-year of the Consolidated Entity after providing for income tax amounted to \$4,620,615 (31 December 2024: \$2,080,490).

Refer to the 'Review of operations' in the Directors' report for further commentary and analysis on the results.

3. Net tangible assets

	31 Dec 2025 Cents	30 Jun 2025 Cents
Net tangible assets per ordinary security	46.88	54.05

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

INTERIM REPORT APPENDIX 4D

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding	
	Reporting period %	Previous period %
Tutelix Pty Ltd	50.00%	50.00%

8. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

9. Attachments

Details of attachments (if any):

The Interim Report of Tetratherix Limited for the half-year ended 31 December 2025 is attached.

10. Signed

Signed



William Knox
Director

Sydney

Date: 24 February 2026

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**TETRATHERIX LIMITED
INTERIM REPORT
2026**

ASX: TTX
ABN: 72 607 771 077

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1. Directors' Report

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DIRECTORS' REPORT



The directors present their report, together with the financial statements, on the Consolidated Entity (**Consolidated Entity** or **Group**) consisting of Tetratherix Limited (**Company**) and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

DIRECTORS

The following persons were directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Name	Title
Emma Cleary	Non-Executive Director and Chair
William Knox	Executive Director (and Chief Executive Officer)
Dr Ali Fathi	Executive Director (and Chief Technology Officer)
David Bottomley	Non-Executive Director (retired 15 December 2025)
Atlanta Daniel	Non-Executive Director
Peter Gray	Non-Executive Director (appointed 15 December 2025)
Gillian Shea	Non-Executive Director
John Kelly	Non-Executive Director
Maurizio Vecchione	Non-Executive Director (appointed 21 January 2026)

PRINCIPAL ACTIVITIES

Tetratherix is a biomedical company that has developed an advanced biomaterial platform called Tetramatrix™, a proprietary fluid matrix that induces minimal foreign body reaction. The principal activities include development programs in the areas of regenerative medicine and commercialising medical device technology across multiple applications including bone regeneration, tissue spacing and tissue healing.

DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial period.

COMPANY SECRETARY

Jacob Pfeffer was appointed as Company Secretary in November 2025. Sally Greenwood and Jane Miller resigned as Joint Company Secretary at the time of this appointment.

DIRECTORS' REPORT



REVIEW OF OPERATIONS

The Group's performance summary for H1 FY26.

\$AUD '000	H1 FY26	H1 FY25
Total revenue and other income	1,794	459
Statutory loss after income tax	(4,621)	(2,080)
Total operating expenses	(6,414)	(2,539)
Non-operating items	-	476
Underlying loss after income tax*	(4,621)	(1,604)
Earnings per share: cents	(9.18)	(8.63)

* excludes non-operating items in H1 FY25 relating to non-cash adjustment for fair value on financial instruments (\$0.4m) and IPO costs (\$0.1m)

The loss for the Group after providing for income tax amounted to a loss of \$4,620,615 (31 December 2024: loss of \$2,080,490).

DIRECTORS' REPORT



H1 FY26 HIGHLIGHTS

The Company's H1 FY26 performance against our strategic priorities is summarised below.

Develop and commercialise innovative solutions

Robust product development, regulatory success & readiness for commercialisation.

- **Tutelix:** Successful first in human insertion of the Tutelix hydrogel spacer; progression to stage 2 Tutela clinical study
- **Tutelix:** Completion of FDA pre-submission
- **TetraDerm:** completion of Cohort 1 and progression through to Cohort 2 of the TetraDerm clinical trial (completed in January 2026)
- **Pipeline:** achievement of major technical milestone in drug delivery
- **Industry Growth Program (IGP):** \$3.3m funding secured for FY26-27

Established partner connectivity

Partner connectivity and market penetration to accelerate growth.

- Finalisation of **exclusive global Henry Schein, Inc. quality and supply agreement** (executed in January 2026)
- Signing of **exclusive strategic licensing agreement with BioOptix, Inc**
- BioOptix, Inc. **entered into a strategic partnership with Alcon Research, LLC**
- Collaboration with Tutelix to advance to **FDA study approval**
- Continued partner engagement for **Tegenix and TegenEOS**, optimising animal studies, on track for FDA 510k clearance in FY26
- **Progressed negotiations** with multiple market leaders in orthopaedic bone regeneration (TegenEOS)

Continue to build high performing teams

Mission-driven engagement and shared success leveraging our values.

- Continuation of **team expansion** while maintaining the cohesive culture (investment in R&D and advanced manufacturing facilities)
- Implementation of the **Employee Incentive Program** to share success and foster talent
- Enhancing home-grown talent development and **expanding our scientific advisor capability**
- **Zero attrition rate** has been maintained
- **68% of the workforce** identifies themselves as female

High quality manufacturing at scale

Aligning production capacity with market demand while maintaining high quality standards.

- Execution of a **lease agreement** for additional advanced manufacturing site and new company HQ at the Alexandria campus
- Fit out of new facility underway for **relocation of HQ in H2 FY26**
- Maintenance of ISO quality certification, **external audit passed for the 8th consecutive year**
- **Engagement with notified body for Medical Device Single Audit Program (MDSAP)** accreditation
- **Capital upgrade in our Research & Development laboratory** confirming validation of our commercial deliverables

Sustainable long-term growth

Focus on value creation, performance & safeguarding shareholder interests.

- Strategic investment allocation **in line with use of funds**
- **R&D at ~39% of total cash** outlay to ensure sustained pipeline
- Robust management of liquidity **\$21.6 million cash on hand**
- **Net loss (\$4.6 million), cash inflows of \$1.3m** driven by government grants (incl IGP) fuel investment in R&D and advanced manufacturing
- Update to board composition: appointments of independent non-executive directors, **Peter Gray and Maurizio Vecchione**, in-house General Counsel and Company Secretary, **Jacob Pfeffer** and retirement of **David Bottomley**
- R&D tax incentive eligibility for **advanced and overseas finding confirmed by AusIndustry**

DIRECTORS' REPORT



H1 FY26 HIGHLIGHTS (CONTINUED)

Relentless execution of the FY26 plan & transition to commercialisation

The Company continues to deliver on the inflection points communicated to the market through the Company's prospectus as it progresses towards its initial commercialisation of its bone regeneration products - Tegenix and TegenEOS. These inflection points span commercial, clinical, technical and operational elements that are advancing in parallel as the Company propels towards revenue generation and international product supply from our advanced manufacturing campus in Alexandria, Australia.

The status update of key milestones is captured below.

