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cyclopharm

Annual Report 2025

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Cyclopharm Limited is a health technology company that is a world leader in functional lung ventilation imaging. Our proprietary product Technegas® is a clinical market leader in diagnostic imaging and is now available in 67 countries.

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Group Revenue
$32.33m
up 17% on FY24

2022 $22.88m
2023 $26.34m
2024 $27.57m
2025 $32.33m

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Cyclopharm delivered a strong financial and operational performance in 2025, recording another consecutive year of record revenue. The 17% increase in Group revenue was driven by accelerated Technegas® revenue in the US.

Summary Financials

Full year ending 31 December		2025	2024	Movement
Revenue	$'000	**32,325**	27,573	↗
Loss before income tax	$'000	**(17,857)**	(13,071)	↘
Loss for the year	$'000	**(17,220)**	(13,198)	↘
Underlying EBITDA	$'000	**(15,398)**	(11,946)	↘
Diluted loss per share	(cents)	**(15.64)**	(12.83)	↘

Revenue for the full year ending 31 December		2025	2024	Movement
Technegas®	$'000	**16,692**	15,210	↗
Third-party distribution	$'000	**15,633**	12,363	↗
Total Revenue	$'000	**32,325**	27,573	↗

The US market

A key engine of Cyclopharm's transformational growth is the approval, late in 2023, for sales of the Company's proprietary Technegas® lung imaging technology in the USA.



The US is the world's largest medical market by far and we are still very much in the early stages of penetrating this market.



The fact that the US is already our single largest Technegas® market illustrates just how transformational it will be for Cyclopharm's growth.

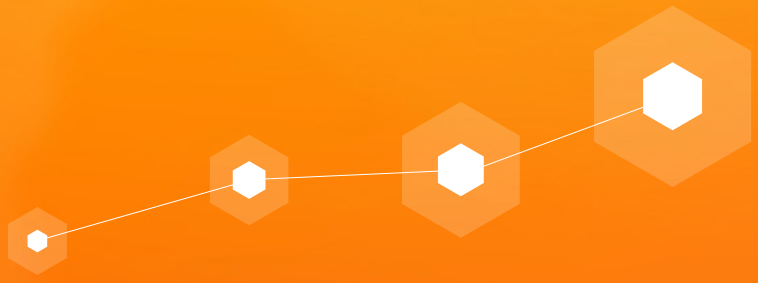
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Third-party distribution

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2025 third-party distribution revenue up 26%.

The third-party distribution business continues to reinforce a key pillar of the Company's growth strategy by developing additional revenue streams. Third-party revenue is made up of a combination of capital works projects and ongoing sales from consumables and related service support.



Third-party distribution
$15.63m
up 26% on FY24

2022	2023	2024	2025
$9.22m	$11.91m	$12.36m	$15.63m

Expanding indications beyond pulmonary embolism

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Global initiatives, expanding the use of Technegas®, are expected to accelerate US adoption.

In November 2025, Cyclopharm partnered with Western University in London, Canada to explore new uses of Technegas® in detecting mild to moderate asthma in young adults. This trial aims to test if Technegas® can give doctors better tools to manage asthma sooner and more effectively.

In January 2026, Cyclopharm announced a new clinical research collaboration with Macquarie University and Macquarie University Hospital to evaluate a novel treatment approach for patients with severe chronic obstructive pulmonary disease (COPD).



Several clinical studies in support of the 'Beyond PE' strategy are already underway.



US$900m

Successful execution of the 'Beyond PE' strategy has the potential to provide Cyclopharm with access to a global addressable market it estimates at up to US$900 million.

Chairman's Letter



David Heaney
Chairman

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Dear Shareholders,

FY2025 has been a year of disciplined execution and strategic progress for Cyclopharm.

The Company delivered record Group Sales Revenue of $32.3 million, representing a 17% increase on the prior year. This performance reflects growing momentum in the United States alongside continued resilience across our established global markets.

A key milestone during the year was the continued expansion of Technegas® in the United States. US Technegas® revenue increased by 226%, representing the first full year of commercial activity following Medicare reimbursement approval. The United States is now Cyclopharm's largest single-country market for Technegas®, validating the long-term strategy to prioritise entry into the world's largest healthcare market.

While the US represents a significant growth opportunity, our established markets remain an important and stable foundation for the business. Technegas® is now available in 67 countries, following regulatory approval in Colombia during December 2025. These markets continue to provide consistent revenue and support ongoing investment in growth initiatives.

Total Technegas® revenue for the year was $16.7 million, an increase of 10%, while third-party distribution revenue grew strongly to $15.6 million, up 26%. This complementary business continues to leverage Cyclopharm's global infrastructure and customer relationships, providing both diversification and additional recurring revenue streams.

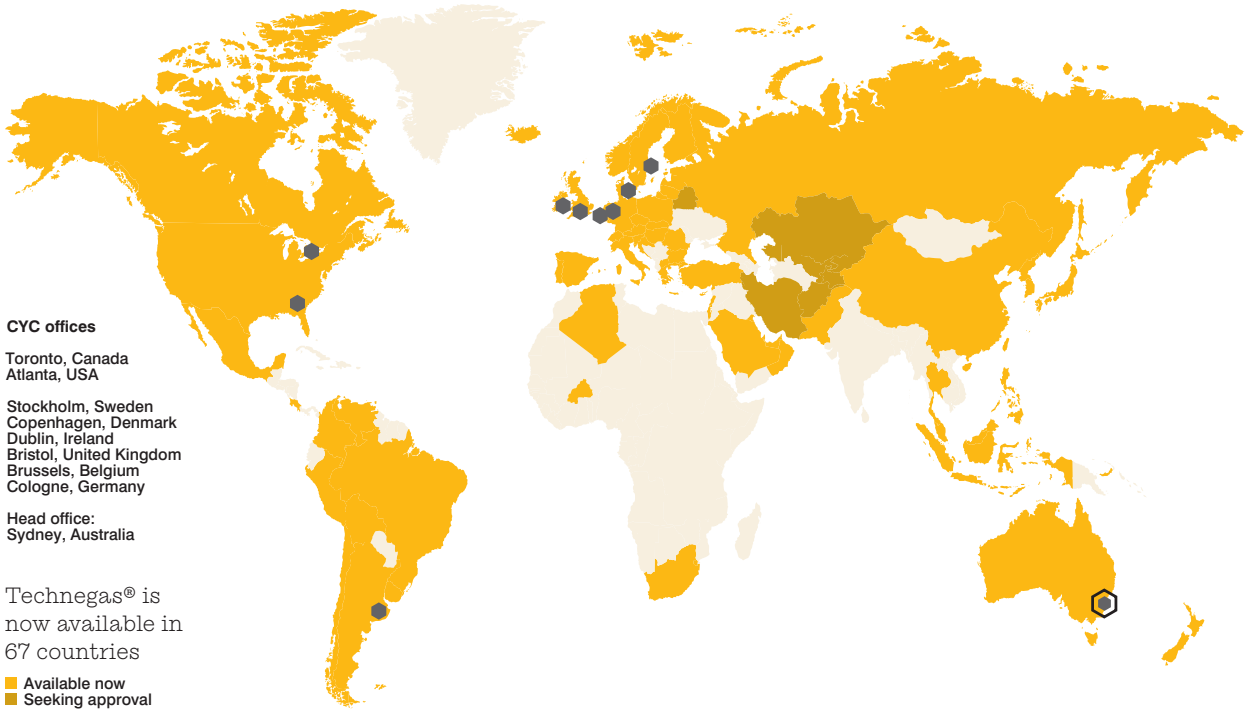
The reported loss after tax of $17.2 million reflects deliberate investment in the United States, including expansion of the commercial team, generator deployment, inventory positioning and logistics capability. These investments are foundational and are intended to establish a scalable, high-margin recurring revenue model over time.

As at February 2026, Cyclopharm had 46 revenue-generating sites in the United States, with a further 64 sites progressed beyond contract review and a pipeline of approximately 800 additional opportunities. The Company continues to reaffirm its target of reaching 250–300 revenue-generating US installations in the second half of 2026. The Board considers this target ambitious but achievable, supported by increasing clinical adoption and expanding institutional relationships.

Clinical validation remains central to the Company's long-term growth strategy. During, and subsequent to, FY2025, Technegas® was recognised as a preferred ventilation agent in updated multi-society lung imaging guidance in the United States. Inclusion in clinical guidelines is an important development, as it supports physician adoption, informs hospital protocols and underpins reimbursement frameworks.

The US market also expands the Company's Beyond PE strategy. USFDA approval enables the use of Technegas® across a broad range of lung imaging applications beyond pulmonary embolism. Clinical studies are ongoing across a number of indications, including COPD, Asthma and interventional

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respiratory procedures. These initiatives are expected to support access to a significantly larger addressable market over time.

During the year, Cyclopharm completed the sale of its non-core cyclotron asset for total proceeds of $6.2 million, strengthening the balance sheet and aligning capital allocation with the Company's core Technegas® strategy. The Board also approved a derecognition of the Ultralute™ asset, reflecting extended regulatory timelines rather than any change to its underlying potential.

In line with the evolution of the US business model, the Company has refined its accounting treatment for deployed Technegas® generators, recognising them as income-generating assets under a placement model. The Board continues to review accounting policies to ensure they remain appropriate and transparent.

Subsequent to year end, the Company strengthened its capital position through a $14 million capital raise, providing flexibility to accelerate US expansion, increase manufacturing capacity and support ongoing clinical development.

As previously announced, I intend to retire as Chairman and Non-Executive Director at the conclusion of the May 2026 Annual General Meeting. It has been a privilege to serve as a Director since 2006, and as Chairman since 2017. Over that time, Cyclopharm has evolved from a regional business into a global company with a clear pathway for long-term growth. The approval and early commercialisation of Technegas® in the United States represents an important milestone in that journey.

The Board has commenced a process to appoint a new Chairman with the experience required to support the Company's next phase of growth.

Cyclopharm enters FY2026 with increasing commercial momentum, strengthening clinical validation and an improved capital position. The United States presents a substantial long-term opportunity, both in pulmonary embolism imaging and across broader respiratory applications.

On behalf of the Board, I thank our Managing Director, executive team and all employees for their commitment during the year. I also thank our shareholders for your continued support.

Yours sincerely,



David Heaney
Chairman

27 March 2026

Company Snapshot 2025

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Record group revenue

$32.3m

17% on FY24

Total Technegas® revenue

$16.7m

10% on FY24

Third-party distribution revenue

$15.6m

26% on FY24

Technegas® US revenue

$2.7m 226% on FY24

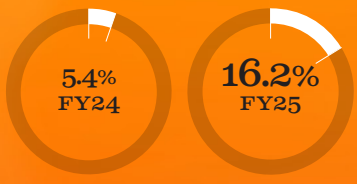
The US at early market penetration is now Cyclopharm's largest individual market for Technegas®.

US Technegas® revenue and supply contracts continue to accelerate highlighting the significant market growth potential ahead.

Reaffirmed guidance of 250–300 revenue generating Technegas® sites in the US during the 2nd half of 2026.

Balance sheet boosted by $14 million capital raise in the first Quarter 2026 to fund US growth with Share Purchase Plan to follow.

Longer term 'Beyond PE' growth strategy highlighted by clinical trials into improved detection of residual pulmonary vascular obstruction using Technegas®.



