

Rhythm Biosciences Limited
Appendix 4D
Half-Year report

1. Company details

Name of entity: Rhythm Biosciences Limited
ABN: 59 619 459 335
Reporting period: For the half-year ended 31 December 2025
Previous period: For the half-year ended 31 December 2024

2. Results for announcement to the market

		2025	2024
		\$	\$
Other income from ordinary activities	Down 49% to	1,652,334	3,256,922
Profit/(Loss) from ordinary activities after tax attributable to the owners of Rhythm Biosciences Limited	n/a	(2,257,186)	589,211
Comprehensive income/(loss) for the period attributable to the owners of Rhythm Biosciences Limited	n/a	(2,261,514)	589,211

Dividends

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

Comments

Comments on activities during the half-year are included in the Directors' Report in the Interim Financial Report attached.

3. Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	<u>0.38</u>	<u>1.36</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

Rhythm Biosciences Limited
Appendix 4D
Preliminary final report

7. Audit qualification or review

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

The financial statements have been reviewed and an unqualified conclusion has been issued.

8. Attachments

Details of attachments (if any):

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

9. Signed



Dr David Atkins
Managing Director

Date: 18 February 2026

For personal use only

For personal use only

INTERIM FINANCIAL REPORT TO 31 DECEMBER 2025

RHYTHM BIOSCIENCES LIMITED
ACN: 619 459 335 (ASX: RHY)

Rhythm Biosciences Limited
Corporate Directory
31 December 2025

Directors	Mr Gavin Fox-Smith (Chairman) Dr David Atkins (Managing Director) Ms Sue MacLeman
Company Secretary	Mr Mark Licciardo
Registered Office	Bio21 Molecular Science & Biotechnology Institute 30 Flemington Road Parkville VIC 3010 Australia + 61 3 8256 2880 (Phone)
Share Registry	Automic Registry Services Level 12, 530 Collins Street Melbourne VIC 3000 1300 288 664 (Phone)
Auditor	William Buck Level 20, 181 Williams Street Melbourne VIC 3000
Securities Exchange Listing	Rhythm Biosciences Limited shares are listed on the Australian Securities Exchange (ASX code: RHY)

For personal use only

Rhythm Biosciences Limited
Contents
31 December 2025

Directors' report	4
Auditor's independence declaration	7
Statement of profit or loss and other comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12
Directors' declaration	18
Independent auditor's review report to the members of Rhythm Biosciences Limited	19

General information

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

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

Bio21 Molecular Science & Biotechnology Institute
30 Flemington Road
Parkville VIC 3010

For personal use only

Rhythm Biosciences Limited
Directors' Report
31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Rhythm Biosciences Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors

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

Gavin Fox-Smith
Dr David Atkins
Sue MacLeman
Otto Buttula (retired 5 November 2025)

Principal activities

Rhythm Biosciences Limited is developing and commercialising Australian medical diagnostics technology for sale in domestic and international markets. Its ColoSTAT® product in development aims to provide an accurate and early detection test for colorectal cancer.

Significant Changes in the State of Affairs

During the six month period ended 31 December 2025, the company issued 46,680,799 shares. Refer to note 5 to the financial statements for further details.

There has been no other matters or circumstances which have arisen since 30 June 2025 that has significantly affected or may significantly affect:

- the operations, in financial years subsequent to 30 June 2025, of the consolidated entity; or
- the results of those operations; or
- the state of affairs, in financial years subsequent to 30 June 2025, of the consolidated entity.

Review of Operations

The loss for the consolidated entity after providing for income tax for the half-year ended 31 December 2025 amounted to \$2,257,186 (2024: profit of \$589,211). The result reflects the continued investment in commercialisation activities across both the ColoSTAT® and geneType™ platforms as Rhythm Biosciences transitions from a development-stage company to a commercial enterprise with a growing international footprint.

ColoSTAT® – Commercialisation and Clinical Milestones

The period marked a pivotal transition for ColoSTAT®, with the product moving from development into active commercialisation. Final ColoSTAT® kits achieved breakthrough clinical performance across the continuum of colorectal cancer (CRC) stages I–IV, meeting the clinical requirements for symptomatic patient testing. Concurrently, Quansys Biosciences completed manufacturing validation testing and qualified their manufacturing line, establishing a robust and scalable supply chain for the product.

