Cyclopharm Limited
Appendix 4E

1. Company details

Name of entity

CYCLOPHARM LIMITED

ABN or equivalent company reference	Financial year ended ('current period')	Financial year ended ('previous period')
74 116 931 250	31 December 2025	31 December 2024

2. Results for announcement to the market

2.1 Revenues from ordinary activities	up	17.2%	to	32,325,256
2.2 Loss from ordinary activities after tax attributable to members	up	30.5%	to	(17,219,906)
2.3 Net Loss for the period attributable to members	up	30.5%	to	(17,219,906)

2.4 Dividends	Amount per security	Franked amount per security
Final dividend proposed	None	None
Interim dividend - 2025	None	None

2.5 Brief explanation of any of the figures in 2.1 to 2.4 above necessary to enable the figures to be understood.

Key features of Cyclopharm's financial results for the 2025 year included:

- Record operating revenue of $32.3 million, representing 17% growth over FY2024.

- Technegas® revenue of $16.7 million, up 10% year-on-year, with the United States now the Company's largest individual market.

- U.S. Technegas® revenue of $2.7 million, up 226% year-on-year.

- Cash balance of $6.6 million at 31 December 2025, with more than 150 Technegas® generators landed in the U.S. and available for deployment.

- Third-party distribution revenue of $15.6 million, up 26%, driven by strong growth in consumables and services.

Further information is included in Attachment 1.

3. Statement of financial performance

Refer Attachment 1.

4. Statement of financial position

Refer Attachment 1.

5. Statement of cash flows

Refer Attachment 1.

6. Statement of retained earnings

Refer Attachment 1.

7. Dividends

Refer paragraph 2.4

8. Dividend reinvestment plans

The Group does not have a dividend reinvestment plan.

9. Net tangible assets

Refer Attachment 1.

Cyclopharm Limited
Appendix 4E

10. Entities over which control has been gained or lost during the period

Control over entities

Name of entity (or group of entities)	Refer Attachment 1.

Loss of control over entities

Name of entity (or group of entities)	Refer Attachment 1.

11. Details of associates and joint venture entities

Refer Attachment 1.

12. Significant Information

Refer Attachment 1.

13. Foreign Entities

Refer Attachment 1.

14. Commentary on results for the period

Refer Attachment 1.

15. A statement as to whether the report is based on accounts which have been audited or subject to review, are in the process of being audited or reviewed, or have not yet been audited or reviewed.

The accounts are in the process of being audited.

16. If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, details are described below

The accounts are unlikely to be subject to dispute or qualification.

17. If the accounts have been audited or subject to review and are subject to dispute or qualification, details are described below

Not applicable

Contact details:

Mr James McBrayer
Managing Director and Company Secretary
Cyclopharm Limited

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Email: jmcbrayer@cyclopharm.com.au

Attachment 1

Appendix 4E

Preliminary Final Report

For the year ended 31 December 2025

cyclopharm

Cyclopharm Limited and its Controlled Entities
ABN 74 116 931 250

MANAGING DIRECTOR'S REVIEW

Key highlights of Cyclopharm's financial results for 2025 include:

- **Revenues:**
  - **Record Group Revenue of A$32.3 million, up 17% on the prior comparable period (pcp)**
  - **Total Technegas® revenue of $16.7 million up 10% on pcp**
  - **US at early market penetration is now Cyclopharm's largest individual country for Technegas® with revenues of $2.7 million, up 226% on pcp.**
  - **Third-party distribution revenue of $15.6 million up 26% on pcp**
  - **Reaffirmed guidance of reaching 250–300 revenue generating Technegas® sites in the US during the second half of 2026.**
- **US Technegas® sales and supply contracts continue to accelerate, highlighting the significant market growth potential ahead.**
- **Technegas® now operational in 67 countries, with the recent addition of Colombia**
- **Balance sheet boosted by $14 million capital raise in the first Quarter 2026 million to fund US growth with SPP to follow.**
- **Longer term 'Beyond PE' growth strategy by clinical trials into improved detection of residual pulmonary vascular obstruction using Technegas®**

Financial Results Summary Comparison:

				2024-2025
Full Year ending 31 December		**2025**	**2024**	**% Change**
Revenue	$'000	32,325	27,573	17.2%
Loss before income tax	$'000	(17,857)	(13,071)	36.6%
Loss for the year	$'000	(17,220)	(13,198)	30.5%
Underlying EBITDA	$'000	(15,398)	(11,946)	28.9%
Diluted loss per share	cents	(15.64)	(12.83)	21.9%

Revenue for the Full Year ending 31 December		**2025**	**2024**	**% Change**
Technegas®	$'000	16,692	15,210	9.7%
Third-party distribution	$'000	15,633	12,363	26.5%
Total Revenue	$'000	32,325	27,573	17.2%

Dear Shareholders,

Cyclopharm delivered a strong financial and operational performance in 2025, recording another year of record revenue. The 17% increase in Group Revenue was driven by accelerating sales into the US, up 226%, reflecting the building momentum of the US roll out strategy. This strong performance has propelled the United States to the position of the largest individual Technegas® market in its first full year of operation following reimbursement approval.

The building momentum of the US roll out supports expectations the US will drive a transformational step change in Technegas® sales. While the US is key focus, Cyclopharm continued to expand the geographic reach of Technegas® in 2025 by securing regulatory approval in Colombia in December 2025. Technegas® is now helping patients across 67 countries.

The strong contribution to 2025 Group Sales Revenue by Technegas® was complemented by a continued solid performance from Third-party distribution sales globally. Cyclopharm continues to leverage its expanding global footprint, regulatory expertise and direct marketing capabilities to grow global Technegas® sales and the Third-party distribution partnerships business. The rapid expansion of the Third-party distribution business is supported by Cyclopharm's distribution network that directly services 17 of the countries where we directly operate.

The Company continues to invest in our longer term Beyond Pulmonary Embolism, (**Beyond PE**), growth strategy. Cyclopharm is supporting new and existing clinical trials that demonstrate Technegas®' true functional lung ventilation imaging can be used to support patients with lung health conditions Beyond PE. Cyclopharm's entry into the US market is expected to help accelerate the 'Beyond PE' growth strategy given the USFDA marketing approval allows for the use of Technegas® in lung imaging more broadly, which will support the use of Technegas® in new diagnostic applications in that market without the need for additional regulatory approval.

Financial Performance

Cyclopharm again delivered record revenue of $32.3 million, up from $27.6 million in the prior year, driven by growth in both Technegas® and our Third-party distribution business. Gross margin was $17.9 million, broadly consistent with FY2024, reflecting the evolving revenue mix as the rapidly scaling US Technegas® business grew alongside the lower-margin, fast-growing Third-party distribution segment.

Technegas® generates materially higher margins than Third-party distribution. As the US installed base expands and recurring consumables revenue increases as a proportion of group sales, we expect a progressively more favourable mix, supporting meaningful improvement in group gross margins over time.

Cyclopharm introduced a consumables led US sales model to facilitate the rapid roll out of Technegas® systems. Under the US sales model Cyclopharm retains ownership of the Technegas® generators, but charges technology access, training, support and maintenance fees, with the bulk of revenues coming from sales of higher margin, single use consumable Patient Administration Sets (**PAS**). The commercial impact of this model has made the US Cyclopharm's largest single Technegas® market, delivering $2.7 million of revenue in 2025 up 226% on the pcp.

Global revenue, ex-US, of our proprietary Technegas® Systems, which comprise both Generator and PAS sales, performed well in 2025 delivering $14.0 million of revenue down (3%) on the pcp.

The softer result was primarily due to France, one of Cyclopharm's largest markets, reducing its stock holdings in the first half. Importantly, France resumed ordering in the second half of FY2025, and demand across other established international markets remained stable.

Revenue from Third-party distribution also continued to grow, up $3.3 million to $15.6 million, an increase of 26%. Sales of third-party capital equipment moderated in 2025, while consumables and service revenue increased by 46% on the pcp. Third-party distribution sales are lower margin than Technegas®, they expected to provide a strong source of complementary revenue in existing markets. Cyclopharm expects to continue to expand this revenue stream through a wider range of third-party partnerships with a broader geographic reach in the coming year and beyond.

Net underlying operating expenses, excluding non-operating items, were $32.9 million, representing a modest 8% increase on the pcp. This growth was below the rate of revenue expansion, demonstrating the

operating leverage inherent in our cost base, which enables revenue to scale significantly without a commensurate increase in costs. The uplift in operating expenses primarily reflects investment in an expanded US sales team to accelerate lead generation and improve sales conversion in the US market.

Cyclopharm recorded a loss after tax of $17.2 million in 2025, compared to $13.2 million in the pcp, reflecting a targeted investment program to drive US growth.

1Q26 Capital Raise

Cyclopharm ended the 2025 financial year with a cash balance of $6.6 million. The Company's balance sheet was strengthened by a capital raising in the first quarter of 2026 comprising a placement to raise up to $14 million and share purchase plan offer to raise up to an additional $2 million (each before offer costs). $9 million (before offer costs) has been received from the placement. Proceeds from the Share Purchase Plan are expected to be received on 11 March 2026. The balance of the funds from the placement which are to be provided by a long-term sophisticated investor is now expected to be received by 20 April 2026.

Cyclopharm's cash balance when combined with the proceeds from the capital raise will provide funding to support progress to:

- maximise the fast-growing US opportunity for Technegas®,
- continue development of next generation Technegas® system,
- progress regulatory activities,
- support expansion into Beyond PE applications,
- expand manufacturing capacity and storage to support US and Third-Party sales growth,
- and provide working capital for the business.

Operational Review

2025 marked the first full year of Technegas® sales in the US post the granting of Medicare reimbursement. The US is the largest medical market in the world and is driving a step change in Cyclopharm's growth. While the company's is still in the early phase of penetrating the US market, momentum is building and it has already become the largest single market by revenue for Technegas®.

While maximising the US opportunity is a primary focus Cyclopharm has also continued to pursue growth drivers of leveraging its intellectual property, proprietary technology and technical expertise to broaden Technegas® and Third-Party Distribution sales and service into new countries, with its entry into Colombia in December 2025. Progress was also made on the longer term Beyond PE growth strategy to expand the use of Technegas® into additional and much large lung health markets.

Cyclopharm also continues to prioritise employee safety and welfare while executing our growth strategies.

Expanding Technegas® Revenues

Technegas® revenue of A$16.7 million was underpinned by PAS sales, which represented 71.0% of Technegas® revenue compared to 72.6% in the pcp. Each PAS sale supports 50 patient doses of Technegas®. PAS sales supported 143,600 patient procedures in 2025, which equates to 2,872 boxes of PAS.

In 2025, 51 TechnegasPlus™ Systems (Systems) were sold compared to 55 in the prior year. The System sales in 2025 do not include US installations where the Generators remain the property of Cyclopharm.

Sales of Systems and other service revenue represented 29.0% of Technegas® total revenue, up from 27.4% in 2024. This increase reflected a higher contribution from installation, training, and technology access fees linked to the growing number of placed generators in the US market.

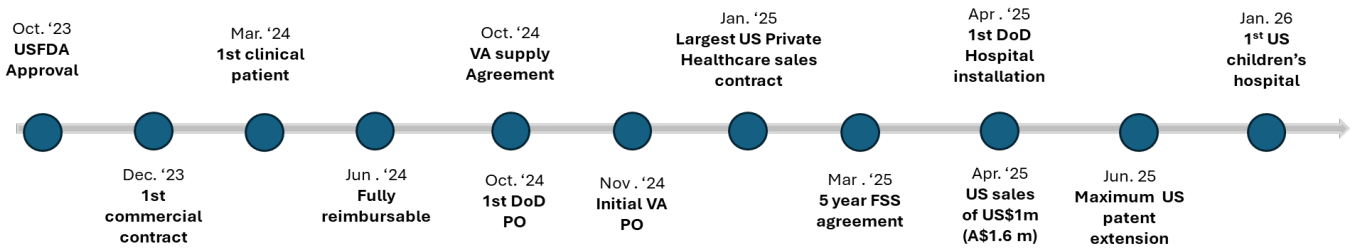
Strong Foundations Drive The US Rollout

The focus for 2025 was to leverage the US commercial infrastructure established in 2024, the first full year of access to the US market, to scale US Technegas® revenue. In the first year of the US scale up strategy, Cyclopharm invested $7 million in building up support from Key Opinion Leaders (KOL), establishing US logistics, sales teams and supply chains from the ground up and building up inventory to meet strong US

demand. Cyclopharm has more than 150 Technegas® generators in country and are available to deploy to US nuclear medicine departments.