The United States as a percentage of total global Technegas® revenue

USA RoW

67
Countries generating Technegas® revenues

5m+
Patient procedures to date

46
Revenue generating Technegas® sites

64
US Sites progressed beyond contract review stage

Managing Director's Review



James McBrayer
Managing Director

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Dear Shareholders,

Cyclopharm delivered a strong financial and operational performance in 2025, recording another year of record revenue. The 17% increase in Group Revenue was driven by accelerating sales into the US, up 226%, reflecting the building momentum of the US roll out strategy. This strong performance has propelled the United States to the position of the largest individual Technegas® market in its first full year of operation following reimbursement approval.

The building momentum of the US roll out supports expectations the US will drive a transformational step change in Technegas® sales.

While the US is the key focus, Cyclopharm continued to expand the geographic reach of Technegas® in 2025 by securing regulatory approval in Colombia in December 2025. Technegas® is now helping patients across 67 countries.

The strong contribution to 2025 Group Revenue by Technegas® was complemented by a continued solid performance from Third-party distribution sales globally. Cyclopharm continues to leverage its expanding global footprint, regulatory expertise and direct marketing capabilities to grow global Technegas® sales and the third-party distribution partnerships business. The rapid expansion of the third-party distribution business is supported by Cyclopharm's distribution network that directly services 17 of the countries where we directly operate.

The Company continues to invest in our longer term Beyond Pulmonary Embolism, ('Beyond PE'), growth strategy. Cyclopharm is supporting new and existing clinical trials that demonstrate Technegas®' true functional lung ventilation imaging can be used to support patients with lung health conditions 'Beyond PE'. Cyclopharm's entry into the US market is expected to help accelerate the 'Beyond PE' growth strategy given the USFDA marketing approval allows for the use of Technegas® in lung imaging more broadly, which will support the use of Technegas® in new diagnostic applications in that market without the need for additional regulatory approval.

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Financial performance

Cyclopharm again delivered record revenue of $32.3 million, up from $27.6 million in the prior year, driven by growth in both Technegas® and our Third-party distribution business. Gross margin was $17.9 million, broadly consistent with FY2024, reflecting the evolving revenue mix as the rapidly scaling US Technegas® business grew alongside the lower-margin, fast-growing Third-party distribution segment.

Technegas® generates materially higher margins than Third-party distribution. As the US installed base expands and recurring consumables revenue increases as a proportion of group sales, we expect a progressively more favourable mix, supporting meaningful improvement in group gross margins over time.

Cyclopharm introduced a consumables led US sales model to facilitate the rapid roll out of Technegas® systems. Under the US sales model Cyclopharm retains ownership of the Technegas® generators, but charges technology access, training, support and maintenance fees, with the bulk of revenues coming from sales of higher margin, single use consumable Patient Administration Sets (PAS). The commercial impact of this model has made the US Cyclopharm's largest single Technegas® market, delivering $2.7 million of revenue in 2025 up 226% on the pcp.

Global revenue, ex-US, of our proprietary Technegas® Systems, which comprise both Generator and PAS sales, performed well in 2025 delivering $14.0 million of revenue down (3%) on the pcp.

The softer result was primarily due to France, one of Cyclopharm's largest markets, reducing its stock holdings in the first half. Importantly, France resumed ordering in the second half of FY2025, and demand across other established international markets remained stable.

Revenue from Third-party distribution also continued to grow, up $3.3 million to $15.6 million, an increase of 26%. Sales of third-party capital equipment moderated in 2025, while consumables and service revenue increased by 46% on the pcp. Third-party distribution sales are lower margin than Technegas® – they are expected to provide a strong source of complementary revenue in existing markets.

Cyclopharm expects to continue to expand this revenue stream through a wider range of third-party partnerships with a broader geographic reach in the coming year and beyond.

Net underlying operating expenses, excluding non-operating items, were $32.9 million, representing a modest 8% increase on the pcp. This growth was below the rate of revenue expansion, demonstrating the operating leverage inherent in our cost base, which enables revenue to scale significantly without a commensurate increase in costs. The uplift in operating expenses primarily reflects investment in an expanded US sales team to accelerate lead generation and improve sales conversion in the US market.

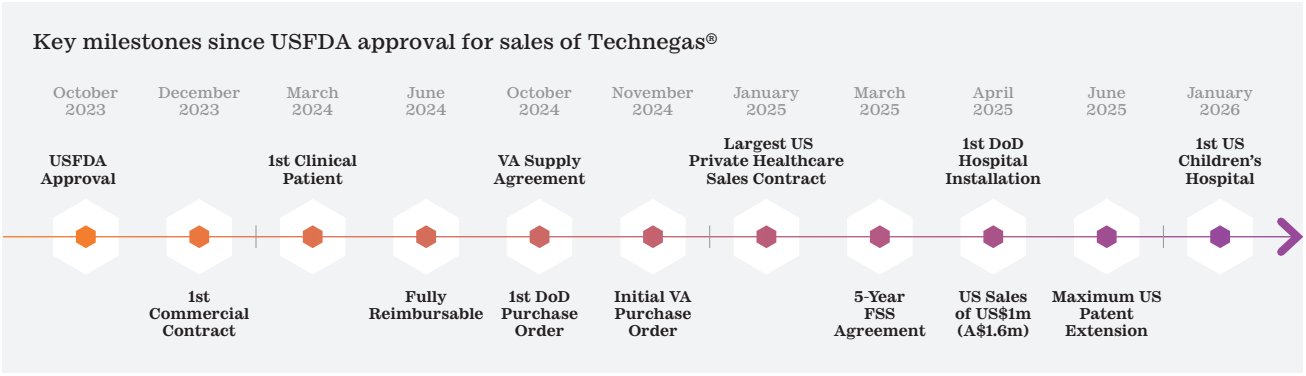
Cyclopharm recorded a loss after tax of $17.2 million in 2025, compared to $13.2 million in the pcp, reflecting a targeted investment program to drive US growth.

1Q26 Capital Raise

Cyclopharm ended the 2025 financial year with a cash balance of $6.6 million. The Company's balance sheet was strengthened by a capital raising in the first quarter of 2026 comprising a placement of $14 million and share purchase plan offer that raised $182,500 (each before offer costs). $9 million (before offer costs) has been received from the placement. Proceeds from the Share Purchase Plan were received on 11 March 2026. The balance of the funds from the placement, which are to be provided by a long-term sophisticated investor, is now expected to be received by 20 April 2026.

Cyclopharm's cash balance when combined with the proceeds from the capital raise will provide funding to support progress to:

- maximise the fast-growing US opportunity for Technegas®,
- continue development of next generation Technegas® system,
- progress regulatory activities,
- support expansion into 'Beyond PE' applications,
- expand manufacturing capacity and storage to support US and Third-Party sales growth,
- and provide working capital for the business.



Operational review

2025 marked the first full year of Technegas® sales in the US post the granting of Medicare reimbursement. The US is the largest medical market in the world and is driving a step change in Cyclopharm's growth. While the company's is still in the early phase of penetrating the US market, momentum is building and it has already become the largest single market by revenue for Technegas®.

While maximising the US opportunity is a primary focus Cyclopharm has also continued to pursue growth drivers of leveraging its intellectual property, proprietary technology and technical expertise to broaden Technegas® and Third-Party Distribution sales and service into new countries, with its entry into Colombia in December 2025. Progress was also made on the longer term 'Beyond PE' growth strategy to expand the use of Technegas® into additional and much large lung health markets.

Cyclopharm also continues to prioritise employee safety and welfare while executing our growth strategies.

Expanding Technegas® revenues

Technegas® revenue of A$16.7 million was underpinned by PAS sales, which represented 71.0% of Technegas® revenue compared to 72.6% in the pcp. Each PAS sale supports 50 patient doses of Technegas®. PAS sales supported 143,600 patient procedures in 2025, which equates to 2,872 boxes of PAS.

In 2025, 51 TechnegasPlus™ Systems (Systems) were sold compared to 55 in the prior year. The Systems sales in 2025 do not include US installations where the Generators remain the property of Cyclopharm.

Sales of Systems and other service revenue represented 29.0% of Technegas® total revenue, up from 27.4% in 2024. This increase reflected a higher contribution from installation, training, and technology access fees linked to the growing number of placed generators in the US market.

Strong foundations drive the US rollout

The focus for 2025 was to leverage the US commercial infrastructure established in 2024, the first full year of access to the US market, to scale US Technegas® revenue. In the first year of the US scale up strategy, Cyclopharm invested $7 million in building up support from Key Opinion Leaders (KOL), establishing US logistics, sales teams and supply chains from the ground up and building up inventory to meet strong US demand. Cyclopharm has more than 150 Technegas® generators in country that are available to deploy to US nuclear medicine departments.

A further $9.5 million was invested to support deployment and utilisation of Technegas® as revenue generating installations accelerated and the US sales pipeline grew. This investment positions Cyclopharm to scale revenue rapidly by supporting active sites; onboarding new accounts; building up salesforce lead generation; expanding the sales team and business management professionals, including appointing a Vice President of Sales; and driving consumable volumes. The US has now become the largest Technegas® market and the company is accelerating its progress towards the target of supplying 2,000 of the 5,139 US nuclear medicine sites that perform ~600,000 ventilation procedures annually.

Key milestones since USFDA approval for sales of Technegas® are detailed above.

As of 20 February 2026, Cyclopharm has 46 revenue generating Technegas® sites in the US, 64 sites that have progressed beyond the contract review stage and an active pipeline of close to 800 additional opportunities. Across this fast-growing base of installations consumable utilisation is accelerating with larger sites generating US$70k per annum, revenue per procedure is US$225, with gross margin expansion from consumables towards >95%.

Cyclopharm estimates the US diagnosis and management for Pulmonary Embolism (PE) using Technegas® to ultimately be worth US$180 million annually. In addition, as Technegas® is more widely adopted in the US market it is expected to significantly accelerate Cyclopharm's 'Beyond PE' initiatives with a potential addressable market of US$900 million.

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Maximising the US Opportunity

Cyclopharm has established strong relationships with US Federal entities such as the VA and Department of War (formally the Department of Defense), Integrated Delivery Networks, KOLs and early adopters. The company is confident these relationships will help increase sales momentum across both Public and Private US healthcare networks.

That momentum has continued into the new financial year. In January 2026, Cyclopharm entered into an agreement with Stanford Medicine Children's Health to implement Technegas® at Lucile Packard Children's Hospital. This is the first dedicated Children's hospital in the US to adopt Technegas® and represents another key milestone in the US commercial roll out.

Cyclopharm has also received a purchase order from the National Institutes of Health (NIH) in Bethesda, Maryland, with installation scheduled in the coming weeks. The NIH Clinical Center is the world's largest hospital dedicated exclusively to clinical research and is internationally recognised for advancing standards of care across multiple disciplines. This installation, secured under the Company's FSS framework, is strategically important. While supporting routine clinical ventilation imaging, it provides a highly visible platform to advance Technegas® utilisation beyond pulmonary embolism into broader pulmonary and research-driven applications. NIH-led programs frequently influence multicentre collaboration, clinical guidelines and practice patterns, strengthening downstream adoption opportunities across the US healthcare system.

These milestones underpin the strength of commercial demand in the US for Technegas®, which is already the preferred agent of choice across an additional 66 countries for diagnosing and managing respiratory diseases, including pulmonary embolism, hypertension and chronic obstructive pulmonary disease (COPD).

