

ANAGENICS

Anagenics Limited

ACN 111 304 119

Financial Report for the Half-Year ended 31 December 2025

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DIRECTORS' REPORT

The Directors present their report, together with the half-year financial report, for the consolidated entity consisting of Anagenics Limited and the entities it controlled ('the Group') for the half-year ended 31 December 2025, and independent auditor's review report thereon.

Directors

The names of the company's Directors in office during the half-year and until the date of this report are set out below. Each of the Directors was in office for this entire period, unless otherwise stated.

Alexander (Sandy) Beard
Mr Phillip Christopher
Mr Scott Greasley

Principal Activities

ASX-listed Anagenics (ASX:AN1) is a health, wellness, and beauty business servicing wholesale and retail customers through an omnichannel model, offering premium branded products. The Group's underlying business strategy is to continue to grow revenue organically and efficiently, investing in brands and further expanding scale through its ongoing merger & acquisition strategy. As a brand and IP owner, Anagenics receives royalty payments from numerous licensing agreements.

The Group operates through its holding entity, Anagenics Limited, with its main operating subsidiary BLC Cosmetics Pty Ltd, an exclusive distributor of prestige beauty cosmetics and beauty equipment. BLC is a leading importer and distributor of prestige international and local skin care and wellbeing brands, namely Thalgo, Comfort Zone, Priori and other premium brands. Operating under long term and exclusive distribution agreements, BLC services over 1,000 spas, clinics, salons, retail stores and online in Australia, New Zealand and the Pacific Islands.

Results of Operations and Significant Changes in the State of Affairs

The Group recorded a maiden Net profit for the half-year ended 31 December 2025 ('1H26') of \$126,685, a significant improvement from the Net Loss in the previous corresponding period ('pcp') of \$463,929. Total Revenue in 1H26 was \$2.64m, down from \$2.93m in the pcp.

In 1H26 Operating Cash Outflows were \$649,970, a significant improvement compared to outflows of \$1,283,977 in 1H25. Resolution of outstanding creditors drove negative cash flow during 2Q26, and this impact is expected to end in 2H26.

After a successful restructuring of BLC Cosmetics Pty Ltd, the consumer and health products business is trading profitably and the Company is exploring additional products to add to its portfolio.

York Street Brands (YSB) continued its strong performance during 1H26, with the Company receiving royalty revenue of \$499,391, a substantial increase from \$243,415 in the pcp.

On 10 December 2025, the Company received firm commitments to raise A\$2.25 million before costs via a placement of approximately 489,130,435 new shares to institutional and sophisticated investors, at \$0.0046 per share.

The capital raising was conducted under two tranches, with the first tranche within the Company's existing placement capacity under ASX Listing Rule 7.1 to raise \$342,461 by the issue of 74,448,054 shares (completed on 22 December 2025). The second tranche to raise \$1,907,539 by the issue of 414,682,381 shares was subject to shareholder approval, which was received at a meeting on 29 January 2026 (with shares issued on 9 February 2026).

Funds received from the capital raising will be used to expand existing brands, pursue complementary value-accretive business opportunities, retire debt, working capital, and the costs of the placement.

DIRECTORS' REPORT Cont'd

The company is now well placed to continue its growth in Australia and internationally, and we take this opportunity to thank all stakeholders, especially our dedicated staff, for their ongoing support.

Dividend

No dividend is payable for the half year ended 31 December 2025, and no dividend was paid for the half year ended 31 December 2024.

Matters Subsequent to Reporting Date

Apart from the completion of 2nd tranche of capital raising completed on 9 February 2026, (refer to director's report), there were no matters or circumstances specific to the Group that have arisen since 31 December 2025 that have significantly affected or may significantly affect the Group's operations and state of affairs.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 in relation to the review for the half-year is attached to these financial statements.

Rounding of Amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2020/191, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar.

Signed in accordance with a resolution of the directors.