DENTAL	✓ Henry Schein Supply & Licensing Agreement Execution	Data read-out from the pre-clinical study	FDA Submission	FDA Clearance		
ORTHOPAEDIC	Master Partnership Agreement Execution	Supply and Licensing Agreement Execution	FDA Submission	FDA Clearance		
ONCOLOGY	✓ FDA Pre-submission/Regulatory Pathway Defined	✓ Tutelix First In Human Cohort 1 Read-out	✓ Exclusive licence Agreement executed (1)	US/AU Capital Raise	Tutelix Primary End Point for Cohort 2	Pivotal Clinical Trial Initiation
OPHTHALMIC	✓ BioOptix Licensing Agreement	✓ Strategic Global Partnership	✓ Alcon non dilutive funding in BioOptix	US / AU Capital Raise	Preclinical Data Read-out	FDA Pre-submission & Regulatory Pathway
SURGICAL SITE MGMT	✓ Cohort 2 Commenced	✓ Year 1 Follow up for Cohort 1 results published	✓ TetraDerm Cohort 3 Initiation (Major Surgeries)	FDA Pre-submission & Regulatory Pathway	Primary End-point Cohort 2	
OPERATIONS	✓ IGP Grant awarded	✓ ISO13485 surveillance Audit	✓ New Facility Signed and production begins	✓ Board Restructure	New Facility and HQ	MDSAP Stage 1 Audit

FY2026

FY2027



H1 FY26 completion



Subsequent event post H1 FY26

(1) subject to Tutelix meeting milestones across clinical pathway. Upon completion of the milestones, the ownership of intellectual property within this field will transfer to Tutelix, allowing flexibility and optionality for quality and supply agreement.

DIRECTORS' REPORT



H2 FY26 FOCUS AREAS

As the Company enters the second half of FY26, it remains focused on executing key initiatives that support its strategic vision and long-term growth.

Laser focus on near-term R&D program deliverables

- Finalise preclinical studies for Tegenix and TegenEOS, with FDA 510(k) clearance targeted for completion in FY26
- Commence Cohort 3 of clinical trials for TetraDerm, further validating its therapeutic potential
- Progress stage 2 of the Tutela clinical study, advancing R&D for the Tutelix hydrogel spacer

Strengthen and expand strategic alliances

- Continued business development activities in bone regeneration franchise to finalise commercial arrangement with an orthopaedic market leader
- Initial seeding program with Henry Schein, Inc. (Henry Schein) in bone regeneration for dental application

Explore potential for nasal drug delivery applications

- Initial research activities have commenced in collaboration with Macquarie University in Sydney
- Preliminary exploration of near term US commercial opportunities for the technology

Drive sustainable growth

- Leverage the IGP to continue investment in advanced manufacturing and R&D initiatives
- Continue to build high-performing teams by attracting and nurturing local talent
- Expansion of infrastructure and relocation of the Company's HQ

DIRECTORS' REPORT



FINANCIAL PERFORMANCE

Profit & loss

\$AUD 000	H1 FY26	H1 FY25
Research and development grant income	1,404	459
Interest income	390	-
Total revenue and other income	1,794	459
Employee benefits expense	(4,020)	(1,168)
Depreciation and amortisation expense	(381)	(33)
Research and development project expense	(745)	(483)
Administration expense	(1,030)	(338)
Finance costs	(239)	(41)
Net fair value loss on financial instruments	-	(422)
IPO related costs not expensed to equity	-	(54)
Total operating expenses	(6,414)	(2,539)
Loss before income tax expense	(4,621)	(2,080)
Income tax expense	-	-
Loss after income tax expense	(4,621)	(2,080)
Non-operating items	-	476
Underlying loss after income tax*	(4,621)	(1,604)

* excludes non-operating items in H1 FY25 relating to non-cash adjustment for fair value on financial instruments (\$0.4m) and IPO costs (\$0.1m)

FINANCIAL PERFORMANCE (CONTINUED)

Profit & loss

The Group recorded a statutory loss of \$4.6 million.

1: Grant income reflects the estimated R&D tax rebate for H1 FY26; refund to be received in FY27

In H1 FY26 \$0.7 million for R&D tax incentive is estimated, driven by increased activity in line with use of funds. This includes both Australian based projects and eligibility for the 'Advanced and Overseas Finding' confirmed by AusIndustry in December 2025. In addition, H1 FY26 income includes \$0.4 million in milestone payments relating to the award of the Industry growth program (IGP) grant.

The Company is reporting total deferred revenue of \$0.7 million in relation to capitalisation of Bone Regeneration development costs (\$0.3 million deferred R&D tax rebate) and building contractor costs and Property, Plant & Equipment (PP&E) relating to the new advanced manufacturing facility (\$0.4 million deferred IGP). See note 15 in the notes to the financial statements for further details.

2: Employee benefits expense reflects 100% of staff costs including employees working on R&D activities

In H1 FY26, \$4.1 million (\$1.2m in H1 FY25) related to an increase in total headcount for the Company as well as recognition of share based compensation implemented through the Employee Incentive Program (EIP).

3: R&D project expense refers to specific R&D project costs (excluding staff and indirect costs)

The Company has continued to invest in product development: \$0.7 million in H1 FY26 (\$0.4 million in H1 FY25). The Bone Regeneration franchise has moved into the development phase with \$0.7 million of expenditure capitalised ahead of the anticipated commercialisation of Tegenix and TegenEOS.

4: Administrative expenses at \$1.0 million in H1 FY26 (\$0.3m in H1 FY25)

Reflects listed company costs including board remuneration, company secretary and audit services as well as general working capital costs relating to the expanding business.

5: Finance costs primarily relates to the recognition of interest on right-of-use lease liabilities arising from the new advanced manufacturing facility lease

The accounting treatment increases reported interest expense, despite no corresponding increase in cash finance costs. In addition, accrued interest expense for the Medical Device Fund (MDF) loan payable to NSW health upon successful commercialisation, positive earnings before interest and tax derivation from Tegenix product sales is captured.

6: Net fair value loss on financial instruments in H1 FY25 reflects a non-cash fair value accounting adjustment for SAFE notes on issue by the Group

The Simple Agreement for Future Equity (SAFE) notes were subsequently converted to ordinary shares following approval by ASX for admission during H2 FY25.

7: IPO related costs

Captures items not allocated to equity in H1 FY25.

FINANCIAL PERFORMANCE (CONTINUED)

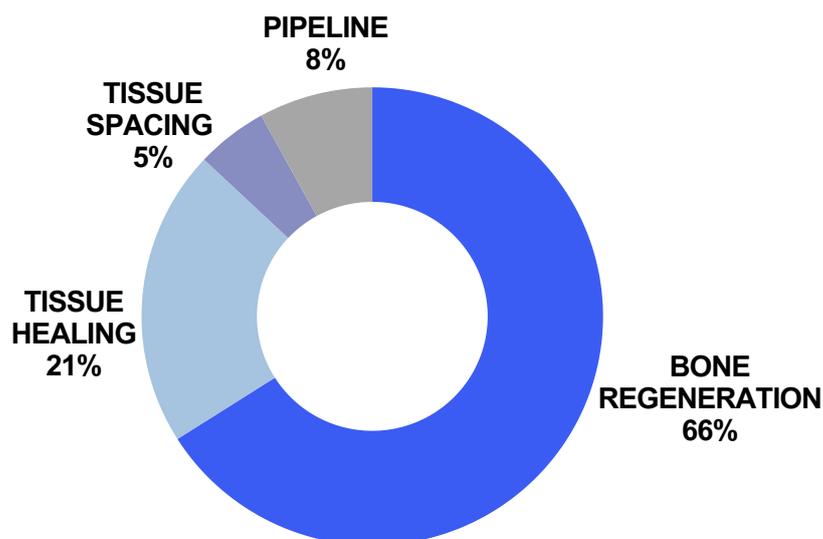
Total R&D cash expenditure

Total R&D captures cash outflows for specific R&D projects, directly attributable staff, research and laboratory costs, trademarks, patent filing and upkeep. In H1 FY26, total R&D at \$3.1 million (\$0.7 million H1 FY25) driven by increased activity in Bone Regeneration, Tissue Healing and Tissue Spacing.

