

## ASX Appendix 4D

### Half-Year Financial Report to 31 December 2025

#### 1. Details of reporting period

Name of Entity	Audeara Limited (the Company)
ABN	27 604 368 443
Reporting Period	<b>31 December 2025</b>
Previous Corresponding Period	31 December 2024
Presentation Currency	Australian Dollar (\$)

#### 2. Results for announcement to the market

	31 Dec 2025	31 Dec 2024	\$ Change	% Change
	\$	\$	\$	
Revenues from ordinary activities	2,951,942	1,802,652	Up 1,149,290	63.76%
Loss from ordinary activities after tax attributable to members	593,443	1,380,293	Down 786,850	(57.01%)
Comprehensive loss for the period attributable to members	591,050	1,381,469	Down 790,419	(57.22%)

	Amount Per Security	Franked Amount Per Security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous Corresponding Period	Nil	Nil
Record Date for Determining Entitlements	Not Applicable	

**Brief explanation of any of the figures reported above necessary to enable figures to be understood:**

For further information, refer to the review of operations contained in the directors' report, which forms part of the attached consolidated financial statements.



### 3. Net tangible asset backing

	31 December 2025	31 December 2024
Net tangible asset backing per ordinary security	0.45 cents	0.81 cents

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

N/A

### 5. Details of Dividends

No dividend has been paid or recommended to be paid for the half-year ended 31 December 2025.

### 6. Details of dividend reinvestment plans

N/A

### 7. Details of associate and joint venture entities

N/A

### 8. Foreign entities

N/A

### 9. Audit

This report has been based on accounts that have been subject to an audit review. The Independent Auditor's Report contains an 'Emphasis of Matter' paragraph drawing attention to a material uncertainty that may cast a significant doubt on the Group's ability to continue as a going concern. This half-year report has been prepared on a going concern basis. There are no items of dispute with the auditor and the audit review is not subject to qualification.

Authorised for release by the board

Mr David Trimboli  
**Non-Executive Chair**

25 February 2026



**AUDEARA**

Feel connected.



**Financial Report**  
For the half-year ended  
31 DECEMBER 2025

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**Audeara Limited**

ABN 27 604 368 443 | ASX: AUA

## Corporate directory

### Board of Directors

**David Trimboli**  
Non-Executive Chair

**James Fielding**  
Managing Director & Chief Executive Officer

**Bill Peng**  
Executive Director

### Company secretary

**Stephen Buckley**

### Registered office & principal place of business

35 Brookes St  
Bowen Hills QLD 4006

**Phone**  
1300 251 539

**Website**  
[www.audeara.com](http://www.audeara.com)

**Corporate Governance Statement**  
[www.audeara.com/corporate-governance](http://www.audeara.com/corporate-governance)

### Share register

**Computershare Investor Services Pty Ltd**  
Yarra Falls  
452 Johnston Street  
Abbotsford VIC 3067

**Phone**  
(03) 9907 7163

### Auditor

**Grant Thornton Audit Pty Ltd**  
King George Central  
Level 18, 145 Ann Street  
Brisbane QLD 4000

### Bankers

**Westpac Banking Corporation**  
300 Elizabeth Street  
Brisbane QLD 4000

### Stock exchange listing

Audeara Limited shares are listed on the Australian Securities Exchange (ASX)

**ASX Code**  
AUA (fully paid ordinary shares)

**Contents**

For the half-year ended 31 December 2025

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## Directors' Report

The directors of Audeara Limited ("Audeara" or "the Company") submit herewith the financial report of Audeara Limited and its controlled entities ("the Group") for the half-year ended 31 December 2025. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

### Directors

The names of the directors of the Company during or since the end of the half-year are:

- ▶ **Mr David Trimboli** – Non-Executive Chair
- ▶ **Dr James Fielding** – Managing Director & Chief Executive Officer
- ▶ **Mr Bill Peng** – Executive Director & Chief Operating Officer

### Review of operations

The Company has remained focused on increasing operational efficiency and maintaining expenditure control during the half-year ended 31 December 2025, while also building on an established market footprint, allowing the Company to pursue opportunities for future revenue growth across all operating divisions.

