ARGENT BIOPHARMA LTD
ABN 30 116 800 269

Appendix 4E and Annual Report
30 June 2026

Argent BioPharma Ltd provides the following information under Listing Rule 4.3A:

Details of reporting period and the previous corresponding period

REPORTING PERIOD	PREVIOUS REPORTING PERIOD
Financial Year ended 30 June 2026	Financial Year ended 30 June 2025

Results for announcement to the market

	30 June 2026 $	Change %	30 June 2025 $
Revenue	**161,187**	**(11%)**	**180,565**
Net (Loss) from ordinary activities	**(7,710,158)**	**(57%)**	**(17,844,295)**

	2026 Cents	2025 Cents
Earnings / (loss) per share	(8.89)	(31.21)
Net tangible assets per ordinary share*	(0.11)	(0.15)

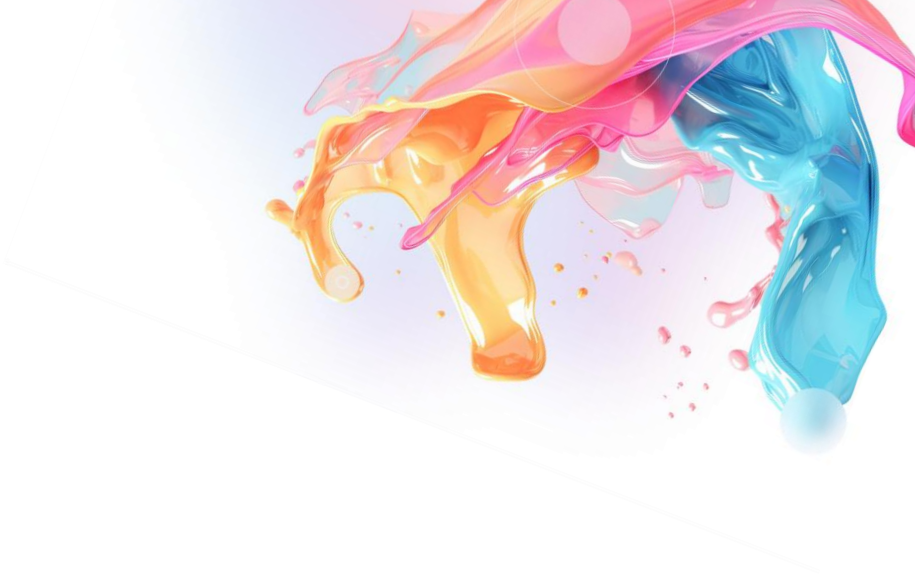
** The calculation on net tangible assets per ordinary share includes right-of-use assets, investment in entities accounted for using equity method and lease liabilities.*

Dividends and distributions

The Board has not declared dividends or made dividend payments during the current financial period. The Company does not have any dividend or distribution reinvestment plans in operation.

Commentary on results

While the reported figures show a slight decline in revenue, substantial improvements in expenditure discipline reduced the net loss by approximately $10 million compared to FY25, aligning with the company's strategic direction. Argent BioPharma remains committed to advancing its portfolio of innovative, multidisciplinary drug candidates designed to address unmet medical needs, and following the corporate restructuring undertaken in 2024 and 2025, is positioned to provide a strong platform for long-term growth.



ARGENT BIOPHARMA LTD
ABN 30 116 800 269

ANNUAL REPORT
30 June 2026

Contents

Corporate Directory

Directors

Roby Zomer
Chairman

Andrew Chapman
Non-Executive Director

Daniel Robinson
Non-Executive Director

Company Secretary

Rowan Harland

Registered Office and Principal Place of Business

Suite 1, 295 Rokeby Road
Subiaco WA 6008
Tel: +61 8 6555 2950

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditors

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

Securities Exchange Listing

Argent BioPharma Ltd securities are listed on the Australian Securities Exchange (ASX).

ASX Code: RGT

Share Registry

Computershare Investor Services Pty Limited
Level 17
221 St Georges Terrace
Perth WA 6000

Website

www.argentbiopharma.com

Directors' Report

The Directors present their report on Argent BioPharma Ltd ("the Company" or "the Parent") and its controlled entities (collectively, "RGT", "the Group" or "Argent BioPharma") for the financial year ended 30 June 2026.

Directors

The names of Directors in office at any time during or since the end of the year are:

Director	Title	Appointment Date
Roby Zomer	Managing Director & CEO	15 February 2016
Andrew Chapman	Non-Executive Director	6 May 2026
Daniel Robinson	Non-Executive Director	1 December 2023
Gary Hermon[1]	Non-Executive Director	5 March 2025

1. Mr Hermon ceased being a director on 6th May 2026

Principal Activities

Argent BioPharma Ltd (ASX: RGT) is a revenue-generating, clinical-stage biopharmaceutical company focused on the development and commercialisation of nano-engineered therapeutics targeting neurological and immune-mediated disorders. Its lead assets, CannEpil® and CimetrA®, are being advanced for drug-resistant epilepsy and inflammatory conditions, respectively. The Company leverages proprietary nano-delivery technologies designed to optimise bioavailability and tissue penetration, including across the blood–brain barrier and pulmonary interfaces. With vertically integrated EU-GMP manufacturing, a unified Neuro-Immune Modulatory platform, and ongoing clinical development programs, Argent BioPharma is advancing a focused pipeline targeting central nervous system and systemic inflammatory conditions with significant unmet medical need.

Operating Results

The consolidated loss of the Group amounted to $7,710,158 (2025: $17,844,295).

Dividends Paid or Recommended

No dividends have been paid or declared for payment during, or since, the end of the financial year.

Directors' Report

Review of Operations

CannEpil® Global Licensing Agreement

Subsequent to year end, the Company entered into a binding transaction framework with Splash Beverage Group (NYSE American: SBEV) for the exclusive global development and commercialisation of CannEpil®. The agreement provides for US$5.5 million of secured convertible notes owed to Mercer Street Global Opportunity Fund to be forgiven, eliminating the Company's principal secured debt without issuing new Argent shares.

Argent retains 100% ownership of the CannEpil® intellectual property, a 15% royalty on net revenues and its EU-GMP manufacturing arrangement, while SBEV assumes responsibility for funding and executing the U.S. clinical and regulatory pathway. The transaction materially reduces Argent's financial and regulatory exposure while retaining significant long-term economic participation in CannEpil®.

CannPal Acquisition and Development Progress

During the year, the Company completed the acquisition of AusCann Group Holdings Ltd's 48% interest in CannPal Animal Therapeutics Pty Ltd, providing Argent with an advanced-stage veterinary portfolio and valuable clinical and safety data to support its broader neurological strategy.

CannPal also completed its Phase 2C dose confirmation study for CPAT-01, its lead veterinary cannabinoid therapy targeting osteoarthritis pain management in dogs. The study met its primary endpoint, demonstrating a statistically significant reduction in pain with no serious adverse events reported. The results support progression towards a Phase 3 pilot field study, with CannPal pursuing a partner-led funding strategy for further development.

The acquisition and clinical progress broaden Argent's portfolio across human and veterinary applications and provide additional opportunities for commercialisation of its cannabinoid-based therapies.

Record CannEpil® Shipment to Ireland

Argent completed its largest commercial shipment of CannEpil® during the year, delivering 1,000 units to Ireland through its commercial and logistics partners. The shipment, with an approximate reimbursed retail value of A$783,000, represents an important milestone in the commercialisation of CannEpil® and further strengthens the Company's European distribution infrastructure and reimbursed patient access.

NanoBodies Provisional Patent Filing

The Company progressed its internal NanoBodies research programme through the filing of a U.S. provisional patent application covering peptide targets and associated nanobody constructs for potential use in septic shock and systemic inflammatory disorders. The programme complements Argent's existing neuro-immune pipeline and strengthens the Company's intellectual property position in immune and inflammatory indications.

EU-GMP Cannabinoid API Supply to Leading EU Hospital

Argent commenced formal supply of its EU-GMP cannabinoid-based active pharmaceutical ingredient (API) to University Medical Centre Ljubljana in Slovenia. The transition from pilot supply to routine hospital use represents an important clinical milestone and provides a potential pathway for further API supply to European hospitals.

Positive Independent ArtemiC™ Study

Argent announced positive results from an independent in vivo study conducted by the University of South Florida, with ArtemiC™ demonstrating up to 85% survival in treated mice compared with 0% in controls in a severe viral inflammatory model. The study also demonstrated reductions in viral load and cytokine-driven inflammation, providing further preclinical support for ArtemiC™ and its U.S. commercial strategy.

Peer-Reviewed CannEpil® Case Study

A new peer-reviewed case study published during the year reported positive outcomes from the use of CannEpil® in a paediatric patient with treatment-resistant Lennox-Gastaut Syndrome. The report highlighted improvements

Directors' Report

in seizure control, cognitive function, mobility and overall quality of life, adding to the growing body of clinical and real-world evidence supporting CannEpil® in complex epilepsy syndromes.

Administrative Expenses

Administrative expenses decreased by 43%, from $12.1 million in FY2025 to $6.9 million in FY2026. The reduction is primarily attributable to the non-recurrence of one-off costs incurred in the prior year in connection with the Company's capital markets and international listing activities, including significant share-based payments, elevated legal and advisory fees from The Crone Law Group, Aboudi Legal Group and Shachar Shimony relating to the listing process and associated financing arrangements, and substantial public relations engagements with Shelron Group Inc. and Sputnik Enterprises Ltd undertaken to support capital raising and market awareness. Furthermore, In FY2026, professional and consultancy fees decreased from $3.28 million to $1.1 million, and investor relations and public relations costs decreased from $1.84 million to $0.73 million, with professional fees relating mainly to the ongoing integration of the CannPal and Neuvis programmes and support for the Group's operations, and investor relations activity conducted through smaller, ongoing retainer arrangements. Accordingly, the decrease reflects a shift from transaction-driven, one-off expenditure in the prior year to more routine operating costs in the current year, rather than a change in the Group's underlying cost base.

Corporate

During the period, Argent BioPharma secured funding from two investment funds managed by US-based C/M Capital Partners, LP and has entered into a new convertible securities financing agreement with C/M Capital Master Fund, LP and WVP Emerging Manager Onshore Fund LLC , both United States-based institutional funds to provide the Company with a substantial funding facility of up to a total of A$11,000,000. This included an immediate $3,000,000 drawdown for working capital and to complete the AusCann asset acquisition.

C/M Capital have been a long term financier and key supporter of Argent since 2020 and are very pleased to continue their financial and advisory support to the Company. C/M Capital have deep rooted experience and expertise in investing in biotech and biopharma technology and development companies in the USA and on the ASX, including funding companies like Dimerix Limited (ASX: DXB).

In May 2026, the Company appointed Mr Andrew Chapman as a director following the resignation of Gary Hermon. Mr Chapman brings extensive experience across public markets, corporate strategy, and life sciences transactions, including his previous leadership roles within ASX-listed companies and involvement in the development and commercialisation of pharmaceutical and EU-GMP manufacturing assets. Mr Chapman has Graduate and Post Graduate qualifications in Business, Finance and Hospitality. He established Merchant Group in 2011, after spending 9 years with one of Perth's leading private wealth managers.

Events Subsequent to Reporting Date

Refer to note 28 of the consolidated financial report for details of events that occurred after the reporting period.

Directors' Report

Information on Directors and Secretaries

Names, qualifications and experience of current directors and company secretaries:

Roby Zomer – *Chairman*
Mr Zomer is an accomplished executive with extensive experience in the biopharmaceutical and biotech industries. As the Managing Director of the company, Roby has demonstrated strong leadership in driving strategic growth, managing financial operations, and ensuring compliance with industry-specific standards. He also served as the Chairman of the Board for Graft Polymer, overseeing the implementation of advanced polymer solutions in the Biotech, Automotive and Recycling sectors. Roby's entrepreneurial background includes founding and leading Green City Urban Recycling, a pioneering Israeli company focused on biofuel production. His innovative work in this field contributed to national energy independence initiatives and led to the company's acquisition by Rafael Advanced Defence Systems. With a solid industrial engineering and management foundation, Roby Zomer brings a unique blend of technical and strategic skills to his professional endeavours.