ColoSTAT® commercialisation was formally launched following the securing of ISO 15189:2022 laboratory accreditation, the internationally recognised standard for medical testing laboratories. The test is now available to help triage the more than 800,000 Australians who undergo colonoscopies each year for symptoms – a significant addressable market given that fewer than 5% of symptomatic patients are ultimately diagnosed with cancer. ColoSTAT® offers the potential to meaningfully reduce unnecessary invasive procedures while directing clinical resources to patients who most need them.

In a significant international validation, the National Health Service (NHS) in England – one of the world's most respected healthcare systems – selected ColoSTAT® for independent evaluation. This represents an important external endorsement of the technology and opens a pathway to one of the world's largest public healthcare markets.

Review of operations (continued)

geneType™ – Commercial Expansion and Scientific Validation

The geneType™ genetic risk assessment platform continued to demonstrate strong commercial and scientific momentum during the half. Two strategic distribution partnerships were secured: firstly, with a leading Australian-based pathology provider; and secondly, with the US-based Know Your Lemons Foundation, a globally recognised breast cancer awareness organisation. These partnerships represent important milestones in geneType™'s ongoing commercialisation, awareness and education strategy, broadening reach across both domestic and international markets. Through the recent partnership with CatchBio and others, geneType™ is now positioned for significant sales growth.

A Strategic Agreement was also executed with Memorial Sloan Kettering Cancer Center (MSK), one of the world's foremost cancer research and treatment institutions, providing geneType™ services in support of studies focused on breast and prostate cancer risk. This collaboration reinforces the scientific credibility of the platform and aligns Rhythm Biosciences with global leaders in oncology research.

On the product development front, the next-generation geneType™ colorectal cancer risk assessment test was completed ahead of schedule in the second quarter. The enhanced test improves accuracy across all genders and expands the Company's addressable market. The geneType™ ovarian cancer risk model was validated in Harvard Medical School's prestigious Nurses' Health Study – a cohort of over 275,000 participants. The resulting peer-reviewed publication demonstrates that the technology can identify twice as many at-risk women compared to clinical models alone, a finding with significant implications for population-level cancer screening.

The clinical study conducted in collaboration with the University of Melbourne reached a 90%+ enrolment milestone, remaining on track with study commitments and further underpinning the scientific foundation of the geneType™ platform.

Financial Position and Corporate Governance

The Company successfully completed a \$3.75 million capital raising (before costs), comprising an oversubscribed placement to new and existing institutional and sophisticated investors. The oversubscription is a positive reflection of investor confidence in Rhythm Biosciences' strategic direction and commercial progress. The balance sheet was further strengthened through the receipt of a \$1.576 million R&D tax incentive and the full repayment of the Company's \$1 million loan, reducing debt and providing a cleaner financial position as the Company enters its commercial phase.

At the board level, Gavin Fox-Smith was appointed as Chair, bringing fresh expertise and governance experience appropriate for a company transitioning from development to commercial enterprise. The Company acknowledges the significant contribution of outgoing Chair Otto Buttula and thanks him for his leadership and continued support as a major shareholder.

Rhythm Biosciences Limited
Directors' Report
31 December 2025

Matters subsequent to the end of the financial half-year

On 13 January 2026, 750,000 employee loan funded shares ceased due to conditions not satisfied.

On 16 January 2026, 1,000,000 ordinary fully paid shares were issued to a service provider as consideration for services rendered in lieu of cash.

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

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out elsewhere in the financial report.