### Financial highlights:

- ▶ Revenue from ordinary activities up 63.76% on previous corresponding period (PCP) to \$2.95m (PCP: \$1.80m)
- ▶ Loss from ordinary activities down 57% on PCP to (\$0.593m)
- ▶ Cash at bank at period end was \$734k

### Operational highlights during the period included:

#### Audeara

- ▶ Record Australian wholesale performance, including a \$560,000 purchase order from a major domestic wholesale customer – the largest single wholesale order in the Company's history – with delivery completed in Q3 FY26.
- ▶ Secured non-exclusive distribution agreement with Eyear System Inc. to introduce Auracast™-enabled products into the Japanese market, supported by initial minimum order commitments and joint market activation activities.
- ▶ Collaboration with Ear Science Institute Australia (ESIA) to advance bone conduction listening solutions, supported by a \$100,000 grant, and strengthened by partnership with Shokz Hear to optimise devices for use in school environments.
- ▶ Clinico Sound Earbuds CS1 retail expansion in Taiwan, including recognition through the SNQ National Quality Mark, reinforcing product safety, performance and market positioning across clinical and retail channels.

#### AUA Technology

- ▶ AUA Technology sales for the half-year of approximately \$1.6 million, up 60% on the prior corresponding period, underpinned by shipment of Zildjian Perfect Tune headphones and continued contract manufacturing momentum.
- ▶ Successful receipt of NMPA certification, enabling full regulatory approval for manufacture and commercial sale of licensed hearing aid products in China, positioning Audeara for scaled market entry through established e-commerce distribution channels.

- ▶ Licensing agreement executed with Eastech (Huizhou) Co., Ltd., enabling integration of Audera's proprietary hearing personalisation technology into hearing aids for the Chinese market under National Medical Products Administration (NMPA) certification.
- ▶ Maiden commercial licensing purchase order received from Eastech for 1,000 hearing aid licence keys, marking transition from development to revenue-generating commercialisation in China.
- ▶ Execution of chip-level AI audio licensing agreement with OPTEK Microelectronics, embedding Audera's proprietary AUAI algorithms (including AI Noise Reduction and Media Personalisation) directly into system-on-chip platforms, establishing a scalable, royalty-style revenue model.
- ▶ Strengthening global commercial pipeline with multiple late-stage discussions underway to convert development partnerships into recurring licensing revenue streams across Asia-Pacific and broader international markets.

There are a number of material risks to which the Group is exposed and the key material business risks are, in summary:

**Access to financial resources**

Given the Group's net loss and negative cash flow position, the ability of the Group to continue to access financial resources in the future could impact its ability to pay its debts as and when they fall due.

**Changing consumer preferences in competitive markets**

Given the changing environment in which the Group operates, this could have a significant impact on the Group's financial results. The Board addresses this risk by constantly monitoring the market, and other competitors seeking to enter our market.

**Manufacturing disruption & supply chain reliability**

Changing dynamics in overseas economies where the Group's products are manufactured could lead to disruption in manufacturing, shortages of crucial componentry, as well as delays in delivery, resulting in a significant impact on the Group's financial results.

**Maintaining a talented and motivated workforce**

A loss of workforce capability, capacity, difficulty filling key positions, a continued loss of top performers, and forecast wage increases all could lead to a potential shortfall of staff, and in turn the Group's ability to deliver its goods which would result in a significant impact on the Group's financial results.

## Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half-year ended 31 December 2025.

## Matters subsequent to the of the half-year

There has not been any matter or circumstance occurring subsequent to the end of the half-year ended 31 December 2025 to the date of this report that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or state of affairs of the Group 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* has been received and is set out immediately after this directors' 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



Mr David Trimboli

**Non-Executive Chair**

Perth, 25 February 2026

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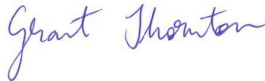
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King George Central  
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T +61 7 3222 0200

## Auditor's Independence Declaration

### To the Directors of Audeara Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Audeara 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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



CDJ Smith  
Partner – Audit & Assurance  
Brisbane, 25 February 2026

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## Consolidated statement of profit or loss and other comprehensive income