Interest in RGT securities held as at date of this report
17,000,000 Performance Rights.
Chitta Lu Limited (an entity controlled by Mr Zomer)
1 Fully Paid Ordinary Shares
HSBC Custody Nominees (Australia) Limited (shares held via custodial account)
6,003,588 Fully Paid Ordinary Shares

Directorships held in other ASX listed entities in the past three years
Nil.

Andrew Chapman– *Non-Executive Director*
Mr Chapman brings extensive experience across public markets, corporate strategy, and life sciences transactions, including his previous leadership roles within ASX-listed companies and involvement in the development and commercialisation of pharmaceutical and EU-GMP manufacturing assets. Mr Chapman has Graduate and Post Graduate qualifications in Business, Finance and Hospitality. He established Merchant Group in 2011, after spending 9 years with one of Perth's leading private wealth managers.

Interest in RGT securities held as at date of this report
AusCann Group Holdings Limited
20,000,000 ordinary shares.
Directorships held in other ASX listed entities in the past three years
AusCann Group Holdings Limited
Cycliq Group Limited

Daniel Robinson, BCom. (Prop.), MAICD– *Non-Executive Director*
Mr Robinson has over 20 years' experience in a broad range of corporate roles across stockbroking, corporate advisory, investor relations and governance. He is an experienced Company Secretary and Director of both private and listed companies. Additionally, Mr Robinson is a Member of the Australian Institute of Company Directors.

Interest in RGT securities held as at date of this report
120,000 unlisted options.
500,000 ordinary shares.

Directorships held in other ASX listed entities in the past three years
Nil.

Directors' Report

Rowan Harland – Company Secretary

Mr Harland is a corporate advisory executive at SmallCap Corporate, a Perth based corporate advisory firm. Mr Harland currently serves as Company Secretary to a number of listed and unlisted companies both in Australia and internationally, being involved in a variety of domestic and international transactions and equity raisings.

Mr Harland is an associate member of the Governance Institute of Australia and holds a Master of Finance and Bachelor of Commerce degrees from Curtin University.

Business Risks

Sufficiency of funding

The Group's business strategy will require substantial expenditure and there can be no guarantees that the Company's existing cash reserves and funds generated over time by the Company's business will be sufficient to successfully achieve all the objectives of the Company's business strategy. Further funding of projects may be required by the Company to support the ongoing activities and operations of the Group, including the need to conduct further research and development, enhance its operating infrastructure and to acquire complementary businesses and technologies.

Accordingly, the Company may need to engage in equity or debt financing to secure additional funds. If the Company is unable to use debt or equity to fund expansion after utilising existing working capital, there can be no assurance that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or at all.

Any additional equity financing may be dilutive to the Company's existing Shareholders and any debt financing, if available, may involve restrictive covenants, which limit the Company's operations and business strategy. If the Company is unable to raise capital if and when needed, this could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

Default Risk – Debt and Convertible Securities Agreement

C/M Capital and WVP Emerging Manager Onshore Fund - Australian Dollar (A$) Denominated Facility

In November 2025, the Company entered into a financing agreement with C/M Capital Partners, LP (C/M Capital) and WVP Emerging Manager Onshore Fund LLC (VWP) for up to A$11,000,000. Under the agreement, the Company may draw funds through the issue of convertible notes, subject to the terms and conditions of the facility.

Subsequent to the reporting period, the Company made drawdowns under the facility and issued convertible notes to C/M Capital and VWP. During 2026, a portion of the convertible notes issued under the facility were converted into ordinary shares in the Company in accordance with the terms of the agreement.

The Company is exposed to default risk in relation to its financing arrangements where amounts owing under convertible notes are not converted or otherwise satisfied in accordance with their respective terms. The Directors continue to monitor the Company's funding requirements and its ability to meet its obligations as they fall due.

In November 2025, the parties executed a Deed of Variation to amend the minimum conversion price to A$0.04 and to extend the maturity date to 28 November 2026.

MERCER- US Dollar (US$) Denominated Facility

In July 2021, the Company entered into a US$10,000,000 convertible note facility with Mercer, which is set to expire on 18 January 2024. Notes issued under this facility have a face value of US$1.00 each and are repayable 18 months from drawdown, unless converted or repurchased earlier.

Between 19 July 2022 and 7 March 2023 (PY), the Company drew down US$4,733,120 (A$7,581,350) from this facility, issuing an equivalent number of convertible notes. These notes remain convertible at Mercer's discretion at the lower of A$20.00 or 90% of the lowest daily VWAP over a 10-day period, with a minimum conversion price of A$10.00.

Directors' Report

In November 2025, the parties executed a Deed of Variation to amend the minimum conversion price to A$0.04 and to extend the maturity date to 28 November 2026.

As of the date of this report, a total of $9,522,528 in principal and accrued interest remain outstanding on the notes, which as of the date of this Report, are currently due. Subsequent to 30 June 2026, the Company and Mercer have agreed to extinguish the notes, and the Company is in the process of finalising the associated PPSR cancellation.

The Group does not have its own distribution operations and is reliant on contractual arrangements with third parties.

The Group does not have its own distribution capability and at present, relies on partnerships with pharmaceutical distributors and logistics providers in key territories to facilitate the import and distribution of its products.

The Group's intellectual property protection may be limited

The Company is actively trademarking both its brands and ingredients of the Group's product suites and has filed for trademarks in both the EU and Australia, for CannEpil®, Cimetra®, CogniCann™. The Group has two patent protections of its products, CimetrA and CannEpil IL. Nevertheless, the patents may be infringed by other companies around the world without the Company's knowledge.

Foreign exchange risks

The Company and its Australian operating subsidiary, Argent BioPharma Research (Aus) Pty Ltd, are incorporated and registered in Australia, the other members of the Group operate in numerous jurisdictions, including the United Kingdom, Slovenia and Malta. Consequently, the Group may generate revenue and incur costs and expenses in more than one currency, predominately the Euro. Accordingly, the depreciation and/or the appreciation of the Euro, for example, relative to the Australian Dollar would result in a foreign currency loss/gain. Any depreciation of the Euro, relative to the Australian Dollar may result in lower than anticipated revenue, profit and earnings of the Company.

Directors' Report

Remuneration Report (Audited)

This report details the nature and amount of remuneration for each key management person of Argent BioPharma Ltd, and for the executives receiving the highest remuneration.

Remuneration Policy

The remuneration policy of Argent BioPharma Ltd has been designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated group's financial results. The Board of Argent BioPharma Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The Board's policy for determining the nature and amount of remuneration for key management personnel of the Group is as follows:

- The remuneration policy, setting the terms and conditions for the key management personnel, was developed and approved by the Board.
- All key management personnel receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives.
- The Board reviews key management personnel packages annually by reference to the consolidated group's performance, executive performance and comparable information from industry sectors.

The performance of key management personnel is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the Group's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Key management personnel are also entitled to participate in the employee securities incentive plan.

All remuneration paid to key management personnel is valued at the cost to the Company and expensed. Shares given to key management personnel are valued as the difference between the market price of those shares and the amount paid by key management personnel. Options are valued using the Black-Scholes methodology.

The Board policy is to remunerate Non-Executive Directors at market rates for time, commitment, and responsibilities. The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties, and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the consolidated group. However, to align directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in the employee securities incentive plan.

Performance-based Remuneration

The Board deemed it appropriate to ensure both management and the Directors had incentive performance rights issued. These performance rights are considered a combination of service-based criteria and milestones linked to share price growth. The Board considers this appropriate, as it aligns with creating shareholder value and also assists retaining key people which are paid at or below market rates to reduce cash outlay.

Directors' Report

Company Performance, Shareholder Wealth and Director and Executive Remuneration

Overview of Company Performance

The table below sets out information about Argent BioPharma Group earnings and movements in shareholder wealth for the past five years up to and including the current financial year.

	30 June 2026	30 June 2025	30 June 2024	30 June 2023	30 June 2022
Net loss after tax ($) attributable to members of the parent entity	(7,710,158)	(17,844,295)	(17,530,600)	(20,823,583)	(20,347,439)
Share price at year end ($)	0.04	0.08	0.34 [1]	0.005	0.02
Basic loss per share (cents)	(8.89)	(31.21)	(47.36)	(0.71)	(0.79)
Dividends paid	-	-	-	-	-

[1] Post 1000:1 share consolidation

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of key management for the Group is as follows:

The remuneration structure for key management personnel is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Company. The contracts for service between the Company and key management personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement key management personnel are paid employee benefit entitlements accrued to date of retirement.

All Directors had contracts in place with the Company during the financial year as detailed below.

Material terms of agreements in place during the financial year:

***Roby Zomer*, Managing Director & CEO**

- Beginning in December 2025, the total monthly cash remuneration has been adjusted from US$17,000 to US$8,000.
- Under the revised arrangement, a monthly fee of US$4,000 is paid to E.R.A. Consulting, a private entity registered in Israel and owned by Mr. Zomer.
- Additionally, Chitta Lu Limited, an entity controlled by Mr. Zomer, receives a revised monthly fee of US$4,000, reduced from the previous amount of US$13,000.

Gary Hermon, Non-Executive Director

- The director agreement commenced on 5 March 2025. Mr. Hermon ceased to be a director on 6 May 2026, and Andrew Chapman has since assumed the role of director.
- During his tenure, the director received a monthly fee of $4,000.

Daniel Robinson, Non-Executive Director

- Director Agreement dated 1 December 2023, no termination date or payment on termination;
- Non-Executive Director fees of $4,000 per month

Andrew Chapman, Non-Executive Director

- The director agreement commenced on 6 May 2026.
- Non-Executive Director fees of US$8,000 per month.

Directors' Report

Details of Remuneration
Key Management Personnel Remuneration

	Short-term Benefits			Post-employment benefits				
Directors	Cash and salary	Performance Bonus	Other	Super-annuation	Termination benefits	Equity	Share based Payments	Total
	$	$	$	$	$	$	$	$
2026								
Roby Zomer	478,158	-	-	-	-	-	59,326	537,484
Gary Hermon	44,000	-	-	-	-	-	20,000	64,000
Daniel Robinson	48,000	-	-	-	-	-	20,000	68,000
Andrew Chapman	12,700	-	-	-	-	-	-	12,700
Total	**582,858**	**-**	**-**	**-**	**-**	**-**	**99,326**	**682,184**
2025								
Roby Zomer	315,524	-	-	-	-	2,120,000	-	2,435,524
Gary Hermon	11,484	-	-	-	-	-	-	11,484
Daniel Robinson	44,000	-	-	-	-	-	-	44,000
Layton Mills	36,000	-	-	-	-	-	-	36,000
Total	**407,008**	**-**	**-**	**-**	**-**	**2,120,000**	**-**	**2,527,008**

All Directors have contracts with the Company.

