

Calix Limited and its controlled entities

ABN 36 117 372 540

Interim financial report for the period ended 31
December 2025

DIRECTORS' REPORT

The directors present their report on Calix Limited and its controlled entities ("the Group" or "Calix") consisting of Calix Limited ("the Company") and entities under its control as of, or during the half-year ended 31 December 2025 ("1H FY26" or "the Financial Period").

Directors

The following persons were directors of the Company during the financial period ended 31 December 2025 and up to the date of this report:

- Alison Deans
- Peter Dixon
- Helen Fisher
- Dr Phil Hodgson
- Dr Sarah Ryan

Company Secretary

The Company Secretary during 1H FY26 and up to the date of this report was Darren Charles, B Com FCPA. He is also the Chief Financial Officer of Calix.

Principal activities

Calix (ASX: CXL) is a technology company building businesses to solve global challenges in industrial decarbonisation and sustainability.

Calix's patented core platform technology is being developed to deliver indirect heating of raw materials to enable efficient, precise, flexible and renewably powered metal and mineral processing and capture of unavoidable industrial emissions.

Calix is developing and applying its platform technology to the magnesia, cement and lime, iron and steel, alumina, critical minerals and carbon dioxide removal industries.

Technology

Calix's platform technology is a reinvention of the kiln process with multiple potential benefits:

- Energy optionality: Designed to deliver high temperature metals and minerals processing with electricity, conventional and/or alternative fuels.
- Flexible electrification: Flexible operations compatible with variable renewable energy sources and potential grid balancing applications.
- Capture of unavoidable emissions: Unavoidable process CO₂ emissions, such as those from the making of cement and lime, remain uncontaminated by heating gases, enabling them to be simply captured for use or storage.
- Value-added mineral products: Calix's platform technology is well suited to the processing of fines or dust that may otherwise be discarded as waste. Processing at the mine site may reduce material transport volumes and add-value to refined mineral products.
- Minimal hydrogen use: For green iron and steel and other reduction reactions, hydrogen is used only as a reductant. It is not combusted as a fuel and unused hydrogen may be recycled.
- Highly-active materials: Flash heating can produce high surface area materials with enhanced chemical or bioactivity.

Operations

The Group has operations, customers and distribution partners across Australia, New Zealand, Asia, Europe and the United States of America ("U.S."). Its activities in the Financial Period were focused across three business segments, being: Leilac (CO₂ mitigation), Sustainable Processing ("SusPro"), and Magnesia. These "lines of

business” are supported by Research & Development (“R&D”), engineering, operations, marketing, and finance and administration teams.

Our business activities are underpinned by:

- The Calix Technology Centre, Bacchus Marsh, Victoria, Australia
 - Two electric calciners for customer material testing and project and technology development.
 - A commercial calciner for the production of up to 25,000 tonnes per year of magnesium oxide for wastewater treatment and aquaculture.
 - A multi-purpose laboratory to support Calix’s research and development capabilities, helping to speed up project development and drive new innovative applications.
- Magnesita:
 - Magnesium Carbonate Mine, Myrtle Springs, South Australia: A raw material magnesium carbonate mine.
 - Magnesium oxide hydration facilities in Victoria and Queensland, Australia
 - Six manufacturing facilities producing water treatment products for North American customers.
- Leilac:
 - Leilac-1, Lixhe, Belgium: A pilot demonstration facility for lime and cement.

Operating results

The Group recorded product and services revenue of \$16.3m during the period, an increase of 21% (1HFY25: \$13.5m). This result was largely driven by revenue of \$15.8m from the Magnesita line of business, up 48% (1H FY25: \$10.7m). Revenues were recorded at a blended gross margin of 40%, resulting in a gross profit of \$6.7m (1H FY25: \$4.9m).

Cost reduction measures implemented in FY25, alongside continued cash management, delivered reduced operating costs of \$15.6m in 1H FY26, down 30% (1H FY25: \$22.3m).

The Group reduced its capital expenditure during the Financial Period, investing \$7.1m in property, plant and equipment (PPE) (1HFY25: \$8.1m). This includes Calix’s share of the investment made by the UJV in the Midstream project’s PPE.

