

Pathkey.AI Ltd
Appendix 4D
Half-year report

1. Company details

Name of entity: Pathkey.AI Ltd
ABN: 71 063 144 865
Reporting period: For the half-year ended 31 December 2025
Previous period: For the half-year ended 31 December 2024

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	75.3% to	10,417
Loss from ordinary activities after tax attributable to the owners of Pathkey.AI Ltd	down	0.9% to	(677,178)
Loss for the half-year attributable to the owners of Pathkey.AI Ltd	down	0.9% to	(677,178)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$677,178 (31 December 2024: \$683,192).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.16</u>	<u>(0.16)</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Audit qualification or review

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

The Half-year report of Pathkey.AI Limited for the half-year ended 31 December 2025 is attached, and includes an unqualified audit opinion.

8. Attachments

Details of attachments (if any):

The Half-year report of Pathkey.AI Limited for the half-year ended 31 December 2025 is attached.

9. Signed



Signed _____

Date: 26 February 2026

Damon Rasheed
Executive Director

For personal use only

Pathkey.AI Ltd

ABN 71 063 144 865

Half-year report - 31 December 2025

Pathkey.AI Ltd
Corporate directory
31 December 2025

Directors

Shannon Robinson - Non-Executive Chair
Damon Rasheed - Executive Director
Paul Niardone - Non-Executive Director

Company secretary

Jonathan Hart

Registered office

6 Middlemiss Street, Milsons Point
Sydney, NSW 2000

Principal place of business

6 Middlemiss Street, Milsons Point
Sydney, NSW 2000

Share register

Automic Pty Ltd
Level 5, 126 Phillip Street
Sydney NSW 2000, Australia
Telephone: +1300 288 664 (within Australia); +61 2 9698 5414 (outside Australia)
Email: hello@automic.com.au

Auditor

William Buck
Level 20, 181 William Street
Melbourne VIC 3000, Australia

Bankers

Westpac Banking Corporation
Level 13 109, St Georges Terrace
Perth WA 6000, Australia

Stock exchange listing

Pathkey.AI Ltd shares are listed on the Australian Securities Exchange (ASX code: PKY)

Website

www.pathkey.ai

Pathkey.AI Ltd
Directors' report
31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity for the half-year ended 31 December 2025.

Directors

The following persons were directors of Pathkey.AI Limited ('Pathkey') during the whole of the financial half-year and up to the date of this report unless otherwise stated:

- Shannon Robinson - Non-Executive Chair (appointed 28 November 2025)
- Damon Rasheed - Executive Director
- Paul Niardone - Non-Executive Director (appointed 21 October 2025)
- Antanas Guoga - Non-Executive Director (resigned 28 November 2025)
- Saurabh Jain - Chair and Executive Director (resigned 21 October 2025)

Principal activities

Pathkey is an Australian AI-driven company focussed on applying artificial intelligence to address complex and costly problems across global industries.

The Company's core platform, TrialKey, is a proprietary predictive AI engine designed to transform large, unstructured datasets into structured, model-ready inputs capable of supporting probabilistic forecasting and decision optimisation. While commercialisation to date has focused on the clinical trials sector, the underlying architecture is data-agnostic and designed for expansion into adjacent verticals requiring optimisation under uncertainty.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$677,178 (31 December 2024: \$683,192).

During the period, the Company completed a strategic review aimed at refining its long-term positioning, governance alignment and capital allocation framework. The review resulted in:

- refinement of Pathkey's positioning as an applied AI company with capabilities extending beyond healthcare, while maintaining TrialKey as its lead commercial platform;
- identification of opportunities where the Company's expertise in large language models (LLMs), machine learning and outcome-driven design can be applied to additional data-intensive sectors; and
- continued focus on both organic growth initiatives and complementary acquisition opportunities aligned with its proprietary AI infrastructure.

The Board continues to implement this strategy.

TrialKey remains the Company's primary commercial asset. As at the reporting period, the platform:

- analysed more than 1,500 variables per clinical trial;
- utilised a proprietary dataset comprising approximately 500,000+ trials;
- incorporated large language model functionality to interpret unstructured free-text sources including trial registries, academic publications and regulatory documentation; and
- applied probabilistic simulation techniques to assist in clinical trial outcome forecasting and protocol optimisation.