Option Holdings of Key Management Personnel

Directors	Opening Balance	Granted as Compensation	Options Exercised	Net Other Changes	Balance at Date of Retirement	Closing Balance (vested and exercisable)
2026	No.	No.	No.	No.	No.	No.
Roby Zomer	-	-	-	-	-	-
Daniel Robinson	120,000	-	-	-	-	120,000
Andrew Chapman	-	-	-	-	-	-
Gary Hermon	-	-	-	-	-	-
Total	**120,000**	**-**	**-**	**-**		**120,000**
2025						
Roby Zomer	-	-	-	-		-
Daniel Robinson	120,000	-	-	-		120,000
Layton Mills	120,000	-	-	-		120,000
Gary Hermon	-	-	-	-		-
Total	**240,000**	**-**	**-**	**-**		**240,000**

Directors' Report

Performance Rights held by Key Management Personnel

Details of performance rights held directly, indirectly or beneficially by KMP and their related parties are as follows:

Directors	Opening Balance	Granted as Compensation	Performance Rights Exercised	Net Other Changes	Balance at Date of Retirement	Closing Balance	Vested Unexercised
2026							
Roby Zomer	-	17,000,000	-	-	-	17,000,000	-
Gary Hermon	-	-	-	-	-	-	-
Daniel Robinson	-	-	-	-	-	-	-
Andrew Chapman	-	-	-	-	-	-	-
Total	**-**	**17,000,000**	**-**	**-**	**-**	**17,000,000**	**-**
2025							
Roby Zomer	4,900	-	-	(4,900)	-	-	-
Gary Hermon	-	-	-	-	-	-	-
Daniel Robinson	-	-	-	-	-	-	-
Layton Mills	-	-	-	-	-	-	-
Total	**4,900**	**-**	**-**	**(4,900)**	**-**	**-**	**-**

Shareholdings of Key Management Personnel

Details of equity instruments (other than options and rights) held directly, indirectly or beneficially by KMP and their parties are as follows:

Shareholdings

Directors	Opening Balance	Granted as Compensation	Convertible Securities Exercised	Net Other Changes	Balance at Date of Retirement	Closing Balance
2026						
Roby Zomer	5,292,321	711,267	-	-	-	6,003,588
Gary Hermon	-	500,000	-	-	500,000	-
Andrew Chapman	-	-	-	20,000,000	-	20,000,000
Daniel Robinson	-	500,000	-	-	-	500,000
Total	5,292,321	1,711,267	-	20,000,000	500,000	26,503,588
2025						
Roby Zomer	33,820	4,000,000	-	1,258,501		5,292,321
Gary Hermon	-	-	-	-	-	-
Layton Mills	-	-	-	-	-	-
Daniel Robinson	-	-	-	-	-	-
Total	33,820	4,000,000	-	1,258,501	-	5,292,321

End of Remuneration Report

Directors' Report

Meetings of Directors

The Directors attendances at Board meetings held during the year were:

	Board Meetings	
	Eligible to Attend	Attended
Roby Zomer	3	3
Gary Hermon[i]	2	2
Daniel Robinson	3	3
Andrew Chapman [ii]	1	1

i. Ceased being a director 6 May 2026

ii. Appointed as a director 6 May 2026

In addition to attending board meetings a number of Board Resolutions were passed by Written Resolution.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Argent BioPharma Ltd support and have adhered to the principles of sound corporate governance. The Board recognises the recommendations of the ASX Corporate Governance Council, and considers that the Company is in compliance with many of those guidelines which are of importance to the commercial operation of the Company. During the financial year, shareholders continued to receive the benefit of an efficient and cost-effective corporate governance policy for the Company. The Company's Corporate Governance Policy is available for review on the Company's website https://argentbiopharma.com/.

Options

At the date of this report the options on issue for Argent BioPharma Ltd are as follows:

Date of Expiry	Exercise Price	Number
14 Jul 2026	£1.20	540,668
31 July 2026	$3.00	181,422
10 Jan 2027	$1.00	740,000
28 Mar 2027	$0.42	240,000
3 Jul 2027	US$1.20	312,500
17 Jul 2027	US$1.20	1,250,000
16 Jan 2028	US$0.55	2,500,000
23 Apr 2028	US$0.40	5,500,000
7 Nov 2028	US$0.32	15,500,000
1 Dec 2028	$0.86	288,185
3 Dec 2028	$0.10	21,950,952
1 Apr 2029	$0.70	642,000
20 Mar 2029	$0.20	2,100,000
1 Apr 2029	$0.70	82,000
23 Apr 2032	US$0.20	16,500,000
TOTAL		**68,327,727**

Rights

At the date of this report the performance rights on issue for Argent BioPharma Ltd are as follows:

Description	Exercise Price	Vested	Number
Performance Rights (P12)	nil	no	17,000,000
Performance Rights (P11)	nil	no	2,500,000
Performance Rights Class A (PR8)	nil	no	200,000
Performance Rights Class B (PR9)	nil	no	200,000
Performance Rights Class C (P10)	nil	no	200,000
TOTAL			**20,100,000**

Directors' Report

Convertible Notes

At the date of this report the convertible notes on issue for Argent BioPharma Ltd are as follows:

Issue Date	Minimum Conversion Price	Face Value per security	Maturity Date	Number
AUD CONVERTIBLE NOTES				
20 Nov 2020	$10.00[1]	A$1.00	28 Nov 2026	296,100
3 Dec 2025	$10.00[1]	A$1.00	2 Jul 2027	3,300,000
USD Convertible Notes				
4 Aug 2022	$10.00[1]	US$1.00	28 Nov 2026	1,320,000
26 Aug 2022	$10.00[1]	US$1.00	28 Nov 2026	825,000
23 Sep 2022	$10.00[1]	US$1.00	28 Nov 2026	605,000
1 Nov 2022	$10.00[1]	US$1.00	28 Nov 2026	660,000
28 Dec 2022	$10.00[1]	US$1.00	28 Nov 2026	586,432
3 Feb 2023	$10.00[1]	US$1.00	28 Nov 2026	660,000
8 Mar 2023	$10.00[1]	US$1.00	28 Nov 2026	550,000
Total				**8,802,532**

1. The 1,000:1 share consolidation in November 2023 adjusted the minimum conversion price from $0.01 to $10.00.

Indemnifying Officers or Auditor

The Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:
The Company has paid premiums to insure all of the Directors of the Company as named above, the company secretary and all executive officers of the Company against any liability incurred as such by a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the notice of the liability and the amount of the premium.

To the extent permitted by law, the Company has agreed to indemnify its auditors, Hall Chadwick, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Hall Chadwick during or since the financial year.

Proceedings on behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

State of Affairs

During the financial year, the Group's state of affairs was significantly affected by several strategic transactions. In December 2025, the Company's Slovenian subsidiary, Argent BioPharma d.o.o., was placed into liquidation following a Board decision to cease manufacturing operations at that site, resulting in a statutory loss on liquidation of $55,395. On 13 April 2026, following shareholder approval, the Company completed the acquisition of AusCann Group Holdings Ltd's 48% interest in CannPal Animal Therapeutics Pty Ltd together with an option over the Neuvis® drug-delivery platform, strengthening the Group's neurological pipeline. Separately, the Company's Malta manufacturing facility has, under a 49-year strategic collaboration entered into with David Trading Ltd, transitioned to David Trading's operating, managerial and financial responsibility, reducing the Group's associated cost base and liability exposure.

Likely developments and expected results

Other than as set out above, and in accordance with section 299(3) of the Corporations Act 2001 (Cth), the Directors have not included further information on likely developments in the Group's operations or expected future results, as to do so would, in their reasonable opinion, be likely to result in unreasonable prejudice to the Group.

Directors' Report

Non-audit Services

The group's auditor, Hall Chadwick, provided tax compliance services as part of their non-audit services. Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Auditor's Independence Declaration

The lead auditor's independence declaration for the year ended 30 June 2026 has been received and can be found on the following page of the financial report.

This report is made in accordance with a resolution of the Directors. These financial statements were authorised for issue in accordance with a resolution by the Directors of the Company on 31 August 2026.

R. Zomer

Roby Zomer
Chairman
31 August 2026

HALL CHADWICK
Chartered Accountants & Business Advisors

ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ARGENT BIOPHARMA LTD

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Argent BioPharma Ltd. As the lead audit partner for the audit of the financial report of Argent BioPharma Ltd for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

VINAY SHEORAN
Partner
Dated: 31 August 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	30-Jun-26 $	30-Jun-25 $
Revenue from contracts with customers	*4a)*	161,187	180,565
Cost of sales	*5a)*	(200,805)	(137,124)
Gross loss / (profit)		**(39,618)**	**43,441**
Other operating income	*4c)*	-	723,421
Administrative expenses	*5b)*	(6,863,687)	(12,119,980)
Research and development expenses		(490,189)	(3,591,536)
Other operating expenses	*5c)*	(59,965)	(822,186)
Expected credit loss on financial assets		(14,661)	-
Impairment expense on investment		-	(1,408,140)
Operating loss		**(7,468,120)**	**(17,174,980)**
Finance costs	*5e)*	(33,709)	(51,304)
Finance income	*4b)*	-	2,244
Other expenses	*5d)*	(834,694)	(620,255)
Loss on liquidation of subsidiary	*20)*	(55,395)	-
Share in the profit of associate	*11)*	13,673	-
Other income	*4d)*	668,087	-
Loss before income tax		**(7,710,158)**	**(17,844,295)**
Income tax expense	*6)*	-	-
Loss for the year		**(7,710,158)**	**(17,844,295)**
Attributable to:			
Members of the parent entity		(7,710,158)	(17,844,295)
Non-controlling interest		-	-
		(7,710,158)	**(17,844,295)**
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss			
Reclassification of foreign currency translation reserve	*20)*	614,470	-
Exchange differences on the translation of foreign operations		(403,826)	(980,042)
Other comprehensive income / (loss) (net of tax) for the year		**210,644**	**(980,042)**
Total comprehensive loss for the year		**(7,499,514)**	**(18,824,337)**
Total comprehensive loss attributable to:			
Members of the parent entity		(7,499,514)	(18,824,337)
Non-controlling interest		-	-
		(7,499,514)	**(18,824,337)**
Earnings per share			
Basic and diluted loss for the year attributable to ordinary equity holders of the parent	*17)*	(8.89)	(31.21)

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

As at 30 June 2026

	Note	30-Jun-26 $	30-Jun-25 $
CURRENT ASSETS			
Cash and cash equivalents	*7)*	141,456	1,024,405
Inventory	*8)*	-	132,671
Trade and other receivables	*9)*	238,866	375,648
Prepayments		79,170	496,890
Total Current Assets		**459,492**	**2,029,614**
NON-CURRENT ASSETS			
Plant and equipment	*10)*	49,028	79,088
Investment in entities accounted for using equity method	*11)*	733,673	-
Right-of-use assets	*13)*	52,666	358,976
Total Non-Current Assets		**835,367**	**438,064**
TOTAL ASSETS		**1,294,859**	**2,467,678**
CURRENT LIABILITIES			
Trade and other payables	*12a)*	1,151,768	2,791,655
Financial liabilities at fair value through profit or loss	*14)*	7,375,615	7,929,515
Lease liabilities	*13)*	13,674	109,182
Total Current Liabilities		**8,541,057**	**10,830,352**
NON-CURRENT LIABILITIES			
Provisions		-	18,706
Financial liabilities at fair value through profit or loss	*14)*	2,146,913	-
Lease liabilities	*13)*	52,094	248,545
Total Non-Current Liabilities		**2,199,007**	**267,251**
TOTAL LIABILITIES		**10,740,064**	**11,097,603**
NET (LIABILITIES) ASSETS		**(9,445,205)**	**(8,629,925)**
EQUITY			
Contributed equity	*15a)*	140,691,331	138,587,034
Share based payment reserve	*15bi)*	5,927,273	1,347,336
Foreign currency translation reserve	*15bii)*	(840,933)	(1,051,577)
Accumulated losses		(155,222,876)	(147,512,718)
Equity attributable to equity holders of the parent		**(9,445,205)**	**(8,629,925)**
Non-controlling interest		-	-
TOTAL EQUITY		**(9,445,205)**	**(8,629,925)**

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

	Contributed Equity	Share Based Payment Reserve	Foreign Currency Translation Reserve	Consolidation Reserve	Retained Earnings	Non-Controlling Interest	Total
	$	$	$	$	$	$	$
Balance at 1st July 2024	**123,288,573**	**1,298,937**	**(71,535)**	**-**	**(129,668,423)**	**(672,372)**	**(5,824,820)**
Other comprehensive income	-	-	(980,042)	-		-	(980,042)
Loss after income tax expense	-	-	-	-	(17,844,295)	-	(17,844,295)
Total comprehensive loss for the year	**-**	**-**	**(980,042)**	**-**	**(17,844,295)**	**-**	**(18,824,337)**
Shares issued during the year (net of share issue costs)	14,748,345	-	-	-	-	-	14,748,345
Exercise of performance rights	116	(116)	-	-	-	-	-
Share based payments	-	48,515	-	-	-	-	48,515
Derecognition of MGC Pharmaceuticals (sro)	-	-	-	-	-	672,372	672,372
Conversion of convertible note	550,000	-	-	-	-	-	550,000
Balance at 30 June 2025	**138,587,034**	**1,347,336**	**(1,051,577)**	**-**	**(147,512,718)**	**-**	**(8,629,925)**
Balance at 1st July 2025	**138,587,034**	**1,347,336**	**(1,051,577)**	**-**	**(147,512,718)**	**-**	**(8,629,925)**
Other comprehensive loss	-	-	210,644	-		-	210,644
Loss after income tax expense	-	-	-	-	(7,710,158)	-	(7,710,158)
Total comprehensive loss for the year	**-**	**-**	**210,644**	**-**	**(7,710,158)**	**-**	**(7,499,514)**
Shares issued during the year (net of share issue costs)	1,136,946	-	-	-	-	-	1,136,946
Options issued during the period	-	1,687,781	-	-	-	-	1,687,781
Exercise of performance rights	-	-	-	-	-	-	-
Share based payments	413,451	2,892,156	-	-	-	-	3,305,607
Derecognition of MGC Pharmaceuticals (sro)	-	-	-	-	-	-	-
Conversion of convertible note	553,900	-	-	-	-	-	553,900
Balance at 30 June 2026	**140,691,331**	**5,927,273**	**(840,933)**	**-**	**(155,222,876)**	**-**	**(9,445,205)**