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

On behalf of the directors:



Dr David Atkins
Managing Director

18 February 2026

For personal use only

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

To the directors of Rhythm Biosciences Limited

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

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

This declaration is in respect of Rhythm Biosciences Limited and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis

A. A. Finnis

Director

Melbourne, 18 February 2026

For personal use only

Rhythm Biosciences Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Consolidated	
	31 December 2025	31 December 2024
Note	\$	\$
Revenue		
GeneType sales	46,247	-
Research and development grants	1,575,900	3,166,287
Interest income	30,187	90,635
Total revenue	1,652,334	3,256,922
Expenses		
Cost of goods sold	165,328	-
Employment related costs	1,778,788	1,178,339
Employment related costs - share based payments	141,853	141,111
Office and compliance costs	938,875	726,538
Research and development costs	605,542	360,837
Marketing and investor relations	110,790	11,597
Depreciation	80,833	74,139
Amortisation of intangible assets	17,986	17,986
Finance costs	69,525	58,086
Genetype business acquisition costs	-	99,078
	3,909,520	2,667,711
Profit/(loss) before income tax expense	(2,257,186)	589,211
Income tax expense	-	-
Profit/(loss) after income tax expense for the half-year attributable to the owners of Rhythm Biosciences Limited	(2,257,186)	589,211
Other comprehensive income for the half-year, net of tax	(4,328)	-
Total comprehensive income for the half-year attributable to the owners of Rhythm Biosciences Limited	(2,261,514)	589,211
	Cents	Cents
Basic earnings/(loss) per share	(0.71)	0.23
Diluted earnings/(loss) per share	(0.71)	0.23

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

Rhythm Biosciences Limited
Statement of financial position
As at 31 December 2025

		Consolidated	
	Note	31 December 2025 \$	30 June 2025 \$
Assets			
Current assets			
Cash and cash equivalents		1,643,309	1,397,208
Trade and other receivables		61,394	61,907
Other financial assets – term deposits		85,000	85,000
Prepayments		313,141	193,105
Inventories		73,294	74,359
Total current assets		<u>2,176,138</u>	<u>1,811,579</u>
Non-current assets			
Intangible assets	4	831,166	849,152
Right-of-use assets		46,774	99,593
Property, plant and equipment		44,765	71,441
Total non-current assets		<u>922,705</u>	<u>1,020,186</u>
Total assets		<u>3,098,843</u>	<u>2,831,765</u>
Liabilities			
Current liabilities			
Trade and other payables		495,760	874,226
Provisions		183,746	179,404
Lease liabilities		52,273	105,356
Borrowings		210,171	1,000,000
Total current liabilities		<u>941,950</u>	<u>2,158,986</u>
Non-current liabilities			
Provisions		13,460	10,972
Lease liabilities		-	1,915
Total non-current liabilities		<u>13,460</u>	<u>12,887</u>
Total liabilities		<u>955,410</u>	<u>2,171,873</u>
Net assets		<u>2,143,433</u>	<u>659,892</u>
Equity			
Issued capital	5	41,356,978	37,753,596
Reserves	6	5,547,365	5,409,840
Accumulated losses		<u>(44,760,730)</u>	<u>(42,503,544)</u>
Total equity		<u>2,143,433</u>	<u>659,892</u>

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

Rhythm Biosciences Limited
Statement of changes in equity
For the half-year ended 31 December 2025

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	34,448,096	5,093,243	(38,674,173)	867,166
Profit after income tax expense for the half-year	-	-	589,211	589,211
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	589,211	589,211
Transactions with owners in their capacity as owners:				
Shares issued (net of costs) – note 6	3,280,897	-	-	3,280,897
Share based payments	-	141,111	-	141,111
Balance at 31 December 2024	<u>37,728,993</u>	<u>5,234,354</u>	<u>(38,084,962)</u>	<u>4,878,385</u>
Balance at 1 July 2025	37,753,596	5,409,840	(42,503,544)	659,892
Profit after income tax expense for the half-year	-	-	(2,257,186)	(2,257,186)
Other comprehensive income for the half-year, net of tax	-	(4,328)	-	(4,328)
Total comprehensive income for the half-year	-	(4,328)	(2,257,186)	(2,261,514)
Transactions with owners in their capacity as owners:				
Shares placement (net of costs) – note 6	3,573,202	-	-	3,573,202
Share based payments – consultants – note 6	30,000	-	-	30,000
Share based payments – employment related – note 6	-	141,853	-	141,853
Balance at 31 December 2025	<u>41,356,798</u>	<u>5,547,365</u>	<u>(44,760,730)</u>	<u>2,143,433</u>