In January 2026, Technegas® was recognised as a preferred ventilation agent in the draft *Procedure Standard and Guideline for Ventilation–Perfusion (V/Q) Pulmonary Scintigraphy*, released by leading US and international nuclear medicine bodies. The guideline states that, for most conditions including pulmonary embolism, technetium-based agents are used, with Technegas® generally preferred when available. As the first major update to US-aligned lung imaging guidance since 2012, this represents a meaningful clinical and commercial inflection point.

Inclusion in a multi-society, evidence-based guideline provides powerful clinical validation. Consensus standards of this nature influence physician behaviour, institutional protocols, procurement decisions and reimbursement frameworks. This recognition reinforces Technegas®' established evidence base and supports broader adoption across pulmonary embolism and expanding indications, strengthening the platform for accelerated US growth.

Beyond PE – Longer Term Value Creation

The increasing adoption of Technegas® in the US market is expected to enhance the scale and impact of Cyclopharm's global 'Beyond PE' initiatives. The USFDA approval of Technegas® is a broad indication that includes its use 'for the visualisation of pulmonary ventilation'. This allows the use of Technegas® across multiple potential applications in the field of respiratory medicine in the US. Cyclopharm's expectation is that as US clinicians become familiar with Technegas® they will initiate clinical trials that will advance the company's 'Beyond PE' initiatives targeting the use of Technegas® to help manage other respiratory disease states, such as Chronic Obstructive Pulmonary Disease (COPD), Asthma, Long-COVID and Lung Cancer.

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Recruitment continues in the multicentre French PRONOSPECT clinical trial, a large prospective cohort study investigating the role of ventilation/perfusion (V/Q) SPECT/CT imaging using Technegas® to assess residual pulmonary vascular obstruction (RPVO) as a predictor of recurrent venous thromboembolism (VTE). PRONOSPECT is examining more than 665 patients across 13 nuclear medicine centres in France and is designed to establish whether RPVO identified on advanced nuclear medicine imaging is an independent predictor of recurrent pulmonary embolism. The study aims to refine post-PE risk stratification and guide individualised anticoagulation management decisions. As previously announced, the first patients have already been successfully imaged, and patient recruitment is ongoing as the study progresses toward full enrolment.

In November 2025, Cyclopharm partnered with Western University in London, Canada to explore new uses of Technegas® in detecting mild to moderate Asthma in young adults. This trial is to test if Technegas® can give doctors better tools to manage asthma sooner and more effectively.

Most recently, in January 2026, Cyclopharm announced a new COPD study at Macquarie University Hospital in Australia. The study will leverage Technegas® and AI-driven lung analysis to evaluate a new treatment approach for patients with severe COPD.

Recruitment will also commence soon on the recently announced Endoscopic Segmental Sealant Ablation (ESSA) Study, a single-centre, parallel group-controlled clinical trial being conducted at Macquarie University Hospital in Sydney under the leadership of Professor Alvin Ing. The ESSA Study is evaluating a novel bronchoscopic lung volume reduction procedure designed to treat patients with severe and very severe COPD who are not suitable for existing valve-based therapies. The procedure targets the most diseased lung segments at a segment-by-segment level using polymer foam to induce controlled volume reduction. A central component of the study is the use of Technegas® ventilation imaging combined with advanced AI-driven analysis to identify poorly functioning lung segments, guide treatment delivery, and quantitatively assess post-procedural functional improvement. The study plans to enrol 34 patients, with recruitment expected to occur over approximately 12 months. The ESSA Study represents an important extension of Cyclopharm's 'Beyond PE' strategy, demonstrating the role of Technegas® as a functional imaging platform supporting emerging interventional respiratory therapies.

The opportunity for clinicians in the US, the world's largest medical market, to also expand the use of Technegas® for diagnosing and managing additional respiratory disease states is expected to significantly enhance Cyclopharm's 'Beyond PE' growth strategy. The cumulative effect of the multiple clinical trials to expand the use of Technegas® is expected to ultimately improve patient outcomes and create significant shareholder value over the medium term.

The successful execution of the 'Beyond PE' strategy has the potential to provide Cyclopharm with access to a global market it estimates at up to US$900 million. Several clinical studies in support of the 'Beyond PE' strategy are already underway across some of the 66 markets outside the US, where Technegas® is the imaging agent of choice.

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Third-Party Distribution

Cyclopharm's Third-party distribution business continues to provide a resilient and growing revenue base. In 2025, Third-party capital equipment sales moderated while consumables and service revenue increased. In total, the Third-party distribution business contributed $15.6 million, up 26% on the prior year, representing a little over 48% of Group Revenue.

Third-party capital works to install equipment is lumpy by nature and, in 2025, equipment revenue was $1.68 million, down 41% on the prior year. This decline was offset by Third-party recurring consumable sales and service revenue of $13.95 million, up 46% on the prior year.

The Third-party distribution business was established in Europe in 2020 to leverage Cyclopharm's existing Technegas® sales and service infrastructure which sells directly to 17 countries from 7 offices globally. In 2021 it expanded into the Asia Pacific region. Third-party revenue is made up of a combination of capital works projects and ongoing sales from consumables and related service support.

The Third-party distribution business aligns with Cyclopharm's strategy to leverage its regulatory expertise and operational footprint to pursue additional and complementary revenue streams.

Cyclotek NSW Pty Ltd

Cyclotek NSW Pty Ltd was a business collaboration set up in late 2019 between Cyclopharm, Cyclotek (Aust) Pty Ltd and the Australian Nuclear Science and Technical Organisation (ANSTO) to realise the inherent value of Cyclopharm's legacy Cyclotron assets.

In August 2025, Cyclopharm completed the sale of its non-core Cyclotron asset and received a total of $6.2 million, made up of $5.1 million from the sale and a $1.1 million share of earnings from the collaboration agreement. The proceeds from the sale have strengthened Cyclopharm's balance sheet and aligns with the Company's strategic focus on expanding its global Technegas® business.

Cyclopharm and Cyclotek will continue to explore collaborative opportunities across radiopharmaceutical manufacturing, distribution, and clinical innovation to enhance patient access to advanced nuclear medicine solutions.

Ultralute and Accounting Policy Update

Due to a reassessment of its strategy, the Company has derecognised its Ultralute™ asset by $2.7 million net of capitalised R&D credits. Ultralute™ is a proprietary technology that extends the useful life of Technegas® generators by up to 50%, increases output of Technetium-99m the isotope used in Technegas® imaging, and has the potential to cut generator costs by 30-40%.

The derecognition of the Ultralute™ asset does not reflect the operational or strategic potential of this asset. The Directors believe Ultralute™ remains commercially viable in the longer term, and Cyclopharm intends to retain all commercial options for future development, partnerships, or technological enhancements that may create value.

As Cyclopharm evolves through product diversification and geographic expansion, the Board continually reviews its accounting policies and judgements to ensure that material matters are assessed rigorously and that the Company's financial reporting remains appropriate, transparent, and aligned with applicable accounting standards in all markets in which it operates.

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As a result of the Company's evolving business model in the United States, which differs from arrangements in other jurisdictions, Technegas® generators manufactured for placement at customer sites are now being deployed as income-generating assets rather than sold as inventory. Given the growing installed base of placed systems in the US, these assets are now classified as property, plant and equipment instead of inventory.

Litigation Progress

Cyclopharm continues to vigorously protect its intellectual property through its ongoing legal action against the remaining Australian and German defendants. A two-week trial was heard in the Supreme Court of New South Wales in October 2025, with final submissions completed at a further hearing in February 2026. Judgment is expected in the coming months.

Proceedings in Germany are also continuing. The Board reaffirms its confidence in the strength of Cyclopharm's position and remains confident of a favourable outcome to these legal proceedings.

In October 2025, Cyclopharm was served with legal proceedings from 4D Medical Limited. In January 2026 Cyclopharm's insurer accepted indemnity in respect of the proceedings and has assumed conduct of the defence on the Company's behalf.

Corporate Governance

The Cyclopharm board advises that Mr David Heaney has indicated his intention to retire as Chairman and Non-Executive Director at the conclusion of the Company's Annual General Meeting to be held in May 2026.

The Board has commenced a formal succession and renewal process to appoint a new Non-Executive Chairman. An external executive search process will be undertaken by the Board.

Mr Heaney was appointed to the Cyclopharm Board on 20 November 2006 and has served as Chairman since 2017.

During his tenure, Cyclopharm has transitioned from a predominantly regional enterprise to a global business with operations in 67 countries, achieved FDA approval in the United States, secured reimbursement in that market, and established a growing US commercial footprint.

This approach is in line with good corporate governance practices. Cyclopharm's Board continually evaluates its skills, experience and composition to ensure they appropriately support the Company's growth trajectory and governance requirements.

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Leadership Team

Cyclopharm's focus on maximising the opportunity in the US market includes continuing investment to build and strengthen our US team. In July 2025, Cyclopharm appointed Thomas Lukas as Vice President of Sales for the United States. Mr Lukas brings over 15 years of senior leadership experience in sales of nuclear medicine, diagnostics, and capital medical equipment and is uniquely qualified to work with the clinical, operational, and financial decision-making units that drive adoption in complex US hospital environments.

Mr Lukas will lead and build out the company's sales specialists to drive further uptake across key US regions and organisations at a time when installations have been doubling every six months. This phased expansion will include deployment of additional dedicated regional Business Development Managers and aligns with the company's prudent multi-stage US sales strategy. This strategy encompasses foundational setup, momentum with government entities, and long-term institutional growth

Mr Lukas' appointment comes at strategic turning point for Technegas® in the United States. The current growth trajectory reflects rising awareness of Technegas®' unique clinical value in functional lung imaging, its safety and efficiency advantages, and growing opportunity for V/Q imaging solutions beyond pulmonary embolism.

Following the appointment of Mr Lukas, Cyclopharm implemented a regionally based US sales structure designed to provide direct, on-the-ground engagement with key hospital systems, IDNs and government facilities. This model enables focused territory coverage, deeper account penetration and stronger alignment with local clinical champions and administrative stakeholders. By embedding experienced Business Development Managers within defined regions, the Company is strengthening pipeline conversion and building durable institutional relationships that support both initial installations and recurring consumables growth.

This disciplined regional rollout reflects the Company's commitment to building a scalable, high-quality commercial infrastructure in the United States. As the installed base expands and reference sites increase across major health systems, the regionally aligned team will play a critical role in driving sustained adoption and supporting the long-term commercial potential of Technegas® across the US market

The breadth and depth of experience and the integration of complementary skills across the Cyclopharm management team, which has been in place, developed and refined over the past several years, ensures that we are well positioned to rapidly take advantage of entry into the US market and the opportunities that will naturally flow from 'Beyond PE' initiatives.

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Outlook

Cyclopharm is on track to deliver transformational growth, characterised by a strong, growing and diverse revenue base. The availability of Technegas® in the US market will drive exponential growth in US sales and revenue, complemented by continued growth and expansion of the Third-Party Distribution business and Technegas® sales in 66 other countries the Company operates in.

The Company has a balance sheet with sufficient capacity to invest for growth. This balance sheet strength was bolstered by an additional $14 million of capital raised in the first quarter of 2026 with additional funding to follow through a Share Purchase Plan. While Cyclopharm will invest significantly to maximise Technegas® sales and revenue in the US, the Company will also progress 'Beyond PE' initiatives, develop the next generation of Technegas® technology and boost manufacturing capacity and storage space.