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Note	30-Jun-26 $	30-Jun-25 $
Cash flows from operating activities			
Receipts from customers		197,957	266,209
Payments to suppliers and employees		(3,905,159)	(6,566,476)
Payments for research expenses		(274,725)	(3,354,969)
Government grants and tax incentives		-	320,539
GST/VAT Refund / (paid)		(43,150)	44,073
Interest received / (paid)		-	11,000
Net cash used in operating activities		**(4,025,077)**	**(9,279,624)**
Cash flows from investing activities			
Proceeds from disposal of plant and equipment		891	211,062
Purchase of plant and equipment		(1,612)	(2,231)
Net cash provided by (used in) investing activities		**(721)**	**208,831**
Cash flows from financing activities			
Proceeds / (Repayment) of borrowings		3,000,000	(200,000)
Proceeds from issue of shares and conversion of options		271,978	10,399,109
Payment of lease liabilities		(119,427)	(239,255)
Transaction costs on issue of shares		(11,189)	(567,523)
Net cash provided by financing activities		**3,141,362**	**9,392,331**
Net increase / (decrease) in cash and cash equivalents held		(884,436)	**321,538**
Cash and cash equivalents at beginning of year		1,024,405	702,870
Foreign exchange movement in cash		1,487	(3)
Cash and cash equivalents at end of year	*7)*	**141,456**	**1,024,405**

The accompanying notes form part of these financial statements

Notes to the Financial Statements

Contents of the Notes to the Financial Statements

Notes to the Financial Statements

1. CORPORATE INFORMATION

The financial statements of Argent BioPharma Ltd for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of Directors on 31 August 2026. These consolidated financial statements and notes represent those of Argent BioPharma Ltd (the "Company") and Controlled Entities (the "consolidated group" or "Group"). Argent BioPharma Ltd is a for-profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange ("ASX"). The registered office of the Company is Suite 1, 295 Rokeby Road, Subiaco, WA 6008, Australia.

Argent BioPharma Ltd is a clinical-stage biopharmaceutical company pioneering nano-engineered therapeutics that reset the balance between the nervous and immune systems. Its lead assets, CannEpil® and CimetrA®, target immune dysregulation in drug-resistant epilepsy and cytokine-driven inflammatory disorders, respectively. The company's proprietary delivery technologies enhance penetration across the blood–brain and alveolar-capillary barriers, supporting differentiated efficacy and composition-of-matter protection. With integrated EU-GMP manufacturing, clinical-stage programs, and a unified Neuro-Immune Modulatory platform, Argent BioPharma is advancing a high-impact pipeline that excludes oncology and focuses on urgent unmet needs in CNS and systemic inflammation.

The Company's founders and executives are key figures in the global pharmaceuticals industry and the core business strategy is to develop and supply high quality plant inspired medicines for the growing demand in the medical markets in Europe, North America and UK.

Argent BioPharma has partnered with renowned institutions and academia to optimise the development of targeted plant inspired medicines, to be produced in the Company's EU-GMP Certified manufacturing facilities.

Argent BioPharma has a growing patient base in Australia, the UK, Brazil, and Ireland and has a global distribution footprint via an extensive network of commercial partners meaning that it is poised to supply the global market.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Financial report prepared on a going concern basis

The financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

At 30 June 2026, the Group had a cash and cash equivalents balance of $141,456 and had a net working capital deficit of $8,081,565, which included convertible notes with a face value of A$3,596,100 and US$5,206,432. The Group incurred a loss for the year ended 30 June 2026 of $7,710,158 and had net cash outflows from operating and investing activities of $4,025,798.

Notes to the Financial Statements

The Group's cashflow forecast for the 12 months ending 30 September 2027 indicates that the Group will require additional capital to refinance existing debt and fund ongoing corporate expenditure and working capital requirements.

At the date of this report, the directors are satisfied there are reasonable grounds to believe that the Group will be able to continue its planned operations, meet its obligations as and when they fall due and thus continue as a going concern, for the following reasons:

- On 19 July 2022, the Group entered into a convertible securities finance agreement with Mercer Street Global Opportunity Fund, LLC ("Mercer") to provide the Group with a funding facility of up to US$10,000,000. Subsequent to year end, on 7 July 2026, the Company entered into a binding transaction framework for the exclusive global licensing of CannEpil®, its neurological asset for drug-resistant epilepsy, to Splash Beverage Group Inc (NYSE American: SBEV). The transaction delivers US$5.5 million of upfront consideration, structured through the forgiveness of approximately US$5.5 million of outstanding convertible notes held by Mercer, fully extinguishing the Company's principal secured liability and releasing all associated security interests. Argent retains 100% ownership of existing and future CannEpil® intellectual property and manufacturing know-how, and will receive a 15% net revenue royalty on future SBEV global CannEpil® sales, payable for the longer of 10 years from first commercial sale in each country or expiry of the last-to-expire patent. Argent also retains the primary right to manufacture CannEpil® for SBEV through its EU-GMP facilities. The licence has an initial 20-year term with automatic five-year renewals and remains subject to satisfaction of customary conditions precedent, including completion of the Mercer debt exchange and shareholder approvals.
- In November 2025, the Group entered into convertible securities agreements with C/M Capital Master Fund, LP and WVP Emerging Manager Onshore Fund LLC providing access to funding of up to A$11,000,000. Subsequent to year end, the Group has drawn A$600,000 under this facility (A$350,000 on 14 July 2026 and A$250,000 on 11 August 2026), with further capacity available for drawdown, subject to the investors' discretion and the Company's capacity under Chapter 7 of the ASX Listing Rules, or shareholder approval where required.
- The ability of the Group to raise additional capital in the form of debt and/or equity as part of the future plan.
- Ongoing research and development initiatives are progressing in line with expectations, with several programs approaching critical regulatory milestones.
- The directors continuously monitor the Group's financial position, including sensitivity analysis and scenario planning, to ensure proactive management of any emerging risks.

The ability of the Group to continue as a going concern is dependent on:

- The Group being able to secure additional debt and/or equity funding as and when required during the next 15 months to conduct its planned activities and meet its corporate expenditure requirements.
- Satisfaction of the conditions precedent to the CannEpil® licensing transaction with Splash Beverage Group Inc, including completion of the Mercer debt exchange and shareholder approvals, resulting in the forgiveness of the currently due secured convertible notes held by Mercer in the aggregate outstanding amount of A$7,375,615.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Notes to the Financial Statements

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the revaluation of financial assets and liabilities at fair value through profit or loss.

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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 25.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Argent BioPharma Limited ('company or parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Argent BioPharma Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

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.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Argent BioPharma Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Notes to the Financial Statements

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

a) Trade Receivables 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 30 days.

The consolidated entity 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.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

b) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Notes to the Financial Statements

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Investments in associates
An associate is an entity over which the consolidated entity has significant influence, being the power to participate in the financial and operating policy decisions of the investee but which is not control or joint control over those policies. Investments in associates are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost, and the carrying amount is increased or decreased thereafter to recognise the consolidated entity's share of the post-acquisition change in the investee's net assets, including the investee's profit or loss and other comprehensive income or loss. The consolidated entity's share of the investee's profit or loss is recognised in the consolidated entity's profit or loss, and the consolidated entity's share of movements in the investee's other comprehensive income is recognised in the consolidated entity's other comprehensive income. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment.

Where the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, the consolidated entity discontinues recognising its share of further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealised gains on transactions between the consolidated entity and its associates are eliminated to the extent of the consolidated entity's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

c) Impairment of Non-Financial Assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

d) Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.
An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

Notes to the Financial Statements

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

e) Government Grants

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

f) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

g) Leases

Group as Lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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 consolidated entity 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 consolidated entity 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.

Notes to the Financial Statements

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 consolidated entity'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.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office rental (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

h) Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

i) Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Notes to the Financial Statements

j) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

k) Other significant accounting policies

Refer to the relevant notes to the financial statements for other accounting policies, including revenue (note 4), income taxes (note 6), government grants (note 4), cash and cash equivalents (note 7) inventory (note 8), plant and equipment (note 10) and share-based payments (note 27).

l) 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 consolidated entity for the annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. As the consolidated entity's annual reporting period ends 30 June, the first annual reporting period to which this standard will apply is the year ending 30 June 2028. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027, being the commencement of the financial year ending 30 June 2028, and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

Notes to the Financial Statements

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

a) Share based payments

The consolidated entity 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 fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were 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 profit or loss and equity. Refer to note 27 for further information.

b) Valuation of financial liabilities valued at fair value through profit or loss

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. Refer to notes 14 and 19 for further information.

c) Leases

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

d) Impairment assessment of non-current assets

The consolidated entity assesses impairment of non-current assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Notes to the Financial Statements

e) Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

f) Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

g) Revenue from contracts with customers involving sale of goods

When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

Notes to the Financial Statements

4. REVENUE RECOGNITION

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

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.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

	30-Jun-26 $	30-Jun-25 $
a) Revenue from contracts with customers		
Pharma sales	161,187	176,310
Non-pharma sales	-	4,255
	161,187	**180,565**
b) Finance income		
Interest income calculated using the effective interest rate method	-	2,244
	-	**2,244**
c) Other operating income		
Refund on research and development claim	-	320,539
Government grants	-	402,882
	-	**723,421**

Notes to the Financial Statements

d) Other income	30-Jun-26 $	30-Jun-25 $
Royalties	62,690	-
Gain on disposal of assets	22,395	-
Foreign exchange gain	412,816	-
Others	170,186	-
	668,087	**-**

5. COST OF SALES AND EXPENSES

a) Cost of sales	30-Jun-26 $	30-Jun-25 $
Cost of goods sold – Pharma	200,805	137,098
Cost of goods sold – Non-pharma	-	26
	200,805	**137,124**

b) Administrative expenses		
Professional and consultancy fees	1,105,144	3,276,139
IR/PR Expenses	730,736	1,837,813
Board fees	582,858	510,085
Employee shares and share based payment expense	3,305,607	3,964,515
Staff costs	450,052	946,131
Office and administrative expenses	358,761	483,944
Corporate costs	164,721	288,183
Depreciation and amortisation	164,587	789,139
Advertising and Marketing	1,221	24,031
	6,863,687	**12,119,980**

c) Other operating expenses		
Laboratory operating expenses	34,590	53,768
Inventory write-off	-	644,479
Loss on disposal of plant and equipment	25,375	123,939
	59,965	**822,186**

d) Other expenses		
Realised foreign exchange	-	(360,176)
Change in fair value on financial liabilities at FVTPL	834,694	-
Impairment of plant and equipment	-	980,431
	834,694	**620,255**

e) Finance cost		
Finance costs	33,709	51,304
	33,709	**51,304**

Notes to the Financial Statements

6. INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tax Consolidation

The Company and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidated legislation. Each entity in the Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the ‘stand-alone taxpayer’ approach to allocation. The Group notified the Australian Taxation Office that it had formed an income tax consolidated group to apply from 21 October 2005. The tax consolidated group has entered a tax funding agreement whereby each company in the Group contributes to the income tax payable by the Group in proportion to their contributions to the Group’s taxable income.

The Group has carried forward tax losses which have not been recognised as deferred tax assets as it is not considered sufficiently probable that these losses will be recouped by means of future profits taxable in the relevant jurisdictions.