Financial position

The Group held \$11.8m in cash and equivalents on 31 December 2025 (30 June 2025: \$23.0m) and had a deficiency of \$2.3m of total current assets over total current liabilities (30 June 2025: surplus of \$11.5m).

Calix’s balance sheet, together with a continued focus on revenue generation and cash management has ensured that the Group continues to have a sufficient reserves to pursue its operational and strategic objectives.

In February 2026, the Company announced that it had executed a binding term sheet to sell its share of the Midstream project to PLS Group Limited. As a result, the Company recorded an impairment of UJV’s net assets at 31 December 2025 of \$30.2m.

Going concern

The financial report has been prepared on a going concern basis.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the Financial Period.

After balance date events

On 19 February 2026, the Company announced a restructure of the ownership of the Midstream demonstration plant under which PLS Group Limited would acquire Calix’s ownership in return for a cash payment of \$11.4m.

The agreement was formalised in a binding term sheet, and is subject to the parties executing final transaction documents expected before 17 April 2026. As a result of this restructure, a \$30.2m impairment expense was recorded in the 31 December 2025 statement of profit and loss.

No other matters or circumstances have arisen since the end of the Financial Period which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future periods.

Auditor independence

A copy of the auditor's independence declaration as required under section 307c of the *Corporations Act 2001* is set out on page 4.

Rounding off

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) instrument 2016/191 and in accordance with that instrument, amounts in the consolidated financial statements and directors' report have been rounded off to the nearest thousand Australian dollars unless otherwise stated.

This report is signed in accordance with a resolution of the board of directors.



A Deans
Chair
Sydney
24 February 2026

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

To the Directors of Calix Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Calix Limited for the Interim Period ended 31 December 2025 there have been:

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

KPMG

Daniel Camilleri
Partner

Sydney

24 February 2026

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year period ended 31 December 2025

	Note	31-Dec-25 \$'000	31-Dec-24 \$'000
Revenue	3	16,317	13,514
Cost of sales		(9,635)	(8,655)
Gross profit		6,682	4,859
Other income	3	1,266	1,618
Gross profit and other income		7,948	6,477
Sales and marketing expenses		(5,128)	(5,364)
Research and development expenses		(6,199)	(10,922)
Administration and other expenses		(4,251)	(6,055)
Depreciation, amortisation and impairment expenses	4	(3,835)	(5,381)
Interest income		184	498
Finance costs		(133)	(128)
Foreign exchange gains / (losses)		(514)	638
Share based payment expenses		(724)	(1,307)
Gain on contribution to the unincorporated joint venture	9	-	8,766
Impairment of unincorporated joint venture	4	(30,177)	-
Loss from ordinary activities before income tax		(42,829)	(12,778)
Income tax benefit		40	38
Loss for the period		(42,789)	(12,740)
Loss for the period is attributable to:			
Owners of Calix Limited		(42,430)	(12,110)
Non-controlling interests		(359)	(630)
		(42,789)	(12,740)
Other comprehensive income			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		57	202
Total comprehensive income for the period		(42,732)	(12,538)
Total comprehensive income for the period is attributable to:			
Owners of Calix Limited		(42,366)	(11,925)
Non-controlling interests		(366)	(613)
		(42,732)	(12,538)
Basic and diluted earnings per share (cents)	16	(19.71)	(6.54)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	31-Dec-25 \$'000	30-Jun-25 \$'000
Assets			
Current assets			
Cash and cash equivalents		11,803	22,975
Trade, other receivables and other assets	6	6,681	6,279
Inventories		2,647	2,628
Total current assets		21,131	31,882
Non-current assets			
Trade, other receivables and other assets	6	284	296
Inventories		1,707	1,825
Intangible assets	7	10,420	12,410
Goodwill	8	3,638	3,638
Right of use asset		3,215	2,586
Property, plant and equipment	9	31,836	57,739
Total non-current assets		51,100	78,494
Total assets		72,231	110,376
LIABILITIES			
Current liabilities			
Trade and other payables	10	8,451	8,017
Borrowings	11	168	136
Current lease liabilities		1,002	845
Provisions		1,724	1,733
Deferred revenue and other income	12	9,114	9,636
Other liabilities	13	3,000	-
Total current liabilities		23,459	20,367
Non-current liabilities			
Non-current lease liabilities		2,063	1,644
Provisions		500	467
Deferred tax		311	351
Total non-current liabilities		2,874	2,462
Total liabilities		26,333	22,829
Net assets		45,898	87,547
Equity			
Issued capital	14	178,979	177,932
Reserves	15	30,779	30,679
Accumulated losses		(162,752)	(120,322)
Capital and reserves attributable to the owners of Calix Limited		47,006	88,289
Non-controlling interest	18	(1,108)	(742)
Total equity		45,898	87,547