While the roll out of Technegas® in the US, already the largest single Technegas® market, will be the significant driver of Cyclopharm's short-term growth, it will also be a major catalyst for the Company's longer term 'Beyond PE' growth strategy. The USFDA approval of Technegas® in a broad range of respiratory applications allows US clinicians to begin to explore its use across a variety of lung health applications.

Cyclopharm's expectation is for US medical institutions to expand and build on the clinical trials into the use of Technegas® to treat conditions such as COPD, Asthma, Long-COVID, Lung Cancer and Lung Transplants and Pulmonary Hypertension. These are respiratory disease states that represent significantly larger markets than Pulmonary Embolism. Cyclopharm estimates there are over 500 million patients suffering collectively with COPD and/or Asthma who may benefit from the use of Technegas®, while the global COPD market is approximately 30 times the size of the PE market.

In combination, Cyclopharm's Technegas® opportunity in the US, estimated at US$180 per annum, and 'Beyond PE' market, estimated at over US$900 million per annum, create a total market opportunity of more than US$1 billion annually.

The investment building out Cyclopharm's US sales team, under Thomas Lukas, the strong support amongst US KOLs and the presence of over 150 ready to deploy Technegas® systems in the US reinforces Cyclopharm's confidence US growth will continue to accelerate. The company reaffirms guidance for 250–300 US Technegas® installations during the second half of 2026.

In closing, I would like to thank all my colleagues, the Cyclopharm Board and our growing team around the globe who have contributed to the growth of the Company over recent years. Cyclopharm has never been better positioned to deliver positive health outcomes for our patients and growing financial rewards to our shareholders.



James McBrayer
Managing Director

27 March 2026

Directors' Report

The Directors of Cyclopharm submit their report for the year ended 31 December 2025.

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Mr D J Heaney

Non-Executive Chairman (Independent)

Mr Heaney was appointed to the Cyclopharm Board on 20 November 2006 and is currently the Chairman of Cyclopharm and Chairman of the Remuneration and Board Nomination Committees. He is also currently a member of the Audit and Risk Committee. He was formerly Chairman of the Audit and Risk Committee until 28 February 2019. Mr Heaney was re-appointed as acting Chairman of the Audit and Risk Committee effective 1 December 2021 until 18 February 2024.

Mr Heaney has also served as a Non-Executive Director of a number of ASX-listed and non-listed companies.

Mr Heaney has more than 40 years' experience in all aspects of wholesale banking and finance, gained in general management roles with National Australia Bank Limited and subsidiary companies in both Australia and the US.

Mr Heaney has advised the Board of his intention to retire as Chairman and Non-Executive Director at the conclusion of the Company's Annual General Meeting to be held 8 May 2026.

Mr J S McBrayer

Managing Director and Company Secretary

BSPharm, GDM, FAICD, AIM

Mr McBrayer has been a member of the Board of Cyclopharm Limited since 3 June 2008, at which time he was appointed Managing Director. In 2011, he also assumed the role of Company Secretary. Mr McBrayer is a member of the Board Nominations Committee and holds directorships across all Cyclopharm's Australian and international subsidiary companies.

Mr McBrayer has more than 35 years' experience in nuclear medicine, healthcare manufacturing, and regulated pharmaceutical businesses. He began his career in the United States as a qualified Nuclear Pharmacist and brings a rare combination of clinical, technical, commercial, and governance expertise to the Board.

Prior to Cyclopharm, Mr McBrayer was Managing Director of Lipa Pharmaceuticals, Australia's largest contract manufacturer of over-the-counter healthcare products, where he led large-scale manufacturing, supply-chain, and regulatory operations serving major domestic and international brands. Earlier in his career, he held senior management roles with Brambles Cleanaway, gaining experience in complex, asset-intensive service businesses, and with Syncor, then the world's largest provider of radioactive diagnostic and therapeutic pharmaceuticals, where he developed expertise in nuclear medicine logistics, regulatory compliance, and building global healthcare operations to include start-ups.

Since joining Cyclopharm, Mr McBrayer has played a central role in transforming the Company into a globally operating, ASX-listed radiopharmaceutical business, overseeing international regulatory approvals, manufacturing scale-up, intellectual property strategy, and commercial expansion across 67 countries where Cyclopharm's products are now available. He has led Cyclopharm through multiple phases of growth, including the successful USFDA approval and commercialisation of Technegas®, establishment of reimbursement pathways, and expansion into major hospital networks.

Ms D M Angus

Non-Executive Director (Independent)

B.Sc (Hons), M.(Biotechnology)

Ms Angus was appointed to the Board on 10 August 2021. She is a member of the Audit and Risk Committee, Remuneration Committee and Board Nomination Committee. Ms Angus has extensive executive managerial and company director experience in the biotechnology, biopharmaceutical, medical device, agritech and healthcare industries. She has long been involved in path to market asset development and commercialisation in these industries, notably including the clinical validation of therapeutics to create asset and company valuation uplift. Ms Angus has wide expertise in corporate strategy, stakeholder and investor engagement and innovative product development. In addition, she has deep experience in both governance and compliance in listed capital markets.

Ms Angus has held directorship roles in a number of ASX and NASDAQ-listed companies and is currently Non-Executive Director of Neuren Pharmaceuticals (ASX:NEU) and is a member of the Audit and Risk Committee and Remuneration Committee. She also serves on the council of Deakin University and its Finance & Business Affairs Committee. Ms Angus is a Non-Executive Director of Agriculture Victoria Services, serving on the Audit & Risk management Committee. Additionally, Ms Angus holds a Master of Biotechnology, Bachelor of Science (Hons), and a Graduate Diploma of Intellectual Property (IP) Law. She is a registered patent and trademark attorney and is a member of the Australian Institute of Company Directors.

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Mr K M J Barrow

Non-Executive Director (Independent)

M.Sc (Hons), MBA

Mr Barrow was appointed to the Board on 1 September 2022. He is a member of the Audit and Risk Committee, Remuneration Committee and Board Nomination Committee. Mr Barrow holds a Master of Science (with 1st Class Honours) from Waikato University, New Zealand. He obtained an MBA from the Macquarie Graduate School of Management, Sydney, Australia and is a graduate of the Australian Institute of Company Directors and an Adjunct Fellow at Macquarie University. He brings to the Cyclopharm board more than 20 years of experience in the healthcare industry, which includes numerous governance and senior executive roles.

Mr Barrow is currently the Chief Executive Officer of The Benevolent Society, which provides integrated support services to children, young people, families and older Australians and carers. He was the Chief Executive Officer of Sydney North Health Network. The Sydney North Health Network is one of 31 Primary Health Networks established by the Australian Government to increase the efficiency and effectiveness of medical services for the community. He was the Chief Executive Officer of the Butterfly Foundation, Australia's national charity providing clinical services and support to address eating disorders and body image issues. Prior to this role, Mr Barrow was the Managing Director at Philips Australia and New Zealand overseeing all Philips' operations in the region, while also direct General Manager for the Healthcare division, a leader in cardiac care, acute care and home healthcare.

Mr Barrow joined Philips from BD, (Becton, Dickinson and Company), a leading global medical technology company that develops, manufactures and sells medical devices, instrument systems and reagents. Mr Barrow was the Managing Director for BD Australia and New Zealand a market leader in the Medical, Diagnostic and Lifescience sector. Prior to this, Mr Barrow held several senior sales and marketing management roles at pharmaceutical company Eli Lilly.

Mr Barrow was a Non-Executive Director of Wandi Nerida, Australia's first residential recovery centre for people affected by an eating disorder and was previously Chair of the Medical Technology Association of Australia (MTAA), where he was a director between 2009 and 2014.

Professor G G King

Non-Executive Director (Independent)

MB ChB, PhD, FRACP, FAPSR

Professor King was appointed to the Board on 27 September 2022. Dr. King is a world-renowned clinician and respiratory physiologist who brings over 30 years' experience as a clinician, educator and researcher to the Cyclopharm board.

Dr. King is Professor of Respiratory Medicine at the Northern Clinical School of the University of Sydney. He is also the Staff Specialist and Head of the Department of Respiratory and Sleep Medicine at Royal North Shore Hospital, where he directs the asthma service and is the Medical Director of the Respiratory Investigation Unit, and the Research Leader of the Airway Physiology and Imaging Group at the Woolcock Institute of Medical Research. In addition, Dr. King supervises PhD and other postgraduate students at the University of Sydney.

Dr. King has a current clinical interest in the management of severe pulmonary embolism. His clinical expertise and research is in the mechanisms and management of airways diseases, such as asthma, COPD and bronchiolitis in haemopoietic stem cell transplant recipients, and in the effects of lung cancer surgery. He is recognised internationally for his work in respiratory physiology, which includes the innovative use of Cyclopharm's Technegas® in numerous research initiatives since 1997. His motivation for better understanding lung diseases is to improve treatment and ultimately, to find cures.

Mr J W Wigglesworth

Non-Executive Director (Independent)

BEc (MACQ), FCA, GAICD

Mr Wigglesworth was appointed to the Board on 19 February 2024. He is a Chartered Accountant with 37 years professional experience, including 24 years as a Partner at KPMG both in Australia and internationally. During this time, he held several leadership positions across operations, industry sectors and business development. Mr Wigglesworth has extensive experience working with ASX listed and leading global companies, with specific expertise in external and internal audit, financial reporting, accounting systems and controls, governance and risk management.

Mr Wigglesworth is currently the Non-Executive Director of ASX listed company Atlas Arteria Limited. He is also the Non-Executive Director of The Sydney Children's Hospital Network, and Grid Share Holding Group Pty Ltd.

Mr Wigglesworth is Chairman of the Audit and Risk Committee and is a member of the Remuneration Committee and Board Nomination Committee since 19 February 2024.

Mr J S McBrayer

Company Secretary

Mr McBrayer was appointed as Company Secretary on 25 March 2011.

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Interests in the shares and options of the Company and related bodies corporate

The number of ordinary Cyclopharm shares and options on issue held directly, indirectly or beneficially, by Directors, including their personally-related entities as at the date of this report is as follows:

		As at report date	
	Interest	No. of shares	No. of options
Directors			
Mr D J Heaney	BI	331,052	–
Mr J S McBrayer	BI	5,320,106	–
Ms D M Angus	BI	43,375	–
Mr K M J Barrow	NBI	30,347	–
Professor G G King	BI	10,000	–
Mr J W Wigglesworth	BI	88,531	–
		5,823,411	–

BI: Beneficial interests
NBI: Non beneficial interests

Dividends

No dividends were paid during the current year (2024: no dividends were paid).

The balance of franking credits available for future dividend payments is $1,059.

Principal Activities

During the year, the principal activities of the consolidated entity consisted of the manufacture, sale and rental of medical equipment and radiopharmaceuticals, including associated research and development and distribution of third-party products to the diagnostic imaging sector.

There were no significant changes in the nature of the consolidated entity's principal activities during the financial year, other than the acceleration of the rental of medical equipment in the US.

Operating and Financial Review

Operating results for the year

For the financial year, Cyclopharm recorded a consolidated loss after tax of $17,219,906 (2024: $13,197,618). After accounting for underlying adjustments, Underlying E(L)BITDA was ($15,398,466) (2024: ($11,945,593)).

Technegas® revenue of $16,692,434 was 9.7% higher than the previous year (2024: $15,209,759), and revenue from third-party distribution of $15,632,822 was 26.5% higher than the previous year (2024: $12,362,822).