		30-Jun-26 $	30-Jun-25 $
a)	**Major components of income tax expense for the periods presented:**		
	Current tax	-	-
	Deferred tax	-	-
	Income tax expense	**-**	**-**
b)	**The prima facie tax on (loss) before income tax is reconciled to the income tax as follows:**		
	Prima facie tax payable on (loss) before income tax at 25%	(1,927,540)	(4,461,074)
	Adjustments due to permanent differences	817,863	3,230,608
	Deferred tax assets not brought to account	1,109,677	1,230,466
	Income tax expense	**-**	**-**
c)	**Deferred Tax Assets Not Brought to Account in Australia, the benefits of which will only be realised if the conditions for deductibility set out above are met:**		
	Tax losses	13,512,789	12,951,773
	Temporary differences	539,097	182,608
	Total	**14,051,886**	**13,134,381**

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

	30-Jun-26 $	30-Jun-25 $
Cash at bank	141,456	1,024,405
	141,456	**1,024,405**

Notes to the Financial Statements

8. INVENTORY

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first-in first-out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

	30-Jun-26 $	30-Jun-25 $
Finished goods – at lower of cost and net realisable value	-	-
Raw materials – at cost	-	132,671
	-	**132,671**

Raw materials	30-Jun-26 $
Opening balance at 1 July	132,671
Purchases during the year	68,134
Raw materials consumed	(200,805)
Closing balance	**-**

9. TRADE AND OTHER RECEIVABLES

Trade receivables are generally due for settlement between thirty and ninety days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after reporting date.

Current	30-Jun-26 $	30-Jun-25 $
Trade receivables	93	67,759
GST/VAT receivable	69,973	24,875
Other receivables	168,800	283,014
	238,866	**375,648**

Other receivables are non-interest bearing. The balance primarily includes deposits amounting to $146,539 and a receivable from a key management personnel amounting to A$22,261 (refer to Note 26).

Notes to the Financial Statements

10. PLANT AND EQUIPMENT

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

- Buildings 40 years
- Leasehold improvements 3-10 years
- Plant and equipment 3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

	30-Jun-26 $	30-Jun-25 $
Plant and equipment		
- gross carrying amount at cost	137,097	953,419
- accumulated depreciation	(88,069)	(874,331)
	49,028	**79,088**

	30-Jun-26 $	30-Jun-25 $
Property, plant and equipment movement		
Opening balance at 1 July	79,088	5,661,603
Additions	1,612	2,231
Disposals	(26,266)	(335,001)
Impairment	-	(4,539,459)
Depreciation	(47,221)	(562,591)
Liquidation of subsidiary	(1,133)	-
Foreign exchange	42,948	(147,695)
	49,028	**79,088**

As part of Argent's ongoing optimisation strategy, the Company has ceased its manufacturing operations at its facilities in Slovenia and Malta. The Company has subsequently entered into a 49-year arrangement with David Trading in respect of the Malta facility, under which David Trading has assumed operating, managerial and financial responsibility for the facility.

No reversal of impairment has been recognised in the current reporting period.

Notes to the Financial Statements

11. IMPAIRMENT EXPENSE / INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

On 5 August 2022 the Company acquired 40% of the issued capital of ZAM Software Ltd, a private entity that owns a real-time data collection software with proprietary Artificial Intelligence (AI) algorithms.

In the prior year (FY2025), the group reassessed the carrying value of its 40% investment in ZAM Software Ltd. Analysis had been conducted to evaluate the investment's recoverable amount. As a result, the group had determined that an impairment indicator was present, leading to a full write-down of the investment's carrying value. In FY2025, the group recognised an impairment charge of A$1,408,140.

No reversal of impairment has been recognised in the current reporting period.

On 13 April 2026, the Company completed the acquisition of a 48% interest in CannPal Animal Therapeutics Pty Ltd (CannPal) from AusCann Group Holdings Ltd for a consideration of 20 million shares (valued at A$720,000). CannPal is a veterinary pharmaceutical development programme focused on the treatment of epilepsy in companion animals, with its lead programme targeting seizure management in dogs. The acquisition also included an option to acquire the Neuvis® drug delivery platform.

For the period from 13 April 2026 to 30 June 2026, the Company recognised its share of CannPal's profit of A$13,673, representing its 48% share of CannPal's profit for the period.

The Company has assessed its 48% investment in CannPal for impairment indicators under AASB 128. CannPal's negative net assets pre-date acquisition and reflect R&D expenditure expensed under AASB 138, rather than any post-acquisition deterioration. No loss event or impairment indicator has been identified since acquisition. Accordingly, the Company has concluded the investment's carrying amount is recoverable, and no impairment has been recognised as at 30 June 2026.

12. PAYABLES

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

	30-Jun-26 $	30-Jun-25 $
a) Current trade and other payables		
Trade payables	761,618	1,812,771
Accruals	303,215	319,972
Other payables	86,935	658,912
	1,151,768	**2,791,655**

Notes to the Financial Statements

13. LEASES

Below are the carrying amounts of right-of-use assets recognised for the period:

Right-of-use assets	30-Jun-26 $	30-Jun-25 $
Opening balance at 1 July	358,976	1,058,673
Additions of right-of-use assets in period	-	-
Depreciation of right-of-use assets	(117,366)	(226,548)
Decrease on early termination of lease	-	(547,823)
Decrease due to liquidation of subsidiary	(177,215)	-
Foreign exchange	(11,729)	74,674
Closing balance	**52,666**	**358,976**

Below are the carrying amounts of lease liabilities for the period:

Lease liabilities	30-Jun-26 $	30-Jun-25 $
Opening balance at 1 July	357,727	1,044,724
Additions to lease liabilities	-	-
Interest on lease liabilities	14,979	38,518
Lease payments	(119,427)	(239,255)
Decrease on early termination of lease	-	(560,158)
Decrease due to liquidation of subsidiary	(175,290)	-
Foreign exchange	(12,221)	73,898
Closing balance	**65,768**	**357,727**
Current	13,674	109,182
Non-current	52,094	248,545
Total lease liability	**65,768**	**357,727**

The following amounts were recognised in the consolidated statement of profit or loss and comprehensive income for the period:

	30-Jun-26 $	30-Jun-25 $
Depreciation on right-of-use asset	117,366	226,548
Interest expense on lease liabilities	14,979	38,518
Expense related to short-term leases	63,900	54,343
Total amounts recognised in profit or loss	**196,245**	**319,409**

The following are amounts recognised in the consolidated statement of cash flows:

	30-Jun-26 $	30-Jun-25 $
Total cash outflows for leases	**119,427**	**239,255**

Notes to the Financial Statements

14. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

Convertible notes

Australian Dollar (A$) Denominated Facility

In September 2020, the Company entered into a convertible note facility with Mercer Street Global Opportunity Fund (Mercer) for up to A$15,000,000. Under this agreement, funds could be drawn in exchange for convertible notes with a face value of A$1.00 each, equal to 110% of the amount received. The facility expired on 8 March 2022 and can no longer be accessed. Notes issued under this facility were repayable at face value 12 months from drawdown, unless converted or repurchased earlier.

In February 2023, the Company executed an agreement to extend the maturity date of A$2,100,000 in convertible notes to 1 February 2024 under the 2020 Extension Agreement. These notes remained convertible at Mercer's discretion at the lower of A$35.00 or 92% of the lowest daily VWAP over a 10-day period, with a minimum conversion price of A$10.00.

Additionally, in FY2024, the Company executed a Deed of Variation with Mercer to refinance 500,000 convertible notes from the 2020 facility, reducing the minimum conversion price from A$10.00 to A$0.35.

In November 2024, the Company entered into an agreement with Mercer Street Capital Partners LLC to refinance an additional A$300,000 of notes under the 2020 Convertible Notes facility. As part of this arrangement, the minimum conversion price was revised from A$10.00 to A$0.30, after which the refinanced notes were converted into fully paid ordinary shares.

In January 2025, the Company and Mercer further agreed that A$200,000 would be repaid from the proceeds of the capital raise, with the payment completed on 3 February 2025. As part of this agreement, Mercer also consented to extend the maturity of the lien by 12 months from the investment date, providing the Company with additional flexibility to manage its remaining debt obligations.

Subsequently, on 22 April 2025, the Company received a Conversion Notice from Mercer. The Managing Director has since finalised a commercial agreement under which a further A$250,000 of the 2020 Note facility will be converted into fully paid ordinary shares at a conversion price of A$0.11.

Change in FY2026:

During the reporting period, In September 2025, 400,000 notes were converted to 3,333,333 ordinary shares. This resulted in the minimum conversion price being amended to A$0.12. In November 2025, the parties executed a Deed of Variation to amend the minimum conversion price to A$0.04 and to extend the maturity date to 28 November 2026.

In November 2025, the Company entered into convertible securities agreements with C/M Capital Master Fund, LP and WVP Emerging Manager Onshore Fund LLC – C/M Capital Series. Under the agreements, the investors agreed to invest an aggregate amount of A$3,000,000, with the potential to increase the total investment to an aggregate of A$8,000,000 through further investments.

Under this agreement, funds could be drawn in exchange for convertible notes with a face value of A$1.00 each, equal to 110% of the amount received. During the period, the Company received initial investments of A$1,950,000 and A$1,050,000 under the respective agreements.

In connection with the A$3,000,000 of convertible notes issued during the period, the Company also issued 21,950,952 free attaching options to the investors. The fair value of these options, amounting to A$1,687,781, has been recognised directly in the Options Reserve in accordance with AASB 132. The residual proceeds of A$1,312,219 have been recognised as a financial liability at fair value through profit or loss. During the year, the Company has recognised a change in fair value amounting to A$834,694 in Other Expense.

Notes to the Financial Statements

US Dollar (US$) Denominated Facility

In July 2021, the Company entered into a US$10,000,000 convertible note facility with Mercer, which is set to expire on 18 January 2024. Notes issued under this facility have a face value of US$1.00 each and are repayable 18 months from drawdown, unless converted or repurchased earlier.

Between 19 July 2022 and 7 March 2023, the Company drew down US$4,733,120 (A$7,581,350) from this facility, issuing an equivalent number of convertible notes. These notes remain convertible at Mercer's discretion at the lower of A$20.00 or 90% of the lowest daily VWAP over a 10-day period, with a minimum conversion price of A$10.00.

In November 2025, the parties executed a Deed of Variation to amend the minimum conversion price to A$0.04 and to extend the maturity date to 28 November 2026.

The convertible notes are determined to be hybrid financial instruments and have been designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss	30-Jun-26 $	30-Jun-25 $
Convertible notes		
Opening balance – at 1 July	7,929,515	8,679,515
Issue of Convertible Note	3,000,000	-
Fair value of options recognised in equity	(1,687,781)	-
Converted to ordinary shares	(553,900)	(550,000)
Repayment of borrowing	-	(200,000)
Change in fair value recognised in profit or loss	834,694	-
Closing balance – fair value at 30 June	**9,522,528**	**7,929,515**

The fair value (Level 3) of the hybrid contract was determined using valuation techniques including use of a Black-Scholes option pricing model, with estimates of projected conversion prices and the following significant inputs to the valuation at 30 June 2026.

	Australian dollar facility	US dollar facility
Valuation date	30 June 2026	30 June 2026
Share price	$0.04	$0.04
Exercise price [1]	$0.04 to $35.00	$0.04 to $35.00
Expiry date	Nov 2026 – Jul 2027	Nov 2026
Expected future volatility	100%	100%
Risk free rate	4.41%	4.41%
Dividend yield	nil	nil

[1] *calculated using a weighted average of $0.030*

Notes to the Financial Statements

15. CONTRIBUTED EQUITY AND RESERVES

a) Contributed equity

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.

	30-Jun-26 NUMBER	30-Jun-25 NUMBER	30-Jun-26 $	30-Jun-25 $
Ordinary shares on issue, fully paid	111,109,584	72,183,153	140,691,331	138,587,034
	111,109,584	**72,183,153**	**140,691,331**	**138,587,034**

Reconciliation of movement in share capital:

	No. Of Shares	Issue Price	Amount
Opening balance on 01 July 2025	**72,183,153**		**138,587,034**
Conversion of Mercer Convertible Notes - 4 Sep 2025	3,333,333	0.1200	400,000
Issue of Shares to Creditors- 12 Sep 2025	2,252,381	0.1043	235,000
Issue of Shares to Employees - 12 Dec 2025	5,000,000	0.0690	345,000
Issue of Shares to Creditors- 12 Dec 2025	616,000	0.0700	43,120
Conversion of Mercer Convertible Notes - 15 Jan 2026	1,000,000	0.0564	56,400
Issue of Shares to Creditors - 10 Feb 2026	2,557,450	0.0560	143,217
Conversion of Mercer Convertible Notes - 27 Feb 2026	1,000,000	0.0475	47,500
Conversion of Mercer Convertible Notes - 20 Mar 2026	1,250,000	0.0400	50,000
Issue of Shares to Employees - 10 Apr 2026	1,711,267	0.0400	68,451
Issue of Shares to Creditors - 10 Apr 2026	206,000	0.0330	6,798
Issue of Shares to AusCann - 13 Apr 2026	20,000,000	0.0360	720,000
Less: Costs of issue			(11,189)
Closing balance on 30 June 2026	**111,109,584**		**140,691,331**

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.