	Note	Consolidated	
		31 Dec 2025	31 Dec 2024
		\$	\$
<b>Revenue</b>			
Revenue	5	2,951,942	1,802,652
Cost of sales		(1,971,609)	(1,333,567)
Gross profit		980,333	469,085
Other income	6	633,303	380,912
<b>Expenses</b>			
Employee benefits and contractor expenses		(1,340,332)	(1,264,442)
Professional fees		(178,311)	(191,183)
Advertising and marketing		(96,043)	(80,908)
Other expenses		(425,617)	(612,340)
<b>Loss before depreciation, net of finance costs and income tax</b>		<b>(426,667)</b>	<b>(1,298,876)</b>
Depreciation and amortisation		(83,735)	(70,289)
<b>Total depreciation and amortisation expense</b>		<b>(83,735)</b>	<b>(70,289)</b>
Costs of finance		(83,041)	(11,128)
<b>Total net finance income/(costs)</b>		<b>(83,041)</b>	<b>(11,128)</b>
<b>Loss before income tax</b>		<b>(593,443)</b>	<b>(1,380,293)</b>
Income tax expense		-	-
<b>Loss for the half year attributable to the equity holders of Audeara Limited</b>		<b>(593,443)</b>	<b>(1,380,293)</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Foreign currency translation reserve movement, net of tax	20	2,393	(1,176)
<b>Total other comprehensive income for the year, net of tax</b>		<b>2,393</b>	<b>(1,176)</b>
<b>Total comprehensive income for the year attributable to the equity holders of Audeara Limited</b>		<b>(591,050)</b>	<b>(1,381,469)</b>
		<b>Cents</b>	<b>Cents</b>
Basic earnings/(loss) per share	24	(0.33)	(1.05)
Diluted earnings/(loss) per share	24	(0.33)	(1.05)

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

## Consolidated statement of financial position

	Note	Consolidated	
		31 Dec 2025	30 Jun 2025
		\$	\$
<b>Current assets</b>			
Cash and cash equivalents	7	733,593	1,421,091
Trade and other receivables	8	1,839,483	1,606,252
Inventories	9	369,972	324,639
Other assets	10	401,636	469,793
<b>Total current assets</b>		<b>3,344,684</b>	<b>3,821,775</b>
<b>Non-current assets</b>			
Property, plant and equipment	11	272,480	241,712
Capital work in progress		-	38,883
Right-of-use assets	12	58,998	100,644
Intangibles	13	51,185	54,459
Other assets		24,201	45,930
<b>Total non-current assets</b>		<b>406,864</b>	<b>481,628</b>
<b>Total assets</b>		<b>3,751,548</b>	<b>4,303,403</b>
<b>Current liabilities</b>			
Trade and other payables	14	1,353,590	516,723
Contract liabilities	15	710,932	1,048,016
Borrowings	16	439,955	1,020,129
Lease liabilities	17	44,102	85,719
Employee benefits	18	259,140	262,884
Provisions		21,730	21,729
<b>Total current liabilities</b>		<b>2,829,449</b>	<b>2,955,200</b>
<b>Non-current liabilities</b>			
Lease liabilities	17	18,701	18,856
Employee benefits	18	31,875	35,353
<b>Total non-current liabilities</b>		<b>50,576</b>	<b>54,209</b>
<b>Total liabilities</b>		<b>2,880,025</b>	<b>3,009,409</b>
<b>Net assets</b>		<b>871,523</b>	<b>1,293,994</b>
<b>Equity</b>			
Issued capital	19	15,398,140	15,371,850
Reserves	20	476,014	331,332
Accumulated losses		(15,002,631)	(14,409,188)
<b>Total equity</b>		<b>871,523</b>	<b>1,293,994</b>

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

**Consolidated statement of changes in equity**

For the half-year ended 31 December 2025

**Consolidated statement of changes in equity**

<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2025	15,371,850	331,332	(14,409,188)	1,293,994
Loss after income tax expense for the year	-	-	(593,443)	(593,443)
Other comprehensive income for the year, net of Foreign Currency Translation Reserve (note 20)	-	2,393	-	2,393
Total comprehensive income/(loss) for the half-year	-	2,393	(593,443)	(591,050)
Contributions of equity, net of transaction costs (note 19)	26,290	-	-	26,290
Share-based payments (note 20)	-	142,289	-	142,289
<b>Balance at 31 December 2025</b>	<b>15,398,140</b>	<b>476,014</b>	<b>(15,002,631)</b>	<b>871,523</b>