The Company continued to advance commercialisation efforts within the clinical trials sector during the period through ongoing business development activities. The Company also progressed initiatives aimed at leveraging its AI capabilities in adjacent sectors where complex optimisation and predictive modelling are required.

During the period, the Company made Board and management changes designed to better align governance, technical expertise and capital markets experience with the Company's next phase of growth. The Company implemented targeted cost reductions across business development and corporate overheads to align expenditure with the current phase of commercialisation. These actions were undertaken to ensure capital is deployed efficiently while maintaining the Company's ability to execute on its strategic priorities.

The Company also received commitments for a placement raising \$2.5 million and undertook a rights issue raising approximately \$1 million. The placement completed subsequent to the period end.

Pathkey.AI Ltd
Directors' report
31 December 2025

Financial position

Pathkey's cash position at 31 December 2025 was \$316,366, following the inflow of capital raising funds and ongoing careful cash management. All convertible debt was converted during the half-year meaning that the company was debt free at 31 December 2025.

Significant changes in the state of affairs

During the financial half-year, the Company issued 13,300,000 fully paid ordinary shares to settle creditors valued at \$266,000.

During the financial half-year, the Company issued 29,618,368 fully paid ordinary shares to settle convertible notes payable valued at \$425,237.

During the financial half-year, the Company issued 42,069,500 fully paid ordinary shares raising \$705,405 before costs.

During the financial half-year, the Company issued 6,666,667 fully paid ordinary shares valued at \$166,667 on the conversion of performance rights.

Matters subsequent to the end of the financial half-year

On 12 January 2026, the company issued 27,981,343 fully paid ordinary shares raising valued at 1.2 cents per shares raising \$335,776 before costs.

On 4 February 2026, the company issued 237,277,972 fully paid ordinary shares raising valued at 1.2 cents per shares raising \$2,847,335 before costs. In addition, the company issued 5,000,000 fully paid ordinary shares as remuneration for investor relations and communications services provided.

On 4 February 2026, the company issued a total 175,500,000 options as consideration for services in relation to capital raising and assisting with a strategic technology acquisition. On the same day the company also issued 10,195,580 fully paid ordinary shares as consideration for lead managers services.

On 9 February 2026, the company issued 4,000,000 options to a director as part of their remuneration. The options expire on 20 August 2029 and have an exercise price of 3 cents.

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

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

On behalf of the directors



Damon Rasheed
Executive Director

26 February 2026

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Pathkey.AI Ltd

As lead auditor for the review of Pathkey.AI Ltd for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Pathkey.AI Ltd and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

W. H. D. Lee

W. H. D. Lee

Director

Melbourne, 26 February 2026

Pathkey.AI Ltd
Contents
31 December 2025

Consolidated statement of profit or loss and other comprehensive income	6
Consolidated statement of financial position	7
Consolidated statement of changes in equity	8
Consolidated statement of cash flows	9
Notes to the consolidated financial statements	10
Directors' declaration	17
Independent auditor's review report to the members of Pathkey.AI Ltd	18

General information

The financial statements cover Pathkey.AI Limited as a consolidated entity. The financial statements are presented in Australian dollars, which is Pathkey.AI Limited's functional and presentation currency.

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

6 Middlemiss Street, Milsons Point
Sydney, NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 February 2026.

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

		Consolidated	
	Note	31 December 2025	31 December 2024
		\$	\$
Revenue from contracts with customers		10,417	42,146
Other income	3	210,982	293,296
Expenses			
Employee benefits expense		(115,605)	(330,453)
Depreciation and amortisation expense		(2,819)	(5,700)
Corporate compliance and management		(6,022)	(66,634)
Finance costs		(13,504)	(41,415)
Occupancy		(750)	(16,463)
Administration		(332,112)	(356,792)
Research & development costs		(232,835)	(180,045)
Share based payments		(194,930)	(21,132)
Loss before income tax expense		(677,178)	(683,192)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Pathkey.AI Ltd		(677,178)	(683,192)
Other comprehensive loss			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Loss on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		(67,140)	-
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(4)	(49)
Other comprehensive loss for the half-year, net of tax		(67,144)	(49)
Total comprehensive loss for the half-year attributable to the owners of Pathkey.AI Ltd		(744,322)	(683,241)
		Cents	Cents
Basic earnings per share	12	(0.23)	(0.40)
Diluted earnings per share	12	(0.23)	(0.40)