Alexander Beard
Director

Date: 24 February 2026

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Half-Year Ended 31 December 2025

	Notes	31 Dec 2025	31 Dec 2024
		\$	\$
Revenue			
Revenue	2	2,635,660	2,927,682
Cost of sales		(1,139,899)	(1,345,681)
Gross Profit		<u>1,495,761</u>	<u>1,582,001</u>
Other Income	2	-	392,135
Expenses			
Selling and distribution expenses		(74,543)	(617,830)
Administrative and employment expenses		(992,901)	(1,560,550)
Other operating expenses		(154,736)	(76,004)
Depreciation and amortisation		(93,530)	(88,789)
Finance costs		(53,366)	(19,956)
Business restructuring expenses		-	(74,936)
Total expenses		<u>(1,369,076)</u>	<u>(2,438,065)</u>
Profit/(loss) before Income tax		126,685	(463,929)
Income tax expense		-	-
Profit/(loss) after Income tax		<u>126,685</u>	<u>(463,929)</u>
Other comprehensive income			
Other comprehensive income that may subsequently reclassified to the profit or loss - foreign currency translation gain/(loss)		(2,873)	5,103
Total comprehensive income/(loss) for half-year		<u>123,812</u>	<u>(458,826)</u>
Profit/(loss) per share (cents per share) attributable to the equity holders of the entity:			
Basic and diluted earnings / (loss) per share from operations		0.03	(0.10)

The accompanying notes form part of these Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	Notes	31 Dec 2025	30 Jun 2025
		\$	\$
Current assets			
Cash and cash equivalents		294,296	395,519
Trade and other receivables		726,523	574,848
Inventories		993,018	967,718
Total current assets		2,013,837	1,938,085
Non-current assets			
Plant and equipment		18,132	17,228
Right of use assets		110,843	193,973
Intangible assets		1,952,431	1,952,431
Total Non-current assets		2,081,406	2,163,632
Total assets		4,095,243	4,101,717
Current liabilities			
Trade and other payables		795,527	1,399,222
Borrowings	3	855,734	541,216
Lease liabilities		131,062	220,566
Provisions		40,706	27,955
Total current liabilities		1,823,029	2,188,959
Non-current liabilities			
Lease liabilities		-	86,270
Total non-current liabilities		-	86,270
Total Liabilities		1,823,029	2,275,229
Net assets		2,272,214	1,826,488
Equity			
Contributed capital		67,503,100	67,181,186
Share based payments reserves		112,444	112,444
Foreign currency translation reserve		(172,592)	(169,719)
Accumulated losses		(65,170,738)	(65,297,423)
Total equity		2,272,214	1,826,488

The accompanying notes form part of these Financial Statements

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 31 December 2025	Contributed equity \$	Share based payments reserves \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
At 1 July 2025	67,181,186	112,444	(169,719)	(65,297,423)	1,826,488
Profit for the half year	-	-	-	126,685	126,685
Change in foreign currency translation reserve	-	-	(2,873)	-	(2,873)
Total comprehensive income for the half-year			(2,873)	126,685	123,812
Transactions with owners in their capacity as owners:					
Shares issued – net of transaction costs	321,914	-	-	-	321,914
At 31 December 2025	67,503,100	112,444	(172,592)	(65,170,738)	2,272,214

For the half year ended 31 December 2024	Contributed equity \$	Share based payments reserves \$	Foreign currency translation reserve \$	Accumulated losses \$	Total equity \$
At 1 July 2024	66,831,186	112,444	(172,028)	(64,061,748)	2,709,854
Profit for the half year	-	-	-	(463,929)	(463,929)
Change in foreign currency translation reserve	-	-	5,103	-	5,103
Total comprehensive income for the half-year			5,103	(463,929)	(458,826)
Transactions with owners in their capacity as owners	-	-	-	-	-
At 31 December 2024	66,831,186	112,444	(166,925)	(64,525,677)	2,251,028

The accompanying notes form part of these Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Half-Year Ended 31 December 2025

	31 Dec 2025	31 Dec 2024
	\$	\$
Cash flows from operating activities		
Receipts from customers	2,380,990	3,311,779
Payments to suppliers and employees	(3,294,216)	(4,819,215)
Royalties received	316,622	243,415
Interest paid	(53,366)	(19,956)
Net cash flows from operating activities	<u>(649,970)</u>	<u>(1,283,977)</u>
Cash flows from investing activities		
Payment for plant and equipment	(11,304)	-
Net cash flows used in investing activities	<u>(11,304)</u>	<u>-</u>
Cash flows from financing activities		
Proceeds from issue of shares	342,461	-
Proceeds from borrowings	528,000	340,000
Repayment of borrowings	(213,482)	(69,808)
Payment of lease liabilities	(94,055)	(144,110)
Net cash flows from / (used in) financing activities	<u>562,924</u>	<u>126,082</u>
Net increase / (decrease) in cash and cash equivalents	(98,350)	(1,157,895)
Impact of exchange rates on cash and cash equivalents	(2,873)	5,103
Cash and cash equivalents at beginning of half year	395,519	1,623,925
Cash and cash equivalents at end of the half year	<u>294,296</u>	<u>471,133</u>