In H1 FY26, R&D expenditure accounts for 39% of total cash outflow at \$3.1 million. In addition to the use of funds commitments from its prospectus, the Company is leveraging its funding from the IGP grant and advanced overseas funding from AusIndustry to increase investment.

- **Bone Regeneration** \$2.1 million was focused on development activities in preparation for regulatory clearance for Tegenix and TegenEOS.
- **Tissue Healing** \$0.7 million related to clinical trials and pipeline development. Predominantly, this involved the operating cost of TetraDerm clinical trial in Australia.
- **Tissue Spacing** \$0.2 million related to clinical trials for Optelex.
- **Pipeline** \$0.1 million investment related to the cost for preclinical testing for a new polymer configuration for a new product stream.

TOTAL R&D \$3.1 MILLION BY FRANCHISE



DIRECTORS' REPORT



FINANCIAL PERFORMANCE (CONTINUED)

Cashflow

Cash and cash equivalents were \$21.6 million at 31 December 2025 (H1 FY25 \$9.2m). The proceeds from the issue of share capital and IGP funding provides a strong capital structure to support continued investment in our R&D program and upscale of our advanced manufacturing capability.

Net cash used in operating activities (\$4.5 million) H1 FY26

Cash inflows of \$1.3 million includes grant funding of \$0.9 million and interest received \$0.4 million. Operating cash outflows (\$5.8 million) relates to funding for R&D activities, employment, and administrative and corporate costs.

The Company's FY25 income tax return, incorporating the FY25 R&D tax incentive was lodged with Australian Taxation Office in December 2025 and has been processed by the ATO. The resulting R&D tax incentive of \$1.3 million has been received in January 2026. This is not recorded in the H1 FY26 cashflow and will be reported in Q3 FY26.

Net cash used in investing activities (\$2.8) million H1 FY26

Driven by our investment in the Company's new advanced manufacturing facility. This includes capital expenditure and fit out costs and establishment of a bank guarantee security deposit on the new facility lease at the Alexandria campus.

Net cash used in financing activities (\$0.4) million H1 FY26

Reflects the final IPO costs paid in Q1 FY26 for the issue of equity securities on 30 June 2025.

Outflows	Inflows	Balance	\$AUD	Balance from previous period (\$1.0m)
\$29.3m	(\$4.5m) Operating cashflow Grant & interest income \$1.3m	(\$2.8m) Investing cashflow	(\$0.4m) Financing cashflow	\$25.0m
	Supplier payments (\$3.5m)	Property, plant and equipment \$(2.0m)	Offer costs \$(0.4m)	
	Employee payments (\$2.3m)	Investments (\$0.8m)		
		Property, plant and		
Opening cash and cash equivalents 1 July 25	Net cash from / (used in) operating activities	Net cash from / (used in) investing activities	Net cash from / (used in) financing activities	Closing cash and cash equivalents 31 December 25

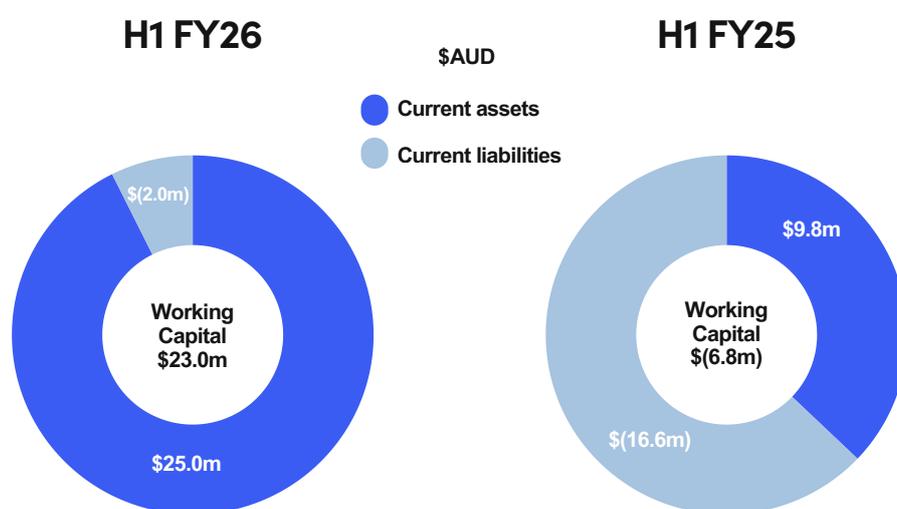
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FINANCIAL PERFORMANCE (CONTINUED)

Statement of financial position

Net asset position as at 31 December 2025 is \$24.4 million (H1 FY25: \$8.4 million net asset deficiency). Proceeds from capital raising activities (pre-IPO and IPO) and financial discipline in resource allocation, in line with use of funds, ensures a robust working capital position of \$23.0 million (H1 FY25: (\$6.8) million).

Current assets improvement driven by strong cash on hand position following capital raise activities. Current liabilities reduction driven by conversion of financial instruments following the IPO.



SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Adoption of Employee Incentive Program

In 2025, the Company adopted the new Employee Incentive Program as outlined in the Company's prospectus, under which any future equity-based incentives will be issued. Grants of performance rights have been made under the Employee Incentive Program and are disclosed in note 26 to the financial statements. Performance rights granted under the Employee Incentive Program shall entitle the holder to receive one ordinary share in the Company, subject to the satisfaction of vesting conditions. The implementation of the Employee Incentive Program supports the Company's long-term strategy to attract, retain and motivate employees while aligning their interests with those of shareholders.

Stock Purchase Agreement with BioOptix, Inc.

In August 2025, Tetratherix BTX Ltd entered into a stock purchase agreement with BioOptix, Inc. (BioOptix), its US-based strategic partner. The agreement issues Tetratherix BTX Ltd with 1,323,308 unvested shares at a price of \$US 0.00001 per share. 50% of the unvested shares will vest when BioOptix completes a capital raising milestone, anticipated in H2 FY26. The remaining 50% of unvested shares will vest upon extension of the 'Development, Licensing, and Commercialisation Agreement' for an additional 5 years following the initial 5 year term. The product under development for this application is called Optalex, which is used intraoperatively as an ophthalmic viscoelastic device (OVD) for surgical spacings.

Award of IGP Grant

On 13 August 2025, the Company was awarded a grant of \$3.3 million under the Australian Government's IGP. The grant will be paid quarterly in arrears over FY26 (\$2.1 million) and FY27 (\$1.3 million) based on the achievement of specific project milestones related to production capacity and key development activities. The total cost of the \$7.4 million project was budgeted and reflected in the use of funds in the Company's prospectus. The IGP grant provides co-funding support for a project already budgeted and reinforces the Consolidated Entity's growth trajectory.