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

For personal use only

Rhythm Biosciences Limited
Statement of cash flows
For the half-year ended 31 December 2025

	Consolidated	
	31 December 2025	31 December 2024
	\$	\$
Cash flows from operating activities		
Research and development incentives	1,575,900	3,226,017
Receipts from customers (inclusive of GST)	43,054	-
Payments to suppliers and employees (inclusive of GST)	(3,803,371)	(2,230,459)
Interest received	30,195	30,905
Interest paid	(68,548)	(56,428)
	<u>(2,222,770)</u>	<u>970,035</u>
Net cash provided by/(used in) operating activities		
Cash flows from investing activities		
Payments for plant and equipment	(1,017)	-
Payments for term deposits	-	(40,000)
Payment for acquisition of business	-	(519,751)
	<u>(1,017)</u>	<u>(559,751)</u>
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from shares issued	3,748,902	3,500,000
Payments for capital raising costs	(180,012)	(219,103)
Proceeds from loans	-	1,150,000
Repayments of loans	(1,044,049)	(1,150,000)
Repayment of lease liabilities	(54,953)	(31,135)
	<u>2,469,888</u>	<u>3,249,762</u>
Net cash provided by financing activities		
Net increase in cash and cash equivalents	246,101	3,660,046
Cash and cash equivalents at the beginning of the financial half-year	<u>1,397,208</u>	<u>709,496</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>1,643,309</u></u>	<u><u>4,369,542</u></u>

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

Note 1. Material accounting policy information

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

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

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

New or amended Accounting Standards and Interpretations adopted

In the period ended 31 December 2025, the Directors have adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to the Group and effective for the reporting periods beginning on or after 1 July 2025.

There was no impact on the consolidated entity arising from these new and revised Standards and Interpretations.

Standards and Interpretations in issue not yet adopted

The Directors believe there will be no significant impact from the adoption of these Standards on the financial performance or position of the Group.

Going Concern

The consolidated entity incurred an operating loss of \$3,833,086 (excluding research and development grants) (2024: \$2,577,076) and had cash outflows from operating activities of \$3,798,670 (excluding research and development grants) (2024: \$2,255,982) for the 6 month period ended 31 December 2025. At balance date the consolidated entity has current assets of \$2,176,138 (30 June 2025: \$1,811,579) including cash and cash equivalents of \$1,643,309 (30 June 2025: \$1,397,208) and a surplus of current assets over current liabilities of \$1,234,188 (30 June 2025 deficit: \$347,407). The consolidated entity is in start-up phase and only established an early stage commercial income stream. These conditions indicate a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. The ability of the company to continue as a going concern is dependent on a number of factors, one being the continuation and availability of funds.

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business for the following reasons:

- a research and development refund, based on eligible expenditure incurred during the 2026 financial year, is expected to be received in 2026;
- the company has the potential to raise additional capital from investors including from a potential underwriting of the exercise at 20 cents each of RHYO Options expiring on 31 March 2026;
- the prior year acquisition of the Genetype business and assets creates a diversified oncology business with significant growth potential; and
- the consolidated entity is able to scale back research and development activity if required for cash flow management purposes.

Should the company be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

Note 2. Critical accounting judgements, estimates and assumptions

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 period are discussed below.

Share-based payments

Rhythm operates an Employee Incentive Omnibus Plan (EIOP). The non-cash expense of issuing these options is calculated using a Black-Scholes option pricing model. This model requires the input of a number of variables including an estimate of future volatility and a risk-free interest rate. The probability of meeting any vesting conditions is also required to be estimated.

Research and development tax refund income

Research and development tax refund income is recognised when there is reasonable assurance that the eligibility conditions are met and that the grants will be received. Significant judgement is required in determining the income tax refund eligibility. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The amounts recorded as revenue for the half-year periods ended 31 December 2025 and 2024 relate to tax refunds received in the same half-year period following tax returns lodged claiming eligible expenditure incurred in previous financial years.