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

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year period ended 31 December 2025

	Note	31-Dec-25 \$'000	31-Dec-24 \$'000
Cash flows from operating activities			
Receipts from customers		18,577	13,342
Receipts from government bodies		500	419
Payments to suppliers and employees		(25,401)	(32,141)
Interest received		184	498
Payment of interest on borrowings		(13)	(32)
Income taxes received / (paid)		-	-
Net cash used in operating activities		(6,153)	(17,914)
Cash flows from investing activities			
Receipts from sale of property, plant and equipment		2	56
Receipts from government bodies		-	1,121
Purchases of property, plant and equipment		(7,142)	(8,113)
Receipts of repayment of loans to directors		-	123
Purchases of intangible assets	7	(280)	(720)
Net cash used in investing activities		(7,420)	(7,533)
Cash flows from financing activities			
Proceeds from issues of shares		-	20,000
Payments for transaction costs related to issues of shares		-	(1,101)
Payment of lease principal		(631)	(495)
Proceeds from borrowings		32	-
Proceeds from other liabilities	13	3,000	-
Repayment of borrowings		-	(83)
Net cash provided from financing activities		2,401	18,321
Net decrease in cash and cash equivalents		(11,172)	(7,126)
Cash and cash equivalents at the beginning of the period		22,975	42,958
Cash and cash equivalents at the end of the period		11,803	35,832

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year period ended 31 December 2025

	Issued Capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total Parent Entity Interest \$'000	Non-controlling interest \$'000	Total \$'000
Balance at 1 July 2024	154,226	30,717	(101,150)	83,793	211	84,004
Net losses for the period after tax	-	-	(12,110)	(12,110)	(630)	(12,740)
Other comprehensive income for the period						
Net movement in foreign currency translation reserve	-	185	-	185	17	202
Total comprehensive income for the period	-	185	(12,110)	(11,925)	(613)	(12,538)
Transactions with owners						
New issues of shares	20,030	-	-	20,030	-	20,030
Capital raising costs	(1,101)	-	-	(1,101)	-	(1,101)
Fair value of EIS rights granted	-	1,307	-	1,307	-	1,307
Fair value of EIS rights issued	2,532	(2,532)	-	-	-	-
Balance at 31 December 2024	175,687	29,677	(113,260)	92,104	(402)	91,702
Balance at 1 July 2025	177,932	30,679	(120,322)	88,289	(742)	87,547
Net losses for the period after tax	-	-	(42,430)	(42,430)	(359)	(42,789)
Other comprehensive income for the period						
Net movement in foreign currency translation reserve	-	64	-	64	(7)	57
Total comprehensive income for the period	-	64	(42,430)	(42,366)	(366)	(42,732)
Transactions with owners						
New issues of shares	359	-	-	359	-	359
Capital raising costs	-	-	-	-	-	-
Fair value of EIS rights granted	-	724	-	724	-	724
Fair value of EIS rights issued	688	(688)	-	-	-	-
Balance at 31 December 2025	178,979	30,779	(162,752)	47,006	(1,108)	45,898

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

Notes to the Financial Report For the half-year ended 31 December 2025

1. Statement of material accounting policies

The interim consolidated financial report was approved by the Board of Directors on 24 February 2026. This half-year consolidated financial report has been prepared in accordance with Australian Accounting Standard AASB134 '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' issued by the International Accounting Standards Board.

The interim consolidated financial report is intended to provide users with an update on the latest annual financial statements of Calix Limited ("the Company") and its controlled entities ("the Group"). As such, the half-year report does not include full disclosures of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. Accordingly, it is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2025.

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

The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The Group has incurred a loss after tax for the period ended 31 December 2025 of \$42.8m (31 December 2024 loss \$12.7m). The Group has net assets of \$45.9m (30 June 2025 \$87.5m), including a cash balance of \$11.8m (30 June 2025 \$23.0m), and Operating cash outflows for the period were \$6.2m (31 December 2024 \$17.9m). Management has prepared a cashflow forecast to 30 June 2027 supporting the Director's assessment for the preparation of the financial statements on a going concern basis.