Capital risk management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

Notes to the Financial Statements

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. During the financial year, the group executed a Deed of Variation with Mercer to renegotiate the repayment terms of the secured convertible notes, including revising the maturity date and conversion price to reflect current market conditions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report.

b) Reserves

i. Share Based Payment Reserve

	30-Jun-26 $	30-Jun-25 $
Opening balance at 1 July	1,347,336	1,298,937
Options attached to convertible notes	1,687,781	-
Exercise of performance rights	-	(116)
Share based payments	2,892,156	48,515
	5,927,273	**1,347,336**

ii. Foreign currency translation reserve

	30-Jun-26 $	30-Jun-25 $
Opening balance at 1 July	(1,051,577)	(71,535)
Currency translation differences arising during the year	210,644	(980,042)
	(840,933)	**(1,051,577)**

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.

16. DIVIDENDS

Dividends are recognised when declared during the financial year and no longer at the discretion of the company.

No dividends have been paid or provided in 2026 and 2025 financial year.

Notes to the Financial Statements

17. EARNINGS PER SHARE

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Argent BioPharma Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

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.

	30-Jun-26	30-Jun-25
Earnings per share		
Basic loss per share (cents)	(8.89)	(31.21)
Diluted loss per share (cents)	(8.89)	(31.21)
Reconciliation of earnings to profit or loss	**$**	**$**
(Loss) used in calculating basic and diluted EPS	(7,710,158)	(17,844,295)
	Number	**Number**
Weighted average number of ordinary shares and potential ordinary shares		
Weighted average number of ordinary shares used in calculating basic and diluted EPS	86,724,249	57,171,995

At 30 June 2026, the Company had the following convertible securities on issue: performance rights 20,100,000 (2025: 600,000), options 68,327,727 (2025: 44,194,775) and convertible notes face value of A$3,596,100 and US$5,206,432. Given the Group made a loss during the current financial year, these potential shares are considered non-dilutive and therefore not included in the diluted EPS calculation.

18. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

The Group’s financial instruments consist mainly of cash at bank, payables, receivables and convertible notes.
The Group has not formulated any specific management objectives and policies with respect to debt financing, derivatives or hedging activity. As a result, the Group has not formulated any specific management objectives and policies in respect to these types of financial instruments. Should the Group change its position in the future, a considered summary of these policies will be disclosed at that time.

The Group’s current exposure to the risk of changes in the market is managed by the Board of Directors.

Market risks
The Group is exposed to a variety of financial risks through its financial instruments, for example, interest rate risk, liquidity risk and credit risk, equity price risk on the convertible notes, as well as foreign currency risk.

Notes to the Financial Statements

Interest rate risk

At reporting date, other than leases and the convertible notes carried at fair value, the Group does not have long term borrowings and its exposure to interest rate risk is assessed as low. The group monitors its interest rate risk through sensitivity analysis, as outlined below.

The consolidated group's exposure to interest rate risk which is the risk that a financial instrument's value will fluctuate because of changes in market interest rates and the effective weighted average interest rates on classes of financial assets of the Group are summarised in the following tables:

30-Jun-26	Floating interest rate $	1 Year or less $	Over 1 to 5 years $	Over 5 Years $	Non-interest bearing $	Remaining contractual maturities $	Weighted average interest rate %
Financial assets							
Cash and cash equivalents	141,456	141,456	-	-	-	141,456	0.10%
Trade and other receivables	-	-	-	-	238,866	238,866	
	141,456	**141,456**	**-**	**-**	**238,866**	**380,322**	
Financial liabilities							
Trade and other payables	-	-	-	-	1,151,768	1,151,768	
Convertible notes	-	7,375,615	2,146,913	-	-	9,522,528	
Lease liabilities	-	13,674	52,094	-	-	65,768	
	-	**7,389,289**	**2,199,007**	**-**	**1,151,768**	**10,740,064**	
30-Jun-25	**$**	**$**	**$**	**$**	**$**	**$**	
Financial assets							
Cash and cash equivalents	1,024,405	1,024,405	-	-	-	1,024,405	0.10%
Trade and other receivables	-	-	-	-	375,648	375,648	
	1,024,405	**1,024,405**	**-**	**-**	**375,648**	**1,400,053**	
Financial liabilities							
Trade and other payables	-	-	-	-	2,791,655	2,791,655	
Convertible notes	-	-	-	-	7,929,515	7,929,515	
Lease liabilities	-	109,182	248,545	-	-	357,727	
	-	**109,182**	**248,545**	**-**	**10,721,170**	**11,078,897**	

Interest risk

The Group's exposure to interest rate risk arises from its cash and cash equivalents. The following table summarises the sensitivity of the Group's post-tax loss and equity to a reasonably possible 100 basis point movement in interest rates:

Risk variable	Movement	Impact on loss after tax (2026)	Impact on equity (2026)	Impact on loss after tax (2025)	Impact on equity (2025)
Interest rates	+100bps	~$1,415 decrease in loss	~$1,415 increase	~$10,244 decrease in loss	~$10,244 increase
Interest rates	-100bps	~$1,415 increase in loss	~$1,415 increase	~$10,244 increase in loss	~$10,244 decrease

Price risk

The consolidated entity is not exposed to any significant price risk.

Notes to the Financial Statements

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group monitors forecast cash flows on regular basis to manage its liquidity risk.

Credit risk

Management has assessed the credit risk exposure as minimal at reporting date. Credit risk arises from exposure to trade receivables, deposits with banks and other receivables, the balances of which at 30 June 2026 represent the Group's maximum exposure to credit risk. Management monitors its exposure to ensure recovery and repayment of outstanding amounts. Cash deposits are only made with reputable banking institutions.

Foreign currency risk

The Group's exposure to foreign currency risk arises primarily from a USD-denominated convertible note (carrying value $7,079,514 at 30 June 2026), together with USD-denominated cash, receivables, and payables held by Group entities. The Group's foreign operations in the United Kingdom, Slovenia, and Malta otherwise transact in their own functional currencies (GBP and EUR respectively) and do not give rise to material transactional foreign currency risk; translation of these operations into the Group's presentation currency is reflected in the foreign currency translation reserve within equity.

The following table summarises the sensitivity of the Group's post-tax loss and equity to a reasonably possible 10% movement in the USD/AUD exchange rate, based on the Group's net USD-denominated net monetary liability position of $7,163,715 (2025: net monetary liability of $6,349,544) at the reporting date:

Risk variable	Movement	Impact on loss after tax (2026)	Impact on equity (2026)	Impact on loss after tax (2025)	Impact on equity (2025)
USD/AUD	AUD weakens 10%	~$716,372 increase	~$716,372 decrease	~$634,954 increase	~$634,954 decrease
USD/AUD	AUD strengthens 10%	~$716,372 decrease	~$716,372 increase	~$634,954 decrease	~$634,954 increase

The Group's exposure to other currencies, principally GBP and EUR, arising from foreign-currency bank accounts and trade payables held directly by the parent entity, was individually and in aggregate immaterial to the Group's post-tax loss and net assets and has accordingly been excluded from the table above.

Refer to Note 28 regarding a transaction entered into after year end that, on completion, will substantially eliminate the Group's exposure to USD currency risk described above.

19. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Notes to the Financial Statements

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability.

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

30 June 2026	Level 1 $	Level 2 $	Level 3 $	Total $
Financial liabilities				
Other financial liabilities (convertible note)				
Opening balance at 1 July 2025	-	-	7,929,515	7,929,515
Issue of Convertible Note	-	-	3,000,000	3,000,000
Fair value of options recognised in equity			(1,687,781)	(1,687,781)
Converted to ordinary shares	-	-	(553,900)	(553,900)
Change in fair value recognised in profit or loss	-	-	834,694	834,694
Closing balance at 30 June 2026	**-**	**-**	**9,522,528**	**9,522,528**

30 June 2025				
Financial liabilities				
Other financial liabilities (convertible note)				
Opening balance at 1 July 2024	-	-	**8,679,515**	**8,679,515**
Converted to ordinary shares	**-**	**-**	**(550,000)**	**(550,000)**
Repayment of borrowing	**-**	**-**	**(200,000)**	**(200,000)**
Closing balance at 30 June 2025	**-**	**-**	**7,929,515**	**7,929,515**

Notes to the Financial Statements

There were no transfers between levels during the financial year.

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

a) Valuation techniques used to derive Level 1 fair values

The fair value of financial instruments recognised under Level 1 are measured based on the active market value, determined in this case by the value a third party is willing to pay for the assets.

b) Valuation techniques used to derive Level 3 fair values

The fair value of financial instruments that are not traded in an active market are determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

Refer to note 14 for additional disclosures on the other financial liabilities accounted for at fair value through profit or loss.

c) Fair value of other financial instruments

The Group also has a number of financial instruments that are not measured at fair value in the balance sheet. The carrying value of cash, trade receivables and payables is a reasonable approximation of their fair values due to their short-term nature.

d) Sensitivity information

Significant movement in one of the inputs listed in valuation techniques as disclosed in note 14 may result in a change in the fair value of RGT's convertible notes. The below table discloses the estimated valuation impact to convertible notes if a +/- 25 basis point movement occurred to the volatility rate:

	Fair value measurement sensitivity	
	+25 basis points $	-25 basis points $
Volatility rate	252,000	(252,000)

20. CONTROLLED ENTITIES

The consolidated financial statements of the Group include:

	Country of incorporation	Percentage Owned (%)*	
Parent Entity:		**30-Jun-26**	**30-Jun-25**
Argent BioPharma Ltd	Australia		
Subsidiaries of Argent BioPharma Ltd:			
Argent BioPharma (UK) Limited	UK	100	100
Argent BioPharma Research (Aus) Pty Ltd	Australia	100	100
Medicinal Cannabis Clinics Pty Ltd	Australia	100	100
Subsidiaries of Argent BioPharma (UK) Limited:			
Argent BioPharma d.o.o	Slovenia	-	100
Meta- Medix d.o.o	Slovenia	100	100
MGC Pharma (Malta) Holdings Limited	Malta	100	100
MGC Pharma (Malta) R&D Limited	Malta	100	100
Subsidiaries of MGC Pharma (Malta) Holdings Limited			
MGC Pharma (Malta) Property Limited	Malta	100	100
MGC Pharma (Malta) Operations Limited	Malta	100	100

** Percentage of voting power in proportion to ownership*

Notes to the Financial Statements

In December 2025, Argent BioPharma d.o.o. was liquidated following the Company's strategic decision to cease operations at its manufacturing facility in Slovenia. As a result, the Group lost control of the subsidiary and derecognised its assets and liabilities. The liquidation resulted in a loss of A$55,395, which has been recognised in the consolidated statement of profit or loss. The carrying amounts of the assets and liabilities derecognised at the date of liquidation were as follows:

	30-Jun-26 $
Total assets	774,962
Total liabilities	(1,334,037)
Foreign currency translation reserve	614,470
Loss on liquidation	**55,395**

21. SEGMENT REPORTING

The Group operates as a single operating segment. The Board, as chief operating decision maker, reviews financial information on a consolidated basis to make decisions about resource allocation and to assess performance, and does not review discrete financial information for separately identifiable components of the Group.