Estimated Useful Lives of Other Intangible Assets

Rhythm determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

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 expected future sales, the ageing of inventories and other factors that affect inventory obsolescence.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into one operating segment relating to the development of new diagnostic tests for colorectal cancer. The Chief Operating decision maker views the business as one operating segment.

Rhythm Biosciences Limited
Notes to the financial statements
31 December 2025

Note 4. Intangible assets

	31 December 2025	30 June 2025 (12 mths)
	\$	\$
Licences	300,145	318,131
Goodwill	531,021	531,021
	<u>831,166</u>	<u>849,152</u>
Licences movements:		
Balance at the beginning of the period	318,131	354,102
Amortisation	(17,986)	(35,971)
	<u>300,145</u>	<u>318,131</u>
Goodwill movements:		
Balance at the beginning of the period	531,021	-
Goodwill acquired	-	531,021
	<u>531,021</u>	<u>531,021</u>

Note 5. Equity - issued capital

	31 December 2025	31 December 2025	31 December 2024	31 December 2024
	Shares	\$	Shares	\$
Ordinary shares	337,011,420	41,433,544	283,596,750	37,728,993
Movements during the period:				
Opening balance 1 July	290,330,621	37,753,596	248,596,750	34,448,096
Placement of shares – 27 November 2024	-	-	35,000,000	3,500,000
Loan funded shares – 31 July 2025	500,000	-	-	-
Placement of shares – 25 August 2025	38,321,133	3,448,896	-	-
Share-based payment – 18 September 2025	333,333	30,000	-	-
Loan funded shares - 1 December 2025	3,783,501	-	-	-
Placement of shares – 1 December 2025	3,333,332	300,000	-	-
Deferred shares – 1 December 2025	409,500	-	-	-
Capital raising costs	-	(175,694)	-	(219,103)
Closing balance - 31 December	<u>337,011,420</u>	<u>41,356,798</u>	<u>283,596,750</u>	<u>37,728,993</u>

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.

Rhythm Biosciences Limited
Notes to the financial statements
31 December 2025

Note 6. Equity - reserves

	Consolidated	
	31 December 2025	30 June 2025
	\$	\$
Share-based payments reserve	5,554,572	5,412,719
Options reserve	50	50
Foreign currency translation reserve	(7,257)	(2,929)
	<u>5,547,365</u>	<u>5,409,840</u>

Movements in reserves

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

Consolidated	Foreign currency translation \$	Share- based payments \$
Balance at 1 July 2025	(2,929)	5,412,719
Share based remuneration	-	141,853
Foreign currency movement	(4,328)	-
Balance at 31 December 2025	<u>(7,527)</u>	<u>5,554,572</u>

Set out below are summaries of options granted to consultants, key management personnel and other employees:

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Lapsed	Balance at the end of the half-year
10/10/2023	30/11/2025	\$1.80	200,000	-	-	(200,000)	-
13/5/2024	31/3/2026	\$0.20	2,000,000	-	-	-	2,000,000
13/5/2024	31/3/2028	\$0.20	1,000,000	-	-	-	1,000,000
13/5/2024	31/3/2028 **	\$0.30	1,000,000	-	-	-	1,000,000
20/8/2024	20/8/2026	\$0.20	850,000	-	-	(475,000)	375,000
20/8/2024	20/8/2028	\$0.30	850,000	-	-	(475,000)	375,000
5/11/2025	30/11/2028 *	\$0.25	-	466,820	-	-	466,820
5/11/2025	30/11/2027 *	\$0.20	-	1,200,000	-	-	1,200,000
1/12/2025	30/11/2027 **	\$0.20	-	2,700,000	-	-	2,700,000
19/12/2025	30/11/2027	\$0.20	-	31,250	-	-	31,250
			<u>5,900,000</u>	<u>4,398,070</u>	<u>-</u>	<u>(1,150,000)</u>	<u>9,148,070</u>

* Vesting conditions on performance and employment service periods relate to 75% of these remaining options not yet achieved.