The cash flow forecast for the Group, approved by the Board, includes the following key assumptions:

- Continued growth in sales volume at current margins in the Magnesia line of business, largely supported by executed contracts and long-term repeat orders;
- Continued focus and prioritisation of externally funded projects, such as Norske Hydro and ZESTY;
- Receipt of contracted grant payments and project contributions together with legislated tax incentives that the Group is eligible to receive;
- Reduced research and development expenditure on non-externally funded projects based on the ongoing effect of cost control measures already implemented, such as reduction of head count;
- Minimal capital expenditure to that which is required to support growth in the Magnesia business.

Based on the above cash flow forecasts and assumptions, the directors of Calix consider that the Group will continue to fulfill all obligations as and when they fall due for the foreseeable future and accordingly consider that the Group's financial statements should be prepared on a going concern basis.

The \$11.4m cash inflows anticipated from the event described in note 19 is expected to further support the cash flow forecast.

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the interim financial report. Amounts in the interim financial report have been rounded off to the nearest thousand Australian dollars, unless otherwise stated, in accordance with the instrument.

Notes to the Financial Report

For the half-year ended 31 December 2025

2. Segment information

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Group's chief operating decision makers ("CODM"). The CODM consists of the Executive Key Management Personnel as disclosed in the prior full year's Remuneration Report on pages 33-43. For the period ended 31 December 2025, the Group assessed performance and allocated resources to four operating segments: Magnesia, Leilac, Sustainable Processing ("SusPro") and Corporate (which encompass all other operations of the business that are not focused solely on the other three segments).

The aggregation criteria under AASB 8 – Operating Segments have been applied to include the results of each business line within the segment in which it operates.

For the period ended 31 December 2025	Magnesia \$'000	Leilac \$'000	SusPro \$'000	Corporate \$'000	Total \$'000
Segment Revenue	15,753	-	564	-	16,317
Gross profit	6,166	(22)	538	-	6,682
Net profit/(loss)	644	(5,159)	(30,633)	(7,641)	(42,789)

The following items are included in the above net loss but warrant separate disclosure:

Operational expenses					
Sales and marketing	(3,681)	(563)	(575)	(309)	(5,128)
Research and development	(718)	(2,158)	(378)	(2,945)	(6,199)
Administrative and other	(125)	(975)	-	(3,151)	(4,251)
Total operational expenses	(4,524)	(3,696)	(953)	(6,405)	(15,578)
Share based payments	-	-	-	(724)	(724)
Interest expense	(96)	-	-	(37)	(133)
Depreciation and amortisation	(1,184)	(1,818)	(366)	(467)	(3,835)
Impairment	-	-	(30,177)	-	(30,177)
UJV gain	-	-	-	-	-
Interest revenue	4	-	81	99	184
Other income	241	789	236	-	1,266
Income tax benefit/(expense)	40	-	-	-	40
Capital Expenditure	1,538	170	6,735	102	8,545¹

The aggregation criteria under AASB 8 – Operating Segments has been applied to include the results of each business line in which they operates.

For the period ended 31 December 2025	APAC (incl Australia) ² \$'000	EMEA \$'000	Americas ³ \$'000	Total \$'000
Segment Revenue				
Products sold	4,189	-	11,221	15,410
Revenue from rental agreements	177	-	85	262
Other services	247	-	398	645
Intersegment revenues	-	-	-	-
Total Segment Revenue	4,613	-	11,704	16,317

¹ \$6,576,000 of the \$8,545,000 capital expenditure relates to the additions within the Midstream UJV.

² All revenue relates to Australia, except for \$142,000 of products sold and \$nil of other services that relate to the rest of the APAC region.

³ All revenues relate to the US, except for \$396,000 that are from outside the US.