Geographic information

Geographic information on the Group's revenue by location of operations, and total assets, for the period is as follows:

30 June 2026	Malta $	Slovenia $	UK $	Australia $	Total $
Sales revenue	**-**	**161,187**	**-**	**-**	**161,187**
Total assets	**168,251**	**86,247**	**73,355**	**967,006**	**1,294,859**
30 June 2025					
Sales revenue	-	180,565	-	-	180,565
Total assets	187,656	690,322	358,065	1,231,635	2,467,678

Major customer

During the year, the Group derived revenue from several external customers. One customer individually accounted for A$92,181, representing 57.2% of the Group's total revenue for the year, relating to the sale of raw materials for cannabis-based pharmaceutical products. This revenue was earned by Argent BioPharma d.o.o., in Slovenia, prior to its liquidation in December 2025. No other individual customer accounted for 10% or more of the Group's total revenue during the year.

Notes to the Financial Statements

22. CONTINGENCIES AND COMMITMENTS

(a) Security over Group assets – Mercer convertible notes

The Group's US Dollar-denominated convertible notes held by Mercer Street Global Opportunity Fund, LLC ("Mercer") are secured, with a carrying value of $9,522,528 at 30 June 2026 (30 June 2025: $7,929,515). Subsequent to year end, the Company and Mercer agreed to extinguish the notes as part of the CannEpil® licensing transaction with Splash Beverage Group Inc.

(b) Malta manufacturing facility – David Trading arrangement and government grant

During the year, the Company's Malta manufacturing facility transitioned, under a 49-year strategic collaboration entered into with David Trading Ltd, to David Trading's operating, managerial and financial responsibility, reducing the Group's associated cost base and liability exposure. The facility was constructed using government grant funding from Malta Enterprise. The construction was completed in October 2021 and the facility was issued a GMP licence in March 2023. Under the conditions of that grant, should the Group cease operations in Malta within five years of the start of operations, Malta Enterprise retains the right to take possession of the grant-funded assets.

(c) Option over Neuvis® drug-delivery platform

On 13 April 2026, in connection with the acquisition of a 48% interest in CannPal Animal Therapeutics Pty Ltd from AusCann Group Holdings Ltd, the Group was granted an irrevocable option to acquire 100% of AusCann's right, title and interest in the Neuvis® drug-delivery intellectual property, exercisable within 6 months of completion of that acquisition. If exercised, consideration of $2,000,000 is payable in Company shares (at the 20-day VWAP prior to exercise), subject to shareholder approval and the parties agreeing a production royalty in AusCann's favour. The option had not been exercised as at 30 June 2026.

Other than as set out above, there have been no other significant changes to the Group's commitments and contingent liabilities as at 30 June 2026.

Notes to the Financial Statements

23. CASH FLOW INFORMATION

	30-Jun-26 $	30-Jun-25 $
Reconciliation of Cash Flow from Operations with Loss after Income Tax		
(Loss) after income tax	(7,710,158)	(17,844,295)
Cash flows excluded from loss attributable to operating activities		
Non-cash flows in loss		
Depreciation and amortisation	164,587	789,139
Share based payment expense	3,305,607	3,964,515
Expected credit loss on financial assets	14,661	-
Impairment expense on equity investment	-	1,408,140
Impairment and disposal of plant and equipment	25,375	1,104,370
Foreign exchange	(460,587)	(444,490)
Loss on liquidation	55,395	-
Share in the profit of associate	(13,673)	-
Gain on debt settlement	(144,810)	-
Change in fair value on financial liabilities	834,694	-
Other non-cash operating Items	(106,665)	(364,361)
Changes in assets and liabilities		
Decrease in inventory	132,671	742,449
Decrease in trade and other receivables	554,502	289,705
(Decrease) / Increase in trade payables and accruals	(1,639,887)	1,075,204
Working capital derecognised on liquidation of subsidiary	963,211	-
Cash flow used in operations	**(4,025,077)**	**(9,279,624)**

24. AUDITOR'S REMUNERATION

	30-Jun-26 $	30-Jun-25 $
Fees to Hall Chadwick		
Fees for auditing the Group Annual Report	98,174	208,045
Fees for other services		
- Tax compliance services	8,000	17,050
Total auditor's remuneration	**106,174**	**225,095**

Notes to the Financial Statements

25. PARENT COMPANY DISCLOSURES

The financial information for the parent entity, Argent BioPharma Ltd, has been prepared on the same basis as the consolidated financial statements.

i) Summary of financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	30-Jun-26 $	30-Jun-25 $
Current assets	233,304	1,101,312
Non-current assets	733,673	18,522,937
Total Assets	**966,977**	**19,624,249**
Current liabilities	8,155,774	9,133,870
Non-current liabilities	2,146,913	
Total Liabilities	**10,302,687**	**9,133,870**
Contributed equity	140,691,331	138,587,034
Share based payment reserve	5,927,273	1,347,336
Accumulated losses	(155,954,314)	(129,443,991)
Total Equity	**(9,335,710)**	**10,490,379**
Loss for the year	**(26,510,323)**	(16,546,751)
Total comprehensive loss for the year	**(26,510,323)**	**(16,546,751)**

ii) Commitments and contingent liabilities of the parent

The parent entity did not have any contingent liabilities or commitments as of 30 June 2026 (30 June 2025: nil) other than as disclosed at note 22.

iii) Guarantees entered into the parent entity

There were no guarantees entered into by the parent entity.

26. RELATED PARTY TRANSACTIONS

a) Key Management Personnel Remuneration

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	30-Jun-26 $	30-Jun-25 $
Short-term employee benefits	582,858	407,008
Issuance of shares	-	2,120,000
Share-based payments	99,326	-
	682,184	**2,527,008**

Notes to the Financial Statements

b) Transactions with Director related entities

Directors and officers, or their personally related entities, hold positions in other entities that result in them having controls or significant influence over the financial or operating policies of those entities.

During the year, director fees of US$4,000 per month was paid to E.R.A. Consulting, a private entity registered in Israel and owned by Mr. Roby Zomer. In addition, director fees of US$4,000 per month and consulting fees with a total of US$10,500 was paid to Chitta Lu Limited, an entity controlled by Mr. Zomer.

On 13 April 2026, the Company acquired a 48% interest in CannPal Animal Therapeutics Pty Ltd from AusCann Group Holdings Ltd, an entity of which Mr Andrew Chapman is a director, for consideration of 20,000,000 shares, together with an option to acquire the Neuvis® drug-delivery platform (refer to Note 11 and Note 22).

c) Outstanding Balances

At 30 June 2026, Mr Zomer had an outstanding balance owing to the Company of A$22,261, arising from a vehicle sale agreement. The balance is unsecured, non-interest bearing, and is being repaid through deductions from Mr Zomer's salary. No provision for doubtful debts has been recognised against this balance as at year end, as it is expected to be recovered in full.

27. SHARE BASED PAYMENTS

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Notes to the Financial Statements

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

a) Performance Rights

Reconciliation of Performance Rights

Opening Balance	Granted as compensation	Exercised	Lapsed and other changes	Outstanding at 30 June	Outstanding and Exercisable at 30 June
2026					
600,000	19,500,000	-	-	20,100,000	600,000
2025					
306,500	600,000	(400)	(306,100)	600,000	600,000

Performance Rights	Performance Rights Class A (PR8)	Performance Rights Class B (PR9)	Performance Rights Class C (P10)	Performance Rights (P11)	Performance Rights (P12)
Grant date	1 Oct 24	1 Oct 24	1 Oct 24	8 Apr 26	8 Apr 26
Expiry date	1 Oct 29	1 Oct 29	1 Oct 29	20 Mar 31	10 Apr 31
Share price at grant date	$0.53	$0.53	$0.53	$0.04	$0.04
Exercise price	nil	nil	nil	nil	Nil
Life (years)	5	5	5	4.95	4.95
Volatility	200%	200%	200%	n/a	n/a
Risk-free rate	3.635%	3.635%	3.635%	4.588%	4.588%
Number	200,000	200,000	200,000	2,500,000	17,000,000
Fair value per right	$0.53	$0.53	$0.53	$0.04	$0.04
Total fair value at grant	$106,000	$106,000	$106,000	$100,000	$680,000

Notes to the Financial Statements

b) Options

2026
No share options have been granted or issued to key management personnel.

2025
No share options have been granted or issued to key management personnel.

Table of share-based payment options

Description	Opening Balance	Granted	Exercised	Lapsed and other changes	Closing Balance
Unlisted options exercisable at £1.20 expiring 14 July 2026	540,668	-	-	-	540,668
Unlisted options exercisable at $3.00 expiring 31 July 2026	181,422	-	-	-	181,422
Unlisted option exercisable at $1.00 expiring 10 January 2027	740,000	-	-	-	740,000
Unlisted option exercisable at $0.42 expiring 28 March 2027	240,000	-	-	-	240,000
Unlisted warrant exercisable at US$1.20 expiring 3 July 2027	312,500	-	-	-	312,500
Unlisted warrant exercisable at US$1.20 expiring 17 July 2027	1,250,000	-	-	-	1,250,000
Unlisted warrant exercisable at US$0.55 expiring 16 January 2028	2,500,000	-	-	-	2,500,000
Unlisted warrant exercisable at US$0.40 expiring 23 April 2028	5,500,000	-	-	-	5,500,000
Unlisted options exercisable at US$0.32 expiring 7 November 2028	15,500,000	-	-	-	15,500,000
Unlisted options exercisable at $0.86 expiring 1 December 2028	288,185	-	-	-	288,185
Unlisted options exercisable at $0.70 expiring 1 April 2029	642,000	-	-	-	642,000
Unlisted options exercisable at $0.20 expiring 20 March 2029	-	2,100,000	-	-	2,100,000
Unlisted options exercisable at $0.70 expiring 1 April 2029	-	82,000	-	-	82,000
Unlisted options exercisable at US$0.20 expiring 23 April 2032	16,500,000	-	-	-	16,500,000
Unlisted options exercisable at $0.10 expiring 3 December 2028	-	21,950,952	-	-	21,950,952
TOTAL	**44,194,775**	**24,132,952**	**-**	**-**	**68,327,727**

The options granted during the year were valued as follows:

Options	Options (O33)	Options (O26)
Grant date	12 Mar 26	2 Jul 25
Expiry date	20 Mar 29	1 Apr 29
Share price at grant date	$0.043	$0.084
Exercise price	$0.200	$0.700
Life (years)	3.02	3.75
Volatility	120%	239.89%
Risk-free rate	4.539%	3.269%
Number	2,100,000	82,000
Fair value per right	$0.02	$0.08
Total fair value at grant	$42,441	$6,537

Notes to the Financial Statements

Share-based payment expense

For the year ended 30 June 2026, the Group has recognised $3,305,607 of share-based payment expenses in the statement of profit or loss (30 June 2025: $3,964,515) relating to share-based payments and issuance of shares to directors and employees.

28. EVENTS AFTER THE REPORTING DATE

Execution of Global CannEpil® Licensing Transaction with US$5.5 Million Upfront Consideration

On 7 July 2026, the Company entered into a binding transaction framework for the exclusive global licensing of CannEpil®, its neurological asset for drug-resistant epilepsy, to Splash Beverage Group Inc (NYSE American: SBEV). The transaction delivers US$5.5 million of upfront consideration, structured through the forgiveness of approximately US$5.5 million of outstanding convertible notes held by Mercer Street Global Opportunity Fund LLC, fully extinguishing the Company's principal secured liability and releasing all associated security interests. Argent retains 100% ownership of existing and future CannEpil® intellectual property and manufacturing know-how, and will receive a 15% net revenue royalty on future SBEV global CannEpil® sales, payable for the longer of 10 years from first commercial sale in each country or expiry of the last-to-expire patent. Argent also retains the primary right to manufacture CannEpil® for SBEV through its EU-GMP facilities. The licence has an initial 20-year term with automatic five-year renewals and remains subject to satisfaction of customary conditions precedent, including completion of the Mercer Street debt exchange and shareholder approvals.

Issuance of 5.5 Million Shares Following Convertible Note Conversion

On 8 July 2026, the Company issued 5,500,000 fully paid ordinary shares upon the conversion of 220,000 convertible notes (RGTAAA) at A$0.04 per share, taking total quoted ordinary shares on issue to 116,609,584.