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

Pathkey.AI Ltd
Consolidated statement of financial position
As at 31 December 2025



		Consolidated	
	Note	31 December	30 June 2025
		2025	2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		316,366	107,500
Trade and other receivables	4	258,330	56,767
Financial assets at fair value through profit or loss		264,475	329,400
Prepayments and other deposits		30,091	4,454
Total current assets		<u>869,262</u>	<u>498,121</u>
Non-current assets			
Other financial assets		2	2
Property, plant and equipment		12,339	15,158
Total non-current assets		<u>12,341</u>	<u>15,160</u>
Total assets		<u>881,603</u>	<u>513,281</u>
Liabilities			
Current liabilities			
Trade and other payables		356,216	369,912
Borrowings	5	-	411,734
Total current liabilities		<u>356,216</u>	<u>781,646</u>
Total liabilities		<u>356,216</u>	<u>781,646</u>
Net assets/(liabilities)		<u>525,387</u>	<u>(268,365)</u>
Equity			
Issued capital	6	25,086,792	23,640,010
Reserves	7	881,547	1,047,033
Accumulated losses		(25,442,952)	(24,955,408)
Total equity/(deficiency)		<u>525,387</u>	<u>(268,365)</u>

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

Pathkey.AI Ltd
Consolidated statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 July 2024	22,501,913	1,135,345	(23,727,418)	(90,160)
Loss after income tax expense for the half-year	-	-	(683,192)	(683,192)
Other comprehensive loss for the half-year, net of tax	-	(49)	-	(49)
Total comprehensive loss for the half-year	-	(49)	(683,192)	(683,241)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	445,072	-	-	445,072
Cost of capital raised	(3,795)	-	-	(3,795)
Lapse of expired options	-	(32,155)	32,155	-
Vesting of share based payments	-	21,132	-	21,132
Balance at 31 December 2024	<u>22,943,190</u>	<u>1,124,273</u>	<u>(24,378,455)</u>	<u>(310,992)</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	23,640,010	1,047,033	(24,955,408)	(268,365)
Loss after income tax expense for the half-year	-	-	(677,178)	(677,178)
Other comprehensive loss for the half-year, net of tax	-	(67,144)	-	(67,144)
Total comprehensive loss for the half-year	-	(67,144)	(677,178)	(744,322)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 6)	1,280,115	-	-	1,280,115
Vesting of share based payments	-	257,959	-	257,959
Lapse of expired options	-	(189,634)	189,634	-
Conversion of performance rights	166,667	(166,667)	-	-
Balance at 31 December 2025	<u>25,086,792</u>	<u>881,547</u>	<u>(25,442,952)</u>	<u>525,387</u>

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

Pathkey.AI Ltd
Consolidated statement of cash flows
For the half-year ended 31 December 2025

For persons

Note	Consolidated	
	31 December 2025	31 December 2024
	\$	\$
Cash flows from operating activities		
Receipts from customers	8,773	47,568
Government subsidies and incentives	-	292,869
Payments to suppliers and employees	(464,825)	(942,566)
Interest received	511	427
Interest and other finance costs paid	-	(18,277)
Net cash used in operating activities	(455,541)	(619,979)
Cash flows from investing activities		
Payments for property, plant and equipment	-	(1,324)
Net cash used in investing activities	-	(1,324)
Cash flows from financing activities		
Proceeds for the issue of shares	717,807	-
Share issue transaction costs	(53,400)	(3,795)
Proceeds from borrowings	5	195,000
Proceeds from convertible notes	-	580,000
Repayment of borrowings	5	(195,000)
Net cash from financing activities	664,407	576,205
Net increase/(decrease) in cash and cash equivalents	208,866	(45,098)
Cash and cash equivalents at the beginning of the financial half-year	107,500	374,645
Cash and cash equivalents at the end of the financial half-year	<u>316,366</u>	<u>329,547</u>

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

Note 1. Material accounting policy information

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

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

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

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There has been no material impact on the financial statements.

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

Going concern

The financial report for the period ended 31 December 2025 has been prepared on a going concern basis, which assumes the continuity of normal business activities and the realisation of assets, and the settlement of liabilities in the ordinary course of business.

