

APPENDIX 4E

For the year ended 31 December 2025

1. Company information

Name of entity: Nutritional Growth Solutions Ltd.

ARBN: 642 861 774

Reporting period: For the year ended 31 December 2025

Previous period: For the year ended 31 December 2024

All amounts in this appendix are stated in thousand US dollars unless otherwise stated.

2. Results for announcement to the market

	31 December 2025	31 December 2024	Change
Revenue from ordinary activities	1,627	2,481	Down 34%
Loss from ordinary activities after tax	(1,710)	(2,899)	Improved 41%

Commentary

The Group recorded a net loss after tax of US\$1,710 for the year ended 31 December 2025, compared to a net loss of US\$2,899 in the prior year. The improvement in the result reflects materially lower sales and marketing expenditure, reduced operating costs, and the impact of non cash items recognised during the year.

Revenue for the year was US\$1,627, representing a 34% decline compared to the prior year. The decrease was driven by lower sales volumes across key distribution channels in both the United States and international markets, as the Group moderated marketing spend and focused on cost discipline.

Gross profit was US\$255, with gross margin declining to 15% from 33% in the prior year. The reduction in margin reflects lower operating leverage, higher relative freight and fulfilment costs, and inventory write downs recognised during the year.

Selling and marketing expenses reduced significantly to US\$440 from US\$1,844 in the prior year, following headcount reductions and a more targeted approach to advertising and promotional spend. General and administrative expenses decreased to US\$1,435 from US\$1,576, reflecting continued cost control.

The result includes non cash finance expenses of US\$238, primarily relating to interest accretion and equity settled financing arrangements, as well as non cash fair value movements on financial instruments.

Net cash used in operating activities was US\$1,211, an improvement from US\$1,925 in the prior year, reflecting lower operating expenditure and a reduction in inventory levels. Net cash provided by financing activities was US\$1,706, driven by capital raisings and proceeds from convertible loan issuances during the period.

The Group closed the year with cash and cash equivalents of US\$517, compared to US\$31 at 31 December 2024.

No dividend has been declared or paid for the reporting period, and the Directors do not propose the payment of a dividend.

3. Consolidated statement of profit or loss and other comprehensive income

Refer to appendix.

4. Consolidated statement of financial position

Refer to appendix.

5. Consolidated statement of cash flows

Refer to appendix.

6. Consolidated statement of changes in equity

Refer to appendix.

APPENDIX 4E

For the year ended 31 December 2025

7. Dividend information

No dividend or distribution has been declared or paid for the reporting period, and no dividend or distribution is proposed.

8. Details of dividend reinvestment plans

There is no dividend or distribution reinvestment plan in operation.

9. Net Tangible Assets Per Security

	31 December 2025 <u>cents</u>	31 December 2024 <u>cents</u>
Net tangible assets per security (cents)	(0.01)	(0.01)

10. Details of entities over which control has been gained or lost during the period

None.

11. Details of associates and joint ventures

None.

12. Any other significant information

Capital raisings and financing activities during the period

During the year ended 31 December 2025, the Company raised approximately US\$1.7 million in cash from equity raisings and convertible loan issuances to support ongoing operations. This included proceeds from the issuance of convertible notes in April 2025 and multiple equity placements completed between August and December 2025. In addition, the Company issued ordinary shares during the year in connection with the conversion of convertible notes and the settlement of interest on convertible instruments, which were non cash transactions and are disclosed separately as non cash financing activities.

Non cash financing activities

During the year ended 31 December 2025, the Group undertook the following non cash financing transactions which did not result in cash flows:

- Conversion of convertible notes into ordinary shares
- Settlement of interest on convertible instruments through the issuance of ordinary shares
- Conversion of vested options into ordinary shares

These transactions increased share capital and reduced financial liabilities or accrued interest but did not result in the receipt or use of cash. Accordingly, they are excluded from the consolidated statement of cash flows and disclosed separately in accordance with AASB 107.

13. Foreign entities

The Parent Company of the group was established under the corporate law in Israel and has a wholly owned US subsidiary incorporated under the corporate law of Delaware. The financial statements of the Group are prepared in its functional currency, the US Dollar, and are prepared according to IFRS Accounting Standards.

14. Commentary of results for the period

Returns to shareholders

Not applicable.

APPENDIX 4E

For the year ended 31 December 2025

Results overview

Revenue for the year amounted to US\$1,627 (31 December 2024: US\$2,481), representing a 34% decline compared to the prior year. The decrease reflects lower sales volumes across key distribution channels in both the United States and international markets, following a deliberate reduction in marketing expenditure.

The Group reported a net loss for the year ended 31 December 2025 of US\$1,710 (31 December 2024: loss of US\$2,899). The improvement in the result primarily reflects significant reductions in selling and marketing expenditure and tighter cost control across general and administrative functions.

Gross margin for the year was 15% (31 December 2024: 33%). The reduction in gross margin reflects lower operating leverage, higher relative freight and fulfilment costs and inventory write downs recognised during the year.