** Vesting conditions on employment service periods relate to these options not yet achieved.

As at 31 December 2025 there were 4,197,955 ESOP Options able to be exercised (31 December 2024: 900,000).

Rhythm Biosciences Limited
Notes to the financial statements
31 December 2025

The valuation model inputs used to determine the fair value of Options at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate [#]	Fair value at grant date
5/11/2025	30/11/2027	\$0.09	\$0.20	100.00%	-	3.61%	\$0.03
5/11/2025	10/11/2028	\$0.09	\$0.25	100.00%	-	3.61%	\$0.04
1/12/2025	30/11/2027	\$0.086	\$0.20	100.00%	-	3.81%	\$0.03
19/12/2025	30/11/2027	\$0.097	\$0.20	100.00%	-	4.01%	\$0.03

Set out below are summaries of loan funded shares granted to key management personnel and other employees:

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Lapsed	Balance at the end of the half-year
13/5/2024	13/05/2028 *	\$0.10	4,000,000	-	-	-	4,000,000
18/7/2024	18/07/2028 *	\$0.10	800,000	-	-	-	800,000
20/8/2024	20/08/2028 *	\$0.10	200,000	-	-	-	200,000
16/12/2024	16/12/2028 *	\$0.10	500,000	-	-	-	500,000
14/3/2025	18/07/2028 **	\$0.10	750,000	-	-	-	750,000
31/07/2025	30/07/2029 **	\$0.10	-	500,000	-	-	500,000
5/11/2025	30/11/2029 **	\$0.10	-	1,783,501	-	-	1,783,501
1/12/2025	30/11/2029 ***	\$0.10	-	2,000,000	-	-	2,000,000
			<u>6,250,000</u>	<u>4,283,501</u>	<u>-</u>	<u>-</u>	<u>10,533,501</u>

* Vesting conditions on employment service periods relate to 50% of these loan funded shares not yet achieved.

** Vesting conditions on employment service periods relate to these loan funded shares not yet achieved.

*** Vesting conditions on performance and employment service periods relate to 75% of these loan funded shares not yet achieved.

The valuation model inputs used to determine the fair value of loan funded shares at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate [#]	Fair value at grant date
31/07/2025	31/07/2029	\$0.056	\$0.10	100.00%	-	3.37%	\$0.03
5/11/2025	30/11/2029	\$0.090	\$0.10	100.00%	-	3.67%	\$0.06
1/12/2025	30/11/2029	\$0.086	\$0.10	100.00%	-	3.87%	\$0.06

[#]The risk-free interest rate is based on the Australian Government bond yield (Reserve Bank of Australia website) at the grant date.

Set out below are summaries of deferred shares granted to key management personnel and other employees:

Grant date	Escrow date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Lapsed	Balance at the end of the half-year
01/12/2025	30/11/2027	\$0.10	-	409,500	-	-	409,500
				<u>409,500</u>	<u>-</u>	<u>-</u>	<u>409,500</u>

Note 7. Contingent liabilities

The consolidated entity had no contingent liabilities as at 31 December 2025 or 30 June 2025.

Note 8. Events after the reporting period

On 13 January 2026, 750,000 employee loan funded shares ceased due to conditions not satisfied.

On 16 January 2026, 1,000,000 ordinary fully paid shares were issued to a service provider as consideration for services rendered in lieu of cash.

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

For personal use only

Rhythm Biosciences Limited
Directors' declaration
31 December 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- for the reasons set out in Note 1 to the financial statements in relation to going concern, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors:



Dr David Atkins
Managing Director

18 February 2026

For personal use only

Independent auditor's review report to the members of Rhythm Biosciences Limited

Report on the half-year financial report



Our conclusion

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

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

What was reviewed?

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

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

Basis for conclusion

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$3,833,086 (excluding research and development grants) during the period ended 31 December 2025 and, as of that date, the Group had cash outflows from operating activities of \$3,798,670 (excluding research and development grants). As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the financial report

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

Auditor's responsibilities for the review of the financial report

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

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

Alex Finnis

A. A. Finnis

Director

Melbourne, 18 February 2026