Notes to the Financial Report

For the half-year ended 31 December 2025

2. Segment information (continued)

For the period ended 31 December 2024	Magnesia \$'000	Leilac \$'000	SusPro \$'000	Corporate \$'000	Total \$'000
Segment Revenue	10,652	2,862	-	-	13,514
Gross profit	4,048	811	-	-	4,859
Net profit/(loss)	(1,870)	(9,273)	6,785	(8,382)	(12,740)

The following items are included in the above net loss but warrant separate disclosure:

Operational expenses					
Sales and marketing	(3,967)	(706)	(415)	(276)	(5,364)
Research and development	(626)	(5,598)	(1,800)	(2,898)	(10,922)
Administrative and other	(231)	(1,680)	(44)	(4,100)	(6,055)
Total operational expenses	(4,824)	(7,984)	(2,259)	(7,274)	(22,341)
Share based payments	-	-	-	(1,307)	(1,307)
Interest expense	(113)	-	-	(15)	(128)
Depreciation and amortisation	(1,059)	(2,499)	(293)	(474)	(4,325)
Impairment	-	(1,056)	-	-	(1,056)
UJV gain	-	-	8,766	-	8,766
Interest revenue	7	7	208	276	498
Other income	34	1,194	392	(2)	1,618
Income tax benefit/(expense)	40	(2)	-	-	38
Capital Expenditure	750	1,477	15,363	97	17,687⁴

For the period ended 31 December 2024	APAC (incl Australia) \$'000	EMEA \$'000	Americas \$'000	Total \$'000
Segment Revenue				
Products sold	1,859	-	8,582	10,441
Revenue from rental agreements	147	-	64	211
Other services	162	-	2,700	2,862
Intersegment revenues	-	-	-	-
Total Segment Revenue	2,168	-	11,346	13,514

⁴ \$15,288,000 of the \$17,687,000 capital expenditure relates to the additions within the Midstream UJV.

Notes to the Financial Report

For the half-year ended 31 December 2025

3. Revenue and other income

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

For the period ended 31 December 2025	Magnesia \$'000	Leilac \$'000	SusPro \$'000	Corporate \$'000	Total \$'000
Primary geographical markets					
APAC (including Australia)	4,445	-	168	-	4,613
EMEA	-	-	-	-	-
Americas	11,308	-	396	-	11,704
Total Segment Revenue	15,753	-	564	-	16,317
Segment Revenue					
Products sold	15,409	-	-	-	15,409
Revenue from rental agreements	260	-	3	-	263
Other services	84	-	561	-	645
Intersegment revenues	-	-	-	-	-
Total Segment Revenue	15,753	-	564	-	16,317
Other income	241	788	237	-	1,266

All revenue is recognised at a point in time, except for revenue from rental agreements.

For the period ended 31 December 2024	Magnesia \$'000	Leilac \$'000	SusPro \$'000	Corporate \$'000	Total \$'000
Primary geographical markets					
APAC (including Australia)	2,006	162	-	-	2,168
EMEA	-	-	-	-	-
Americas	8,646	2,700	-	-	11,346
Total Segment Revenue	10,652	2,862	-	-	13,514
Segment Revenue					
Products sold	10,441	-	-	-	10,441
Revenue from rental agreements	211	-	-	-	211
Other services	-	2,862	-	-	2,862
Intersegment revenues	-	-	-	-	-
Total Segment Revenue	10,652	2,862	-	-	13,514
Other income	33	1,195	390	-	1,618

All revenue is recognised at a point in time, except for revenue from rental agreements and \$2,384,000 of Leilac's other services revenue.

Notes to the Financial Report

For the half-year ended 31 December 2025

4. Expenses

The Group has identified several expense items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group:

	Note	Half year ended 31-Dec-25 \$'000	Half year ended 31-Dec-24 \$'000
Employee benefit expenses	5	12,057	16,694
Changes in inventories of finished goods and work in progress		(323)	(786)
Financing costs		133	128
Depreciation and amortisation expense		3,381	3,988
Depreciation of right of use assets		454	337
Impairment of unincorporated joint venture ⁵		30,177	-
Impairment expense		-	1,056

5. Employee benefit expenses

	Half year ended 31-Dec-25 \$'000	Half year ended 31-Dec-24 \$'000
Wages and salaries	9,195	12,011
Social security contributions	1,125	1,643
Contributions to defined contribution plans	637	800
Expenses related to long service leave	21	(102)
Redundancy settlements	355	1,035
Equity settled share-based payments	724	1,307
Total employee benefit expenses	12,057	16,694

6. Trade, other receivables and other assets

	31-Dec-25 \$'000	30-Jun-25 \$'000
Current		
Trade receivables	3,834	3,565
Other receivables	1,804	1,884
Prepayments	780	559
Deposits paid	263	271
Total current trade, other receivables and other assets	6,681	6,279
Non-current		
Deposits	274	274
Other	10	22
Total non-current trade, other receivables and other assets	284	296

⁵ The impairment expense has been allocated between Intangibles (note 7), Property Plant and Equipment (note 9) and forgoing a \$1,337,000 net gain on consolidation.