Draw Down of $600,000 under A$11 Million C/M Capital Financing Facility

On 14 July 2026 and 11 August 2026, the Company confirmed receipt of A$350,000 and A$250,000 respectively in funding under its A$11 million convertible securities financing agreement with C/M Capital Master Fund, LP and WVP Emerging Manager Onshore Fund LLC. In exchange, the Company will issue a combined 660,000 convertible notes with a face value of A$1.00 each (385,000 and 275,000 respectively), and, subject to shareholder approval, a combined 7,148,339 unlisted options (5,137,615 exercisable at A$0.0511 and 2,010,724 exercisable at A$0.09325, each expiring 36 months from issue). The funds received will be used as working capital to fund the Company's ongoing operations.

Two Unlisted Option Classes Lapse Unexercised

On 17 July 2026, 540,668 unlisted options (RGTAAH, exercise price GBP 1.20) expired without being exercised on 14 July 2026. On 3 August 2026, a further 181,422 unlisted options (RGTAAI, exercise price $3.00) expired unexercised on 31 July 2026.

Consolidated Entity Disclosure Statement

As at 30 June 2026

Entity name	Entity Type	Place formed/ Country of incorporation	Ownership interest %	Tax residency
Argent BioPharma Ltd	Body corporate	Australia	-	Australia
Subsidiaries of Argent BioPharma Ltd:				
Argent BioPharma (UK) Limited	Body corporate	UK	100	UK
Argent BioPharma Research (Aus) Pty Ltd	Body corporate	Australia	100	Australia *
Medicinal Cannabis Clinics Pty Ltd	Body corporate	Australia	100	Australia *
Subsidiaries of Argent BioPharma (UK) Limited:				
Argent BioPharma d.o.o	Body corporate	Slovenia	-	Slovenia
Meta- Medix d.o.o	Body corporate	Slovenia	100	Slovenia
MGC Pharmaceuticals (sro)	Body corporate	Czech Republic	-	Czech Republic
MGC Pharma (Malta) Holdings Limited	Body corporate	Malta	100	Malta
MGC Pharma (Malta) R&D Limited	Body corporate	Malta	100	Malta
Subsidiaries of MGC Pharma (Malta) Holdings Limited				
MGC Pharma (Malta) Property Limited	Body corporate	Malta	100	Malta
MGC Pharma (Malta) Operations Limited	Body corporate	Malta	100	Malta
Subsidiaries of MGC Pharmaceuticals (sro)				
MGC Pharmaceuticals Ltd (Russia)	Body corporate	Russia	-	Russia

* Argent BioPharma Ltd (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Notes to the Financial Statements

Directors' Declaration

The Directors of the Company declare that in their opinion:

1. The financial statements and notes, as set out in pages 18 to 58, are in accordance with the *Corporations Act 2001* and:

   a) comply with Accounting Standards and the Corporations Regulations 2001;
   b) are in accordance with International Financial Reporting Standards;
   c) give a true and fair view of the consolidated group's financial position as at 30 June 2026 and its performance for the year ended on that date; and
   d) representations made throughout the Directors report are fair and reasonable.

2. The Directors have been given the declaration required by section 295A of the Corporations Act 2001.

3. The remuneration disclosures contained in the Remuneration Report comply with s300A of the Corporations Act 2001.

4. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

5. In the Directors opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

R. Zomer

Roby Zomer
Chairman
31 August 2026

ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENT BIOPHARMA LTD

Report on the Financial Report

Opinion

We have audited the financial report of Argent Biopharma Limited (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, consolidated entity disclosure statement and the director's declaration.

In our opinion the accompanying financial report of the group is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit 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 Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements which indicates that the group incurred a loss after tax of $7,710,158 during the year ended 30 June 2026 and as of that date, the group's current liabilities exceeded its current assets by $8,081,565. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARGENT BIOPHARMA LTD

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2026. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
Convertible notes *Refer to Note 14 "Financial liabilities at fair value through profit or loss"*	
At 30 June 2026, the group recognised convertible notes with a carrying amount of $9,522,528, as disclosed in Note 14 to the financial statements, which also describes the basis of their valuation. The valuation of the convertible notes was a key audit matter because it involved the use of a valuation model requiring significant judgement and estimation. The valuation was particularly sensitive to assumptions relating to the underlying share price, share price volatility, expected term, risk-free interest rate, credit risk, and the probability and timing of conversion or settlement. Given the significance of the convertible notes to the financial statements and the estimation uncertainty associated with determining their fair value, the valuation was an area of significant auditor attention.	Our procedures included, amongst others: • Assessed the accounting treatment of the convertible notes under the applicable financial reporting standards. • Read the relevant agreements and inspecting the key terms and conditions of the instruments and assessed the valuation methodology used by management. • Involved valuation specialists to assess the appropriateness of the valuation model and key assumptions, where appropriate. • Compared relevant market-based assumptions, including the share price, volatility and risk-free interest rate, with independent external data. • Assessed the reasonableness of assumptions relating to the conversion, settlement and expected term of the notes. • Performed sensitivity analyses over significant assumptions. • Assessed the adequacy of the related disclosures in the financial statements.

ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARGENT BIOPHARMA LTD

Impairment assessment of investment in entities accounted for using equity method
Refer to Note 11 "Investment in entities accounted for using equity method"

During the year, the group acquired a 48% interest in CannPal Animal Therapeutics Pty Ltd for A$720,000. The carrying amount of the investment at 30 June 2026 was A$733,673, comprising the initial investment and the group's share of CannPal's profit of A$13,673.

We considered this area to be a key audit matter due to the significance of the investment and the judgement involved in assessing its recoverability. CannPal is an early-stage pharmaceutical development programme with negative net assets, recurring operating losses, limited financial resources and no forecast revenue.

Management concluded that these conditions pre-dated the acquisition and did not represent post-acquisition impairment indicators. Accordingly, no impairment loss was recognised at 30 June 2026. The assessment required significant judgement in distinguishing pre-acquisition conditions from post-acquisition impairment indicators.

Our procedures included, amongst others:

- Obtained an understanding of management's process for identifying impairment indicators and assessing the recoverable amount of the investment.
- Evaluated the accounting treatment applied to the initial recognition of the CannPal investment and its subsequent measurement under the equity method of accounting.
- Reviewed relevant ASX announcements and supporting documentation relating to the acquisition, strategic rationale and development status of CannPal.
- Assessed management's identification of impairment indicators, including consideration of the development-stage nature of the programme, funding requirements and commercialisation uncertainties.
- Obtained and assessed the associate's management accounts and supporting financial information, and agreed the group's share of profit recognised during the year in accordance with the requirements of applicable accounting standards.
- Assessed the adequacy of the group's disclosures relating to the investment and impairment assessment with reference to the requirements of applicable accounting standards.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARGENT BIOPHARMA LTD

Responsibilities of the Directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at https://auasb.gov.au/media/bwvjcgre/ar1_2025.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion, the remuneration report of Argent BioPharma Ltd for the year ended 30 June 2026 complies with s300A of the *Corporations Act 2001*.

ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ARGENT BIOPHARMA LTD

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

VINAY SHEORAN
Partner
Dated: 31 August 2026

Additional ASX Information

Additional ASX Information

EXCHANGE LISTING

Argent BioPharma Ltd shares are listed on the Australian Securities Exchange under ASX code RGT.

SUBSTANTIAL SHAREHOLDERS (HOLDING MORE THAN 5%)

Name	Number of Fully Paid Ordinary Shares	Voting Power
AusCann Group Holdings Limited	20,000,000	17.15%
A2 Invest LLC	11,250,000	9.65%
Oak Capital Partners LLC	10,870,718	9.32%
HSBC Custody Nominees (Australia) Limited	6,359,850	5.45%

CLASS OF SHARES AND VOTING RIGHTS

At 21 August 2026, there were 8,769 holders of 116,609,584 ordinary fully paid shares of the Company. The voting rights attaching to the ordinary shares are in accordance with the Company's Constitution being that:

a. each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative;
b. on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a shareholder has one vote; and
c. on a poll, every person present who is a shareholder or a proxy, attorney or Representative of a shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall, have such number of votes as bears the proportion which the paid amount (not credited) is of the total amounts paid and payable (excluding amounts credited).

ESCROWED SECURITIES

There are currently no escrowed securities on issue.

CASH USAGE

Since the time of listing on ASX, the entity has used its cash and assets in a form readily converted to cash that it had at the time of admission to the official list of ASX in a manner which is consistent with its business objectives.

RANGE OF ORDINARY SHARES AS AT 21 AUGUST 2026

Range	Total Holders	Shares	%
1 - 1,000	8,080	697,497	0.60
1,001 - 5,000	256	584,881	0.50
5,001 – 10,000	114	844,413	0.72
10,001 – 100,000	219	7,719,376	6.62
100,001 and Over	100	106,763,417	91.56
Total	**8,769**	**116,609,584**	**100.00**

The number of shareholders holding less than a marketable parcel is 8,491.

Additional ASX Information

UNLISTED SECURITIES AS AT 21 AUGUST 2026

Securities	Number of Securities on issue	Number of Holders	Name of Holders holding more than 20%	Number Held
Unlisted option exercisable at $1.00 expiring 10 January 2027	740,000	3	Jacob Goldstein Shayeh Greenfield	518,000 148,000
Unlisted option exercisable at $0.42 expiring 28 March 2027	240,000	2	Layton Mills Daniel Robinson	120,000 120,000
Unlisted warrant exercisable at US$1.20 expiring 3 July 2027	312,500	1	A1 Invest LLC	
Unlisted warrant exercisable at US$1.20 expiring 17 July 2027	1,250,000	1	Oak Capital Partners LLC	1,250,000
Unlisted options exercisable at US$0.32 expiring 7 November 2028	15,500000	32	-	-
Unlisted warrant exercisable at US$0.55 expiring 16 January 2028	2,500,000	1	A2 INVEST LLC	2,500,000
Unlisted warrant exercisable at US$0.40 expiring 23 April 2028	5,500,000	3	A2 INVEST LLC OAK CAPITAL PARTNERS LLC SPUTNIK ENTERPRISES INC.	3,125,000 1.250.000 1,125,000
Unlisted options exercisable at US$0.32 expiring 7 November 2028	15,500,000	24	-	-
Unlisted options exercisable at $0.86 expiring 1 December 2028	288,185	1	Mercer Street Global Opportunity Fund LLC	288,185
Unlisted options exercisable at $0.1025 expiring 3 December 2028	21,950,952	2	C/M Capital Master Fund LLC VWP Emerging Manager Onshore Fund LLC	14,268,119 7,682,833
Unlisted options exercisable at $0.70 expiring 1 April 2029	724,000	17	-	
Unlisted options exercisable at $0.20 expiring 20 March 2029	2,100,000	3	David Aboudi Samuel Edelstein Eliron Yaron	700,000 700,000 700,000
Unlisted options exercisable at US$0.20 expiring 23 April 2032	16,500,000	4	A5 INVEST LLC JACOB GOLDSTEIN	6,500,000 5,000,000
Convertible Notes	8,967,532	1	Mercer Street Global Opportunity Fund LLC	6,806,432
Performance Rights	20,100,000	2	Roby Zomer	17,000,000

Additional ASX Information

TOP 20 SHAREHOLDERS AS AT 21 AUGUST 2026

Rank	Name	Number of Shares	% of Shares
1	AUSCANN GROUP HOLDINGS LTD	20,000,000	17.15
2	A2 INVEST LLC	11,250,000	9.65
3	OAK CAPITAL PARTNERS LLC	10,870,718	9.32
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,359,850	5.45
5	CITICORP NOMINEES PTY LIMITED	4,915,780	4.22
6	SHLOMIE BIERMAN	4,788,324	4.11
7	GROUP CAPITAL LLC	3,913,812	3.36
8	DAVID SAFREN	3,405,016	2.92
9	MR SHACHAR SHIMONY	2,630,000	2.26
10	ISAMAR MARGARETEN	1,956,906	1.68
11	YAAKOV SAFREN	1,643,802	1.41
12	JACOB GOLDSTEIN	1,623,072	1.39
13	YORAM DRUCKER	1,604,664	1.38
14	YOSEF SAFREN	1,565,526	1.34
15	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,561,687	1.34
16	SHALOM SAFREN	1,448,112	1.24
17	ELIRON YARON	1,250,000	1.07
18	MRS YIFAT STEUER	1,117,194	0.96
19	MRS SI LAI	881,332	0.76
20	YAIR TAL	864,245	0.74
	Total	**83,650,040**	**71.74**
	Total issued capital	**116,609,584**	**100.00**