A further $9.5 million was invested to support deployment and utilisation of Technegas® as revenue generating installations accelerated and the US sales pipeline grew. This investment positions Cyclopharm to scale revenue rapidly by supporting active sites; onboarding new accounts; building up salesforce lead generation; expanding the sales team and business management professionals, including appointing a Vice President of Sales; and driving consumable volumes. The US has now become the largest Technegas® market and the company is accelerating its progress towards the target of supplying 2,000 of the 5,139 US nuclear medicine sites that perform ~600,000 ventilation procedures annually.

Key milestones since USFDA approval for sales of Technegas® are detailed below:



As of 20 February 2026, Cyclopharm has 46 revenue generating Technegas® sites in the US, 64 sites that have progressed beyond the contract review stage and an active pipeline of close to 800 additional opportunities. Across this fast-growing base of installations consumable utilisation is accelerating with larger sites generating US$70k per annum, revenue per procedure is US$225, with gross margin expansion from consumables towards >95%.

Cyclopharm estimates the US diagnosis and management for Pulmonary Embolism (PE) using Technegas® to ultimately be worth US$180 million annually. In addition, as Technegas® is more widely adopted in the US market it is expected to significantly accelerate Cyclopharm's Beyond PE initiatives with a potential addressable market of US$900 million.

Maximising The US Opportunity

Cyclopharm has established strong relationships with US Federal entities such as the VA and Department of War (formally the Department of Defense), Integrated Delivery Networks, KOLs and early adopters. The company is confident these relationships will help increase sales momentum across both Public and Private US healthcare networks

That momentum has continued into the new financial year. In January 2026, Cyclopharm entered into an agreement with Stanford Medicine Children's Health to implement Technegas® at Lucile Packard Children's Hospital. This is the first dedicated Children's hospital in the US to adopt Technegas® and represents another key milestone in the US commercial roll out.

Cyclopharm has also received a purchase order from the National Institutes of Health (NIH) in Bethesda, Maryland, with installation scheduled in the coming weeks. The NIH Clinical Center is the world's largest hospital dedicated exclusively to clinical research and is internationally recognised for advancing standards of care across multiple disciplines. This installation, secured under the Company's FSS framework, is strategically important. While supporting routine clinical ventilation imaging, it provides a highly visible platform to advance Technegas® utilisation beyond pulmonary embolism into broader pulmonary and research-driven applications. NIH-led programs frequently influence multicentre collaboration, clinical guidelines and practice patterns, strengthening downstream adoption opportunities across the US healthcare system.

These milestones underpin the strength of commercial demand in the US for Technegas®, which is already the preferred agent of choice across an additional 66 countries for diagnosing and managing respiratory diseases, including pulmonary embolism, hypertension and chronic obstructive pulmonary disease (COPD).

In January 2026, Technegas® was recognised as a preferred ventilation agent in the draft Procedure Standard and Guideline for Ventilation–Perfusion (V/Q) Pulmonary Scintigraphy, released by leading US and international nuclear medicine bodies. The guideline states that, for most conditions including pulmonary embolism, technetium-based agents are used, with Technegas® generally preferred when available. As the first major update to US-aligned lung imaging guidance since 2012, this represents a meaningful clinical and commercial inflection point.

Inclusion in a multi-society, evidence-based guideline provides powerful clinical validation. Consensus standards of this nature influence physician behaviour, institutional protocols, procurement decisions and reimbursement frameworks. This recognition reinforces Technegas®' established evidence base and supports broader adoption across pulmonary embolism and expanding indications, strengthening the platform for accelerated US growth.

BEYOND PE – LONGER TERM VALUE CREATION

The increasing adoption of Technegas® in the US market is expected to enhance the scale and impact of Cyclopharm's global Beyond PE initiatives. The USFDA approval of Technegas® is a broad indication that includes its use 'for the visualization of pulmonary ventilation'. This allows the use of Technegas® across multiple potential applications in the field of respiratory medicine in the US. Cyclopharm's expectation is that as US clinicians become familiar with Technegas® they will initiate clinical trials that will advance the company's Beyond PE initiatives targeting the use of Technegas® to help manage other respiratory disease states, such as Chronic Obstructive Pulmonary Disease (COPD), Asthma, Long COVID and lung cancer.

Recruitment continues in the multicentre French PRONOSPECT clinical trial, a large prospective cohort study investigating the role of ventilation/perfusion (V/Q) SPECT/CT imaging using Technegas® to assess residual pulmonary vascular obstruction (RPVO) as a predictor of recurrent venous thromboembolism (VTE). PRONOSPECT is examining more than 665 patients across 13 nuclear medicine centres in France and is designed to establish whether RPVO identified on advanced nuclear medicine imaging is an independent predictor of recurrent pulmonary embolism. The study aims to refine post-PE risk stratification and guide individualised anticoagulation management decisions. As previously announced, the first patients have already been successfully imaged, and patient recruitment is ongoing as the study progresses toward full enrolment.

While in November 2025, Cyclopharm partnered with Western University in London Canada to explore new uses of Technegas® in detecting Mild to Moderate Asthma in young adults. This trial is to test if Technegas® can give doctors better tools to manage asthma sooner and more effectively.

Most recently, in January 2026, Cyclopharm announced a new COPD study at Macquarie University Hospital in Australia. The study will leverage Technegas® and AI-driven lung analysis to evaluate a new treatment approach for patients with severe COPD.

Recruitment will also commence soon on the recently announced Endoscopic Segmental Sealant Ablation (ESSA) Study, a single-centre, parallel group-controlled clinical trial being conducted at Macquarie University Hospital in Sydney under the leadership of Professor Alvin Ing. The ESSA Study is evaluating a novel bronchoscopic lung volume reduction procedure designed to treat patients with severe and very severe COPD who are not suitable for existing valve-based therapies. The procedure targets the most diseased lung segments at a segment-by-segment level using polymer foam to induce controlled volume reduction. A central component of the study is the use of Technegas® ventilation imaging combined with advanced AI-driven analysis to identify poorly functioning lung segments, guide treatment delivery, and quantitatively assess post-procedural functional improvement. The study plans to enrol 34 patients, with recruitment expected to occur over approximately 12 months. The ESSA Study represents an important extension of Cyclopharm's Beyond PE strategy, demonstrating the role of Technegas® as a functional imaging platform supporting emerging interventional respiratory therapies

The opportunity for clinicians in the US, the world's largest medical market, to also expand the use of Technegas® for diagnosing and managing additional respiratory disease states is expected to significantly enhance Cyclopharm's Beyond PE growth strategy. The cumulative effect of the multiple clinical trials to expand the use of Technegas® is expected to ultimately improve patient outcomes and create significant shareholder value over the medium term.

The successful execution of the Beyond PE strategy has the potential to provide Cyclopharm with access to a global market it estimates at up to US$900 million. Several clinical studies in support of the Beyond PE

strategy are already underway across some of the 66 markets outside the US, where Technegas® is the imaging agent of choice.

THIRD PARTY DISTRIBUTION

Cyclopharm's Third-party distribution business continues to provide a resilient and growing revenue base. In 2025, Third-party capital equipment sales moderated while consumables and service revenue increased. In total, the Third-party distribution business contributed $15.6 million, up 26% on the prior year, representing a little over 48% of Group Sales Revenue.

Third-party capital works to install equipment is lumpy by nature and, in 2025, equipment revenue was $1.68 million, down 41% on the prior year. This decline was offset by Third-party recurring consumable sales and service revenue of $13.95 million, up 46% on the prior year.

The Third-party distribution business was established in Europe in 2020 to leverage Cyclopharm's existing Technegas® sales and service infrastructure which sells directly to 17 countries from 7 offices globally. In 2021 it expanded into the Asia Pacific region. Third-party revenue is made up of a combination of capital works projects and ongoing sales from consumables and related service support.

The Third-party distribution business aligns with Cyclopharm's strategy to leverage its regulatory expertise and operational footprint to pursue additional and complementary revenue streams.

CYCLOTEK NSW PTY LTD

Cyclotek NSW Pty Ltd was a joint venture set up in late 2019 between Cyclopharm, Cyclotek (Aust) Pty Ltd and the Australian Nuclear Science and Technical Organisation (ANSTO') to realise the inherent value of Cyclopharm's legacy Cyclotron assets.

In August 2025, Cyclopharm completed the sale of its non-core Cyclotron asset and received a total of $6.2 million, made up of $5.1 million from the sale and a $1.1 million share of earnings from the collaboration agreement. The proceeds from the sale have strengthened Cyclopharm's balance sheet and aligns with the Company's strategic focus on expanding its global Technegas® business.

Cyclopharm and Cyclotek will continue to explore collaborative opportunities across radiopharmaceutical manufacturing, distribution, and clinical innovation to enhance patient access to advanced nuclear medicine solutions.

ULTRALUTE AND ACCOUNTING POLICY UPDATE

Due to the extended time in securing regulatory approval, the Company has decided to impair its Ultralute™ asset by $2.7 million net of capitalised R&D credits. Ultralute™ is a proprietary technology that extends the useful life of Technegas® generators by up to 50%, increases output of Technetium-99m the isotope used in Technegas® imaging, and has the potential to cut generator costs by 30-40%.

The impairment of Ultralute™ does not reflect the operational or strategic potential of this asset. Ultralute™ remains commercially viable, and Cyclopharm intends to retain all commercial options for future development, partnerships, or technological enhancements that may create value.

As Cyclopharm evolves through product diversification and geographic expansion, the Board continually reviews its accounting policies and judgements to ensure that material matters are assessed rigorously and that the Company's financial reporting remains appropriate, transparent, and aligned with applicable accounting standards in all markets in which it operates.

As a result of the Company's evolving business model in the United States, which differs from arrangements in other jurisdictions, Technegas® generators manufactured for placement at customer sites are now being deployed as income-generating assets rather than sold as inventory. Given the growing installed base of placed systems in the US, these assets are now classified as Property, Plant and Equipment instead of inventory.

Litigation Progress

Cyclopharm continues to vigorously protect its intellectual property through its ongoing legal action against the remaining Australian and German defendants. A two-week trial was heard in the Supreme Court of New South Wales in October 2025, with final submissions completed at a further hearing in February 2026. Judgment is expected in the coming months.

Proceedings in Germany are also continuing. The Board reaffirms its confidence in the strength of Cyclopharm's position and remains confident of a favourable outcome to these legal proceedings.

In October 2025, Cyclopharm was served with legal proceedings from 4D Medical Limited. In January 2026 Cyclopharm's insurer accepted indemnity in respect of the proceedings and has assumed conduct of the defence on the Company's behalf.

Corporate Governance

The Cyclopharm board advises that Mr David Heaney has indicated his intention to retire as Chairman and Non-Executive Director at the conclusion of the Company's Annual General Meeting to be held in May 2026.

The Board has commenced a formal succession and renewal process to appoint a new Non-Executive Chairman. An external executive search process will be undertaken, with the Board.

Mr Heaney was appointed to the Cyclopharm Board on 20 November 2006 and has served as Chairman since 2017.

During his tenure, Cyclopharm has transitioned from a predominantly regional enterprise to a global business with operations in 67 countries, achieved FDA approval in the United States, secured reimbursement in that market, and established a growing US commercial footprint.

This approach is in line with good corporate governance practices. Cyclopharm's Board continually evaluates its skills, experience and composition to ensure they appropriately support the Company's growth trajectory and governance requirements.

Leadership Team

Cyclopharm's focus on maximising the opportunity in the US market includes continuing investment to build and strengthen our US team. In July 2025, Cyclopharm appointed Thomas Lukas as Vice President of Sales for the United States. Mr Lukas brings over 15 years of senior leadership experience in sales of nuclear medicine, diagnostics, and capital medical equipment and is uniquely qualified to work with the clinical, operational, and financial decision-making units that drive adoption in complex US hospital environments.

Mr Lukas will lead and build out the company's sales specialists to drive further uptake across key US regions and organisations at a time when installations have been doubling every six months. This phased expansion will include deployment of additional dedicated regional Business Development Managers and aligns with the company's prudent multi-stage US sales strategy. This strategy encompasses foundational setup, momentum with government entities, and long-term institutional growth

Mr Lukas' appointment comes at strategic turning point for Technegas® in the United States. The current growth trajectory reflects rising awareness of Technegas®' unique clinical value in functional lung imaging, its safety and efficiency advantages, and growing opportunity for V/Q imaging solutions beyond pulmonary embolism.

Following the appointment of Mr Lukas, Cyclopharm implemented a regionally based US sales structure designed to provide direct, on-the-ground engagement with key hospital systems, IDNs and government facilities. This model enables focused territory coverage, deeper account penetration and stronger alignment with local clinical champions and administrative stakeholders. By embedding experienced Business Development Managers within defined regions, the Company is strengthening pipeline conversion and building durable institutional relationships that support both initial installations and recurring consumables growth.