Selling and marketing expenses improved materially through staff reductions and lower social media marketing spend, with advertising activity focused on key distribution channels.

The Group strengthened its cash position during the year, closing with cash and cash equivalents of US\$517 at 31 December 2025 (31 December 2024: US\$31).

This report is based on accounts that are in the process of being audited.

APPENDIX 4E

For the year ended 31 December 2025

Appendix: Consolidated statement of profit or loss and other comprehensive income

	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>
Revenue	1,627	2,481
Cost of revenue	<u>1,372</u>	<u>1,670</u>
Gross profit	<u>255</u>	<u>811</u>
Research and development expenses	-	223
General and administrative expenses	1,435	1,576
Selling and marketing expenses	<u>440</u>	<u>1,844</u>
Operating loss	<u>1,620</u>	<u>2,832</u>
Financial expense	309	76
Financial income	<u>219</u>	<u>9</u>
Loss before tax	1,710	2,899
Taxes on income	<u>-</u>	<u>-</u>
Total comprehensive loss for the year	<u><u>1,710</u></u>	<u><u>2,899</u></u>
Basic and diluted loss per share	<u>\$(1.04)</u>	<u>\$ (0.04)</u>

APPENDIX 4E

For the year ended 31 December 2025

Appendix: Consolidated statement of financial position

	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	517	31
Trade receivables	68	79
Other accounts receivable	887	35
Inventories	313	548
Total current assets	1,785	693
Non-current assets:		
Intangible assets	-	-
Right of asset use, net	-	13
Property, plant and equipment, net	-	3
Total non-current assets	-	16
TOTAL ASSETS	1,785	709
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade account payables	776	471
Lease liability	11	11
Derivative financial liability	-	86
Loans	128	151
Convertible Bonds	365	-
Other account payables	265	693
Total current liabilities	1,545	1,412
Non-current liabilities:		
Long term lease liability	-	-
Total non-current liabilities	-	-
Shareholders' equity:		
Share capital and premium	20,595	18,312
Reserves	370	-
Retained earnings (losses)	(20,725)	(19,015)
Total shareholders' equity	240	(703)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,785	709

APPENDIX 4E

For the year ended 31 December 2025

Appendix: Consolidated statement of cash flows

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Loss for the year	(1,710)	(2,899)
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	16	11
Amortization of intangible assets	-	20
Non cash interest on convertible instruments	238	17
Unrealised Foreign Exchange	(3)	-
Inventory write down included in cost of sales	154	-
Share-based payment	120	349
Change in fair value of derivative financial instruments	(86)	9
Decrease (increase) in trade receivables, net	43	(64)
Decrease (increase) in other accounts receivable	(97)	(14)
Decrease (increase) in inventories	236	133
Increase in trade accounts payables	305	219
Increase (decrease) in other accounts payables	(427)	271
Change in fair value of convertible loans and notes	-	23
Net cash used in operating activities	<u>(1,211)</u>	<u>(1,925)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal paid on lease liabilities	-	(11)
Receipts of convertible loans	648	576
Issuance of shares for cash, net of costs	955	1,376
Exercise of options	123	32
Net movement in loans	(20)	(189)
Net cash provided by financing activities	<u>1,706</u>	<u>1784</u>
Net decrease in cash and cash equivalents	495	(141)
Cash and cash equivalents at the beginning of the year	<u>31</u>	<u>172</u>
Cash and cash equivalents at the end of the year	<u><u>517</u></u>	<u><u>31</u></u>

(*) represents amount less than US\$1K

APPENDIX 4E

For the year ended 31 December 2025

	2025	2024
APPENDIX B – NON-CASH FINANCING AND INVESTING ACTIVITIES:		
Conversion of convertible loans and notes into shares	657	616
Interest on convertible notes settled in shares	14	-
Recognition of right-of-use assets and lease liabilities	-	12

Appendix: Consolidated statement of changes in equity

	Share capital and premium	Retained earnings (losses)	Reserves	Total
Balance at January 1, 2024	15,939	(16,116)	-	(177)
Changes during the year:				
Total comprehensive loss	-	(2,899)	-	(2,899)
Issuance of shares, net	1,376	-	-	1,376
Conversion of convertible loan into shares	616	-	-	616
Exercise of options	32	-	-	32
Share based payment	349	-	-	349
Balance at December 31, 2024	18,312	(19,015)	-	(703)
Changes during the year:				
Total comprehensive loss	-	(1,710)	-	(1,710)
Issuance of shares, net	2,032	-	-	2,032
Movement in Foreign Translation Reserve	-	-	370	370
Conversion of convertible loan into shares	-	-	-	-
Exercise of options	131	-	-	131
Share based payment	120	-	-	120
Balance at December 31, 2025	20,595	(20,725)	370	240

(*)represents amount less than US\$1K

APPENDIX 4E

For the year ended 31 December 2025

Audit

These financial statements are currently subject to audit. The audited annual financial report for the year ended 31 December 2025 will be released in due course.

For personal use only