Notes to the Financial Report

For the half-year ended 31 December 2025

7. Non-current assets - Intangibles

	31-Dec-25 \$'000	30-Jun-25 \$'000
Customer contracts	2,091	2,091
Less: accumulated amortisation	(1,272)	(1,167)
Intellectual property	1,359	1,359
Less: accumulated amortisation	(827)	(759)
Brand names	329	329
Less: accumulated amortisation	(200)	(184)
Capitalised development costs	8,727	8,876
Less: accumulated amortisation and impairment	(2,668)	(884)
Patents and trademarks	3,790	3,565
Less: accumulated amortisation	(909)	(816)
Total intangibles	10,420	12,410

Movement in the carrying amounts for intangible assets between the beginning and the end of the period:

	Intangible Assets \$'000
Balance as at 30 June 2025	12,410
Additions during the period	
Capitalised development costs	55
Patents and trademarks	225
Unrealised exchange rate adjustment	(180)
Less amortisation during the period	(718)
Less impairment during the period	(1,372)
Balance as at 31 December 2025	10,420

Intangibles

Intangible assets are measured at cost less any accumulated amortisation and any impairment losses. Amortisation is systematically allocated over the useful life of each identifiable asset with a finite life.

Customer contracts

Customer contracts are recognised at their fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated useful lives. Customer contracts have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. In calculating amortisation costs, customer contracts are taken to have a useful life of 10 years.

Intellectual property

Intellectual property is recognised at fair value at the date of acquisition and is subsequently amortised on a straight-line basis over its estimated useful life. Intellectual property has a finite life and is carried at cost less any accumulated amortisation and any impairment losses. In calculating amortisation costs, intellectual property is taken to have a useful life of 10 years.

Notes to the Financial Report

For the half-year ended 31 December 2025

7. Non-current assets – Intangibles (continued)

Brand names

Brand names are recognised at fair value at the date of acquisition and are subsequently amortised on a straight-line basis over their estimated useful lives. Brand names have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. In calculating amortisation costs, brand names are taken to have a useful life of 10 years.

Capitalised development costs

The capitalised development costs intangible asset relates to expenditure incurred on the development, design and construction of cement and lime manufacturing, design and construction of lithium processing, and BOOSTER-Mag technologies. The costs were recognised on the basis that they were incurred in the development phase, in accordance with AASB 138, through the demonstration of technical feasibility of completion, the intention to complete and use or sell the assets, as well as the clear path to economic benefits, the availability of technical and financial resources, and reliable measurement of expenditure. The capitalised development costs were not amortised until the associated product and service were demonstrated to be available for commercial use and an appropriate amortisation period set. As the Group transitions from an accelerated development phase to a focus on commercialisation, investment in R&D has moderated with the restructure, and greater attention will be placed on supporting the developing commercialisation efforts. Management has determined that the capitalised development costs are now available for commercial use in the financial period and has commenced amortisation over a period of 8–10 years.

Patent and trademarks

Patents and trademarks are recognised at cost of acquisition. Patents and trademarks have a finite life and are carried at cost less any accumulated amortisation and any impairment losses. Amortisation is systematically allocated over the useful life of each patent and trademark. In calculating amortisation costs, patents are taken to have a useful life of 20 years, trademarks are taken to have a useful life of 10 years; unless a patent is planned to not be renewed, in which case a shorter useful life will be used for calculating amortisation costs.

8. Goodwill

	31-Dec-25 \$'000	30-Jun-25 \$'000
Goodwill	3,638	3,638
Total goodwill	3,638	3,638

Goodwill arose on the acquisition of the US subsidiary, Inland Environmental Resources Inc, in 2019 as a result of the excess of consideration above identifiable net assets.