This disciplined regional rollout reflects the Company's commitment to building a scalable, high-quality commercial infrastructure in the United States. As the installed base expands and reference sites increase across major health systems, the regionally aligned team will play a critical role in driving sustained adoption and supporting the long-term commercial potential of Technegas® across the US market

The breadth and depth of experience and the integration of complementary skills across the Cyclopharm management team, which has been in place, developed and refined over the past several years, ensures that we are well positioned to rapidly take advantage of entry into the US market and the opportunities that will naturally flow from Beyond PE initiatives.

OUTLOOK

Cyclopharm is on track to deliver transformational growth, characterised by a strong, growing and diverse revenue base. The availability of Technegas® in the US market will drive exponential growth in US sales and revenue, complemented by continued growth and expansion of the Third-Party Distribution business and Technegas® sales in 66 other countries the Company operates in.

The Company has a balance sheet with sufficient capacity to invest for growth. This balance sheet strength was bolstered by an additional $14 million of capital raised in the first quarter of 2026 with additional funding to follow through a Share Purchase Plan. While Cyclopharm will invest significantly to maximise Technegas® sales and revenue in the US, the Company will also progress Beyond PE initiatives, develop the next generation of Technegas® technology and boost manufacturing capacity and storage space.

While the roll out of Technegas® in the US, already the largest single Technegas® market, will be the significant driver of Cyclopharm's short-term growth, it will also be a major catalyst for the Company's longer term Beyond PE growth strategy. The USFDA approval of Technegas® in a broad range of respiratory applications allows US clinicians to begin to explore its use across a variety of lung health applications.

Cyclopharm's expectation is for US medical institutions to expand and build on the clinical trials into the use of Technegas® to treat conditions such as COPD, Asthma, Long-covid, lung cancer and lung transplants and Pulmonary Hypertension. These are respiratory disease states that represent significantly larger markets than Pulmonary Embolism. Cyclopharm estimates there are over 500 million patients suffering collectively with COPD and/or Asthma who may benefit from the use of Technegas®. While the global COPD market is approximately 30 times the size of the PE market.

In combination, Cyclopharm's Technegas® opportunity in the US, estimated at US$180 per annum, and Beyond PE market, estimated at over US$900 million per annum, create a total market opportunity of more than US$1 billion annually.

The investment building out Cyclopharm's US sales team, under Thomas Lukas, the strong support amongst US KOLs and the presence of over 150 ready to deploy Technegas® systems in the US reinforces Cyclopharm's confidence US growth will continue to accelerate. The company reaffirms guidance for 250 – 300 US Technegas® installations during the second half of 2026.

In closing, I would like to thank all my colleagues, the Cyclopharm Board and our growing team around the globe who have contributed to the growth of the Company over recent years. Cyclopharm has never been better positioned to deliver positive health outcomes for our patients and growing financial rewards to our shareholders.

James McBrayer
Managing Director

Consolidated Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2025

UNAUDITED

	Notes	Consolidated 2025 $	Consolidated 2024 $
CONTINUING OPERATIONS			
Total revenue	4	**32,325,256**	**27,572,581**
Cost of materials and manufacturing		(14,472,147)	(9,639,791)
Employee benefits expenses	5 (a)	(17,955,099)	(16,111,165)
Advertising and promotion expenses		(1,279,541)	(1,466,416)
Depreciation and amortisation expenses	5 (b)	(1,769,992)	(1,476,407)
Freight and duty expenses		(1,331,848)	(1,681,443)
Research and development expenses	5 (c)	(614,688)	(365,016)
Administration expenses	5 (d)	(13,084,306)	(11,356,913)
Other income	5 (e)	3,408,011	232,595
Other expenses	5 (f)	(3,854,611)	(54,900)
Operating loss		**(18,628,965)**	**(14,346,875)**
Share of profit from joint ventures		1,096,381	924,875
Loss before financing and income tax		**(17,532,584)**	**(13,422,000)**
Net interest income/(expense)	5(g)	(324,100)	350,553
Loss before income tax		**(17,856,684)**	**(13,071,447)**
Income tax expense	6	636,778	(126,171)
Loss for the year		**(17,219,906)**	**(13,197,618)**
Other comprehensive income after income tax			
Items that will be re-classified subsequently to profit and loss when specific conditions are met:			
Exchange differences on translating foreign controlled entities (net of tax)		1,314,101	14,663
Total comprehensive loss for the year		**(15,905,805)**	**(13,182,955)**
Loss per share (cents per share)	7	**cents**	**cents**
-basic loss per share from continuing operations		(15.64)	(12.83)
-basic loss per share		(15.64)	(12.83)
-diluted loss per share		(15.64)	(12.83)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position
as at 31 December 2025

UNAUDITED

	Notes	Consolidated 2025 $	31 December 2024 Restated * $	1 January 2024 Restated * $
Assets				
Current Assets				
Cash and cash equivalents	8	6,626,497	20,567,898	11,726,424
Trade and other receivables	9	8,465,830	7,503,240	7,895,053
Inventories	10	11,434,688	10,625,747	9,318,380
Current tax asset	6	125,659	152,989	170
Other assets		1,808,707	913,348	452,102
Total Current Assets		**28,461,381**	**39,763,222**	**29,392,129**
Non-current Assets				
Inventories	10	-	-	33,836
Property, plant and equipment	11	7,168,621	8,661,707	6,776,524
Right-of-use assets	12	6,228,202	7,060,068	3,213,315
Investments	13	-	-	-
Intangible assets	14	2,673,267	5,896,080	5,736,075
Deferred tax assets	6	1,569,423	745,584	762,310
Total Non-current Assets		**17,639,513**	**22,363,439**	**16,522,060**
Total Assets		**46,100,894**	**62,126,661**	**45,914,189**
Liabilities				
Current Liabilities				
Trade and other payables	15	7,606,903	7,226,646	6,941,912
Lease liabilities	16	561,173	625,870	214,465
Provisions	17	3,094,030	2,758,151	1,475,407
Tax liabilities	6	-	-	37,095
Total Current Liabilities		**11,262,106**	**10,610,667**	**8,668,879**
Non-current Liabilities				
Trade and other payables	15	23,460	-	-
Lease liabilities	16	7,179,826	7,659,894	4,012,832
Provisions	17	234,431	224,419	71,184
Deferred income liabilities	18	290,013	901,812	901,812
Total Non-current Liabilities		**7,727,730**	**8,786,125**	**4,985,828**
Total Liabilities		**18,989,836**	**19,396,792**	**13,654,707**
Net Assets		**27,111,058**	**42,729,869**	**32,259,482**
Equity				
Contributed equity	19	87,073,747	87,073,747	63,781,302
Employee equity benefits reserve	28	4,413,846	4,126,852	3,765,955
Foreign currency translation reserve	28	699,461	(614,640)	(629,303)
Accumulated losses		(65,075,995)	(47,856,090)	(34,658,472)
Total Equity		**27,111,058**	**42,729,869**	**32,259,482**

* The comparative information is restated, as detailed in Note 2(b)

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows
for the year ended 31 December 2025

UNAUDITED

	Notes	Consolidated 2025 $	Consolidated 2024 * Restated $
Operating activities			
Receipts from customers		30,647,038	28,164,533
Receipt from business venture collaboration		1,096,381	924,875
Payments to suppliers and employees		(48,582,394)	(39,704,680)
Interest received		282,392	477,629
Borrowing costs paid		(626,259)	(319,095)
Income tax (paid) / received		(146,605)	(299,359)
Net cash flows used in operating activities	8	**(17,329,447)**	**(10,756,097)**
Investing activities			
Purchase of property, plant and equipment		(1,992,019)	(2,621,842)
Proceeds from sale of property, plant and equipment		5,112,121	-
Payments for intangible assets		(115,632)	(168,323)
Net cash flows from/(used in) investing activities		**3,004,470**	**(2,790,165)**
Financing activities			
Proceeds from issue of shares		-	24,002,712
Share issue cost (net of tax)		-	(1,144,915)
Settlement of loan for Long Term Incentive Plan Shares		-	5,925
Payments for lease liabilities		(1,118,513)	(641,720)
Net cash flows (used in)/from financing activities		**(1,118,513)**	**22,222,003**
Net (decrease)/increase in cash and cash equivalents		**(15,443,490)**	**8,675,741**
Cash and cash equivalents			
- at beginning of the period		**20,567,898**	**11,726,424**
- net foreign exchange differences from translation of cash and cash equivalents		1,502,089	165,733
- at end of the year	8	**6,626,497**	**20,567,898**

* The comparative information is restated, as detailed in Note 2(b)

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity
for the year ended 31 December 2025

UNAUDITED

CONSOLIDATED	Contributed Equity	Other Contributed Equity	Total Contributed Equity	Retained Earnings / (Accumulated Losses)	Foreign Currency Translation Reserve (Note 29(b))	Employee Equity Benefits Reserve (Note 26(a))	Total
	$	$	$	$	$	$	$
Balance at 1 January 2024	**69,114,460**	**(5,333,158)**	**63,781,302**	**(34,658,472)**	**(629,303)**	**3,765,955**	**32,259,482**
Loss for the year	-	-	-	(13,197,618)	-	-	(13,197,618)
Other comprehensive income	-	-	-	-	14,663	-	14,663
Total comprehensive loss for the year	**-**	**-**	**-**	**(13,197,618)**	**14,663**	**-**	**(13,182,955)**
Issue of shares	24,238,685	-	24,238,685	-	-	-	24,238,685
Share issue cost (net of tax)	(1,144,915)	-	(1,144,915)	-	-	-	(1,144,915)
Payment of loan for Long Term Incentive Plan shares	198,675	-	198,675	-	-	-	198,675
Dividends paid	-	-	-	-	-	-	-
Cost of share based payments	-	-	-	-	-	360,897	360,897
Total transactions with owners and other transfers	**23,292,445**	**-**	**23,292,445**	**-**	**-**	**360,897**	**23,653,342**
Balance at 31 December 2024	**92,406,905**	**(5,333,158)**	**87,073,747**	**(47,856,090)**	**(614,640)**	**4,126,852**	**42,729,869**
Balance at 1 January 2025	**92,406,905**	**(5,333,158)**	**87,073,747**	**(47,856,090)**	**(614,640)**	**4,126,852**	**42,729,869**
Loss for the year	-	-	-	(17,219,906)	-	-	(17,219,906)
Other comprehensive income	-	-	-	-	1,314,101	-	1,314,101
Total comprehensive loss for the year	**-**	**-**	**-**	**(17,219,906)**	**1,314,101**	**-**	**(15,905,805)**
Issue of shares	-	-	-	-	-	-	-
Share issue cost (net of tax)	-	-	-	-	-	-	-
Payment of loan for Long Term Incentive Plan shares	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-
Cost of share based payments	-	-	-	-	-	286,994	286,994
Total transactions with owners and other transfers	**-**	**-**	**-**	**-**	**-**	**286,994**	**286,994**
Balance at 31 December 2025	**92,406,905**	**(5,333,158)**	**87,073,747**	**(65,075,995)**	**699,461**	**4,413,846**	**27,111,058**

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

1. CORPORATE INFORMATION

The financial report of Cyclopharm Limited ("Cyclopharm" or "the Company") for the year ended 31 December 2025 was authorised for issue by a resolution of the Directors as at the date of this report.

Cyclopharm is a Company limited by shares incorporated and domiciled in Australia. The shares are publicly traded on the Australian Securities Exchange ("ASX") under the code "CYC".

During the year, the principal continuing activities of the consolidated entity ("the Group") consisted of the manufacture and sale of medical equipment and radiopharmaceuticals, including associated research and development, and installation and distribution of third-party products to the diagnostic imaging sector.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business for a period of at least twelve months from the date of approval of the financial statements. In assessing and concluding on going concern, the directors have considered the Group's business plan including the accelerated US market roll out along with related cashflow forecasts informing the group's future capital requirements and information on the availability of additional equity or debt capital to the Group.

The financial report is presented in Australian dollars ("AUD").

b) New and Amended Accounting Policies Adopted by the Group

Consolidated financial statements

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

None of the new or amended Accounting Standards and Interpretations has had a material impact on the Group's financial statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Change of Accounting Policy

The Group has reassessed its accounting policy in relation to Technegas generators designated for licencing to customers in the United States of America (USA). The Group manufactures and warehouses Technegas generators in a centralised inventory pool at its production facility in Australia until such time as the destination market and logistical/distribution arrangements are confirmed. All finished goods generators are initially classified as Inventory.

Globally the Group employs two separate commercial models in relation to Technegas generators. Outside the USA, the group predominantly sells generators direct to customers. In the USA, the Group retains ownership of generators and enters into multi-year licencing agreements with customers for the use of the device. Consumables are sold outright to customers in all markets.