<b>Consolidated</b>	<b>Issued capital</b> \$	<b>Reserves</b> \$	<b>Accumulated losses</b> \$	<b>Total equity</b> \$
Balance at 1 July 2024	14,061,018	169,885	(12,622,150)	1,608,753
Loss after income tax expense for the year	-	-	(1,380,293)	(1,380,293)
Other comprehensive income for the year, net of Foreign Currency Translation Reserve (note 20)	-	(1,176)	-	(1,176)
Total comprehensive income/(loss) for the half-year	-	(1,176)	(1,380,293)	(1,381,469)
Contributions of equity, net of transaction costs (note 19)	1,123,334	-	-	1,123,334
Share-based payments (note 20)	-	107,424	-	107,424
<b>Balance at 31 December 2024</b>	<b>15,184,352.00</b>	<b>276,133</b>	<b>(14,002,443)</b>	<b>1,458,042</b>

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

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## Consolidated statement of cash flows

	Note	Consolidated	
		31 Dec 2025	31 Dec 2024
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		1,960,945	2,307,277
Payments to suppliers and employees (inclusive of GST)		(3,200,625)	(3,879,151)
Interest received		9,174	2,300
Research and development tax incentive and other grants		1,251,607	695,072
Interest and other finance costs paid		(318)	(2,315)
<b>Net cash from/(used in) operating activities</b>		<b>20,783</b>	<b>(876,816)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(8,545)	-
<b>Net cash (used in) investing activities</b>		<b>(8,545)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares		-	1,175,000
Transaction costs from issue of shares		-	(62,590)
Proceeds from borrowings		417,876	296,902
Repayment of borrowings		(898,737)	(33,791)
Transaction costs from borrowings		(108,609)	(5,099)
Proceeds from insurance premium funding		-	-
Repayment of insurance premium funding		(73,884)	(73,398)
Repayment of lease liabilities		(41,918)	(24,284)
<b>Net cash (used in)/from financing activities</b>		<b>(705,272)</b>	<b>1,272,740</b>
Net (decrease)/increase in cash and cash equivalents		(693,034)	395,924
Cash and cash equivalents at the beginning of the period		1,421,091	1,271,800
Effect of exchange rate fluctuations		5,536	24,576
<b>Cash and cash equivalents at the end of the period</b>	<b>7</b>	<b>733,593</b>	<b>1,692,300</b>

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

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# Notes to the consolidated financial statements

## Note 1. General information

Audeara Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is disclosed in the corporate directory.

The financial statements cover Audeara Limited as a Group. The financial statements are presented in Australian dollars (\$), which is Audeara Limited's functional and presentation currency.

## Note 2. Material accounting policy information

These general-purpose financial statements for the 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, unless otherwise stated.

### **New or amended Accounting Standards and Interpretations adopted**

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

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

## Note 3. Going concern

The half-year financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business. For the period ended 31 December 2025, the Company incurred a net loss after tax of \$593,443 (31 Dec 2024: \$1,380,293) and had cash inflows from operating activities of \$20,783 (31 Dec 2024: \$876,816 outflow). Cash and cash equivalents at 31 December 2025 were \$733,593.

The ability of the Group to continue as a going concern is dependent on securing additional funding through the sale of equity and/or the continuing growth in revenue from the Australian market and the continued expansion of the Asian & North American market. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Should the Group 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 that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the

recoverability or classification of recorded asset amounts, or to the amounts and classification of liabilities, that might be necessary should the Group not continue as a going concern.

Notwithstanding the above, the Directors have prepared cash flow forecasts for a period of at least twelve (12) months from the date of this report. In forming their view that the going concern basis remains appropriate, the Directors have considered:

- ▶ the Group's current cash position;
- ▶ the demonstrated ability to manage discretionary expenditure to preserve working capital;
- ▶ the Group's historical track record of successfully raising capital when required;
- ▶ the expansion and increasing gross profitability of the AUA Technology business unit, reflecting a growing contribution from higher margin licensing revenue; and
- ▶ the expansion of revenue across Asia and North America during the period.

Based on the cash flow forecasts and the matters set out above, the Directors believe there are reasonable grounds to conclude that the Group will be able to meet its obligations as and when they fall due for at least twelve (12) months from the date of this report. Accordingly, the financial report has been prepared on a going concern basis.

## Note 4. Operating segments

### *Identification of reportable operating segments*

The Company manages its operations as a single business operation and there are no parts of the Company that qualify as operating segments under AASB 8 *Operating Segments*. The Board of Directors (Chief Operating Decision Maker or "CODM") assess the financial performance of the Company on an integrated basis only and accordingly, the Company is managed on the basis of a single segment, being the development of hearing health technology. Information presented to the CODM on a monthly basis is categorised by type of expenditure.