Employee benefits expenses were higher at $17,955,004 (2024: $16,111,165) reflecting our ongoing investment in human capital to meet global regulatory requirements, including ongoing compliance with USFDA guidelines, and additional headcount in the US to continue the roll-out of Technegas®.

Research & Development expenses increased to $614,688 (2024: $365,016) as the Company continues to undertake clinical trials as part of their 'Beyond PE' strategy. Administration expenses increased to $13,084,306 (2024: $11,356,913) partly due to legal fees incurred in an ongoing matter in Australia and Europe, and the expansion of our Kingsgrove facility.

Financial position

Net assets decreased to $27,111,058 as at 31 December 2025 (2024: $42,729,869) with a net loss after tax of $17,219,906 (2024: $13,197,618).

Net cash balance was $6,626,497 as at 31 December 2025 (2024: $20,567,898).

Further details of Cyclopharm's Operating and Financial Review are set out on pages 9 to 17 of the Managing Director's Review.

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Significant changes in state of affairs

Shares issued or cancelled during the year

There were no shares issued and cancelled during the year (2024: 17,040,524 shares issued, nil cancelled).

Options issued or cancelled during the year

There were no Options (2024: nil) on issue as at 31 December 2025.

No options were issued or cancelled during the year.

Other than as set out above, there were no significant changes in the state of affairs of the Cyclopharm Group during the year.

Significant events after balance date

Shares issued

The Company completed a capital raise, on 4 February 2026, of $14 million before costs by way of a share placement to new and existing institutional, sophisticated and professional investors via two tranches (T1 Placement Shares and T2 Placement Shares). The Company also announced a non-underwritten Share Purchase Plan (SPP) offer to existing eligible shareholders to raise up to $2 million which closed on 5 March 2026. As a result of the capital raise and SPP, the following shares have been issued:

(i) On 11 February 2026, 9,473,684 ordinary shares (T1 Placement Shares) were issued at a price of $0.95 per new share in connection with the share placement to new and existing institutional, sophisticated and professional investors.
(ii) On 20 April 2026, 5,263,158 ordinary shares (T2 Placement Shares) will be issued at a price of $0.95 per new share, subject to the expected receipt of those funds, in connection with the share placement to a sophisticated investor.
(iii) On 12 March 2026, 192,097 ordinary shares were issued at a price of $0.95 per new share in connection with the SPP to eligible shareholders.

Other than as set out above, no matters or circumstances have arisen since the end of the financial year, not otherwise disclosed in the financial report, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial periods.

Likely developments and future results

Technegas®

The opportunities for developing additional Technegas® indications, particularly for asthma and COPD, will continue to be a key priority. If successful, there is significant potential to expand Technegas'® revenue and profitability over the medium to longer term.

USFDA approval to sell Technegas® into the USA market provides Cyclopharm with the opportunity to significantly expand its sales and profitability. In preparation for a rapid entry into the US market the Company has been building inventory along with US sales and service capabilities and infrastructure. The USA presents Cyclopharm with an initial transformational market opportunity for the diagnosis of pulmonary embolism estimated at US$180 million annually.

Ultralute™

Cyclopharm is currently progressing the registration of Ultralute™ in Europe as a medical device to support better acceptance of this new first in class technology. Changes to Medical Device Regulations in the European Union (EU) required recertification of existing medical devices against more onerous standards. This process has dramatically slowed the introduction of new products into the EU with the result that the registration of Ultralute™ in Europe was not completed in 2025, and consequently there were no revenues from the sale of Ultralute™.

Due to the extended time in securing regulatory approval, the Company has decided to derecognise its Ultralute™ asset by $2.7 million net of capitalised R&D credits. Management considers that the operational and strategic potential of Ultralute™ remains unchanged and that the asset continues to be commercially viable in the longer term. The Company intends to retain all commercial options for future development, intellectual property, partnerships, or technological enhancements that may restore or create value. This derecognition reflects updated expectations regarding the commercialisation timeline and when future economic benefits will materialise.

Third-party distribution

Cyclopharm has leveraged its regulatory expertise and operational footprint globally to establish a third-party distribution business that is delivering exceptional growth. Third-party revenue is a combination of capital works projects and ongoing sales from consumables and related service support.

These growing third-party partnerships continue to reinforce the Company's strategy of pursuing additional and complementary revenue streams. Initially introduced to leverage off our Technegas® sales and service infrastructure, this initiative is now providing a material contribution to the Company's earnings and revenue and has become a core part of the business.

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Material business risks

The Directors have identified the following material business risks which may, if they eventuate, substantially impact on the future performance of the Cyclopharm Group, along with its approach to managing these risks. The risk factors listed below are not exhaustive. Additional risks may also adversely affect the financial performance of Cyclopharm.

Regulatory

Future expansion of Cyclopharm's range of products and services may be governed by regulatory controls in each target market and it is not possible for Cyclopharm to guarantee that approvals in all target markets will be obtained and maintained in the future.

The Technegas® System and its components are required to be registered with the relevant regulatory bodies in each country or relevant jurisdiction. If for any reason such product registrations are withdrawn, cancelled (or otherwise lose their registered status) or are not renewed, it may have a significant effect on the sales of products which rely on them in the relevant country or countries. The manufacture of the Technegas® System and its components is audited and licensed by relevant regulatory bodies. If for any reason such licences become suspended, withdrawn or cancelled it may have significant effect on the sales of the Technegas® System and its components.

The manufacture of Technegas® does not involve the emission of any environmentally sensitive materials and the Cyclopharm Group is not required to hold any environmental licence or consent under the *Environmental Protection Act* (Cth). However, in order to expand the Company's research and development capabilities, in 2018, Cyclopharm secured and maintains a Radiation Management Licence from the NSW EPA to sell, possess and store regulated materials.

It is possible that licensing requirements could change with the development of new products and any additional regulatory requirements could impact upon the profitability of the group.

The Cyclopharm Group has obtained:

- a listing on the Australian Register of Therapeutic Goods Register for the Technegas®Plus Technegas® generator and the Patient Administration Set (radio-aerosol administration set);
- CE Mark approvals under the stringent European Medical Device Regulations for Technegas®Plus Technegas® Generator and Patient Administration Set (PAS) of the Technegas® System;
- a Marketing Authorisation for Pulmotec™, the carbon crucible which is the drug (medicine) component of Technegas® in multiple European countries;
- a Medical Device Single Assessment Program (MDSAP) certificate that is observed primarily by Australia, Brazil, Canada, Japan and the USA;
- Notified Body recognition that our Quality Management System (QMS) complies with the requirements of ISO13485:2016 for the design, manufacture, installation and repair service of the Technegas® System;
- USFDA New Drug Approval of Technegas® (kit for the preparation of technetium Tc 99m labelled carbon inhalation aerosol) for oral inhalation use and USFDA 510K approval of the Patient Administration Set (PAS); and
- USFDA establishment license for the manufacture of the Technegas® System and its components.

Ongoing regulatory audits/inspections are necessary for the retention and re-certification of the above-named certificates/licences for continued international distribution of the Technegas® System.

CycloPet Pty Limited, which was involved in the operations of the cyclotron until this asset was disposed of in November 2025, was subject to environmental regulations under the Radiation Control Act, 1990 by the Department of Environment, Climate Change and Water.

Competition

To date, Cyclopharm has demonstrated that it can compete effectively in the medical equipment/drug market in Australia and many other parts of the world.

The medical equipment/drug industry is very competitive and characterised by large international companies supplying much of the global market requirements. The emergence of new and/or unauthorised generic technologies could in certain circumstances make the Technegas® System redundant or negatively impact on the Cyclopharm Group's plans to develop its Ultralute™ business.

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Accordingly, there is a business risk in that Cyclopharm's key revenue source from the Technegas® System could be severely disrupted or reduced. There are products that do compete with Technegas®, in particular Computed Tomography. These products could replace Technegas® and therefore negatively impact Cyclopharm Group's revenue and profitability. The Directors note that the lengthy periods it takes to achieve regulatory approval and gain medical practitioners' approval and acceptance of new or generic products, Cyclopharm Group's reputation for timely and quality service, the safety record of Technegas® and its competitive pricing, mitigate these risks.

In addition, the Cyclopharm Group's business plan and stated strategy is to continue to develop sales in new and existing international markets and to develop new diagnostic purposes for Technegas®.

Reputation

The performance of Cyclopharm Group's products is critical to its reputation and to its ability to achieve market acceptance of these products. Any product failure could have a material adverse effect on Cyclopharm Group's reputation as a supplier of these products. Technegas® has had no contraindications or serious attributable adverse patient events since the commencement of sales.

Cyclopharm relies on external suppliers for its Business Partner Products unit. The reputation of these suppliers, including adverse events and incidents could negatively impact sales in regions where Cyclopharm operates. To date there have been no such occurrences and Cyclopharm manages this risk by closely aligning and selecting its external suppliers with Cyclopharm core customer values.

Disruption of business operations

As a manufacturer, the Cyclopharm Group is exposed to a range of operational risks relating to both current and future operations. Such operational risks include supply chain disruptions, equipment failures, IT system failures, cyber breaches, external services failure (including energy supply), industrial action or disputes and natural disasters. If one or more such operational risks materialize, they may have an adverse impact on the operating and financial performance of Cyclopharm.

Reliance on distributors/loss of key customers

The Cyclopharm Group operates through a series of contractual relationships with customers, suppliers, distributors and independent contractors. To date, the Cyclopharm Group has generally provided products and services on the basis of tenders submitted to customers, followed by purchase orders incorporating the customer's standard terms and conditions of trade as a condition of the acceptance.

Cyclopharm Group maintains a spread of customers through direct and indirect sales channels. The loss of a major distributor could have a significant, adverse impact on Cyclopharm's projected earnings. The majority of sales through distributors or agents are managed through contractual arrangements. Whilst the Cyclopharm Group has distribution agreements in place, some may be terminated by the distributor with up to six months' notice prior to the expiration of the current terms (which vary). Other sales arrangements are not in writing and depend on the ongoing goodwill of the parties. The Directors are concerned to ensure that all such relationships are formalised.

All contracts, including those entered into by the Cyclopharm Group, carry a risk that the respective parties will not adequately or fully comply with their respective contractual rights and obligations or that these contractual relationships may be terminated.

Cyclopharm's financial result could be adversely affected by the loss of large customers, a change in the terms of business with a large customer, or by such customers not adequately or fully complying with their respective contractual rights and obligations. However, the risks are mitigated by the existence of numerous alternatives available given that Technegas® is a highly sought after product.

Currency and exchange rate fluctuations

The financial contribution to the Cyclopharm Group of the Technegas® System will depend on the movement in exchange rates between the Australian dollar and a number of foreign currencies, particularly the Euro.

The exchange rate between various currencies may fluctuate substantially and the result of these fluctuations may have a material adverse impact on Cyclopharm's operating results and financial position. In the long term, Cyclopharm's ability to compete against imported products may be adversely affected by an expectation of a sustained period of a high Australian dollar that would reduce the Cyclopharm Group's price competitiveness.

The majority of the Cyclopharm Group's operational expenses are currently payable in Australian dollars. The Cyclopharm Group also supplies its product to overseas markets and hence is exposed to movements in the A$ exchange rate. The Cyclopharm Group does not enter into forward exchange contracts to hedge its anticipated purchase and sale commitments denominated in foreign currencies. As such, Cyclopharm is exposed to exchange rate fluctuations.