The Group's previous accounting policy was to reclassify generators from Inventory to Property, Plant and Equipment at the point when a generator was licensed to a customer. Following an assessment of this policy against organisations with comparable commercial models, the Group has elected to change its accounting policy to reclassify generators from Inventory to Property, Plant and Equipment at the time that the destination market for the generator is first determined. The effect of this change in accounting policy is an earlier reclassification of generator inventory to Property, Plant and Equipment. There are no impacts on previously reported in Profit and Loss and Other Comprehensive Income or Earnings Per Share. Licensed generators continue to be depreciated from the point that installation is complete. The Group believes the change in accounting policy provides more relevant and reliable information in relation to ultimate accounting classification of generators.

The change in accounting policy has been applied retrospectively and the comparative amounts disclosed for the 2024 financial year have been restated where appropriate. The table below summarises the adjustments made to reflect the implementation of the change in accounting policy:

	for the year ended 31 December 2024		
	Balance previously reported	Impact of change in accounting policy	Restated balance
	$	$	$
Consolidated Statement of Financial Position			
Inventory	13,247,691	(2,621,944)	10,625,747
Total current assets	42,385,166	(2,621,944)	39,763,222
Plant and equipment	2,621,853	(732,648)	1,889,205
Placed generators	-	732,648	732,648
Capital work in progress	21,327	2,621,944	2,643,271
Property, plant and equipment	6,039,763	2,621,944	8,661,707
Total non-current assets	19,741,495	2,621,944	22,363,439
Consolidated Statement of Cash Flows			
Payments to suppliers and employees	(41,522,988)	1,818,308	(39,704,680)
Net cash flows used in operating activities	(12,574,405)	1,818,308	(10,756,097)
Purchase of property, plant and equipment	(803,534)	(1,818,308)	(2,621,842)
Net cash flows from/(used in) investing activities	(971,857)	(1,818,308)	(2,790,165)

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

c) New Accounting Standards and Interpretations Not Yet Mandatory or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2025. These new or amended Accounting Standards and Interpretations are not expected to have a material impact on the consolidated entity's financial statements.

AASB S2 Climate-related Disclosures, sets out disclosure requirements about an entity's climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over the short, medium or long term. The main climate-related financial disclosure requirements relate to governance, strategy, risk management, metrics and targets including information about scenario analysis and Scope 1, 2 and 3 greenhouse gas emissions and climate-related financial information. Cyclopharm currently expects to be a Group 3 entity under AASB S2, with mandatory application from 1 January 2027.

AASB 18 Presentation and Disclosure in Financial Statements will replace AASB 101 Presentation of Financial Statements. AASB 18 will better align the presentation of the statement of profit or loss to the categories in the statement of cash flows, require disclosure of management-defined performance measures and enhance the requirements for aggregation and disaggregation disclosure. It has mandatory application from 1 January 2027.

d) Basis of consolidation

Cyclopharm Limited is the ultimate parent entity ("the Parent") in the wholly owned group. The consolidated financial statements comprise the financial statements of Cyclopharm and its subsidiaries as at 31 December each year ('the Group').

The Group's financial statements consolidate those of the parent company and all of its subsidiaries as of 31 December 2025. All subsidiaries have a reporting date of 31 December.

Subsidiaries

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Parent has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Transactions eliminated on consolidation

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

For business combinations involving entities under common control, which are outside the scope of *AASB 3 Business Combinations*, the Company applies the purchase method of accounting by the legal parent.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

e) Foreign currency translation

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars (AUD $) which is the parent entity's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items that are measured in terms of historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate when the fair value was determined.

Exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow hedge or net investment hedge. On disposal of a foreign entity the deferred cumulative amount in equity is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Group companies

The functional currency of the overseas subsidiaries Cyclomedica Ireland Limited, Cyclomedica Germany GmbH, Cyclomedica Europe Limited, and Cyclomedica Benelux bvba, is European Euro (Euro €), Cyclomedica Nordic AB is Swedish Kroner (SEK), Cyclomedica Canada Limited is Canadian dollars (CAD), Cyclomedica UK Ltd is Great British Pound (GBP), Cyclomedica USA LLC is United States dollars (USD) and Cyclomedica Danmark ApS is Danish Kroner (DKK).

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at the reporting date.
- Income and expenses are translated at the average exchange rates for the period.
- Retained profits/equity are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of foreign operations are recognised in other comprehensive income and are transferred directly to the Group's foreign currency translation reserve in the Statement of Financial Position. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

f) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit or Loss and Other Comprehensive Income, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the Statement of Financial Position date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

Cyclopharm Limited is the head entity of the tax consolidated group comprising all the Australian wholly owned subsidiaries. The implementation date for the tax consolidated group was 31 May 2006. Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using a "stand-alone basis without adjusting for intercompany transactions" approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under consolidation.

Any current Australian tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax consolidated group. Any difference between these amounts is recognised by the head entity as an equity contribution or distribution.

Cyclopharm Limited recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

g) Right-of-use assets

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

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

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

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

h) Property, plant and equipment

Plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Impairment

The carrying amount of plant and equipment is reviewed annually to consider impairment. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Useful lives of property, plant and equipment

The estimation of the useful lives of assets has been based on historical experience as well as lease terms and turnover policies. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets are depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Basis	Method
Plant and equipment	5 - 33%	Straight-line method
Leasehold Improvements	7.5 - 10%	Straight-line method
Motor vehicles	16.67 - 25%	Straight-line method

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Profit or Loss and Other Comprehensive Income in the year the item is derecognised.

i) Investments Accounted For Using The Equity Method

Associates are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Associate. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition whereby the Group's share of the net fair value of the associate exceeds the cost of investment is recognised in profit or loss in the period in which the investment is acquired. The carrying amount of the investment also includes loans made to the associate which are not expected to be repaid in the short term.

Profits or losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the Group's investments in associates are provided in Note 13.

j) Intangibles

Intangible assets

Intangible assets acquired as part of a business combination other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost.

Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment.

The gains and losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible assets. The method and useful lives of finite life intangible assets are reviewed annually.

Internally generated intangible assets, excluding development costs, are not capitalised and are recorded as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

Intangible assets are tested for impairment where an indicator of impairment exists, and in the case of indefinite life intangibles, at each reporting date, either individually or at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Expenditure on the development of the Technegas®Plus generator has been capitalised. Costs will be amortised once the asset development is completed and the asset is ready for use. No impairment provision has been deemed appropriate. The Directors are satisfied that the future economic benefits will eventuate to justify the capitalisation of the expenditure incurred. Development expenditure is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.

Due to the extended time in securing regulatory approval, the Company has decided to impair its Ultralute™ asset. Expenditure on the development of the Ultralute™ generator was capitalised up until the asset was impaired. Future expenditure on the development of the Ultralute generator is expensed as incurred.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

	New Patents and licences	Technegas Development costs
Useful lives	Patents - Finite Licenses - Finite	Finite
Method used	8 - 10 years - Straight line	9 years - Straight line
Impairment test / Recoverable Amount testing	Annually and where an indicator of impairment exists	Amortisation method reviewed at each financial year-end; Reviewed annually for indicator of impairment

Research and development costs

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intend to complete the development and its costs can be measured reliably. Development expenditure is measured at cost less any accumulated amortisation and impairment losses. Amortisation is calculated using a straight-line method to allocate the costs over a period during which the related benefits are expected to be realised.

k) Inventories

Inventories are valued at the lower of cost and net realisable value where net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Purchase costs incurred in bringing each product to its present location and condition are accounted for on a first-in, first-out basis for both raw materials and finished goods.

l) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 90 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, short-term deposits with an original maturity of three months or less and bank overdrafts. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

n) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade payables are normally settled within 30 to 60 days.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

o) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the liabilities are derecognised and as well as through the amortisation process.

p) Lease liabilities

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

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

q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of economic benefits will result and that an outflow can be reliably measured. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

r) Employee entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled plus related on-costs. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow (after applying probability) to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yields as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of wages and salaries, non-monetary benefits, annual leave, long service leave and other leave benefits, and other types of employee benefits, are recognised against profits on a net basis in their respective categories.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

s) Employee share and performance share schemes

The fair value of performance rights issued under the Cyclopharm Long Term Incentive Plan are recognised as a personnel expense over the vesting period with a corresponding increase in Employee Equity Benefits Reserve.

The fair value of the implied option attached to shares granted is determined using a pricing model that takes into account factors that include exercise price, the term of the performance option, the vesting and performance criteria, the share price at grant date and the expected price volatility of the underlying share. The fair value calculation excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of performance options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of performance rights that are expected to become exercisable. The personnel expense recognised each period takes into account the most recent estimate.

Shares issued under employee and executive share plans are held in trust until vesting date. Unvested shares held by the trust are consolidated into the group financial statements.

t) Revenue recognition

Revenue recognition begins by identifying the contract with the customer, ensuring it meets criteria such as enforceability, rights, payment terms, and commercial substance. Performance obligations in the contract are determined by identifying the distinct product or service being delivered. The transaction price is then calculated, reflecting the amount of the consideration the company expects to receive. This price is allocated to the performance obligations based on their standalone selling prices. Finally, revenue is recognised when each performance obligation is satisfied, aligning the recognition of revenue with the transfer of goods or services to the customer.

u) Other Revenue

Interest

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

Research & development tax incentive

Government grants, including Research and Development incentives, are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met.

Grants relating to cost reimbursements are recognised as other income in profit or loss in the period when the costs were incurred or when the incentive meets the recognition requirements (if later).

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

All revenue is stated net of the amount of goods and services tax (“GST”).

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

v) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred is not recoverable from the Australian Taxation Office ("ATO") and is therefore recognised as part of the asset's cost or as part of the expense item. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position. Cash flows are presented in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

w) Financial instruments

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

De-recognition of financial instruments

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group assesses at each Statement of Financial Position date whether a financial asset or group of financial assets is impaired.

x) Contributed equity

Share capital

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

Other contributed equity

Other contributed equity arises from prior period transfers of tax liabilities within the group and the 2006 demerger from Vita Life Sciences Limited.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

y) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year. Where there is a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year, the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Where there is a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year, the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

z) Fair Value

The Group subsequently measures some of its assets at fair value on a non-recurring basis. Fair value is the price the Group would receive to sell an asset in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

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

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

aa) Significant Accounting Judgments and Estimates

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 2(t) and 4: revenue recognition – estimation of percentage-of-completion method;
- Note 2(f): tax liabilities and recognition of deferred taxes - uncertain tax treatments and judgements regarding the availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
- Note 2(j): capitalisation of development costs;
- Notes 2(j) and 14: impairment test of intangible assets and goodwill – key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Notes 2(k) and 10: measurement of net realisable value of inventory;
- Notes 2(p) and 16: lease liabilities – incremental borrowing rate;
- Notes 2(q), 17 and 21(b): recognition and measurement of provisions and contingencies – key assumptions about the likelihood and magnitude of an outflow of resources;
- Notes 2(s) and 25: share based payment transactions – estimates of fair value;
- Notes 2(h) and 11: property, plant and equipment – estimates of fair value;
- Notes 2(l), 2(w) and 9: measurement of ECL allowance for trade receivables and contract assets – key assumptions in determining the weighted-average loss rate.

3. SEGMENT INFORMATION

Operating Segment

The Group has identified it has only one operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources in order to progress the commercialisation of Technegas®.

The chief operating decision makers review the results of the business on a single entity basis. Performance assessment is based on underlying EBITDA (underlying earnings before interest, tax, depreciation and amortisation). This underlying EBITDA measurement differs from the profit or loss reported in the consolidated financial statements, which is shown after net interest and income tax expense and includes items related to underlying operational performance such as impairment, acquisition and disposal costs.

		Consolidated	
		2025	2024
	Notes	$	$
Loss for the year		**(17,219,906)**	**(13,197,618)**
Underlying adjustments:			
Gain on sale of Cyclotron asset	5(e), 11	(2,368,292)	-
Deferred income liabilities recognised	5(e)	(611,800)	-
Impairment of intangible assets	5(f), 14	3,344,217	-
Underlying net loss		**(16,855,781)**	**(13,197,618)**
Depreciation and amortisation	5(b)	1,769,992	1,476,407
Net interest expense/(income)	5(g)	324,100	(350,553)
Income tax (benefit)/expense		(636,777)	126,171
Underlying E(L)BITDA		**(15,398,466)**	**(11,945,593)**

Geographical areas

The table below presents revenue information regarding the geographical areas that the Group operates in for the years ended 31 December 2025 and 31 December 2024:

Revenue from contracts with customers

	Consolidated	
	2025	2024
Geographical areas	$	$
Asia Pacific	7,096,416	7,991,800
Europe	19,555,340	15,846,261
Canada	2,359,199	2,518,920
USA	2,696,243	826,605
Other countries	618,058	388,995
	32,325,256	**27,572,581**

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

All customer contracts are standardised and meet criteria for transaction approval, which includes identification of each party's rights, payment terms, commercial substance, and probable collection based on the customer's ability to pay. The Group also operates via a distributor model in certain overseas markets and the same criteria applies.