Update to Lease Terms – HQ and R&D Laboratory

On 22 August 2025, the Company re-signed its lease for its current HQ and R&D laboratory based in Alexandria, Sydney. The lease reflects a revised annual rent amount of \$110,800 per year effective 1 August 2025. There will be no rent increase for the remaining 4 years of the term, expiring on 31 July 2029. This update is in line with assumptions made in use of funds outlined in the Company's prospectus.

New Lease Agreement signed for Advanced Manufacturing Facility

On 25 August 2025, the Group signed a lease agreement for a new facility at the Alexandria campus which will expand its advanced manufacturing capability and house the Company HQ. The rent and outgoings will commence at \$1.3 million per annum effective from 1 December 2025. The lease term is for 10 years with a 5 year option, indexed at ~3.5% pa. The facility is a key component of the Company's manufacturing expansion strategy and the associated lease expenses along with capital fit-out costs are consistent with the assumptions made in the Company's use of funds outlined in the Company's prospectus.

BioOptix signs a development agreement with Alcon

BioOptix, the ophthalmic biomaterials company, has entered into an agreement with Alcon Research, LLC (Alcon). BioOptix will continue to advance its portfolio of ophthalmic biomaterial solutions, including ongoing development of technologies derived from the Tetramatrix™ platform. Entering a new strategic partnership, Alcon has agreed to provide funding via a corporate grant program subject to agreed development milestones that will accelerate the commercialisation of the products derived from the Tetramatrix™ platform technology.

Advanced and Overseas Finding eligibility confirmed by AusIndustry for R&D tax incentive

On 23 December 2025, AusIndustry (Department of Industry, Science and Resources) confirmed that the Company application for the development of Tegenix for regenerative dental treatment has been assessed as eligible under the 'Advance and Overseas Finding' for the R&D Tax Incentive. This allows the Company to claim overseas expenditure in bone regeneration activities in addition to Australian based activities.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial half-year.

DIRECTORS' REPORT



MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL HALF-YEAR

The following items have arisen since 31 December 2025 that have significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

TetraDerm clinical trial completion of the second safety committee meeting with recruited Cohort 2 patients.

On 13 January 2026 the Company announced the successful completion of the second safety review meeting of Cohort 2 of the TetraDerm clinical trial that is studying the product's ability to prevent scar formation in surgical incisions. No procedural or technical adverse events have been observed or reported, which confirms the differentiated and market leading safety profile of the product.

Based on the clinical observations from Cohort 1 and Cohort 2 of patients, the principal investigator, Dr Drew Cronin will begin patient enrolment for Cohort 3 in the third quarter of FY2026. The majority of Cohort 3 will be represented by the fast-growing segment of the plastic and reconstructive surgical market that includes patients undergoing body contouring procedures resulting from weight loss following the recent rapid uptake of obesity and weight loss treatments. Patient recruitment in Cohort 3 of the TetraDerm clinical trial has been initiated.

Confirmation of commercialisation readiness with Henry Schein Distribution and Supply agreement.

On 19 January 2026, the Company announced the execution of a global exclusive distribution and supply agreement with Henry Schein, confirming a clear and executable pathway for the Company's first product commercialisation. The global exclusive distribution agreement is the next step in the partnership detailed in the Company's prospectus for Tegenix - the Company's universal bone regeneration technology.

Henry Schein is the world's largest provider of health care solutions to office-based dental and medical practitioners. The agreement confirms Henry Schein as the Company's distribution partner for Tegenix, the Company's initial product for dental surgery. The agreement provides for initial and renewal terms, which are subject to agreed minimum purchases, and facilitates immediate access to Tegenix for Henry Schein established global sales and distribution network. The Company will strategically and deliberately launch its first commercial products based on a market seeding program, ensuring controlled early adoption, clinician engagement and robust post-market feedback.

Performance of TetraDerm in scar prevention, reaches major clinical milestone

On 17 February 2026, the Company announced interim performance results for the clinical use of TetraDerm on patients undergoing surgeries to remove skin lesions that created incisions up to 9cm in length. The interim results from Cohort 1 of the study show that when the product is laid between layers of skin tissue before final wound closure, the subsequent scar formed at the site was minimal.

This is quantified by using the Vancouver Standard Scoring (VSS) system, where; 0 = healthy skin and unimpacted intact skin and 13 = highly visible and prominent scarred tissue. The results from our study indicate negligible scar formation in these patients with average VSS score of 1.8/13 at 3 months, decreasing to 1.1/13 at 12 months. These interim results show that the scarring is restricted to 13% at 3 months and further reduced to 8% after 12 months.

This interim result is a critical milestone in our commercial pathway for TetraDerm, as we continue to collect the clinical evidence required to access the \$US2.1 billion wound closure market.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected or may significantly affect the Consolidated Entity's operations, the results of these operations, or the Consolidated Entity's state of affairs in future financial years.

Environmental regulation

AASB S2 'Climate-related Disclosures' sets out specific climate related disclosures. It applies to entities required to prepare and lodge a financial report with ASIC under Chapter 2M and is effective for different entities based on certain criteria. This mandatory sustainability reporting may be applicable for the Company in the future.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is signed in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.



William Knox
CEO and Executive Director
24 February 2026 Sydney



2. Auditor's Independence Declaration

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AUDITOR'S INDEPENDENCE DECLARATION



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To the Board of Directors of Tetratherix Ltd

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the review of the financial statements of Tetratherix Ltd for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

Yours sincerely,

Nexia

Nexia Sydney Audit Pty Ltd



Erin Tanyag
Director

24 February 2026

Nexia Sydney Audit Pty Ltd (ABN 77 606 785 399) is a firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

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3. Interim Financial Report



INTERIM FINANCIAL REPORT



Consolidated statement of profit or loss and other comprehensive income For the half-year ended 31 December 2025

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$	\$
Revenue and other income	4	1,403,866	458,728
Interest revenue		389,934	-
Expenses			
Net fair value loss on financial liabilities		-	(422,335)
Administration expenses		(1,029,867)	(337,635)
Employee benefits expense	5	(4,020,412)	(1,167,476)
Depreciation and amortisation expense	5	(380,575)	(33,334)
Research and development project expenses		(744,857)	(483,833)
IPO costs		-	(53,885)
Finance costs	5	(238,704)	(40,720)
Loss before income tax expense		(4,620,615)	(2,080,490)
Income tax expense	6	-	-
Loss after income tax expense for the half-year attributable to the owners of Tetratherix Limited		(4,620,615)	(2,080,490)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive loss for the half-year attributable to the owners of Tetratherix Limited		<u>(4,620,615)</u>	<u>(2,080,490)</u>
		Cents	Cents
Basic earnings per share	27	(9.18)	(8.63)
Diluted earnings per share	27	(9.18)	(8.63)