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Doing business internationally

As the Cyclopharm Group is and will continue operating in numerous countries, the Cyclopharm Group will be exposed to risks such as unexpected changes in regulatory requirements (including taxation), longer payment cycles, problems in collecting debts, fluctuation in currency exchange rates, foreign exchange controls which restrict or prohibit repatriation of funds, tariffs and potentially adverse tax consequences, all of which could adversely impact on Cyclopharm.

The Cyclopharm Group currently requires, and in the future may require further, licenses to operate in foreign countries which may be difficult to obtain and retain depending on government policies and political circumstances.

Geo-political conflicts have the ability to disrupt supply lines to various countries. As Cyclopharm distributes the majority of its product out of Australia by sea, disruptions in supply lines may lead to significant cost increases and requirements to ship by air.

Liquidity and capital availability

Cyclopharm's ability to execute its strategic and operational plans depends on maintaining adequate liquidity and, where required, securing additional capital. Future funding may be required for regulatory approvals, manufacturing expansion, product development, or entry into new markets. There is a risk that capital may not be available when needed, or may only be available on terms that are less favourable than anticipated. Any inability to access sufficient funding could adversely impact Cyclopharm's operations, growth initiatives, or financial performance.

Intellectual property rights

The Cyclopharm Group's success may be affected by its ability to maintain patent protection for products and processes, to preserve its trade secrets and to operate without infringing the proprietary rights of third parties.

Patents

Unless challenged, the validity of a patent or trademark may be assumed. Any patent or trademark may be challenged on a number of grounds, but the onus is on the party seeking revocation to establish those grounds.

All patents and trademarks require renewal at regular dates and if not renewed will expire. It is the Cyclopharm Group's practice to renew its patents and trademarks as required. The Directors note that whilst some patents have expired or have not been renewed, or remain to be transferred or licensed to Cyclopharm Group companies, there remains sufficient protection in these countries through other patent arrangements in place or being put in place.

The validity and breadth of claims covered in patents involve complex legal and factual questions and therefore may be highly uncertain. No assurance can be given that the pending applications will result in patents being issued, that such patents or the current patents will provide a competitive advantage or that competitors of the Cyclopharm Group will not design around any patents issued. Further, any information contained in the patent applications will become part of the public domain, so that it will not be protected as confidential information. As legal regulations and standards relating to the validity and scope of patents evolve, the degree of future protection of the Cyclopharm Group's proprietary rights is uncertain. However, those regulations and standards in the field of nuclear medicine (in which the Cyclopharm Group's technology resides) are relatively well established and non-controversial.

People, Health and Safety

Cyclopharm employs over 100 people in various capacities. These employees include those with specific industry knowledge, training and expertise. Cyclopharm also manufactures its Technegas® System and components in semi-automated environments requiring human intervention. Cyclopharm is therefore exposed to risks of employee retention and engagement, psychosocial hazards, inherent workplace safety and collusion. The directors note that Cyclopharm has a robust process for human resource management including, onboarding, policies and procedures, workplace training and positive behaviour reinforcement.

Environmental regulations

CycloPet Pty Limited, a member of the consolidated group's operations was subject to environmental regulations under the Radiation Control Act, 1990 by the Department of Environment, Climate Change and Water until it sold its share in the Cyclotron asset in November 2025. The Board believe that the consolidated group had adequate systems in place for the management of its environmental requirements as they applied to the consolidated group and its Business Venture Collaboration Agreement with Cyclotek NSW Pty Ltd.

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Retirement, election and continuation in office of directors

In accordance with the Company's Constitution, all Directors have been elected by members at the Annual General Meeting (AGM) with the exception of Mr McBrayer. Mr McBrayer was appointed as Managing Director on 3 June 2008 and under the Constitution is exempt from election by members.

Indemnification and insurance of officers

In accordance with clause 49.1 of Cyclopharm's constitution and section 199A of the *Corporations Act 2001* the Company has resolved to indemnify its Directors and Officers for a liability to a third-party provided that:

1. the liability does not arise from conduct involving a lack of good faith; or
2. the liability is for costs and expenses incurred by the Director or Officer in defending proceedings save as not permitted by law.

During or since the financial year, the Company has paid premiums in respect of a contract insuring all the Directors against legal costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or
(b) a contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid for the year ending 31 December 2025 is $77,435 (for the year ended 31 December 2024: $82,367).

The Officers of the Company covered by the insurance policy include the Directors, the Company Secretary and Executive Officers. The indemnification of the Directors and Officers will extend for a period of at least 7 years in relation to events taking place during their tenure (unless the *Corporations Act 2001* otherwise precludes this time frame of protection.)

The liabilities insured include costs and expenses that may be brought against the Officers in their capacity as Officers of the Company that may be incurred in defending civil or criminal proceedings that may be brought against the Officers of the Company or a controlled entity.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 35.

Fees of $36,071 (2024: $20,964) were paid for taxation services to an associate of Nexia Sydney Audit Pty Ltd for the year ended 31 December 2025 for non-audit related services. The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The Company has not during or since the financial year, indemnified or agreed to indemnify an auditor of the Company or any related body corporate.

Remuneration Report

The Remuneration Report outlines the director and executive remuneration arrangements of the Company and the group and the remuneration disclosures required in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel of the group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the group, directly or indirectly, including any Director (whether executive or otherwise) of the parent Company.

For the purposes of this report, the term 'executive' encompasses the Chief Executive, senior executives, general managers and secretaries of the parent and the group.

Director and Executive Remuneration

	Short-term employee benefits			Post employ-ment benefits	Other long-term benefits	Term-ination benefits	Share-based payment	Total	Perform-ance related
Consolidated	Salary and Directors Fees $	Cash Bonus $	Non-monetary benefits $	Super-annuation $	$	$	$	$	%
2025									
Directors									
David Heaney Non-Executive Director	103,482	–	–	12,216	–	–	–	115,698	0%
Dianne Angus Non-Executive Director	66,499	–	–	7,836	–	–	–	74,335	0%
Kevin Barrow Non-Executive Director	66,499	–	–	7,836	–	–	–	74,335	0%
Professor Greg King Non-Executive Director	66,499	–	–	7,836	–	–	–	74,335	0%
John Wigglesworth Non-Executive Director	66,225	–	–	7,805	–	–	–	74,030	0%
Executive Director									
James McBrayer* Managing Director	498,404	–	–	56,200	15,548	–	88,272	658,424	13%
Total Directors' Compensation	**867,607**	**–**	**–**	**99,729**	**15,548**	**–**	**88,272**	**1,071,157**	**8%**
Key Management Personnel									
Mathew Farag Chief Operating Officer	403,480	–	–	44,717	9,946	–	89,833	547,976	16%
Jason Smith Chief Financial Officer	333,642	50,831	–	29,966	6,536	–	–	420,976	12%
Total Key Management Personnel's Compensation	**737,122**	**50,831**	**–**	**74,683**	**16,482**	**–**	**89,833**	**968,952**	**15%**
Total Compensation	**1,604,729**	**50,831**	**–**	**174,412**	**32,030**	**–**	**178,106**	**2,040,108**	**11%**

* Mr McBrayer is employed on a rolling contract. The terms of his contract are outlined on page 33 of this report.

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Director and Executive Remuneration

Consolidated	Short-term employee benefits			Post employ-ment benefits	Other long-term benefits	Term-ination benefits	Share-based payment	Total	Perform-ance related
	Salary and Directors Fees $	Cash Bonus $	Non-monetary benefits $	Super-annuation $	$	$	$	$	%
2024									
Directors									
David Heaney Non-Executive Director	78,552	–	–	8,838	–	–	–	87,390	0%
Dianne Angus Non-Executive Director	56,108	–	–	6,313	–	–	–	62,421	0%
Kevin Barrow Non-Executive Director	56,108	–	–	6,313	–	–	–	62,421	0%
Professor Greg King Non-Executive Director	56,108	–	–	6,313	–	–	–	62,421	0%
John Wigglesworth* Non-Executive Director	45,617	–	–	5,155	–	–	–	50,771	0%
Executive Director									
James McBrayer** Managing Director	483,479	93,317	–	62,507	15,698	–	151,219	806,220	30%
Total Directors' Compensation	**775,973**	**93,317**	**–**	**95,438**	**15,698**	**–**	**151,219**	**1,131,645**	**22%**
Key Management Personnel									
Mathew Farag Chief Operating Officer	397,888	–	–	41,567	9,704	–	89,800	538,959	17%
Jason Smith*** Chief Financial Officer	272,145	–	–	25,128	5,173	–	–	302,446	0%
Total Key Management Personnel's Compensation	**670,032**	**–**	**–**	**66,695**	**14,877**	**–**	**89,800**	**841,404**	**11%**
Total Compensation	**1,446,005**	**93,317**	**–**	**162,133**	**30,575**	**–**	**241,019**	**1,973,049**	**17%**

* Mr Wigglesworth was appointed to the Board on 19 February 2024.
** Mr McBrayer is employed on a rolling contract. He may be entitled to receive additional amounts up to a maximum of 20% of base remuneration based on the Company's performance and achieving certain Key Performance Indicator thresholds.
*** Mr Smith commenced employment 26 February 2024.

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Details of Managing Director and Key Management Personnel's Share-based payments

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Repayment date	Performance Hurdle
2025							
Mathew Farag	15,002	$1.012	$3.200	$48,006	*5.11 years	31/3/2026	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*5.11 years	31/3/2026	50% year on year increase in third party revenue at minimum of 20% gross margin for 2021, 2022 & 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*5.11 years	31/3/2026	50% year on year increase in third party service revenue for 2021, 2022 & 2023
Other non-Key Management Personnel	149,060	$1.012	$3.200	$476,992	*5.11 years	31/3/2026	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	3,000	$1.447	$3.200	$9,600	6.00 years	18/2/2027	Continuous employment with the Cyclopharm Group until 31 December 2026
Mathew Farag	200,000	$0.419	$1.820	$364,000	*3.75 years	31/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	442,500	$0.419	$1.820	$805,350	*3.75 years	31/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	100,000	$0.594	$1.820	$182,000	*2.75 years	31/3/2026	Continuous employment with the Cyclopharm Group until 31 August 2025
	1,009,562			**$2,205,948**			

* On 1 July 2025, the Company approved an extension of the loan expiry date linked to the vested and unvested Long Term Incentive Plan (LTIP) awards originally scheduled for repayment in 2025. The loan repayment dates were amended to 31 March 2026. No other terms or conditions of the LTIP awards were modified, and all remaining provisions continued to apply without change.