Judgement applies to assessing when risks and rewards of ownership have been transferred to a customer based on the terms of the contract and the nature of the product or service. The company also evaluates whether a contract contains multiple performance obligations and allocates the transaction price to each performance obligation based on standalone selling prices.

The Group has identified the following main categories of revenue:

Technegas® revenue

The Group revenue consists primarily of Technegas® products and services, which includes the sale of diagnostic equipment and consumables used by physicians in the detection of pulmonary embolism and other respiratory conditions.

Revenue is recognised as follows:

- Equipment and consumables: when the risks and rewards of ownership pass to the customer.
- Service: as the service obligation is rendered and the performance obligations are satisfied.

Third-party distribution revenue

Third-party distribution revenue is a combination of capital works projects and ongoing sales from consumables and service support.

Revenue is recognised as follows:

- Capital works projects: using the percentage-of-completion method by monitoring progress and milestone achievements.
- Consumables: when the risks and rewards of ownership pass to the customer.
- Service: as the service obligation is rendered and the performance obligations are satisfied.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Consolidated	
Type of goods or service	**2025**	**2024**
	$	**$**
Technegas®	16,692,434	15,209,759
Third-party distribution	15,632,822	12,362,822
Total revenue from contracts with customers	**32,325,256**	**27,572,581**
Timing of revenue recognition		
Goods transferred at a point in time	30,011,089	25,955,874
Services transferred over time	2,314,167	1,616,707
Total revenue from contracts with customers	**32,325,256**	**27,572,581**

5. EXPENSES

	Notes	Consolidated 2025 $	Consolidated 2024 $
(a) Employee benefits expenses			
Salaries and wages		(16,145,213)	(14,446,293)
Defined contribution superannuation expense		(1,110,159)	(978,550)
Non-Executive Director fees		(412,733)	(325,425)
Share-based payments expense	25(a)	(286,994)	(360,897)
		(17,955,099)	(16,111,165)
(b) Depreciation and amortisation			
Depreciation of land and buildings		(38,200)	(41,343)
Depreciation of plant and equipment		(448,338)	(402,353)
Depreciation of leasehold improvements		(324,400)	(325,916)
Depreciation of leased assets		(892,323)	(641,720)
Amortisation of intangibles		(66,731)	(65,075)
		(1,769,992)	(1,476,407)
(c) Research & development expenses			
Pilot Clinical Trial expenses		(190,793)	(252,725)
Research expenses		(423,895)	(112,291)
		(614,688)	(365,016)
(d) Administration expenses			
Legal and professional costs		(3,740,262)	(2,521,906)
Office and facility costs		(2,468,104)	(1,825,324)
Provision for doubtful debts		6,093	(72,493)
Consulting fees		(1,237,048)	(1,042,006)
Regulatory costs		(2,061,718)	(2,275,462)
ASX and share registry costs		(85,846)	(105,928)
Travel and motor vehicle costs		(2,454,400)	(2,356,425)
Other administration expenses		(1,043,021)	(1,157,369)
		(13,084,306)	(11,356,913)
(e) Other income			
Insurance recoveries		-	7,520
Gain on sale of Cyclotron asset		2,368,292	-
Gain on sale of other assets		30,261	
Realised foreign exchange gains		312,128	-
Unrealised foreign exchange gains		85,530	225,075
Deferred income liabilities recognised		611,800	-
		3,408,011	232,595
(f) Other expenses			
Realised foreign exchange losses		(279)	(51,560)
Unrealised foreign exchange losses		(478,027)	-
Loss on sale of assets		(32,088)	(3,340)
Impairment of intangible assets		(3,344,217)	-
		(3,854,611)	(54,900)
(g) Net interest income			
Interest received from other parties		302,159	669,648
Bank and other finance charges		(48,397)	(36,217)
Interest on leased assets		(577,862)	(282,878)
		(324,100)	350,553

6. INCOME TAX

	Consolidated	
	2025	2024
	$	$
The components of income tax expense comprise:		
Current income tax (expense) / benefit	(187,061)	(142,897)
Deferred tax (expense) / benefit	823,839	16,726
Income tax reported in income statement	**636,778**	**(126,171)**
Reconciliation of income tax expense to prima facie tax payable:		
Accounting profit / (loss) before income tax	**(17,856,684)**	**(13,071,447)**
Statutory income tax rate of 25% (2024: 25%)	4,464,171	3,267,862
Effects of lower rates on overseas income	610,051	44,092
Expenditure not allowable for income tax purposes	(2,098,230)	(813,841)
Attributed income from controlled foreign companies	(52,112)	(917,923)
Temporary differences recognised/(reversed) in Australian group	705,172	16,726
Temporary differences recognised (reversed) in overseas subsidiaries	118,667	-
Tax losses not recognised in Australia	(3,110,940)	(1,723,087)
Total income tax (expense) / benefit	**636,778**	**(126,171)**
Effective income tax rate	(3.6%)	1.0%
Current income tax asset	125,659	**152,989**
Current income tax liability	-	**-**
Deferred tax assets		
Deferred tax assets from temporary differences on:		
Investments	(1,205,842)	(2,454,728)
Provisions and accruals	2,647,408	2,893,049
Other	127,857	307,263
Total deferred tax assets	**1,569,423**	**745,584**
Movements in deferred tax assets		
Opening balance	745,584	762,310
Temporary differences brought to account (reversed)	823,839	(16,726)
Closing balance	**1,569,423**	**745,584**
Deferred tax assets for which no benefit has been recognised:		
- arising from temporary differences - at 25% (2024: 25%)	**-**	47,647
- arising from revenue tax losses - at 25% (2024: 25%)	**9,205,756**	2,266,064
- arising from capital tax losses - at 25% (2024: 25%)	**19,715**	19,715

6. INCOME TAX (continued)

The Group's accounting policy for income tax requires management's judgment in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Judgments are also required about the application of income tax legislation. These judgments and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the Statement of Profit or Loss and Other Comprehensive Income.

7. NET TANGIBLE ASSETS AND LOSS PER SHARE

Net Tangible Assets per share

	Consolidated	
	2025	2024
	$	$
Net assets per share	0.24	0.38
Net tangible assets per share	0.22	0.33
	Number	Number
Number of ordinary shares for net assets per share	111,136,850	111,136,850
	2025	2024
	$	$
Net assets	27,111,058	42,729,869
Less: Intangible assets	(2,673,267)	(5,896,080)
Net tangible assets	24,437,791	36,833,789

The number of ordinary shares includes the effects of 642,500 Long Term Incentive Performance (LTIP) shares issued on 23 March 2023 and 100,000 LTIP Shares issued on 12 September 2023 (2024: no change). The net assets includes both right-of-use assets and lease liabilities accounted for in accordance with AASB 16 Leases.

Loss per share

	Consolidated	
	2025	2024
	cents	cents
Basic loss per share from continuing operations	(15.64)	(12.83)
Basic loss per share	(15.64)	(12.83)
Diluted loss per share	(15.64)	(12.83)
	Number	Number
Weighted average number of ordinary shares for basic loss per share	110,127,288	102,901,831
Weighted average number of ordinary shares for diluted loss per share	110,127,288	102,901,831
	2025	2024
	$	$
Loss used to calculate basic earnings per share	(17,219,906)	(13,197,618)
Loss used to calculate diluted earnings per share	(17,219,906)	(13,197,618)

The weighted average number of ordinary shares for basic loss per share excludes the effects of 267,062 LTIP shares issued on 19 February 2021, 642,500 LTIP shares issued on 23 March 2023 and 100,000 LTIP shares issued on 12 September 2023 as they are contingently returnable.

8. CASH AND CASH EQUIVALENTS

	Notes	Consolidated 2025 $	Consolidated 2024 * Restated $
Cash at bank and in hand		6,626,497	20,567,898
Total cash and cash equivalents		**6,626,497**	**20,567,898**

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates and at fixed rates for that portion of cash invested in short-term bank deposit accounts.

The fair value of cash and cash equivalents is $6,626,497 (2024: $20,567,898).

Reconciliation of Statement of Cash Flows		2025 $	2024 * Restated $
For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following:			
Cash at bank and in hand		6,626,497	20,567,898
		6,626,497	**20,567,898**
(a) Reconciliation of net loss after tax to net cash flows from operations			
Net loss after tax		**(17,219,906)**	**(13,197,618)**
Adjustments for non-cash income and expense items:			
Depreciation		1,703,261	1,411,332
Amortisation		66,731	65,075
Property, plant and equipment disposed		(2,718,705)	7,330
Reversal of impairment	14	3,344,217	-
Movement in intangible assets		(66,731)	(65,075)
Movement in provision for employee benefits		345,892	1,435,979
Movement in foreign exchange		392,497	14,663
Movement in employee benefits reserve		286,994	360,897
Movement in deferred income liabilities recognised		(611,800)	-
		(14,477,549)	**(9,967,417)**
Increase/decrease in assets and liabilities:			
(Increase) / decrease in trade receivables		(1,953,677)	837,140
Increase in inventories		(808,941)	(1,273,531)
Decrease / (increase) in other receivables		232,826	(445,327)
Decrease / (increase) in current tax asset		27,330	(152,819)
(Increase) / decrease in deferred tax assets		(823,839)	16,726
Increase in creditors		474,404	266,226
Decrease in current tax liabilities		-	(37,095)
Net cash flow used in operating activities		**(17,329,447)**	**(10,756,097)**

* The comparative information is restated, as detailed in Note 2(b)

8. CASH AND CASH EQUIVALENTS (continued)

(b) Non-cash financing and investing activities

All Long-Term Incentive Plan (LTIP) shares as set out in Note 25 Share Based Payment Plans are issued by way of loans.

During the year, no LTIP shares vested (2024: nil) and an election was made to extend the exercise period until 31 March 2026, whilst no LTIP shares lapsed and were cancelled (2024: nil). Refer to Note 19 Contributed Equity and Note 25 Share Based Payment Plans.

No LTIP shares were issued by way of loans during the year (2024: nil).

9. TRADE AND OTHER RECEIVABLES

		Consolidated	
	Notes	2025 $	2024 $
Current			
Trade receivables		6,975,310	5,063,579
Allowance for expected credit loss		(114,140)	(156,086)
Net trade receivables	(i)	6,861,170	4,907,493
Other receivables	(ii)	1,135,508	1,368,334
Deposits to suppliers		469,152	1,227,413
Total current trade and other receivables		**8,465,830**	**7,503,240**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade receivables are non-interest bearing and generally on 30 and 60-day terms.
(ii) Other receivables are non-interest bearing and include security deposits on leased premises and amounts refundable in relation to GST and VAT credits.