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

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INTERIM FINANCIAL REPORT



Consolidated statement of financial position As at 31 December 2025

	Note	Consolidated	
		31 Dec 2025	30 Jun 2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	7	21,563,366	29,336,526
Other receivables	8	2,971,049	1,228,115
Prepayments	10	499,340	202,526
Total current assets		<u>25,033,755</u>	<u>30,767,167</u>
Non-current assets			
Property, plant and equipment	11	2,533,847	750,290
Right-of-use assets	12	8,765,051	135,621
Intangibles	13	775,667	41,036
Other financial assets	9	819,985	-
Prepayments	10	127,552	139,302
Total non-current assets		<u>13,022,102</u>	<u>1,066,249</u>
Total assets		<u>38,055,857</u>	<u>31,833,416</u>
Liabilities			
Current liabilities			
Trade and other payables	14	991,017	2,199,236
Deferred income	15	29,246	-
Borrowings	17	4,950	4,950
Lease liabilities	18	569,301	41,548
Employee benefits	19	468,621	280,111
Total current liabilities		<u>2,063,135</u>	<u>2,525,845</u>
Non-current liabilities			
Deferred income	15	673,164	-
Borrowings	17	1,860,603	1,831,644
Lease liabilities	18	8,772,004	163,228
Employee benefits	19	38,899	65,834
Provisions	16	276,190	-
Total non-current liabilities		<u>11,620,860</u>	<u>2,060,706</u>
Total liabilities		<u>13,683,995</u>	<u>4,586,551</u>
Net assets		<u>24,371,862</u>	<u>27,246,865</u>
Equity			
Issued capital	20	47,204,956	47,204,956
Share-based payments reserve		1,745,612	-
Accumulated losses		(24,578,706)	(19,958,091)
Total equity		<u>24,371,862</u>	<u>27,246,865</u>

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

INTERIM FINANCIAL REPORT



Consolidated statement of changes in equity For the half-year ended 31 December 2025

Consolidated	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 July 2024	2,610,970	1,144,550	(10,532,539)	(6,777,019)
Loss after income tax expense for the half-year	-	-	(2,080,490)	(2,080,490)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(2,080,490)	(2,080,490)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 26)	-	436,699	-	436,699
Issue of shares on exercise of options	1,372,890	(1,372,890)	-	-
Balance at 31 December 2024	<u>3,983,860</u>	<u>208,359</u>	<u>(12,613,029)</u>	<u>(8,420,810)</u>

Consolidated	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	47,204,956	-	(19,958,091)	27,246,865
Loss after income tax expense for the half-year	-	-	(4,620,615)	(4,620,615)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(4,620,615)	(4,620,615)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 26)	-	1,745,612	-	1,745,612
Balance at 31 December 2025	<u>47,204,956</u>	<u>1,745,612</u>	<u>(24,578,706)</u>	<u>24,371,862</u>

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

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INTERIM FINANCIAL REPORT



Consolidated statement of cash flows For the half-year ended 31 December 2025

	Note	Consolidated 31 Dec 2025 \$	31 Dec 2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,500	-
Payments to suppliers (inclusive of GST)		(5,805,187)	(1,461,144)
Government grants received		897,160	829,695
		(4,905,527)	(631,449)
Interest received		389,934	-
Interest and other finance costs paid		(14,887)	(11,401)
Net cash used in operating activities		(4,530,480)	(642,850)
Cash flows from investing activities			
Payments for other financial assets	9	(819,985)	-
Payments for property, plant and equipment	11	(2,057,778)	(108,300)
Net cash used in investing activities		(2,877,763)	(108,300)
Cash flows from financing activities			
Proceeds from issue of convertible notes and SAFE notes		-	9,865,215
Payments for IPO costs (in relation to shares issued in prior period)		(357,317)	-
Repayment of lease liabilities		-	(18,467)
Net cash (used in)/from financing activities		(357,317)	9,846,748
Net (decrease)/increase in cash and cash equivalents		(7,765,560)	9,095,598
Cash and cash equivalents at the beginning of the financial half-year		29,336,526	126,946
Effects of exchange rate changes on cash and cash equivalents		(7,600)	-
Cash and cash equivalents at the end of the financial half-year		<u>21,563,366</u>	<u>9,222,544</u>

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. General information

The financial statements cover Tetratherix Limited as a Consolidated Entity consisting of Tetratherix Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

The Company is a listed public company, limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 29
34-36 Ralph Street
Alexandria
Sydney NSW 2015

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 24 February 2026.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and the ASX Listing Rules (as applicable).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity 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.

The adoption of these Accounting Standards and Interpretations did not have any material impact on the financial performance or position of the Consolidated Entity during the financial half-year ended 31 December 2025 and are not expected to have a material impact for the full financial year ending 30 June 2026.

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

Going concern

The Group has prepared the financial statements for the half year ended 31 December 2025 on the going concern basis which assumes normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the half-year ended 31 December 2025, the Group incurred a loss of \$4,620,615 (31 December 2024: \$2,080,490) and incurred operating cash outflows of \$4,530,480 (31 December 2024: \$642,850). As at 31 December 2025, the Group had cash and cash equivalents of \$21,563,366 (30 June 2025: \$29,336,526), and net assets surplus of \$24,371,862 (30 June 2025: \$27,246,865).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 2. Material accounting policy information (continued)

The Directors believe that the going concern assumption remains appropriate due to the following mitigating factors:

- As at 31 December 2025, the Group held \$21,563,366 in cash and cash equivalents, which is sufficient to meet its obligations as they fall due for at least 12 months from the signing date of these financial statements.
- Ongoing R&D grants are expected over the next 12 months, consistent with the nature of the Group's business activities.
- Management has prepared a cash flow forecast for the next 12 months, considering expected operational inflows and outflows. Based on these forecasts, the Group expects to have adequate resources to continue as a going concern beyond the next 12 months.
- As part of the IPO process, the Company's prospectus outlined a detailed use of funds from May 2025 to June 2027 which demonstrates adequate funding over this period. Progress against this use of funds is being reported quarterly in accordance with the Company's Appendix 4C requirements.

Comparative figures

Comparatives have been realigned where necessary, to be consistent with current half-year presentation. There was no effect on profit, net assets or equity.

Note 3. Operating segments

The Group operates as a single operating segment, and its activities are not subdivided into different operating segments for internal management purposes. Accordingly, the Group does not prepare segmental financial information, as the Directors monitor the Group as a whole.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated.

Note 4. Revenue and other income

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
<i>Other income</i>		
Research and development grant income	1,054,233	458,728
Industry Growth Program grant income	313,033	-
Other grant income	36,600	-
Revenue and other income	1,403,866	458,728

All revenue is derived in Australia and recognised at a point in time.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 5. Expenses

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	52,434	13,288
Fixtures and fittings	5,752	2,638
Buildings right-of-use assets	318,787	16,606
Total depreciation	<u>376,973</u>	<u>32,532</u>
<i>Amortisation</i>		
Other intangible assets	3,602	802
Total depreciation and amortisation	<u>380,575</u>	<u>33,334</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	28,959	33,701
Interest and finance charges paid/payable on lease liabilities	189,404	7,019
Unwinding of the discount on provisions	5,455	-
Other finance costs	14,886	-
Finance costs expensed	<u>238,704</u>	<u>40,720</u>
<i>Employee benefits expense</i>		
Superannuation expense	165,808	65,759
Share-based payments expense	1,745,612	436,699
Salaries and leave entitlements	2,108,992	665,018
Total Employee benefits expense	<u>4,020,412</u>	<u>1,167,476</u>

Note 6. Income tax

Income tax expense for the interim period ended 31 December 2025 was \$nil (31 December 2024: \$nil), as the Group continues to be in a tax loss position. Accordingly, no current income tax has been recognised and the effective tax rate for the period is nil.