Accounting for goodwill

Goodwill arises on the acquisition of a business where the fair value of the consideration exceeds the fair value of the net assets acquired. Goodwill is not amortised, instead it is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to the profit or loss and not subsequently reversed.

Notes to the Financial Report

For the half-year ended 31 December 2025

9. Non-current assets – Property, plant and equipment

	31-Dec-25 \$'000	30-Jun-25 \$'000
Office furniture, fittings and equipment	2,822	2,852
Less: accumulated depreciation	(2,313)	(2,176)
Bacchus Marsh Calciner and R&D facilities	26,641	26,628
Less: accumulated depreciation	(21,101)	(20,410)
Slurry manufacturing and application assets	13,789	13,652
Less: accumulated depreciation	(6,874)	(6,511)
Mining tenements	1,174	1,174
Less: accumulated amortisation	(53)	(50)
LEILAC plants	30,170	30,910
Less: accumulated impairment and depreciation	(26,732)	(26,150)
Zesty project WIP	58	-
Midstream UJV project ⁶	43,559	36,982
Less: accumulated impairment	(30,142)	-
Land	838	838
Total property, plant and equipment	31,836	57,739

Movement in the carrying amounts for property, plant and equipment between the beginning and the end of the period:

	Property, plant and equipment \$'000
Balance as at 30 June 2025	57,739
Additions during the period	7,142
Less disposals	(21)
Unrealised exchange rate adjustment	(219)
Less depreciation and amortisation during the period	(2,663)
Less impairment during the period	(30,142)
Balance as at 31 December 2025	31,836

10. Current liabilities – Trade and other payables

	31-Dec-25 \$'000	30-Jun-25 \$'000
Trade payables	5,755	5,609
Other payables and accrued expenses	2,696	2,408
Total trade and other payables	8,451	8,017

⁶ The Midstream UJV project is part of an unincorporated joint operation ("UJV") with PLS Group Limited. The above represents Calix's 41% (2025: 45%) share of the work in progress on the plant and equipment of this UJV.

Notes to the Financial Report

For the half-year ended 31 December 2025

11. Borrowings

	31-Dec-25 \$'000	30-Jun-25 \$'000
Current borrowings		
Loan facility	7	-
Asset financing facilities	161	136
Total current borrowings	168	136

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds and the redemption amount is recognised as profit or loss over the period of the borrowings using the effective interest rate method.

Where there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Loan facility

Inland Environmental Resources, Inc. (IER) had a working capital facility for up to USD \$500,000 with Columbia Bank to assist with funding capital expenditures at an interest rate of 7.75%. Also refer to note 19.

12. Deferred revenue and other income

	31-Dec-25 \$'000	30-Jun-25 \$'000
Current deferred revenue and income	9,114	9,636
Total deferred revenue	9,114	9,636

Deferred revenue primarily consists of Government grants received but not yet recognised as other income due to unearned portions of projects.

13. Other liabilities

	31-Dec-25 \$'000	30-Jun-25 \$'000
Financial liability	3,000	-
Total other liabilities	3,000	-

Financial liability

The Group has received a \$3m non-refundable Simple Agreement for Future Equity Fee ("SAFE Fee") from Rio Tinto as part of the Joint Development Agreement for the Zesty Green Iron Demonstration Project ("Zesty Project"). This may be converted into a variable number of shares in a subsidiary entity once qualifying financing and additional investors have been obtained for the Zesty Project; or if not, to be recognised as other income in a future period. It is intended that this \$3m will form the initial investment in the Zesty Project. The SAFE Fee is classified as level 3 in the fair value hierarchy.

A further \$5m Prepaid Commissioning, Start Up and Operations Tolling Fee will be receivable by the Group as the project works towards a Final Investment Decision ("FID"). This will be refundable from the Group back to Rio Tinto for any portion not utilised for startup, commissioning and tolling operations up to a termination date, which has yet to be determined.