## Note 5. Revenue

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
<b>Revenue from contracts with customers</b>		
Sale of goods – Wholesale (point in time)	2,678,635	1,685,000
Sale of goods – Retail (point in time)	39,652	74,807
Services revenue (over agreed period of time)	233,655	42,845
	<b>2,951,942</b>	<b>1,802,652</b>
<b>Disaggregation of revenue from contracts with customers</b>		
<b>Primary geographical markets</b>		
Australia-Pacific	1,403,708	754,213
North America	1,512,510	1,011,506
Asia	35,181	-
Europe	543	36,933
	<b>2,951,942</b>	<b>1,802,652</b>

## Note 6. Other income

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Government grants	51,373	0
Research & development tax incentive	572,347	374,289
Other income	9,583	6,623
	<b>633,303</b>	<b>380,912</b>

## Note 7. Cash and cash equivalents

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Cash at bank	733,593	1,421,091
	<b>733,593</b>	<b>1,421,091</b>

## Note 8. Trade and other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Trade receivables	1,218,318	356,311
Research and development tax incentive	591,219	1,219,107
BAS refund due	-	30,834
Other receivables	29,946	-
	<b>1,839,483</b>	<b>1,606,252</b>

## Note 9. Inventories

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Stock on hand - at cost	377,384	354,077
Less : provision for stock obsolescence	(7,412)	(29,438)
	<b>369,972</b>	<b>324,639</b>

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## Note 10. Other assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Prepayments	379,906	469,793
Term deposit	21,730	-
	<b>401,636</b>	<b>469,793</b>

## Note 11. Property, plant and equipment

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Equipment - at cost	518,993	449,409
Less Accumulated depreciation	(246,513)	(207,697)
	<b>272,480</b>	<b>241,712</b>

Reconciliations of the written down values at the beginning and end of the current half-year are set out below:

Balance at 1 July 2025	241,712
Additions	69,584
Depreciation expense	(38,816)
<b>Balance at 31 December 2025</b>	<b>272,480</b>

## Note 12. Right-of-use assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Buildings - right-of-use	166,583	166,583
Less Accumulated depreciation	(107,585)	(65,939)
	<b>58,998</b>	<b>100,644</b>

Reconciliations of the written down values at the beginning and end of the current half-year are set out below:

	Buildings \$
Balance at 1 July 2025	100,644
Amortisation	(41,646)
<b>Balance at 31 December 2025</b>	<b>58,998</b>

## Note 13. Intangibles

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Patents and trademarks - at cost	60,851	60,851
Product certification - at cost	16,820	16,820
Less Accumulated amortisation	(26,486)	(23,212)
	<b>51,185</b>	<b>54,459</b>

	Patents and Trademarks
	\$
Balance at 1 July 2025	54,459
Amortisation expense	(3,274)
<b>Balance at 31 December 2025</b>	<b>51,185</b>

## Note 14. Trade and other payables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<b>Current liabilities</b>		
Trade payables	1,049,344	165,700
Accrued expenses	127,774	223,674
GST payable	175,934	122,058
Other payables	538	5,291
	<b>1,353,590</b>	<b>516,723</b>

## Note 15. Contract liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<b>Current liabilities</b>		
Contract liabilities	710,932	1,048,016

Contract liabilities relate to the unearned revenue component on goods and services invoiced but not yet delivered to a customer at the end of the reporting period.

**Note 16. Borrowings**

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<b>Current liabilities - Unsecured</b>		
Insurance premium funding	12,681	86,565
Short term loan facility - Sturt Capital Pty Ltd (i)	427,274	933,564
	<b>439,955</b>	<b>1,020,129</b>

(i) Short term loan facility with Sturt Capital Pty Ltd against the anticipated R&D Tax Incentive rebate for FY2026. The loan facility has an establishment fee of 1.5%, bears interest of 1.33% per month with a repayment date which is earlier than the date of receipt of the 2025 R&D Tax Incentive from the Australian Taxation Office and 31 December 2026.