As disclosed in the financial statements, the company has a net loss after tax of \$677,178 and net cash outflows from operations of \$455,541 for the half-year ended 31 December 2025.

The Directors believe that the consolidated company will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the half-year financial report after consideration of a range of factors including, but not limited to, the following factors:

- Since 31 December 2025, the company has issued 265,259,315 fully paid ordinary shares raising \$3,181,111 before costs, refer to note 11; and
- The company holds an investment in Digital Bitcoin ETF (BTXX:ASX) valued at \$264,475 at 31 December 2025. This investment is liquid and can be realised if required to meet working capital requirements.

The Directors have considered a cash flow forecast and are satisfied that the Company will operate as a going concern and continue to meet its financial obligations for the foreseeable future. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the company not be able to continue as a going concern.

Based on the cash flow forecast and the capital raised subsequent to the period end, the Directors are satisfied that the going concern basis of preparation is appropriate.

Note 2. Operating segments

Identification of reportable operating segments

Management has determined the operating segments based on the reports reviewed by the Board of Directors. During the year, the Group continued to operate in one geographical segment, Australia.

Pathkey.AI Ltd
Notes to the consolidated financial statements
31 December 2025

Note 3. Other income

	Consolidated	Consolidated
	31 December	31 December
	2025	2024
	\$	\$
Interest income	511	427
Dividend income	2,215	-
Research and development tax refund	208,256	292,869
Other income	210,982	293,296
	<u>210,982</u>	<u>293,296</u>

Note 4. Trade and other receivables

	Consolidated	Consolidated
	31 December	30 June 2025
	2025	2025
	\$	\$
<i>Current assets</i>		
Trade receivables	13,102	11,458
Other receivables	36,972	45,309
R&D tax offset receivable	208,256	-
	<u>258,330</u>	<u>56,767</u>

Note 5. Borrowings

	Consolidated	Consolidated
	31 December	30 June 2025
	2025	2025
	\$	\$
<i>Current liabilities</i>		
Convertible loan notes payable	-	411,734
	<u>-</u>	<u>411,734</u>

Below is a summary of the movements in convertible loan notes payable for the financial half-year:

Opening balance	411,734
Interest recognised during the financial half-year	13,503
Conversions to equity (note 6)	(425,237)
	<u>-</u>

Pathkey.AI Ltd
Notes to the consolidated financial statements
31 December 2025

Note 6. Issued capital

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	30 June 2025	234,968,319		23,640,010
Issue of shares to creditors	8 July 2025	10,800,000	\$0.020	216,000
Issue of shares	20 August 2025	22,285,714	\$0.021	468,000
Shares issued to settle notes	20 August 2025	28,028,344	\$0.014	400,761
Shares issued on conversion of performance rights	1 September 2025	6,666,667	\$0.025	166,667
Shares issued to settle notes	3 December 2025	1,590,025	\$0.015	24,476
Shares issued to settle fees to a payable to a director	3 December 2025	2,500,000	\$0.020	50,000
Issue of shares	11 December 2025	19,783,786	\$0.012	237,405
Less of cost of capital		-	\$0.000	(116,527)
Balance	31 December 2025	<u>326,622,855</u>		<u>25,086,792</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

	Consolidated			
	31 December 2025	30 June 2025	31 December 2025	30 June 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>326,622,855</u>	<u>234,968,319</u>	<u>25,086,792</u>	<u>23,640,010</u>

Note 7. Reserves

	Consolidated	
	31 December 2025	30 June 2025
	\$	\$
Financial assets at fair value through other comprehensive income reserve	(67,140)	-
Foreign currency reserve	(381,107)	(381,113)
Options reserve	1,329,794	1,428,146
	<u>881,547</u>	<u>1,047,033</u>

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees, directors and other parties as part of their remuneration and compensation for services.