Vested but unexercised during the year

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Repayment date
2025						
James McBrayer	1,721,554	$0.235	$0.900	$1,549,399	*10.56 years	31/3/2026
James McBrayer	269,614	$1.065	$0.000	$0	*6.31 years	31/3/2026
James McBrayer	257,750	$1.410	$0.000	$0	*5.69 years	31/3/2026
James McBrayer	500,000	$0.515	$1.830	$915,000	*5.69 years	31/3/2026
Mathew Farag	225,000	$0.349	$0.900	$202,500	*8.51 years	31/3/2026
Mathew Farag	200,000	$0.289	$1.550	$310,000	*7.75 years	31/3/2026
Mathew Farag	250,000	$0.289	$1.550	$387,500	*7.75 years	31/3/2026
Mathew Farag	500,000	$0.443	$1.220	$610,000	*5.91 years	31/3/2026
Other non-Key Management Personnel	6,886	$0.235	$0.900	$6,197	*10.56 years	31/3/2026
Other non-Key Management Personnel	5,000	$0.270	$1.200	$6,000	*9.69 years	31/3/2026
Other non-Key Management Personnel	85,335	$0.443	$1.220	$104,109	*5.91 years	31/3/2026
	4,021,139			**$4,090,705**		

* On 1 July 2025, the Company approved an extension of the loan expiry date linked to the vested and unvested Long Term Incentive Plan (LTIP) awards originally scheduled for repayment in 2025. The loan repayment dates were amended to 31 March 2026. No other terms or conditions of the LTIP awards were modified, and all remaining provisions continued to apply without change.

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Details of Managing Director and Key Management Personnel's Share-based payments

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Repayment date	Performance Hurdle
2024							
Mathew Farag	15,002	$1.012	$3.200	$48,006	*4.36 years	30/6/2025	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*4.36 years	30/6/2025	50% year on year increase in third party revenue at minimum of 20% gross margin for 2021, 2022 & 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*4.36 years	30/6/2025	50% year on year increase in third party service revenue for 2021, 2022 & 2023
Other non-Key Management Personnel	149,060	$1.012	$3.200	$476,992	*4.36 years	30/6/2025	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	3,000	$1.447	$3.200	$9,600	6.00 years	18/2/2027	Continuous employment with the Cyclopharm Group until 31 December 2026
Mathew Farag	200,000	$0.419	$1.820	$364,000	3.00 years	22/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	442,500	$0.419	$1.820	$805,350	3.00 years	22/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	100,000	$0.594	$1.820	$182,000	2.00 years	10/9/2025	Continuous employment with the Cyclopharm Group until 31 August 2025
	1,009,562			**$2,205,948**			

* On 18 June 2024, the Company approved an extension of the loan expiry date linked to the vested and unvested Long Term Incentive Plan (LTIP) awards originally scheduled for repayment in 2024. The loan repayment dates were amended to 30 June 2025. No other terms or conditions of the LTIP awards were modified, and all remaining provisions continued to apply without change.

Vested but unexercised during the year

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Repayment date
2024						
James McBrayer	1,721,554	$0.235	$0.900	$1,549,399	*9.81 years	30/6/2025
James McBrayer	269,614	$1.065	$0.000	$0	*5.56 years	30/6/2025
James McBrayer	257,750	$1.410	$0.000	$0	*4.94 years	30/6/2025
James McBrayer	500,000	$0.515	$1.830	$915,000	*4.94 years	30/6/2025
Mathew Farag	225,000	$0.349	$0.900	$202,500	7.76 years	18/4/2025
Mathew Farag	200,000	$0.289	$1.550	$310,000	*7.00 years	30/6/2025
Mathew Farag	250,000	$0.289	$1.550	$387,500	*7.00 years	30/6/2025
Mathew Farag	500,000	$0.443	$1.220	$610,000	*5.16 years	30/6/2025
Other non-Key Management Personnel	6,886	$0.235	$0.900	$6,197	*9.81 years	30/6/2025
Other non-Key Management Personnel	5,000	$0.270	$1.200	$6,000	*8.94 years	30/6/2025
Other non-Key Management Personnel	85,335	$0.443	$1.220	$104,109	*5.16 years	30/6/2025
	4,021,139			**$4,090,705**		

* On 18 June 2024, the Company approved an extension of the loan expiry date linked to the vested and unvested Long Term Incentive Plan (LTIP) awards originally scheduled for repayment in 2024. The loan repayment dates were amended to 30 June 2025. No other terms or conditions of the LTIP awards were modified, and all remaining provisions continued to apply without change.

Interests in the shares and options of the Company and related bodies corporate

The movement during the reporting period in the number of ordinary Cyclopharm shares and options on issue held directly, indirectly or beneficially, by Directors and key management personnel, including their personally-related entities is as follows:

	Interest	31 December 2024 No. of shares	Granted under long term incentive schemes No. of shares	Shares subscribed pursuant to share purchase plan No. of shares	Conversion of options No. of shares	On market purchases No. of shares	31 December 2025 No. of shares
Directors							
Mr D J Heaney	BI	301,126	–	–	–	8,874	310,000
Mr J S McBrayer	BI	5,309,580	–	–	–	-	5,309,580
Ms D M Angus	BI	22,323	–	–	–	-	22,323
Mr K M J Barrow	NBI	25,084	–	–	–	-	25,084
Professor G G King	BI	10,000	–	–	–	-	10,000
Mr J W Wigglesworth	BI	53,979	–	–	–	13,500	67,479
		5,722,092	–	–	–	22,374	5,744,466
Key Management Personnel							
Mr M Farag	BI	1,571,445	–	–	–	–	1,571,445
Mr J Smith		–	–	–	–	–	–
		1,571,445	–	–	–	–	1,571,445
		7,293,537	**–**	**–**	**–**	**22,374**	**7,315,911**

BI: Beneficial interests
NBI: Non beneficial interests

As at 31 December 2025, no Director or KMP holds any share options (2024: nil).

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Remuneration Committee

During the current financial year, the Remuneration Committee comprised of Mr Heaney, who is the Chairman of the Remuneration Committee, Ms Angus, Mr Barrow and Mr Wigglesworth.

The Remuneration Committee is responsible for:

- reviewing and approving the remuneration of Directors, executives (including Key Management Personnel and other senior executives), non-executive personnel; and
- reviewing the remuneration policies of the Company generally.

Remuneration philosophy

The performance of the Company depends upon the quality of its Directors and executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards for long term service and to shareholder value;
- have a significant portion of executive remuneration 'at risk'; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive Director and executive remuneration is separate and distinct.

Non-executive Director remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to Shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive Directors shall be determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held in May 2025 when Shareholders approved an aggregate remuneration increase from $450,000 to $600,000 per year.

The amount of aggregate remuneration sought to be approved by Shareholders and the fee structure is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive Directors of comparable companies when undertaking the annual review process.

Each director receives a fee as set out in the Director and Executive Remuneration Table for being a director of the Company. Directors' fees cover all main Board activities and the membership of committees. There are no additional fees for committee membership. These fees exclude any additional 'fee for service' based on arrangements with the Company, which may be agreed from time to time. Agreed out of pocket expenses are payable in addition to Directors' fees. There is no retirement or other long service benefits that accrue upon appointment to the Board. Retiring non-executive Directors are not currently entitled to receive a retirement allowance.

Executive remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- reward executives for Company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of Shareholders; and
- ensure total remuneration is competitive by market standards.

In determining the level and make-up of executive remuneration, the Remuneration Committee engages external consultants as needed to provide independent advice.

The Remuneration Committee has entered into a detailed contract of employment with the Managing Director and a standard contract with other executives. Details of these contracts are provided below.

Remuneration consists of the following key elements:

- Fixed remuneration (base salary, superannuation and non-monetary benefits); and
- Variable remuneration Short-term incentive (STI);
- Long-term incentive (LTI); and
- Performance Rights for the Managing Director and other Key Management Personnel.

The proportion of fixed remuneration and variable remuneration (potential short-term and long-term incentives) for each executive is set out in this Remuneration Report.

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Fixed Remuneration

Objective

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of Company, business unit and individual performance, relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. As noted above, the Committee has access to external advice independent of management.

Structure

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. All forms of executive remuneration are detailed in the Remuneration Report.

Variable remuneration – Short Term Incentive (STI)

The objective of the STI is to link the achievement of the Group's operational targets with remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

Actual STI payments granted to each executive depends on the extent to which specific targets set at the beginning of the year are met. The targets consist of a number of Key Performance Indicators (KPI's) covering both financial and non-financial, corporate and individual measures of performance. Typically included measures are sales, net profit after tax, customer service, risk management and leadership/team contribution. These measures were chosen as they represent the key drivers for short term success of the business and provide a framework for long term value.

The Group has predetermined benchmarks that must be met in order to trigger payments under the STI scheme. On an annual basis, after consideration of performance against KPI's, the Remuneration Committee, in line with their responsibilities, determine the amount, if any, of the short-term incentive to be paid to each executive.

The aggregate of annual STI payments available for executives across the Group is subject to the approval of the Remuneration Committee. Payments are typically delivered as a cash bonus in the following reporting period. Participation in the Short-Term Incentive Plan is at the Directors' discretion.

Variable remuneration – Long Term Incentive (LTI)

Long Term incentives are delivered under the Long-Term Incentive Plan (LTIP). The LTIP provides for loan funded shares predominantly issued upon tenure of service, designed to reward sustainable, long-term performance. Under the LTIP, individuals are granted LTIP shares, which may have a two or three year performance period (Term). The number of LTIP shares is determined by the Board to align individual tenure of service performance with shareholders' interests.

At the Annual General Meeting held on 8 May 2007, Shareholders approved the Company's Long Term Incentive Plan ("Plan"). An updated Plan was approved by Shareholders on 29 May 2018, 4 May 2021 and 27 May 2024.

The purpose of the Plan is to encourage employees, Directors and officers to share in the ownership of the Company and therefore retain and motivate senior executives to drive performance at both the individual and corporate level.

Performance Rights

At the Annual General Meeting held on 30 May 2025, shareholders approved a separate Performance Rights Scheme for the Managing Director. This rationale for this Scheme has also in part been adopted for other Key Management Personnel (KMP). The Scheme provides for Performance Rights to be issued to KMP upon achieving prescribed performance hurdles designed to align KMP interests to increasing company efficiency, performance and shareholder value.

Shareholder approval included authorisation for the Company to issue up to 4 million performance rights under the Plan over a three-year period starting from 30 May 2025. This approval establishes the maximum number of performance rights that may be granted under the Plan during that period; it does not represent an intention or forecast of the number of performance rights that will ultimately be issued. The Group has not issued any performance rights under the Plan for the year ended 31 December 2025.

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Employment contracts

Managing Director

The Managing Director, Mr McBrayer, is employed under a rolling contract. Mr McBrayer's current contract was executed on 3 May 2021. Mr McBrayer's remuneration for 2025 and 2024 is disclosed in the tables on pages 26 and 27. Under the terms of the present contract:

- In 2025 Shareholders approved an incentive plan that provided for a short-term incentive opportunity for Mr McBrayer of up to 75% of fixed remuneration, 30% to be provided in cash and, 70% to be provided after the end of the financial year in the form of performance rights (STI Rights). In addition to the STI Rights Mr McBrayer is also eligible for a long-term incentive opportunity of up to the equivalent of 50% of fixed remuneration to be provided after the end of the financial year, in the form of performance rights (LTI Rights).
- Mr McBrayer may resign from his position and thus terminate this contract by giving 6 months' written notice unless a mutually agreeable date can be agreed upon.
- The Company may terminate this employment agreement by providing 6 months' written notice or providing payment in lieu of the notice period.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the Managing Director is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.
- Mr McBrayer is entitled to receive strictly limited non-recourse loans under the Company's LTIP to purchase shares.
- On 13 July 2015, a strictly limited non-recourse loan was made to Mr McBrayer under the Company's LTIP to purchase shares for a period of 2 years. The loan was to enable the purchase of 1,721,554 shares at the price of 90 cents per share. The LTIP shares vested on 9 May 2017, the date of the 2017 AGM.
- On 9 May 2017, the Company extended this loan totalling $1,549,398.60 for the purchase of Mr McBrayer's 1,721,554 vested LTIP shares. The loan is repayable in full by 31 March 2026.
- As approved by shareholders at the May 2019 AGM, 200,000 options were granted on 27 May 2019 and 539,525 shares comprising 269,911 ordinary shares and 269,614 LTIP shares were issued in accordance with the Company's Long Term Incentive Plan on 11 December 2019 to Mr McBrayer.
- As approved by shareholders at the July 2020 AGM, 1,015,500 shares comprising 257,750 ordinary shares and 757,750 LTIP shares were issued in accordance with the Company's Long Term Incentive Plan on 24 July 2020 to Mr McBrayer. The 257,750 ordinary shares can be freely traded on and from the date of issue. A strictly limited non-recourse loan was made to Mr McBrayer to purchase 500,000 shares at the price of $1.83 per share while 257,750 LTIP shares are held in a holding lock until the loan on the 1,721,554 shares issued on 13 July 2015 is repaid in full by 31 March 2026.