The accompanying notes form part of these Financial Statements

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NOTES TO CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS**1. Basis of Preparation of the Half-Year Financial Report**

The consolidated half-year financial report does not include all notes of the type normally included within the annual financial report.

It is recommended that this half-year financial report be read in conjunction with the Anagenics Limited's Annual Financial Report for the year ended 30 June 2025.

The financial report covers Anagenics Limited and controlled entities as a consolidated entity (the Group). Anagenics Limited is a company limited by shares, incorporated and domiciled in Australia. The address of Anagenics Limited's registered office and principal place of business is Suite 204, Level 2, 55 Clarence Street, Sydney, NSW 2000. Anagenics Limited is a for-profit entity for the purpose of preparing the financial statements.

The half-year financial report was authorised for issue by the directors as at the date of signing the attached Directors' Declaration.

a. Basis of Accounting

This consolidated half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting, as appropriate for for-profit entities, and the Corporations Act 2001. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The consolidated half-year financial report includes the consolidated results of Anagenics Limited and its controlled entities for the half year ended 31 December 2025.

The half-year financial report has been prepared in accordance with the historical cost convention, with the exception of fair values applied to the acquisition of assets and assumption of liabilities upon business acquisitions. The accounting policies applied in this half-year financial report are consistent with those of the annual financial report for the year ended 30 June 2025 and the corresponding half-year.

b. Going Concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the half year ended 31 December 2025, the Group reported a net profit of \$126,685, and the Company forecasts improved operating profit and operating cash flow going forward. On 9 February 2026, the Company completed the second tranche of capital raising to raise \$1,907,539 by the issue of 414,682,381 shares.

The directors are of the opinion that the Group is well positioned to meet its objectives and obligations going forward, and therefore, the financial report has been prepared on a going concern basis.

c. New or Amended Accounting Standards and Interpretations Adopted

The Group adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There was no material impact upon these financial statements arising from their adoption.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted, however the directors also considered that none of these will have a material impact on the Group's existing accounting policies.

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NOTES TO CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS (CONT'D)

2. Revenue

	31 Dec 2025	31 Dec 2024
	\$	\$
Sales revenue	2,136,269	2,684,267
Royalty revenue	499,391	243,415
	<u>2,635,660</u>	<u>2,927,682</u>
Other income		
Interest Revenue	-	2,629
Other Revenue	-	89,292
Gain on reversal of Face MediGroup acquisition	-	300,214
	<u>-</u>	<u>392,135</u>
Total Revenue and other income	<u>2,635,660</u>	<u>3,319,817</u>

3. Borrowings

	31 Dec 2025	30 Jun 2025
	\$	\$
Current liabilities		
Shopify Loan (i)	205,734	91,216
Loan from related parties (ii)	650,000	450,000
	<u>855,734</u>	<u>541,216</u>

(i) Shopify Loan

Borrowings as at 31 December 2025 represent the unsecured loan provided by Shopify Commerce Singapore Pte. Ltd. (Shopify), this loan facility is due for repayment in full on or before 23 September 2027. The implied interest cost is 10% per annum and the Group is required to pay 17% of daily sales revenue on Shopify Store "BLC Cosmetics" to repay the loan.

(ii) Loan from related parties

Borrowing as at 31 December 2025 represent an unsecured interest free loan of \$650,000 received from Directors and related parties, this is due for repayment on 31 December 2026 or earlier when the Company raise the fresh capital, and this related parties' loans were repaid in February 2026.

NOTES TO CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS (CONT'D)

4. Operating Segments

The Group is organised into two operating segments namely "Consumer and Health" and "Corporate", primarily in Australia. All operating segments' results are regularly reviewed by the chief operating decision maker (being the Board).