Notes to the Financial Report

For the half-year ended 31 December 2025

14. Issued capital

	31-Dec-25 \$'000	30-Jun-25 \$'000
Fully paid ordinary shares	187,437	186,390
Costs of fund raising recognised	(8,458)	(8,458)
Total issued capital	178,979	177,932

a. Fully paid ordinary shares

	31-Dec-25 Number of shares	30-Jun-25 Number of shares
At the beginning of the period	214,747,101	181,922,776
Issued during the period	851,607	32,824,325
Balance at the end of period	215,598,708	214,747,101

	31-Dec-25 \$'000	30-Jun-25 \$'000
At the beginning of the period	186,390	161,577
Issued during the period	1,047	24,813
Balance at the end of period	187,437	186,390

b. Costs of fund raising recognised

	31-Dec-25 \$'000	30-Jun-25 \$'000
At the beginning of the period	8,458	7,351
Incurred during the period	-	1,107
At the end of the period	8,458	8,458

	Number of shares	\$
1 July 2024 – Opening balance	181,922,776	161,576,360
EIS withdrawals	3,271,718	2,648,911
Share based payments	93,824	70,000
Placement	29,458,783	22,094,000
30 June 2025 – Closing Balance	214,747,101	186,389,271
EIS withdrawals	205,882	687,798
Share based payments	645,725	360,000
31 December 2025 – Closing Balance	215,598,708	187,437,069

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Notes to the Financial Report

For the half-year ended 31 December 2025

15. Reserves

	31-Dec-25 \$	30-Jun-25 \$
Foreign currency translation reserve	578	514
Share-based payment reserve	8,919	8,883
Transactions with non-controlling interest reserve	21,282	21,282
Total reserves	30,779	30,679
At the beginning of the period	30,679	30,717
Non-controlling interest movement of FCTR	7	(21)
Revaluations to foreign currency translation reserve	57	42
Fair value of EIS rights granted	724	2,589
Fair value of EIS rights issued	(688)	(2,648)
At the end of the period	30,779	30,679

16. Loss per share

	31-Dec-25 \$'000	31-Dec-24 \$'000
a. Earnings used to calculate basic and diluted EPS from continuing operations	(42,430)	(12,110)
	Number	Number
b. Weighted average number of ordinary shares during the period used in calculating basic and diluted EPS	215,289,542	185,148,843

17. Contingent liabilities

There are no contingent liabilities as at 31 December 2025.

18. Non-controlling interests

Equity – non-controlling interests

	31-Dec-25 \$'000	31-Dec-24 \$'000
Reserves	1,402	1,404
Retained accumulated losses	(2,510)	(1,806)
	(1,108)	(402)

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners of the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position, respectively. Carbon Direct's share of the loss since disposal, \$2,662,705 (Dec 2024: \$2,005,243), is disclosed as part of non-controlling interest in the income statement.

Notes to the Financial Report For the half-year ended 31 December 2025

19. After balance date events

Subsequent to the end of the Financial Period, the Group entered into a finance facility with Bank of America; this is replacing the current line of credit with the Columbia Bank.

On 19 February 2026, the Company announced a restructure of the ownership of the Midstream demonstration plant under which PLS Group Limited would acquire Calix's ownership in return for a cash payment of \$11.4m. The agreement was formalised in a binding term sheet and is subject to the parties executing final transaction documents expected before 17 April 2026. As a result of this restructure, a \$30.2m impairment expense was recorded in the 31 December 2025 statement of profit and loss.

No other matters or circumstances have arisen since the end of the half-year ended 31 December 2025 which significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

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Directors' Declaration For the half-year ended 31 December 2025

In the directors' opinion:

1. the financial statements and notes set out on pages 5 to 20 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standards AASB 134: Interim Financial Reporting, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half year ended on that date, and
2. 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 directors.



A Deans
Chair
Sydney
24 February 2026

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Independent Auditor's Review Report

To the shareholders of Calix Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying *Interim Financial Report* of Calix Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Calix Limited 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 performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The *Interim Financial Report* comprises:

- Consolidated statement of financial position as at 31 December 2025
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity and Consolidated statement of cash flows for the half-year ended on that date
- Notes 1 to 19 comprising material accounting policies and other explanatory information
- The Directors' Declaration.

The *Group* comprises Calix Limited (the Company) and the entities it controlled at the Interim Period's end or from time to time during the Interim Period.

The *Interim Period* is the six months ended on 31 December 2025.

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 Interim 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 APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of annual financial reports of public interest entities in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.



Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim 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 Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report 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 its performance for the Interim Period ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim Period 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.

KPMG

Daniel Camilleri
Partner
Sydney
24 February 2026

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