**Note 17. Lease liabilities**

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<b>Current liabilities</b>		
Lease liability	44,102	85,719
<b>Non-current liabilities</b>		
Lease liability	18,701	18,856
	<b>62,803</b>	<b>104,575</b>

**Note 18. Employee benefits**

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<b>Current Liabilities</b>		
Annual Leave	163,802	183,725
Long service leave	95,338	79,159
<b>Non-current liabilities</b>		
Long service leave	31,875	35,353
	<b>291,015</b>	<b>298,237</b>

**Note 19. Issued capital**

	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Shares	Shares	\$	\$
Fully paid ordinary shares	<b>180,889,146</b>	<b>179,934,383</b>	<b>15,398,140</b>	<b>15,371,850</b>

**Movements in ordinary share capital**

Details	Date	Shares	Issue price	\$
Balance		179,934,383		15,371,850
Issue of shares in lieu of director fees	2 December 2025	954,763	\$0.028	26,733
Share issue costs				(443)
<b>Balance</b>		<b>180,889,146</b>		<b>15,398,140</b>

**Note 20. Reserves**

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Share-based payments reserve	461,325	319,036
Foreign currency translation reserve	14,689	12,296
	<b>476,014</b>	<b>331,332</b>

Options may be issued to external consultants or non-related parties without shareholders' approval, where the annual 15% capacity pursuant to ASX Listing Rule 7.1 has not been exceeded. Options cannot be offered to a director or an associate of a director except where approval is given by shareholders at a general meeting.

Each option converts into one (1) ordinary share of Audeara Limited on exercise. The options carry neither the right to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

During the half-year ended 31 December 2025, the Company recorded the following share-based payments:

- ▶ The issue of 4,200,000 unlisted options exercisable at \$0.045 on or before 10 September 2028 to employees of the Company in accordance with the Company's employee plan ("Employee Options"). The Employee Options were issued on 11 September 2025 and vest six (6) months from the date of issue. The fair value of the Employee Options has been determined using the Black-Scholes model.
- ▶ The issue of 4,250,000 unlisted options exercisable at \$0.05 on or before 2 December 2027 to Mr David Trimboli (1,250,000), Dr James Fielding (1,500,000) and Mr Bill Peng (1,500,000) ("Director Options"). Mr Trimboli, Mr Dr Fielding and Mr Peng are directors of the Company, and the issue of options is to incentivise and remunerate them in performing their role and the issue of the Director Options is considered an appropriate incentive in the circumstances. The fair value of the Director Options has been determined using the Black-Scholes model.

**Notes to the consolidated financial statements**

For the half-year ended 31 December 2025

The following options were on issue at the reporting date:

Number of options	Grant date	Exercise price	Expiry date
1,476,000	27 November 2023	\$0.050	18 April 2027
750,000	27 November 2023	\$0.051	18 April 2027
725,000	27 November 2023	\$0.071	18 April 2027
5,000,000	30 April 2024	\$0.082	2 May 2027
4,250,000	11 December 2024	\$0.080	10 December 2026
4,100,000	21 February 2025	\$0.080	20 February 2028
11,249,988	12 February 2025	\$0.080	30 January 2027
4,200,000	11 September 2025	\$0.045	10 September 2028
4,250,000	25 November 2025	\$0.050	2 December 2027

**Note 21. Dividends**

There were no dividends paid, recommended or declared during the current of the previous financial half-year.

**Note 22. Interests in Subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Dec 2025 %	30 Jun 2025 %
Audeara Europe KFT	Hungary	100%	100%
Audeara US Inc.	United States of America	100%	100%

**Note 23. Events after the reporting period**

There have been no material events subsequent to the reporting date that would require disclosure in these financial statements.

**Note 24. Earnings per share**

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loss after income tax attributable to the owners of Audeara Limited	(593,443)	(1,380,293)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	180,090,051	132,064,258
Weighted average number of ordinary shares used in calculating diluted earnings per share	180,090,051	132,064,258
	Cents	Cents
Basic/diluted earnings/(loss) per share	(0.33)	(1.05)

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**Directors' declaration**

For the half-year ended 31 December 2025

## Directors' declaration

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 Group's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- ▶ 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



Mr David Trimboli

**Non-Executive Chair**

Perth, 25 February 2026

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## Independent Auditor's Review Report

### To the Members of Audeara Limited

#### Report on the half-year financial report

##### Conclusion

We have reviewed the accompanying half-year financial report of Audeara Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, and the 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, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

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 Audeara Limited does not comply with the *Corporations Act 2001* including:

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

##### 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 3 in the financial report, which indicates that the Group incurred a net loss of \$593,443 during the half year ended 31 December 2025 and, recorded net operating cash inflows of \$20,783 for the same period. As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, 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.

### Directors' responsibility 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 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 responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



CDJ Smith  
Partner – Audit & Assurance

Brisbane, 25 February 2026