As at 31 December 2025, the Group has accumulated tax losses of \$6,053,802 (30 June 2025: \$5,849,117).

Deferred tax assets in respect of these losses have not been recognised as it is not probable that future taxable profits will be available against which the losses can be utilised.

Key income tax judgements and positions adopted

During the half-year, the Group received government grant income under the Australian Government's Industry Growth Program (IGP). Certain expenditure incurred in relation to the grant is also expected to qualify as eligible research and development (R&D) expenditure. Management has estimated a R&D clawback adjustment of \$347,152 for the half-year, which may change following finalisation of the Group's R&D tax incentive claim for the full financial year.

Management has also assessed the Group's base rate entity status for the year ending 30 June 2026 and concluded that the Group qualifies as a base rate entity. Accordingly, a corporate tax rate of 25% has been applied in assessing the Group's income tax position for the half-year. The Group continues to monitor its income composition for the full financial year to confirm its ongoing eligibility for base rate entity status.

INTERIM FINANCIAL REPORT



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 7. Cash and cash equivalents

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Cash at bank	<u>21,563,366</u>	<u>29,336,526</u>

Note 8. Other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Other receivables	403,201	2,500
Government grant (R&D)	2,328,795	1,050,116
GST receivable	<u>239,053</u>	<u>175,499</u>
	<u>2,971,049</u>	<u>1,228,115</u>

The Consolidated Entity has recognised a loss of \$nil (31 December 2024 \$nil) in profit or loss in respect of the expected credit losses for the half-year ended 31 December 2025.

Note 9. Other financial assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Restricted cash - lease bank guarantee	<u>819,985</u>	<u>-</u>

Other financial assets include restricted deposits of \$819,985 (30 June 2025 : \$nil) held as security in relation to lease arrangements. Refer also note 23 for further details.

Note 10. Prepayments

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Prepayments for property, plant and equipment (i)	384,975	-
Prepaid insurance (ii)	110,095	150,385
Other prepayments	<u>4,270</u>	<u>52,141</u>
	<u>499,340</u>	<u>202,526</u>
<i>Non-current assets</i>		
Prepaid insurance (ii)	<u>127,552</u>	<u>139,302</u>
	<u>626,892</u>	<u>341,828</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 10. Prepayments (continued)

(i) Prepayments for property, plant and equipment are advance payments for property, plant and equipment, which represent a new balance recognised during the period and had not met the criteria for recognition as property, plant and equipment at the reporting date.

(ii) Prepaid insurance relates to insurance costs incurred in connection with the Group's initial public offering (IPO), which are expensed over the period of coverage. Insurance prepayments are classified as current or non-current based on the expected timing of utilisation.

In the comparative period, the Group reclassified \$139,302 of prepaid insurance from current assets to non-current assets to reflect the timing of the expected economic benefits. The reclassification had no impact on the profit or loss.

Note 11. Property, plant and equipment

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Leasehold improvements - at cost	1,761,770	-
Plant and equipment - at cost	798,418	726,299
Less: Accumulated depreciation	(274,418)	(221,983)
	<u>524,000</u>	<u>504,316</u>
Fixtures and fittings - at cost	289,712	284,129
Less: Accumulated depreciation	(41,635)	(38,155)
	<u>248,077</u>	<u>245,974</u>
Motor vehicles - at cost	-	19,991
Less: Accumulated depreciation	-	(19,991)
	<u>-</u>	<u>-</u>
	<u>2,533,847</u>	<u>750,290</u>

Reconciliations

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

Consolidated	Leasehold improvements* \$	Plant and equipment \$	Fixtures and fittings \$	Total \$
Balance at 1 July 2025	-	504,316	245,974	750,290
Additions	1,761,770	72,118	7,855	1,841,743
Depreciation expense	-	(52,434)	(5,752)	(58,186)
	<u>1,761,770</u>	<u>524,000</u>	<u>248,077</u>	<u>2,533,847</u>

*leasehold improvements are not yet installed and ready for use, hence depreciation has not commenced during the period.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 12. Right-of-use-assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Buildings - right-of-use	9,280,351	332,134
Less: Accumulated depreciation	(515,300)	(196,513)
	<u>8,765,051</u>	<u>135,621</u>

During the period, the Consolidated Entity recognised increases in right-of-use assets arising from a modification of the existing lease for its offices at the Alexandria campus, which resulted in a remeasurement of the lease liability and a corresponding uplift to the right-of-use asset.

The Consolidated Entity also entered into a new lease arrangement during the period for its advanced manufacturing facility, resulting in the recognition of additional right-of-use assets and corresponding lease liability. In connection with the new lease arrangement, the Consolidated Entity also recognised a make-good provision in respect of its obligation to restore the leased premises at the end of the lease term, with a corresponding adjustment to the right-of-use asset.

Reconciliations

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

Consolidated	Buildings
	\$
Balance at 1 July 2025	135,621
Additions	8,792,143
Lease modifications	156,074
Depreciation expense	(318,787)
Balance at 31 December 2025	<u>8,765,051</u>

Note 13. Intangibles

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Capitalised development - at cost	738,233	-
Website - at cost	39,520	39,520
Less: Accumulated amortisation	(15,720)	(12,920)
	<u>23,800</u>	<u>26,600</u>
Other intangible assets - at cost	16,040	16,040
Less: Accumulated amortisation	(2,406)	(1,604)
	<u>13,634</u>	<u>14,436</u>
	<u>775,667</u>	<u>41,036</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 13. Intangibles

Reconciliations

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

Consolidated	Capitalised development \$	Website \$	Other intangible assets \$	Total \$
Balance at 1 July 2025	-	26,600	14,436	41,036
Additions	738,233	-	-	738,233
Depreciation expense	-	(2,800)	(802)	(3,602)
Balance at 31 December 2025	<u>738,233</u>	<u>23,800</u>	<u>13,634</u>	<u>775,667</u>

Note 14. Trade and other payables

	Consolidated 31 Dec 2025 \$	30 Jun 2025 \$
<i>Current liabilities</i>		
Trade payables	288,350	1,128,724
Accrued expenses	50,550	226,155
Accrued wages	538,294	623,003
Other payables	<u>113,823</u>	<u>221,354</u>
	<u>991,017</u>	<u>2,199,236</u>

Note 15. Deferred income

During the half-year, the Group recognised deferred income in relation to government grants received under the Industry Growth Program (IGP) and the Research and Development Tax Incentive (R&D Tax Incentive).

Deferred income arises in respect of government grants received for eligible expenditure relating to capitalised development costs, property, plant and equipment, and leasehold improvements. In accordance with AASB 120 Accounting for Government Grants and Disclosure of Government Assistance, grant income relating to these assets is deferred and recognised in profit or loss on a systematic basis over the useful lives of the respective assets. Grant income associated with capitalised development costs is recognised over the useful life of the related asset, consistent with the recognition of the associated amortisation expense.