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

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

	Consolidated	
	2025 $	2024 $
Opening balance	156,086	100,317
Provisions recognised/(reversed)	(41,946)	55,769
Closing balance	114,140	156,086

9. TRADE AND OTHER RECEIVABLES (continued)

The ageing of Cyclopharm's trade receivables and allowance for expected credit losses are as follows:

	Trade receivables		Allowance for expected credit losses		Trade receivables net of allowance for impairment losses	
	2025	2024	2025	2024	2025	2024
	$	$	$	$	$	$
Trade receivables						
0 - 30 days	5,764,999	4,120,415	-	-	5,764,999	4,120,415
31 - 60 days	558,494	250,413	-	-	558,494	250,413
61 - 90 days	220,432	341,700	-	-	220,432	341,700
over 90 days	431,385	351,051	(114,140)	(156,086)	317,245	194,965
	6,975,310	**5,063,579**	**(114,140)**	**(156,086)**	**6,861,170**	**4,907,493**
Other receivables	1,135,508	1,368,334	-	-	1,135,508	1,368,334
Deposits to suppliers	469,152	1,227,413	-	-	469,152	1,227,413
Trade and other receivables	**8,579,970**	**7,659,326**	**(114,140)**	**(156,086)**	**8,465,830**	**7,503,240**

10. INVENTORIES

	Consolidated	
	2025	2024 * Restated
	$	$
Current		
Raw materials at cost	6,975,948	7,091,769
Finished goods at lower of cost or net realisable value	4,495,999	3,610,489
Provision for obsolescence	(37,259)	(76,511)
Total current inventory	**11,434,688**	**10,625,747**

* The comparative information is restated, as detailed in Note 2(b)

11. PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

Consolidated	Leasehold land and buildings $	Leasehold improvements $	Plant and equipment $	Placed generators $	Capital work in progress $	Total $
Cost						
Balance 1 January 2024 *	2,445,676	5,680,362	6,599,290	2,400,834	803,636	17,929,798
Additions/transfers	(50,000)	-	402,817	429,390	1,839,635	2,621,842
Disposals	-	-	(7,330)	-	-	(7,330)
Efffect of movements in exchange rates	13,806	189,980	795,998	57,290	-	1,057,074
Balance 31 December 2024 *	**2,409,482**	**5,870,342**	**7,790,775**	**2,887,514**	**2,643,271**	**21,601,384**
Balance 1 January 2025 *	2,409,482	5,870,342	7,790,775	2,887,514	2,643,271	21,601,384
Additions/transfers	-	204,662	85,463	486,837	1,193,730	1,970,693
Disposals	(1,983,729)	(2,825,047)	(5,232,480)	-	-	(10,041,256)
Efffect of movements in exchange rates	21,583	924	(61,564)	120,048	-	80,991
Balance 31 December 2025	**447,336**	**3,250,881**	**2,582,194**	**3,494,399**	**3,837,001**	**13,611,811**
Accumulated depreciation and impairment losses						
Balance 1 January 2024 *	(1,299,136)	(3,020,173)	(4,770,076)	(2,063,889)	-	(11,153,274)
Depreciation	(41,343)	(325,916)	(358,893)	(43,460)	-	(769,612)
Impairment reversal/(loss)	-	-	-	-	-	-
Disposal	-	-	(7,330)	-	-	(7,330)
Efffect of movements in exchange rates	(6,693)	(189,980)	(765,271)	(47,517)	-	(1,009,461)
Balance 31 December 2024 *	**(1,347,172)**	**(3,536,069)**	**(5,901,570)**	**(2,154,866)**	**-**	**(12,939,677)**
Balance 1 January 2025 *	(1,347,172)	(3,536,069)	(5,901,570)	(2,154,866)	-	(12,939,677)
Depreciation	(38,200)	(324,400)	(186,334)	(262,004)	-	(810,938)
Disposals	209,565	298,444	1,112,852	-	-	1,620,861
Impairment reversal/(loss)	1,047,407	1,420,418	3,232,037	-	-	5,699,862
Efffect of movements in exchange rates	(5,808)	(924)	81,178	(87,744)	-	(13,298)
Balance 31 December 2025	**(134,208)**	**(2,142,531)**	**(1,661,837)**	**(2,504,614)**	**-**	**(6,443,190)**
Carrying amounts						
At 1 January 2024 *	1,146,540	2,660,189	1,829,214	336,945	803,636	**6,776,524**
At 31 December 2024 *	1,062,310	2,334,273	1,889,205	732,648	2,643,271	**8,661,707**
At 31 December 2025	**313,128**	**1,108,350**	**920,357**	**989,785**	**3,837,001**	**7,168,621**

* The comparative information is restated, as detailed in Note 2(b)

11. PROPERTY, PLANT AND EQUIPMENT (continued)

Disposal of holding in Cyclotek NSW Pty Ltd

Cyclotek NSW Pty Ltd was established by Cyclotek (Aust) Pty Ltd (together, Cyclotek) to utilise existing cyclotron assets, expand its established commercial network, and enhance access to specialty short-lived radiopharmaceuticals for the Australian community.

In 2019, Cyclopharm entered into a Sale and Collaboration Agreement with Cyclotek. That agreement included an option for Cyclotek to purchase Cyclopharm's cyclotron assets at Macquarie University, which Cyclotek exercised during the current financial year.

In August this year, Cyclopharm entered into a binding Heads of Agreement to sell its cyclotron assets and earnings interest to Cyclotek for a total consideration of $6.2 million. The sale was completed in November 2025, as announced to the ASX on 12 November 2025.

The total consideration of $6.2 million includes the Group's share of earnings distribution for the 2024/2025 financial year, which is recognised as a share of earnings from the collaboration agreement for the year ended 31 December 2025. At settlement, the Group recognised a gain on disposal of $2,368,292.

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. There was no impairment of any property, plant and equipment assets in the current year.

12. RIGHT-OF-USE ASSETS

	Consolidated	
	2025	**2024**
	$	**$**
Land and buildings - right-of-use	9,585,101	9,586,953
Less: Accumulated depreciation	(3,478,872)	(2,693,373)
	6,106,229	**6,893,580**
Motor vehicle - right-of-use	506,949	425,016
Less: Accumulated depreciation	(384,976)	(258,528)
	121,973	**166,488**
Total right-of-use assets	**6,228,202**	**7,060,068**

The Group leases land and buildings for its offices, manufacturing facilities and warehouse under agreements of between two to ten years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are negotiated. The Group also leases motor vehicles under agreements of three to four years.

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

		Consolidated	
		2025	2024
Equity accounted investments	**Notes**	**$**	**$**
Associated companies	(a)	-	-

Name	Principal activities	Principal place of business	Measurement method	Ownership Interest	
				2025	2024
Macquarie Medical Imaging Pty Ltd	Imaging centre	Sydney, Australia	Equity method	20%	20%

Macquarie Medical Imaging Pty Ltd ("MMI") is a private entity that provided medical imaging facilities for Macquarie University Hospital. From 7 December 2019, the business operations of MMI have been transferred to MQ Health, an entity associated with Macquarie University Hospital.

		Consolidated	
		2025	2024
Extract from the associate's statement of financial position:	**Notes**	**$**	**$**
Current Assets		95,477	191,888
Current Liabilities		(8,813)	(987,136)
Net Assets/(Liabilities)		86,664	(795,248)
Share of associate's Net Assets/(Liabilities)	(a)	17,333	(159,050)

		Consolidated	
		2025	2024
Extract from the associate's statement of comprehensive income:	**Notes**	**$**	**$**
Revenue		6,266	1,105
Net Profit / (Loss)	(a)	13,243,509	(17,548)

(a) The share of the associate's profit not recognised during the year was $2,648,702 (2024: loss of $3,510) and the cumulative share of the associate's loss not recognised as at 31 December 2025 was $69,505 (31 December 2024: $2,718,207).

The share of profit of associate not recognised as at 31 December 2025 is extracted from the unaudited financial report of the associate, and it may be revised when that financial report has been audited.

The fair value of the Group's investment in Macquarie Medical Imaging Pty Ltd was $17,333 (2024: $nil) but has not been recognised as it is immaterial. It is anticipated that MMI will be de-registered upon the finalisation of its accounts payable and receivables.

14. INTANGIBLE ASSETS

Consolidated	Intellectual Property $	Goodwill* $	Licences $	Technegas® Development $	Target $	Ultralute $	Total $
Balance at *1 January 2025*	134,066	929,110	788,312	788,588	27,419	3,228,585	5,896,080
Additions	-	-	-	-	-	115,632	115,632
Transfers	-	-	-	-	-	-	-
Foreign exchange translation	-	45,496	54,426	-	-	-	99,922
Impairment	-	-	-	-	(27,419)	(3,344,217)	(3,371,636)
Amortisation	(26,446)	-	(40,285)	-	-	-	(66,731)
Balance at *31 December 2025*	**107,620**	**974,606**	**802,453**	**788,588**	**-**	**-**	**2,673,267**
31 December 2025							
Non-current	107,620	974,606	802,453	788,588	-	-	2,673,267
Total	**107,620**	**974,606**	**802,453**	**788,588**	**-**	**-**	**2,673,267**
31 December 2024							
Non-current	134,066	929,110	788,312	788,588	27,419	3,228,585	5,896,080
Total	**134,066**	**929,110**	**788,312**	**788,588**	**27,419**	**3,228,585**	**5,896,080**

* Goodwill on consolidation arising upon the acquisition of Cyclomedica Benelux bvba on 1 October 2017, Cyclomedica Nordic AB on 1 May 2018 and Cyclomedica Danmark ApS on 1 April 2023.

The following assumptions are made in respect of the following intangible assets: (a) Goodwill, and (b) Technegas® Development and were separately applied in assessing each asset.

The recoverable amounts of intangible assets have been assessed using a discounted cash flow methodology forecasting five years of pre-tax cash flows.

The following describes each key assumption on which management has based its value in use calculations:

(a) Five-year pre-tax cash flow projections, based upon management approved budgets and growth rates covering a one-year period, with the subsequent periods based upon management expectations of growth excluding the impact of possible future acquisitions, business improvement capital expenditure and restructuring, together with a terminal value.

(b) A range of pre-tax discount rates were considered between 7.51% to 22.50% (2024: between 3.92% to 22.50%). The discount rates reflect management's estimate of the time value of money and the Group's adjusted weighted average cost of capital to reflect the current market risk–free rate but also price for the uncertainty inherent in the assets.

(c) Management believes the projected 3% (2024: 3%) revenue growth rate for existing markets is prudent and justified.

Management assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No changes in estimations were made by management compared to prior years. The key assumptions used for assessing the carrying value of intangible assets reflects the risk estimates of the business and respective assets.

There were no other key assumptions for Goodwill and Technegas® Development costs.

14. INTANGIBLE ASSETS (continued)

Management have concluded that the recoverable amount of Goodwill and Technegas® Development costs exceed their respective carrying values. Based on the above, no impairment charge was recognised for either intangible asset.

Ultralute impairment

In accordance with AASB 136 – Impairment of Assets, the Company has performed an impairment assessment on the Ultralute asset as at 31 December 2025. The assessment determined that the asset's recoverable amount is nil, as neither its fair value less costs of disposal nor its value in use supports any residual value under current assumptions. Consequently, the carrying amount of the Ultralute asset has been fully impaired, resulting in an impairment loss of $3,344,217 recognised in the current financial year.

Management notes that this impairment does not reflect the operational or strategic potential of the Ultralute asset. The asset remains commercially viable, and the Company intends to retain all commercial options for future development, intellectual property, partnerships, or technological enhancements that may restore or create value.

The impairment ensures compliance with AASB 136 and provides a true and fair view of the Company's financial position while maintaining flexibility for future opportunities.

Sensitivity

Judgments and estimates have been made in respect of impairment, as noted above. Should these judgments and estimates not occur the resulting carrying amounts may change.

Goodwill

All other assumptions remaining constant, the sensitivity in the value of goodwill is that revenue would need to decrease by more than 4% (2024: by more than 10%) before any impairment would arise.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of Goodwill is calculated would not cause the carrying amount to exceed its recoverable amount.

Technegas® development costs

Sensitivity analysis has been performed by adjusting underlying assumptions for these costs by up to 11% (2024: up to 10%). The analysis indicated that headroom exists in the cash flow projections to support the carrying value of the intangible assets.

15. TRADE AND OTHER PAYABLES

	Notes	Consolidated 2025 $	Consolidated 2024 $
Current			
Trade payables	(i)	4,061,829	3,798,618
Other payables and accruals	(ii)	2,777,948	2,438,233
Deposits from customers		767,126	989,795
Total current trade and other payables		**7,606,903**	**7,226,646**
Non-current			
Other payables and accruals		23,460	-
Total Non-current trade and other payables		**23,460**	**-**
Total trade and other payables		**7,630,363**	**7,226,646**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade payables are non-interest bearing and are normally settled on 30-60 day terms.
(ii) Other payables and accruals are non-interest bearing and have an average term of 4 months.

16. LEASE LIABILITIES

	Consolidated 2025 $	Consolidated 2024 $
Current		
Lease liabilities	561,173	625,870
Non-current		
Lease liabilities	7,179,826	7,659,894
Total Lease liabilities	**7,740,999**	**8,285,764**

At the date of commencement of a lease, a lease liability is recognised. The liability is initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate.

Over the life of the lease, the lease liability will be increased by interest costs and will be reduced as lease payments are made.

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third-party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

17. PROVISIONS

	Consolidated	
	Total *	Number of Employees (at year end)
	$	
Balance at 1 January 2025	**2,982,570**	
Arising during the year	2,823,275	
Utilised during the year	(2,477,384)	
Balance at 31 December 2025	**3,328,461**	
31 December 2025		
Current	3,094,030	
Non-Current	234,431	
Total	**3,328,461**	**109**
31 December 2024		
Current	2,758,151	
Non-Current	224,419	
Total	**2,982,570**	**95**

* The total provision includes employee entitlements relating to long service and annual leave. The measurement and recognition criteria relating to employee entitlements have been disclosed in Note 2(r).

18. DEFERRED INCOME LIABILITIES

	Consolidated	
	2025	2024
	$	$
Deferred income liabilities	**290,013**	**901,812**

Historically, a portion of the Research & Development Grant refund received in previous years had been recognised as a deferred income liability to be amortised over the same period as the amortisation of the related intangible development asset. As per Note 14, the Ultralute asset has been fully impaired in the current financial year, and the deferred income liability specifically related to this asset has been fully recognised in the current financial year.