Pathkey.AI Ltd
Notes to the consolidated financial statements
31 December 2025

Note 7. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Financial asset \$	Option reserve \$	Foreign currency \$	Total \$
Balance at 1 July 2025	-	1,428,146	(381,113)	1,047,033
Revaluation - gross	(67,140)	-	-	(67,140)
Foreign currency translation	-	-	(4)	(4)
Share based payments	-	257,959	-	257,959
Transfer to accumulated losses	-	(189,634)	-	(189,634)
Transfer to issued capital on conversion	-	(166,667)	-	(166,667)
Balance at 31 December 2025	<u>(67,140)</u>	<u>1,329,804</u>	<u>(381,117)</u>	<u>881,547</u>

Note 8. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 9. Contingent liabilities

The company had no other contingent liabilities as at 31 December 2025 (30 June 2025: NIL)

Note 10. Related party transactions

Loans payable to related parties

During the financial half-year former director Tony Guoga received 1,590,025 fully paid shares and 1,590,025 free attaching options on the conversion of convertible loan notes with a face value of \$20,000 and accrued interest.

Note 11. Events after the reporting period

On 12 January 2026, the company issued 27,981,343 fully paid ordinary shares raising valued at 1.2 cents per shares raising \$335,776 before costs.

On 4 February 2026, the company issued 237,277,972 fully paid ordinary shares raising valued at 1.2 cents per shares raising \$2,847,335 before costs. In addition, the company issued 5,000,000 fully paid ordinary shares as remuneration for investor relations and communications services provided.

On 4 February 2026, the company issued a total 175,500,000 options as consideration for services in relation to capital raising and assisting with a strategic technology acquisition. On the same day the company also issued 10,195,580 fully paid ordinary shares as consideration for lead managers services.

On 9 February 2026, the company issued 4,000,000 options to a director as part of their remuneration. The options expire on 20 August 2029 and have an exercise price of 3 cents.

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

Note 12. Earnings per share

	Consolidated	
	31 December 2025	31 December 2024
	\$	\$
Loss after income tax attributable to the owners of Pathkey.AI Ltd	<u>(677,178)</u>	<u>(683,192)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>289,322,044</u>	<u>172,407,849</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>289,322,044</u>	<u>172,407,849</u>
	Cents	Cents
Basic earnings per share	(0.23)	(0.40)
Diluted earnings per share	(0.23)	(0.40)

Note 13. Share based payments

A share option plan has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Board of Directors, grant options over ordinary shares in the company to certain personnel of the Group. Share options are issued at nil consideration.

In addition, options may also be issued to advisers of the company for example to assist with capital raising activities, and free attaching options have also been issued to settle creditors and in relation to convertible notes.

During the half-year, the company granted options the following options:

- On 9 July 2025, the company issued 5,400,000 free attaching options with exercise price of \$0.03 as part settlement of creditors;
- On 20 August 2025, the company issued 2,000,000 free attaching options with exercise price of \$0.03 on the conversion of convertible notes;
- On 20 August 2025, the company issued 24,164,190 free attaching options with exercise price of \$0.02 on the conversion of convertible notes;
- On 20 August 2025, the company issued 8,000,000 options with an exercise price of \$0.03 in relation to broker options. Of these options a total of 4,704,000 were considered granted before 30 June 2025 because the related to capital raise completed before 30 June 2025. An amount of \$61,519 has been recognised as capital raising cost in current financial half year;
- On 28 November 2025, the company issued 32,142,850 options with an exercise price of \$0.03, which were free attaching to capital raise; and
- On 28 November 2025, the company issued 2,000,000, to director Paul Nairdone, with exercise price of \$0.03 as part of is remuneration. An expense of \$21,762 has been recognised.

Note 13. Share based payments (continued)

Set out below are summaries of options granted is below:

Grant Date	Expiry Date	Exercise Price	Balance at the start of the year	Granted	Exercised	Expiry/ Forfeited/ Other	Balance at the end of the year
15/12/2016	05/12/2026	\$1.200	42,480	-	-	-	42,480
06/02/2017	06/02/2027	\$0.800	6,000	-	-	-	6,000
20/03/2017	20/03/2027	\$2.500	14,916	-	-	-	14,916
01/04/2017	01/04/2027	\$0.600	60,000	-	-	-	60,000
07/11/2020	07/11/2025	\$0.300	400,000	-	-	(400,000)	-
07/11/2020	07/11/2025	\$0.500	400,000	-	-	(400,000)	-
07/11/2020	07/11/2025	\$0.750	400,000	-	-	(400,000)	-
10/09/2021	10/09/2027	\$0.300	500,000	-	-	-	500,000
10/12/2021	10/12/2026	\$0.300	400,000	-	-	-	400,000
10/12/2021	10/12/2026	\$0.500	400,000	-	-	-	400,000
10/12/2021	10/12/2026	\$0.750	400,000	-	-	-	400,000
26/07/2022	26/07/2025	\$0.100	580,000	-	-	(580,000)	-
10/12/2022	10/12/2027	\$0.100	600,000	-	-	-	600,000
10/12/2022	10/12/2027	\$0.150	400,000	-	-	-	400,000
10/12/2022	10/12/2027	\$0.200	400,000	-	-	-	400,000
03/01/2023	30/12/2026	\$0.060	666,663	-	-	-	666,663
15/08/2023	17/08/2028	\$0.040	1,000,000	-	-	-	1,000,000
15/09/2023	15/09/2028	\$0.050	1,000,000	-	-	-	1,000,000
15/10/2023	15/10/2028	\$0.040	1,000,000	-	-	-	1,000,000
15/11/2023	15/11/2028	\$0.050	1,000,000	-	-	-	1,000,000
01/12/2023	01/12/2026	\$0.030	12,250,000	-	-	-	12,250,000
01/12/2023	01/12/2028	\$0.050	400,000	-	-	-	400,000
01/12/2023	01/12/2028	\$0.080	400,000	-	-	-	400,000
01/12/2023	01/12/2028	\$0.100	400,000	-	-	-	400,000
15/12/2023	15/12/2028	\$0.040	1,000,000	-	-	-	1,000,000
15/01/2024	15/01/2029	\$0.040	1,000,000	-	-	-	1,000,000
04/06/2024	04/06/2027	\$0.050	5,000,000	-	-	-	5,000,000
04/06/2024	04/06/2027	\$0.050	5,000,000	-	-	-	5,000,000
19/12/2024	17/12/2027	\$0.050	4,664,342	-	-	-	4,664,342
19/12/2024	19/12/2027	\$0.030	7,450,000	-	-	-	7,450,000
09/07/2025	17/12/2027	\$0.030	-	5,400,000	-	-	5,400,000
20/08/2025	20/08/2030	\$0.030	-	2,000,000	-	-	2,000,000
20/08/2025	20/08/2028	\$0.020	-	24,164,190	-	-	24,164,190
20/08/2025	20/09/2029	\$0.030	-	40,142,850	-	-	40,142,850
28/11/2025	20/08/2028	\$0.020	-	1,590,025	-	-	1,590,025
28/11/2025	20/08/2029	\$0.030	-	2,000,000	-	-	2,000,000
			<u>47,234,401</u>	<u>75,297,065</u>	<u>-</u>	<u>(1,780,000)</u>	<u>120,751,466</u>
Weighted average exercise price			\$0.074	\$0.027	\$0.000	\$0.381	\$0.040

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.65 years.

For the options granted during the current financial half- year, the valuation model inputs used to determine the fair value at the grant date are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
20/08/2025	20/08/2029	\$0.0250	\$0.0300	118.00%	-	3.57%	\$0.019
28/11/2025	28/11/2029	\$0.0160	\$0.0300	111.00%	-	3.87%	\$0.010

Note 13. Share based payments (continued)

Performance rights

On 20 August 2025, the company issued the below performance rights to then director Saurabh Jain as part of this remuneration:

- 3,333,333 rights which vested if the Company achieved at least \$100,000 of Trial Key sales. The rights lapsed when he resigned before the vesting condition was met and no expense has been recognised.
- 6,666,667 rights which vested upon the company successfully attracting and recruiting a Chief Executive Officer or Chief Revenue Officer. The performance rights were subject to shareholder approval at an EGM on 25 July 2025, and the rights were valued at the share price on that date, as the performance rights had a nil exercise price. An expense of \$166,667 was recognised in relation to these performance rights. These rights vested during the year and were converted to fully paid ordinary shares on 1 September 2025, refer to note 6.

Pathkey.AI Ltd
Directors' declaration
31 December 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Accounting Standards AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



Damon Rasheed
Executive Director

26 February 2026

Independent auditor's review report to the members of Pathkey.AI Ltd

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Pathkey.AI Ltd (the Company), and its subsidiaries (the Group) does not comply with the Corporations Act 2001, including:

- giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2025,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for financial report

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

Auditor's responsibilities for the review of the financial report

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

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



William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



W. H. D. Lee

Director

Melbourne, 26 February 2026