At the reporting date, the underlying capitalised costs had not yet been amortised, and accordingly the related grant income has not been recognised.

	Consolidated 31 Dec 2025 \$	30 Jun 2025 \$
<i>Current liabilities</i>		
Industry Growth Program	<u>29,246</u>	-
<i>Non-current liabilities</i>		
Industry Growth Program	353,349	-
R & D Tax Offset	<u>319,815</u>	-
	<u>673,164</u>	-
	<u>702,410</u>	-

INTERIM FINANCIAL REPORT

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 15. Deferred income (continued)

Significant accounting judgement

The recognition of deferred income requires judgement in determining the extent to which eligible expenditure is capitalised and the appropriate timing of income recognition in accordance with AASB 120. The majority of the deferred income is expected to be recognised beyond 12 months.

Note 16. Provisions

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current liabilities</i>		
Lease make good	276,190	-

Note 17. Borrowings

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liabilities</i>		
Loan - related parties (note 25)	4,950	4,950
<i>Non-current liabilities</i>		
Loan - NSW Medical Fund Device	1,860,603	1,831,644
	<u>1,865,553</u>	<u>1,836,594</u>

NSW Medical Device Fund

The Consolidated Entity entered into a funding agreement with NSW Health Administration Corporation in October 2018. The funding is to be used for the commercialisation of TriumphDent medical device (a dental application).

The Consolidated Entity is not required to make any repayment of the loan until the specific project has achieved commercial success, and positive earnings before interest and tax are derived from TriumphDent product sales. The loan is unsecured and the applicable interest rate is calculated using the annual Consumer Price Index.

Note 18. Lease liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liabilities</i>		
Lease liability	569,301	41,548
<i>Non-current liabilities</i>		
Lease liability	8,772,004	163,228
	<u>9,341,305</u>	<u>204,776</u>

Movements in lease liabilities during the period primarily relate to lease modifications and new lease arrangements, as disclosed in note 12 "Right-of-use-assets".

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 19. Employee benefits

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liabilities</i>		
Annual leave	326,852	227,812
Long service leave	141,769	52,299
	<u>468,621</u>	<u>280,111</u>
<i>Non-current liabilities</i>		
Long service leave	38,899	65,834
	<u>507,520</u>	<u>345,945</u>

Note 20. Issued capital

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>50,331,637</u>	<u>50,331,637</u>	<u>47,204,956</u>	<u>47,204,956</u>

Note 21. Dividends

There were no dividends paid, recommended or declared during the current or previous financial periods.

Note 22. Fair value measurement

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

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 23. Contingent liabilities

The Consolidated Entity has given the following bank guarantees held as security in relation to lease and credit card facilities:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Bank guarantees:</i>		
Credit card facility	25,000	25,000
Lease of new manufacturing facility*	819,985	-
	<u>844,985</u>	<u>25,000</u>

* The bank guarantee has been provided to the lessor of the Group's new advanced manufacturing facility as security for the performance of lease obligations. The guarantee may be called upon in the event of non-performance under the lease.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 24. Commitments

Service Commitments – Research and Development Projects

The Group has entered into contractual arrangements for the provision of services relating to research and development projects. These commitments are not recognised as liabilities in the financial statements but represent future obligations under existing contracts:

NAMSA R&D Project

At 31 December 2025, the Group had outstanding commitments of approximately \$US378,000 in respect of services to be provided by NAMSA under an R&D services agreement. These amounts are expected to be payable by Q3 FY26.

University of Queensland Gift Agreement

At 31 December 2025, the Group had outstanding commitments of \$225,000 under a gift agreement with The University of Queensland. The remaining amounts are expected to be invoiced in \$75,000 instalments by the end of FY27.

Capital Commitments - Advanced Manufacturing Facility

The Group has entered into contractual arrangements relating to the construction and fit-out of its new advanced manufacturing facility. These commitments are not recognised as liabilities in the financial statements:

Award Solutions – Construction and Fit-out

At 31 December 2025, the Group had outstanding commitments of approximately \$2,199,050, (30 June 2025: \$nil) payable upon completion of the advanced manufacturing facility, which is expected to occur by Q4 FY26.

Kaizen Airconditioning - Mechanical Installation Works

At 31 December 2025, the Group had outstanding commitments of approximately \$625,000 (30 June 2025: \$nil) in respect of mechanical installation works for the facility and laboratories, payable upon completion expected by Q4 FY26.

Note 25. Related party transactions

Parent Entity

Tetratherix Limited is the Parent Entity.

Transactions with related parties

Transactions with related parties during the current and previous financial period are set out below:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
<i>Other transactions with Key Management Personnel and Directors:</i>		
Directors' fees	90,000	-
Advisory fees	250,000	-
	250,000	-

Transactions with Key Management Personnel and Directors

During the half-year, Stapleton Ventures Pty Limited, an entity associated with the Group's Chief Executive Officer (CEO) received an IPO success fee of \$250,000 (plus GST) for services provided in connection with the Group's initial public offering. The fee was recognised as an expense during the period in which the IPO was completed.

There were no amounts payable as at the reporting date.

The Company also pays directors' fees of \$180,000 (plus GST) per annum, monthly in arrears to Rothay Advisory, an entity controlled by Emma Cleary, a non-executive director.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 25. Related party transactions (continued)

Payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 31 Dec 2025	30 Jun 2025
	\$	\$
Current payables:		
Trade payables to other related party – Rothay Advisory	-	16,500

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 31 Dec 2025	30 Jun 2025
	\$	\$
Current borrowings:		
Loan from other related party – Tutelix Pty Ltd	4,950	4,950

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 26. Share-based payments

Employee Performance Rights Program

During the half-year, the Company established a new Employee Incentive Program (EIP) to provide long-term incentives to employees, including Key Management Personnel (KMP), in the form of performance rights. The EIP is designed to align employee interests with those of shareholders and to support staff retention.

The number of performance rights granted to participants is determined with reference to performance criteria. Once granted, the rights are subject to a vesting condition requiring the participant to remain continuously employed with the Company until the relevant vesting date.

Each vested performance right entitles the holder to one ordinary share in the Company. The rights do not carry voting or dividend rights prior to vesting and automatically convert into ordinary shares upon vesting. The rights have no exercise price and no expiry date.