There were no individual customers with revenues greater than 10% of trading revenues in the Group.

Operating Segment information for the half year ended 31 December 2025:

	Anagenics Corporate \$	Consumer & Health \$	Total \$
Sales & Royalty Revenue	-	2,635,660	2,635,660
Other Revenue	-	-	-
Total Revenue	-	2,635,660	2,635,660
Net Profit After Tax	(249,753)	376,438	126,685
Total Assets	2,489,745	1,605,498	4,095,243
Total Liabilities	(391,297)	(1,431,732)	(1,823,029)

Operating Segment information for the half year ended 31 December 2024:

	Anagenics Corporate \$	Consumer & Health \$	Total \$
Sales & Royalty Revenue	-	2,927,682	2,927,682
Other Revenue	8,629	383,506	392,135
Total Revenue	8,629	3,311,188	3,319,817
Net Profit After Tax	(223,886)	(240,043)	(463,929)
Total Assets	2,200,844	2,106,629	4,307,473
Total Liabilities	(212,385)	(1,844,060)	(2,056,445)

5. Contingent Liabilities

With the exception of the bank guarantee issued for a value of \$141,932 (30 June 2025: \$141,932) for leasehold tenancies, as at report date the directors are unaware of any contingent liabilities or commitments that may materially impact the Group.

6. Subsequent Events

On 10 December 2025, the Company received firm commitments to raise A\$2.25 million before costs via a placement of approximately 489,130,435 new shares to institutional and sophisticated investors, at \$0.0046 per share to be completed in two tranches. The first tranche within the Company's existing placement capacity under ASX Listing Rule 7.1 to raise \$342,461 by the issue of 74,448,054 shares was completed on 22 December 2025. The second tranche to raise \$1,907,539 by the issue of 414,682,381 shares was subject to shareholder approval, which was received at a meeting on 29 January 2026 and capital raising was completed on 9 February 2026.

Apart from above, there were no matters or circumstances specific to the Group that have arisen since 31 December 2025 that have significantly affected or may significantly affect the Group's operations and state of affairs.

DIRECTORS' DECLARATION

The Directors declare that:

In the Directors' opinion, the financial statements and notes thereto, as set out in the accompanying financial report are in accordance with the *Corporations Act 2001*, including:

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

In the Directors' opinion there are reasonable grounds, at the date of this declaration, to believe that Anagenics Limited 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) of the Corporations Act 2001.



Alexander Beard
Director

Date: 24 February 2026

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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001**

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

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Anagenics Limited.



ROBIN KING HENG LI CA RCA
DIRECTOR
CONNECT NATIONAL AUDIT PTY LTD
Authorised Audit Company No. 521888
24 February 2026

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Independent Auditor's Review Report

To the members of Anagenics Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying Half-year Financial Report of Anagenics Limited ("the company") and the entities it controlled ("Group"). Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Half-year Financial Report of Anagenics Limited 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 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 Half-year 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 6 comprising a summary of material accounting policies and other explanatory information; and
- The Directors' Declaration.

Basis for Conclusion

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of the 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 Half-year 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.

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 review report.

Emphasis of Matter - Assessment related to going concern

We draw attention to Note 1 of the financial report which describes that the financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the half year ended 31 December 2025, the Group reported a net profit of \$126,685, and the Company forecasts improved operating profit and operating cash flow going forward. On 9

February 2026, the Company completed the second tranche of capital raising to raise \$1,907,539 by the issue of 414,682,381 shares.

The directors are of the opinion that the Group is well positioned to meet its objectives and obligations going forward, and therefore, the financial report has been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Other Matter

The financial report of Anagenics Limited, for the half-year ended 31 December 2024 and year ended 30 June 2025, was reviewed/audited by another auditor who expressed an unmodified conclusion/opinion on those reports on 26 February 2025 and 27 August 2025, respectively.

Responsibilities of the Directors for the Half-year 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 Corporations Act 2001
- For such internal control as the Directors determine is necessary to enable the preparation of the Half-year Financial Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the Half-year 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 2024 and 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.

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.

Connect National Audit

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Authorised Audit Company No. 521888



**ROBIN KING HENG LI CA RCA
DIRECTOR**

24 February 2026