19. CONTRIBUTED EQUITY

		Consolidated			
		2025	2024	2025	2024
	Notes	Number	Number	$	$
Issued and paid up capital					
Ordinary shares	(a)	111,136,850	111,136,850	92,406,905	92,406,905
Other contributed equity	(b)	-	-	(5,333,158)	(5,333,158)
Total issued and paid up capital		**111,136,850**	**111,136,850**	**87,073,747**	**87,073,747**
(a) Ordinary shares					
Balance at the beginning of the period		111,136,850	94,096,326	92,406,905	69,114,460
Issue of Long Term Incentive Plan shares		-	-	-	-
Issue of shares		-	-	-	-
Exercise of options		-	-	-	-
Settlement of loans for Long Term Incentive Plan shares	(i)	-	-	-	198,675
Issue of shares	(ii)	-	16,903,181	-	24,002,712
Issue of shares	(iii)	-	137,343	-	235,973
Share issue cost (net of tax)		-	-	-	(1,144,915)
Balance at end of period		**111,136,850**	**111,136,850**	**92,406,905**	**92,406,905**
(b) Other contributed equity					
Balance at the beginning of the period		-	-	(5,333,158)	(5,333,158)
Balance at the end of the period		**-**	**-**	**(5,333,158)**	**(5,333,158)**
Total contributed equity				**87,073,747**	**87,073,747**

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(i) Proceeds from settlement of loans to acquire LTIP shares.

(ii) On 30 May 2024, 11,971,832 ordinary shares were issued at a price of $1.42 per new share in connection with an institutional share placement. On 4 June 2024 a further 2,112,676 ordinary shares were issued at a price of $1.42 per new share in connection with the same institutional share placement. On 28 June 2024, 2,818,673 ordinary shares were issued at a price of $1.42 per new share in connection with a share purchase plan to eligible shareholders.

(iii) On 5 April 2024, 93,443 ordinary shares were issued at a price of $1.83 per new share as consideration for an employee performance bonus. On 28 June 2024, 43,900 ordinary shares were issued at a price of $1.48 as consideration for an employee performance bonus.

As disclosed in Note 23, the Company completed a capital raise, on 4 February 2026, of $14 million before costs by way of a share placement to new and existing institutional, sophisticated and professional investors via two tranches (T1 Placement Shares and T2 Placement Shares). The Company also announced a non-underwritten Share Purchase Plan (SPP) offer to existing eligible shareholders to raise up to $2 million which closes on 5 March 2026. As a result of the capital raise and SPP, the following shares have been, or will be, issued:

(i) On 11 February 2026, 9,473,684 ordinary shares (T1 Placement Shares) were issued at a price of $0.95 per new share in connection with the share placement to new and existing institutional, sophisticated and professional investors.

(ii) On 20 April 2026, 5,263,158 ordinary shares (T2 Placement Shares) will be issued at a price of $0.95 per new share in connection with the share placement to sophisticated investors.

19. CONTRIBUTED EQUITY (continued)

(iii) On 12 March 2026 a maximum of 2,105,263 ordinary shares will be issued at a price of $0.95 per new share in connection with the SPP to eligible shareholders. In its absolute discretion, the Company reserves the right to scale-back applications. If there is a scale-back, eligible shareholders may receive less than the parcel of new shares for which they applied. The Company may also decide (in its absolute discretion) to accept applications that result in the SPP raising more than $2 million.

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns for shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management constantly assesses the capital structure to take advantage of favourable costs of capital and/or high returns on assets. As the market is continually changing, management may issue dividends to shareholders, issue new shares, increase the entity's short- or long-term borrowings or sell assets to reduce borrowings.

As at 31 December 2025, the Group has no interest-bearing loans and borrowings.

		Consolidated	
		2025	2024
	Notes	$	$
Total interest bearing loans and borrowings		-	-
Add: cash and cash equivalents	8	6,626,497	20,567,898
Net cash		**6,626,497**	**20,567,898**
Total equity		27,111,058	42,729,869
Gearing ratio		0.0%	0.0%

Dividends

During the current financial year, the Directors did not declare any dividends (2024: nil).

20. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of specified credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board review and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Audit and Risk Committee under the authority from the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed throughout Note 2.

(a) Interest rate risk

As the Group has moved into a no debt, strong cash position, the main interest rate risk is now in cash assets exposure.

The following sensitivity analysis is based on the interest rate risk exposures in existence at the Statement of Financial Position date.

At 31 December 2025, if interest rates had moved, as illustrated in the table below, with all other variables held constant, pre-tax profit would have been affected as follows:

	Consolidated	
	2025	2024
	$	$
Judgements of reasonably possible movements:		
Loss before income tax		
+1.0% (100 basis points)	66,265	205,679
-0.5% (50 basis points)	(33,132)	(102,839)

The movements in profit/(loss) are due to possible higher or lower interest income from cash balances.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

At balance date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk:

(a) Interest rate risk (continued)

Consolidated Year ended 31 December 2025		Weighted average interest rate	Non interest bearing	Floating interest rate	Fixed interest maturing in			Total
					1 year or less	1 to 5 years	More than 5 years	
		%	$	$	$	$	$	$
FINANCIAL ASSETS								
Cash and cash equivalents	8	2.22%	-	6,363,970	262,527	-	-	6,626,497
Trade and other receivables	9	n/a	8,465,830	-	-	-	-	8,465,830
Total financial assets			**8,465,830**	**6,363,970**	**262,527**	**-**	**-**	**15,092,327**
FINANCIAL LIABILITIES								
Trade payables	15	n/a	7,630,363	-	-	-	-	7,630,363
Leases	16	6.90%	-	-	561,173	1,957,643	5,222,183	7,740,999
Total financial liabilities			**7,630,363**	**-**	**561,173**	**1,957,643**	**5,222,183**	**15,371,362**
Net exposure			**835,467**	**6,363,970**	**(298,646)**	**(1,957,643)**	**(5,222,183)**	**(279,035)**

Consolidated Year ended 31 December 2024		Weighted average interest rate	Non interest bearing	Floating interest rate	Fixed interest maturing in			Total
					1 year or less	1 to 5 years	More than 5 years	
		%	$	$	$	$	$	$
FINANCIAL ASSETS								
Cash and cash equivalents	8	4.15%	-	4,949,798	15,618,100	-	-	20,567,898
Trade and other receivables	9	n/a	7,503,240	-	-	-	-	7,503,240
Total financial assets			**7,503,240**	**4,949,798**	**15,618,100**	**-**	**-**	**28,071,138**
FINANCIAL LIABILITIES								
Trade payables	15	n/a	7,226,646	-	-	-	-	7,226,646
Leases	16	6.90%	-	-	625,871	1,876,390	5,783,503	8,285,764
Total financial liabilities			**7,226,646**	**-**	**625,871**	**1,876,390**	**5,783,503**	**15,512,410**
Net exposure			**276,594**	**4,949,798**	**14,992,229**	**(1,876,390)**	**(5,783,503)**	**12,558,728**

20. FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

(b) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Group's policy to scrutinise the counterparty's trade and other receivables. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures such as reviewing their industry reputation, financial position and credit rating. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is constantly managed.

There are no significant unprovided concentrations of credit risk within the Group.

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and, for major growth initiatives, capital raisings. The Group completed a capital raising in May 2024 (see Note 19) and has no borrowings as at 31 December 2025.

As disclosed in Note 23, the Company completed a capital raise in February 2026 of $14 million before costs, with a non-underwritten Share Purchase Plan to follow in March 2026 to raise up to $2 million. All new shares were, or will be, issued at a price of $0.95.

Refer to the table above in Note 20(a) Interest Rate Risk, which reflects all contractually fixed payoffs for settlement of financial liabilities and collection of financial assets. Trade payables and other financial liabilities generally originate from the financing of assets used in our ongoing operations such as investments in working capital e.g. inventories and trade receivables and investment in property, plant and equipment. These assets are considered in the Group's overall liquidity risk. To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Board and management monitor the Group's expected settlement of financial assets and liabilities on an ongoing basis.

The Group monitors the rolling forecast of liquidity reserves based on expected cash flow together with capital and debt market conditions to assess the availability of funding.

Consolidated Year ended		Less than 6 months	6 months to 1 year	1 year to 5 years	Greater than 5 years	Total
31 December 2025	**Note**	**$**	**$**	**$**	**$**	**$**
Trade payables	15	7,606,903	-	23,460	-	7,630,363
Leases	16	311,586	249,587	1,957,643	5,222,183	7,740,999
		7,918,489	249,587	1,981,103	5,222,183	15,371,362
31 December 2024						
Trade payables	15	7,226,646	-	-	-	7,226,646
Leases	16	304,070	321,801	1,876,390	5,783,503	8,285,764
		7,530,716	321,801	1,876,390	5,783,503	15,512,410

20. FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

(d) Commodity price risk

The Group's exposure to commodity price risk is minimal.

(e) Foreign currency risk

As a result of significant investment operations in Europe, the Group's Statement of Financial Position can be affected significantly by movements in the Euro/$A exchange rates. The Group does not hedge this exposure but mitigates this risk by maintaining bank accounts in Australia denominated in Euro.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an entity in currencies other than the entity's functional currency. Approximately 78% (2024: 70%) of the Group's sales are denominated in currencies other than the Group's reporting currency (AUD), whilst approximately 57% (2024: 58%) of costs are denominated in the Group's reporting currency (AUD).

At 31 December 2025, the Group had the following financial instrument exposures to foreign currency fluctuations:

	Consolidated	
	2025	2024
	$	$
United States dollars		
Trade payables	106,768	672,807
Trade receivables	336,043	396,638
Euros		
Trade payables	2,379,949	1,385,248
Trade receivables	3,143,287	1,797,781
Canadian dollars		
Trade payables	494	928
Trade receivables	378,686	524,400
Swedish Kroners		
Trade payables	573,180	72,556
Trade receivables	1,597,432	1,094,644
Japanese Yen		
Trade payables	-	3,120
Trade receivables	-	-
Great British Pound		
Trade payables	11,448	59,929
Trade receivables	334,063	390,382
Danish Krone		
Trade payables	8,899	4,652
Trade receivables	22,792	46,009
Net exposure	**(2,731,565)**	**(2,050,614)**

Management believes the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

(e) Foreign currency risk (continued)

Forward Exchange Contracts

The Company has not entered into foreign exchange forward contracts as at 31 December 2025.

Foreign currency sensitivity

Currency risk is measured using sensitivity analysis. A portion of Cyclopharm's receivables and payables are exposed to movements in the values of those currencies relative to the Australian dollar. Cyclopharm management have determined that it is not cost effective to hedge against foreign currency fluctuations.

Cyclopharm is most exposed to the European Euro (Euro), Canadian Dollar (CAD), US Dollar (USD), Swedish Kroner (SEK) and Great British Pound (GBP) movements. The following table details Cyclopharm's sensitivity to a 10% change in the Australian dollar against those respective currencies with all other variables held constant as at reporting date for unhedged foreign exposure risk. A positive number indicates an increase in net profit/equity.

A sensitivity has been selected as this is considered reasonable given the current level of exchange rates and the volatility observed on a historic basis and market expectation for future movement.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

(e) Foreign currency risk (continued)

	Consolidated	
	Increase in AUD of 10% $	Decrease in AUD of 10% $
Euros		
31 December 2025		
Net (loss) / profit	(69,394)	76,334
Equity (decrease) / increase	(69,394)	76,334
31 December 2024		
Net (loss) / profit	(37,503)	41,253
Equity (decrease) / increase	(37,503)	41,253
Canadian dollars		
31 December 2025		
Net (loss) / profit	(34,426)	37,869
Equity (decrease) / increase	(34,426)	37,869
31 December 2024		
Net (loss) / profit	(47,633)	52,396
Equity (decrease) / increase	(47,633)	52,396
United States dollars		
31 December 2025		
Net profit / (loss)	(20,843)	22,928
Equity increase / (decrease)	(20,843)	22,928
31 December 2024		
Net profit / (loss)	25,106	(27,617)
Equity increase / (decrease)	25,106	(27,617)
Swedish Kroners		
31 December 2025		
Net (loss) / profit	(93,114)	102,425
Equity (decrease) / increase	(93,114)	102,425
31 December 2024		
Net (loss) / profit	(92,917)	102,209
Equity (decrease) / increase	(92,917)	102,209
Great British Pound		
31 December 2025		
Net (loss) / profit	(29,872)	32,860
Equity (decrease) / increase	(29,872)	32,860
31 December 2024		
Net (loss) / profit	(34,389)	37,828
Equity (decrease) / increase	(34,389)	37,828

20. FINANCIAL RISK MANAGEMENT OBJECTIVES (continued)

(f) Fair value measurement

For financial assets and liabilities measured and carried at fair value, the Company uses the following levels to categorise the valuation methods used:

- Level 1: Measurements based on quoted prices in active markets for identical assets that the entity can access at the measurement date.
- Level 2: Measurements based on inputs other than the quoted prices included in Level 1, but that are observable for the asset, either directly or indirectly.
- Level 3: Measurements based on unobservable inputs for the asset or liability.