Details of performance rights granted under the EIP during the half- year are set out in the table below:

31 Dec 2025

Grant date	Vesting date	Fair value*	Balance at the start of the half-year	Granted	Vested	Expired/ forfeited/ other	Balance at the end of the half-year
01/07/2025	04/01/2026	\$3.3900	-	434,028	-	-	434,028
01/07/2025	04/06/2027	\$3.3900	-	86,805	-	-	86,805
31/07/2025	31/08/2027	\$5.0200	-	3,739	-	-	3,739
04/08/2025	31/08/2027	\$4.9500	-	75,313	-	-	75,313
09/11/2025	31/08/2027	\$4.1000	-	53,333	-	-	53,333
13/11/2025	31/08/2026	\$4.0000	-	22,222	-	-	22,222
13/11/2025	31/08/2027	\$4.0000	-	22,222	-	-	22,222
13/11/2025	31/08/2028	\$4.0000	-	22,222	-	-	22,222
13/11/2025	31/08/2029	\$4.0000	-	22,222	-	-	22,222
24/11/2025	31/08/2027	\$3.9900	-	3,000	-	-	3,000
			-	745,106	-	-	745,106

* The fair value of each of performance right is equal to the market price of the Company's ordinary shares at the grant date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 26. Share-based payments (continued)

Measurement and expense recognition

The performance rights are equity-settled share-based payments. The fair value of the rights granted during the half-year was determined at the respective grant dates. As the vesting condition comprises continued service only, the fair value of each performance right is equal to the market price of the Company's ordinary shares at grant date. A valuation was also performed using the Black-Scholes option pricing model and no material difference was identified compared to the fair value determined as the market price of the Company's ordinary shares at grant date.

Share-based payment expense is recognised over the vesting period, being the period from the grant date to the vesting date, based on grant date fair value of the rights and number expected to vest. Share based-payment expense recognised for the half-year ended 31 December 2025 in respect of performance rights issued under the EIP was \$1,745,612 (31 December 2024: \$436,699). The comparative expense related to the Company's legacy Employee Share Option Plan (ESOP), under which no options remained outstanding as at 30 June 2025.

Key Management Personnel (KMP) participation

Included in the above grants are 520,833 performance rights issued to KMP during the period. These rights are granted under the same EIP as other employees, however may include terms, including vesting periods, specific to individual employees.

Note 27 . Earnings per share

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loss after income tax attributable to the owners of Tetratherix Limited	<u>(4,620,615)</u>	<u>(2,080,490)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>50,331,637</u>	<u>24,108,124</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>50,331,637</u>	<u>24,108,124</u>
	Cents	Cents
Basic earnings per share	(9.18)	(8.63)
Diluted earnings per share	(9.18)	(8.63)

Given the net loss after tax results for the current and previous period, shares under options and performance rights have been excluded from the above diluted earnings per share (EPS) calculation as the additional potential shares are anti-dilutive.

Accordingly, the basic and diluted EPS are the same for both periods.

On 1 May 2025, the shareholders approved the subdivision of each ordinary share of the Company to be split into 635 new shares. As a result of this share split, the weighted number of shares has been restated for the period ended 31 December 2024, as if the share split had occurred prior to the start of the comparative period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 28 . Events after the reporting period

The following items have arisen since 31 December 2025 that have significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Confirmation of commercialisation readiness with Henry Schein Distribution and Supply agreement.

On 19 January 2026, the Company announced the execution of a global exclusive distribution and supply agreement with Henry Schein confirming a clear and executable pathway for the Company's first product commercialisation. The global exclusive distribution agreement is the next step in the partnership detailed in the Company's prospectus for Tegenix - the Company's universal bone regeneration technology.

Henry Schein is the world's largest provider of health care solutions to office-based dental and medical practitioners. The agreement confirms Henry Schein as the Company's distribution partner for Tegenix, the Company's initial product for dental surgery. The agreement provides for initial and renewal terms, which are subject to agreed minimum purchases, and facilitates immediate access to Tegenix for Henry Schein's established global sales and distribution network. The Company will strategically and deliberately launch its first commercial products based on a market seeding program, ensuring controlled early adoption, clinician engagement and robust post-market feedback.

TetraDerm clinical trial completion of the second safety committee meeting with recruited Cohort 2 patients.

On 13 January 2026 the Company announced the successful completion of the second safety review meeting of Cohort 2 of the TetraDerm clinical trial that is studying the product's ability to prevent scar formation in surgical incisions. No procedural or technical adverse events have been observed or reported, which confirms the differentiated and market leading safety profile of the product.

Based on the clinical observations from Cohort 1 and Cohort 2 of patients, the principal investigator, Dr Drew Cronin will begin patient enrolment for Cohort 3 in the first quarter of CY2026. The majority of Cohort 3 will be represented by the fast-growing segment of the plastic and reconstructive surgical market that includes patients undergoing body contouring procedures resulting from weight loss following the recent rapid uptake of obesity and weight loss treatments. Patient recruitment in Cohort 3 of the TetraDerm clinical trial has been initiated.

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

Performance of TetraDerm in scar prevention, reaches major clinical milestone

On 17 February 2026, the Company announced interim performance results for the clinical use of TetraDerm on patients undergoing surgeries to remove skin lesions that created incisions up to 9cm in length. The interim results from Cohort 1 of the study show that when the product is laid between layers of skin tissue before final wound closure, the subsequent scar formed at the site was minimal.

This is quantified by using the Vancouver Standard Scoring (VSS) system, where; 0 = healthy skin and unimpacted intact skin and 13 = highly visible and prominent scarred tissue. The results from our study indicate negligible scar formation in these patients with average VSS score of 1.8/13 at 3 months, decreasing to 1.1/13 at 12 months. These interim results show that the scarring is restricted to 13% at 3 months and further reduced to 8% after 12 months.

This interim result is a critical milestone in our commercial pathway for TetraDerm, as we continue to collect the clinical evidence required to access the \$US2.1 billion wound closure market.

DIRECTORS' DECLARATION



DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standard IAS 134 as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

William Knox

Director

A handwritten signature in black ink, appearing to read "William Knox", written over a circular stamp or seal.

24 February 2026
Sydney

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4. Independent Auditors Review Report

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INDEPENDENT AUDITORS REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Tetratherix Ltd

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Tetratherix Ltd (the Company and its subsidiaries ("the Group")), which comprises the Consolidated Statement of Financial Position as at 31 December 2025, the Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i) giving a true and fair view of the Tetratherix Ltd financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- iii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 annual 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 review report.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Nexia

Nexia Sydney Audit Pty Ltd



Erin Tanyag

Director

24 February 2026
Sydney

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5. Corporate Directory



CORPORATE DIRECTORY



Directors	Ali Fathi William Knox Emma Cleary Gillian Shea Atlanta Daniel John Kelly Peter Gray Maurizio Vecchione
Company Secretary	Jacob Pfeffer
Registered office Principal place of business	Unit 29 34-36 Ralph St Alexandria, NSW 2015
Share Register	Automic Pty Ltd Level 5, 126 Phillip St Sydney, NSW 2000
Auditor	Nexia Sydney Audit Pty Ltd Level 22, 2 Market St Sydney, NSW 2000
Solicitors	HWL Ebsworth Lawyers Level 14, 264-278 George St Sydney, NSW 2000
Stock exchange listing	Tetratherix Limited shares are listed on the Australian Securities Exchange (ASX: TTX)
Website	https://tetratherix.com
Business Objectives	In accordance with Listing Rule 4.10.19, the Company confirms that the Consolidated Entity has been utilising the cash and assets in a form readily convertible to cash that it held at the time of its admission to the Official List of the Australian Securities Exchange (ASX) for the whole of the reporting period (being 31 December 2025) in a way that is consistent with its business objectives.

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