Items subject to fair value measurement include goodwill at initial recognition (note 14), share based payments (note 25) and investments (note 13).

21. COMMITMENTS & CONTINGENCIES

(a) Capital commitments

Cyclopharm has entered into agreements to fund research projects with unrelated institutions. The commitments for these projects total $1,137,766 (2024: $961,228) and will be expensed when incurred. Payments will be made based on the achievement of certain milestones.

There were no other capital commitments as at the date of this report. (2024: $nil)

(b) Contingent liabilities

(i) In December 2019, a business venture collaboration agreement combined CycloPet Pty Ltd and Pettech Solutions Limited's cyclotron facilities under a single operating enterprise known as Cyclotek NSW Pty Limited (Cyclotek NSW). Cyclopharm and Cyclotek NSW entered into a sub-lease agreement as tenants in common whereby Cyclotek NSW was solely responsible for the tenant's obligations except for make good obligations until such time as it exercises the right to transfer its interest as tenant in common to Cyclopharm. Cyclopharm sold its interest to Cyclotek NSW for a total consideration of $6.2 million in November of this year (see Note 11). All contingent liabilities associated with the cyclotron assets were extinguished upon settlement (2024: $3,042,657).

(ii) The Group was served with legal proceedings by 4DMedical Limited on 7 October 2025, claiming damages of $26 million. On 27 January 2026, the Group received confirmation from its insurer that it has accepted indemnity in respect of the proceedings and has assumed conduct of the defence on the Group's behalf.

There were no other contingent liabilities as at the date of this report (2024: $nil).

22. RELATED PARTY TRANSACTIONS

The consolidated financial statements include the financial statements of Cyclopharm Limited and its subsidiaries as listed in Note 26 of this report. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note.

Mr Robert Branch, a director of Cyclomedica UK Limited, provides accounting and taxation services to the Company through BQC Limited. BQC Limited was paid £18,000 during the financial year (2024: £18,000).

Ms Edith Lau, a director of Cyclomedica Nordic AB, provides accounting and taxation services to the Company through Metric Accounting AB. Metric Accounting AB was paid kr372,764 during the financial year (2024: kr363,881).

There were no transactions that were entered into with other related parties during the financial year.

23. EVENTS AFTER THE BALANCE DATE

Shares issued

The Company completed a capital raise, on 4 February 2026, of $14 million before costs by way of a share placement to new and existing institutional, sophisticated and professional investors via two tranches (T1 Placement Shares and T2 Placement Shares). The Company also announced a non-underwritten Share Purchase Plan (SPP) offer to existing eligible shareholders to raise up to $2 million which closes on 5 March 2026. As a result of the capital raise and SPP, at the date of this report, the following shares have been issued:

(i) On 11 February 2026, 9,473,684 ordinary shares (T1 Placement Shares) were issued at a price of $0.95 per new share in connection with the share placement to new and existing institutional, sophisticated and professional investors.

Other than the above, no matters or circumstances have arisen since the end of the financial year, not otherwise disclosed in the financial report, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial periods.

24. AUDITORS' REMUNERATION

The following total remuneration was received, or is due and receivable, by auditors of the Company in respect of:

	Consolidated	
	2025	2024
	$	$
Amounts received or due and receivable by the auditor of the parent entity and associated entities for:		
Audit and review of the financial statements	195,898	165,313
Other services:		
- tax compliance	36,071	20,964
	231,969	**186,277**
Amounts received or due and receivable by other audit firms for:		
Audit of the financial statements of controlled entities	341,780	239,586
Other services	39,463	46,730
	381,243	**286,316**

25. SHARE BASED PAYMENT PLANS

(a) Recognised share-based payment expenses

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

The expense recognised for employee services received in relation to share based payments during the year is shown in the table below:

	Consolidated	
	2025	2024
	$	$
Expense arising from equity-settled share-based payment transactions (note 5(a))	286,994	360,897

The share-based payment reserve at 31 December 2025 was $4,413,846 (2024: $4,126,852).

(b) Share-based payment other than implied options

No share-based payments other than implied options were made during the year.

(c) Type of share-based payment plans

The existing share-based payment plan is described below. An updated Plan was approved by members at the Annual General Meetings held on 29 May 2018, 4 May 2021 and 27 May 2024.

Shares

Long Term Incentive Plan ("Plan") Shares ("Shares") are granted to certain Directors and certain employees.

In valuing transactions settled by way of issue of shares, performance conditions and market conditions linked to the price of the shares of Cyclopharm Limited are taken into account. All shares issued have market performance conditions so as to align shareholder return and reward for the Company's selected management and staff ("Participants").

The Shares vest upon the satisfaction of certain performance conditions ("Hurdles") within the term ("Term") specified for Participants in the Plan. The Board has residual discretion to accelerate vesting (i.e. reduce or waive the Hurdles) and exercise of Shares in the event of a takeover or merger or any other circumstance in accordance with the terms of the Plan.

Shares in relation to which Hurdles have not been satisfied (i.e. that do not vest) will lapse and will not be able to be exercised, except in the circumstances described below. However, the Board may at any time amend any rules governing the operation of the Plan or waive or modify the application of the rules in relation to any Participant. Shares which have not vested will lapse where a Participant ceases employment with Cyclopharm other than on retirement, redundancy, death or total and permanent disablement or unless as otherwise determined by the Board in its absolute discretion.

25. SHARE BASED PAYMENT PLANS (continued)

Where a Participant has ceased employment with Cyclopharm as a result of resignation, retirement, redundancy, death or total and permanent disablement prior to the end of a performance period, only shares that have vested may be retained by the Participant on a pro-rata basis. If a Participant ceases employment for any reasons mentioned above prior to the first anniversary of the grant date, the Participant forfeits all entitlement to Shares.

LTIP Shares issued

At the Annual General Meeting held on 8 May 2007, Shareholders approved the Company's Plan with an updated Plan approved by Shareholders on 29 May 2018, 4 May 2021 and 27 May 2024.

Implied Options

AASB 2 Share Based Payments requires that the benefit to an employee arising from an employee share scheme such as the Cyclopharm Long Term Incentive Plan be treated as an expense over the vesting period. All the issues of Plan shares have been treated as Plan Share Options ("Implied Options") in accordance with AASB 2. The employee benefit is deemed to be the Implied Option arising from the Plan. Consequently, the value of the discount which has been determined using the Black Scholes option pricing model will be charged to the Statement of Comprehensive Income and credited to the Employee Equity Benefits Reserve over the vesting period.

Where employee shares are issued under a non-recourse loan payment plan, the loan assets and the increments to Contributed Equity are not recognised at grant date but rather the increments to Contributed Equity are recognised when the share loans are settled by the relevant employees.

Performance rights

At the Annual General Meeting held on 30 May 2025, shareholders approved a new Employee Incentive Plan ("the Plan"). The Plan is designed to assist the Company in attracting, retaining and motivating employees by providing eligible participants with the opportunity to acquire performance rights, thereby aligning employee and shareholder interests.

Shareholder approval included authorisation for the Company to issue up to 4 million performance rights under the Plan over a three-year period starting from 30 May 2025. This approval establishes the maximum number of performance rights that may be granted under the Plan during that period; it does not represent an intention or forecast of the number of performance rights that will ultimately be issued. The Group has not issued any performance rights under the Plan for the year ended 31 December 2025.

25. SHARE BASED PAYMENT PLANS (continued)

(d) Summary of Options and Implied Options granted

The following table summarises the movements in Options and Implied Options during the current year:

		Consolidated 2025 Number	Consolidated 2024 Number	Weighted Average Exercise Price 2025 $	Weighted Average Exercise Price 2024 $
Balance at the beginning of the year		1,009,562	1,009,562	2.31	2.31
Granted during the year		-	-	-	-
Vested but unexercised during the year	(i)	-	-	-	-
Vested and exercised during the year	(ii)	-	-	-	-
Balance at the end of the year		**1,009,562**	**1,009,562**	**2.31**	**2.31**
Vested but unexercised at the end of the year		4,021,139	4,021,139		

(i) No LTIP shares (2024: nil) vested but unexercised during the year.

(ii) No LTIP shares (2024: nil) vested and exercised during the year. There are no Options (2024: nil) and 5,030,701 LTIP shares (2024: 5,030,701) on issue as at 31 December 2025.

(e) Range of exercise price, weighted average remaining contractual life and weighted average fair value

The weighted average exercise price for Implied Options at the end of the year was $2.31 (2024: $2.31). The weighted average remaining contractual life for Implied Options outstanding as at 31 December 2025 is 0.23 years (2024: 0.98 years). The weighted average fair value of Implied Options granted during the year was nil (2024: nil).

25. SHARE BASED PAYMENT PLANS (continued)

(f) Option pricing models

The following assumptions were used to derive a value for the Options and Implied Options granted using the Black Scholes Option model as at the grant date, taking into account the terms and conditions upon which the Shares were granted:

(f) Option pricing models

	Implied Options	Implied Options	Implied Options	Implied Options
Exercise price per Option	**$3.20**	**$3.20**	**$1.82**	**$3.04**
Number of recipients	25	1	38	1
Number of Options	264,062	3,000	642,500	100,000
Grant Date	19/02/2021	19/02/2021	23/03/2023	12/09/2023
Dividend yield	-	-	-	-
Expected annual volatility	61.00%	61.00%	46.00%	48.00%
Risk-free interest rate	0.08%	0.37%	3.48%	3.90%
Expected life of Option (years)	*n/a	6 years	**3.02 years	**2.55 years
Fair value per Option	$1.012	$1.447	$0.419	$0.594
Share price at grant date	$2.79	$2.79	$1.50	$2.56
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes

* Extended to 30 June 2025, yet to be cancelled.

** Extended to 31 March 2026.

Expected volatility percentages used for the Option pricing calculations were determined using historic data over 24 months and were adjusted to reflect comparable companies in terms of industry and market capitalisation. The Implied Options are not listed and as such do not have a market value.

26. CONTROLLED ENTITIES

Ultimate parent entity

Cyclopharm Limited is the ultimate parent entity in the wholly owned group.

Controlled Entities

Name	Country of Incorporation	Percentage of equity interest held	
		2025	2024
Cyclopharm Limited	Australia		
Controlled entities			
CycloPET Pty Ltd	Australia	100%	100%
Cyclomedica Australia Pty Limited	Australia	100%	100%
Cyclomedica Ireland Limited	Ireland	100%	100%
Cyclomedica Europe Limited	Ireland	100%	100%
Cyclomedica Benelux bvba	Belgium	100%	100%
Cyclomedica Nordic AB	Sweden	100%	100%
Cyclomedica Germany GmbH	Germany	100%	100%
Cyclomedica Canada Limited	Canada	100%	100%
Cyclomedica USA LLC	USA	100%	100%
Cyclomedica UK Ltd	United Kingdom	100%	100%
Cyclomedica New Zealand Limited	New Zealand	100%	100%
Cyclomedica Danmark ApS *	Denmark	100%	100%

* Previous name, Dupharma ApS, changed 23 October 2024.

27. PARENT ENTITY DISCLOSURE

	2025 $	2024 $
(i) **Financial Position**		
Assets		
Current assets	2,683,751	16,262,173
Non-current assets	79,986,362	68,315,660
Total assets	**82,670,113**	**84,577,833**
Liabilities		
Current liabilities	158,477	231,058
Non-current liabilities	11,668,606	10,757,312
Total liabilities	**11,827,083**	**10,988,370**
Net assets	**70,843,030**	**73,589,463**
Equity		
Contributed equity	87,274,279	87,274,279
Employee equity benefits reserve	4,413,845	4,126,852
Accumulated losses	(20,845,094)	(17,811,668)
Total equity	**70,843,030**	**73,589,463**
(ii) **Financial Performance**		
Loss for the year	(3,033,426)	(1,560,544)
Other comprehensive income	-	-
Total comprehensive loss for the year	**(3,033,426)**	**(1,560,544)**

28. RESERVES AND OTHER CONTRIBUTED EQUITY

Nature and purpose of reserves:

(a) Employee equity benefits reserve

The employee share-based payments reserve is used to record the value of share-based payments provided to employees, including key management personnel, as part of their remuneration.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(c) Other contributed equity

Other contributed equity arises from prior period transfers of tax liabilities within the group (refer Note 2(f)) and the 2006 demerger from Vita Life Sciences Limited.

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