Other Executives (standard contracts)

All executives have rolling contracts. The Company may terminate the executive's employment agreement by providing (depending on the individual's contract) between 1 to 6 months' written notice or providing payment in lieu of the notice period. Where termination with cause occurs the executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.

Related Parties

The Directors disclose any conflict of interests in Directors' meetings as per the requirements under the Corporations Act (2001). Any disclosures that are considered to fall under the definition of related parties as per AASB 124 'Related Party Disclosures' are made in the Directors' meetings and minuted.

End of Remuneration Report

Directors' meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the numbers of meetings attended by each director were as follows:

	Cyclopharm Board Meetings		Audit & Risk Committee Meetings		Board Nomination Committee Meetings		Remuneration Committee Meetings	
Director	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr D J Heaney	10	10	4	4	–	–	4	4
Mr J S McBrayer	10	10	–	–	–	–	–	–
Ms D M Angus	10	10	4	4	–	–	4	4
Mr K M J Barrow	10	9	4	4	–	–	4	4
Professor G G King	10	9	–	–	–	–	–	–
Mr J W Wigglesworth	10	10	4	4	–	–	4	4

Share options

No share options (2024: nil) are on issue as at year end.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

This report is made and signed in accordance with a resolution of the Directors:



James McBrayer
Managing Director and CEO

Sydney, 27 March 2026

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Auditor's Independence Declaration

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To the Board of Directors of Cyclopharm Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the audit of the financial statements of Cyclopharm Limited for the financial year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

Yours sincerely

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Date: 27 March 2026

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Consolidated Statement of
Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	Notes	Consolidated 2025 $	Consolidated 2024 $
Continuing operations			
Total revenue	4	**32,325,256**	**27,572,581**
Cost of materials and manufacturing		(14,472,147)	(9,639,791)
Employee benefits expenses	5 (a)	(17,955,099)	(16,111,165)
Advertising and promotion expenses		(1,279,541)	(1,466,416)
Depreciation and amortisation expenses	5 (b)	(1,769,992)	(1,476,407)
Freight and duty expenses		(1,331,848)	(1,681,443)
Research and development expenses	5 (c)	(614,688)	(365,016)
Administration expenses	5 (d)	(13,084,306)	(11,356,913)
Other income	5 (e)	3,408,011	232,595
Other expenses	5 (f)	(3,854,611)	(54,900)
Operating loss		**(18,628,965)**	**(14,346,875)**
Share of profit from business collaborations		1,096,381	924,875
Loss before financing and income tax		**(17,532,584)**	**(13,422,000)**
Net interest income/(expense)	5(g)	(324,100)	350,553
Loss before income tax		**(17,856,684)**	**(13,071,447)**
Income tax benefit/(expense)	6	636,778	(126,171)
Loss for the year		**(17,219,906)**	**(13,197,618)**
Other comprehensive income after income tax			
Items that will be re-classified subsequently to profit and loss when specific conditions are met:			
– Exchange differences on translating foreign controlled entities (net of tax)		1,314,101	14,663
Total comprehensive loss for the year		**(15,905,805)**	**(13,182,955)**
		cents	cents
Loss per share (cents per share)	7		
– Basic loss per share from continuing operations		(15.64)	(12.83)
– Basic loss per share		(15.64)	(12.83)
– Diluted loss per share		(15.64)	(12.83)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

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Consolidated Statement of Financial Position

As at 31 December 2025

	Notes	Consolidated 2025 $	Consolidated 31 December 2024 Restated* $	Consolidated 1 January 2024 Restated* $
Assets				
Current Assets				
Cash and cash equivalents	8	6,626,497	20,567,898	11,726,424
Trade and other receivables	9	8,465,830	7,503,240	7,895,053
Inventories	10	11,434,688	10,625,747	9,318,380
Current tax asset	6	125,659	152,989	170
Other assets		1,808,707	913,348	452,102
Total Current Assets		**28,461,381**	**39,763,222**	**29,392,129**
Non-current Assets				
Inventories	10	–	–	33,836
Property, plant and equipment	11	7,168,621	8,661,707	6,776,524
Right-of-use assets	12	6,228,202	7,060,068	3,213,315
Investments	13	–	–	–
Intangible assets	14	2,673,267	5,896,080	5,736,075
Deferred tax assets	6	1,569,423	745,584	762,310
Total Non-current Assets		**17,639,513**	**22,363,439**	**16,522,060**
Total Assets		**46,100,894**	**62,126,661**	**45,914,189**
Liabilities				
Current Liabilities				
Trade and other payables	15	7,606,903	7,226,646	6,941,912
Lease liabilities	16	561,173	625,870	214,465
Provisions	17	3,094,030	2,758,151	1,475,407
Tax liabilities	6	–	–	37,095
Total Current Liabilities		**11,262,106**	**10,610,667**	**8,668,879**
Non-current Liabilities				
Trade and other payables	15	23,460	–	–
Lease liabilities	16	7,179,826	7,659,894	4,012,832
Provisions	17	234,431	224,419	71,184
Deferred income liabilities	18	290,013	901,812	901,812
Total Non-current Liabilities		**7,727,730**	**8,786,125**	**4,985,828**
Total Liabilities		**18,989,836**	**19,396,792**	**13,654,707**
Net Assets		**27,111,058**	**42,729,869**	**32,259,482**
Equity				
Contributed equity	19	87,073,747	87,073,747	63,781,302
Employee equity benefits reserve	29	4,413,846	4,126,852	3,765,955
Foreign currency translation reserve	29	699,461	(614,640)	(629,303)
Accumulated losses		(65,075,995)	(47,856,090)	(34,658,472)
Total Equity		**27,111,058**	**42,729,869**	**32,259,482**

* The comparative information is restated, as detailed in Note 2(b).

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

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Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Notes	Consolidated 2025 $	Consolidated 2024 Restated* $
Operating activities			
Receipts from customers		30,647,038	28,164,533
Receipt from business venture collaboration		1,096,381	924,875
Payments to suppliers and employees		(48,582,394)	(39,704,680)
Interest received		282,392	477,629
Borrowing costs paid		(626,259)	(319,095)
Income tax (paid)/received		(146,605)	(299,359)
Net cash flows used in operating activities	8	**(17,329,447)**	**(10,756,097)**
Investing activities			
Purchase of property, plant and equipment		(1,992,019)	(2,621,842)
Proceeds from sale of property, plant and equipment		5,112,121	–
Payments for intangible assets		(115,632)	(168,323)
Net cash flows from/(used in) investing activities		**3,004,470**	**(2,790,165)**
Financing activities			
Proceeds from issue of shares		–	24,002,712
Share issue cost (net of tax)		–	(1,144,915)
Settlement of loan for Long Term Incentive Plan Shares		–	5,925
Payments for lease liabilities		(1,118,513)	(641,720)
Net cash flows (used in)/from financing activities		**(1,118,513)**	**22,222,003**
Net (decrease)/increase in cash and cash equivalents		**(15,443,490)**	**8,675,741**
Cash and cash equivalents			
– at beginning of the period		**20,567,898**	**11,726,424**
– net foreign exchange differences from translation of cash and cash equivalents		1,502,089	165,733
– at end of the year	8	**6,626,497**	**20,567,898**

* The comparative information is restated, as detailed in Note 2(b).

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

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Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

Consolidated	Contributed Equity $	Other Contributed Equity $	Total Contributed Equity $	Retained Earnings/ (Accumulated Losses) $	Foreign Currency Translation Reserve (Note 29(b)) $	Employee Equity Benefits Reserve (Note 26(a)) $	Total $
Balance at 1 January 2024	69,114,460	(5,333,158)	63,781,302	(34,658,472)	(629,303)	3,765,955	32,259,482
Loss for the year	–	–	–	(13,197,618)	–	–	(13,197,618)
Other comprehensive income	–	–	–	–	14,663	–	14,663
Total comprehensive loss for the year	–	–	–	(13,197,618)	14,663	–	(13,182,955)
Issue of shares	24,238,685	–	24,238,685	–	–	–	24,238,685
Share issue cost (net of tax)	(1,144,915)	–	(1,144,915)	–	–	–	(1,144,915)
Payment of loan for Long Term Incentive Plan shares	198,675	–	198,675	–	–	–	198,675
Dividends paid	–	–	–	–	–	–	–
Cost of share based payments	–	–	–	–	–	360,897	360,897
Total transactions with owners and other transfers	**23,292,445**	**–**	**23,292,445**	**–**	**–**	**360,897**	**23,653,342**
Balance at 31 December 2024	**92,406,905**	**(5,333,158)**	**87,073,747**	**(47,856,090)**	**(614,640)**	**4,126,852**	**42,729,869**

Consolidated	Contributed Equity $	Other Contributed Equity $	Total Contributed Equity $	Retained Earnings/ (Accumulated Losses) $	Foreign Currency Translation Reserve (Note 29(b)) $	Employee Equity Benefits Reserve (Note 26(a)) $	Total $
Balance at 1 January 2025	**92,406,905**	**(5,333,158)**	**87,073,747**	**(47,856,090)**	**(614,640)**	**4,126,852**	**42,729,869**
Loss for the year	–	–	–	(17,219,906)	–	–	(17,219,906)
Other comprehensive income	–	–	–	–	1,314,101	–	1,314,101
Total comprehensive loss for the year	–	–	–	(17,219,906)	1,314,101	–	(15,905,805)
Issue of shares	–	–	–	–	–	–	–
Share issue cost (net of tax)	–	–	–	–	–	–	–
Payment of loan for Long Term Incentive Plan shares	–	–	–	–	–	–	–
Dividends paid	–	–	–	–	–	–	–
Cost of share-based payments	–	–	–	–	–	286,994	286,994
Total transactions with owners and other transfers	**–**	**–**	**–**	**–**	**–**	**286,994**	**286,994**
Balance at 31 December 2025	**92,406,905**	**(5,333,158)**	**87,073,747**	**(65,075,995)**	**699,461**	**4,413,846**	**27,111,058**

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

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Notes
to the Consolidated Financial Statements

1. Corporate Information

The financial report of Cyclopharm Limited ("Cyclopharm" or "the Company") for the year ended 31 December 2025 was authorised for issue by a resolution of the Directors as at the date of this report.

Cyclopharm is a Company limited by shares incorporated and domiciled in Australia. The shares are publicly traded on the Australian Securities Exchange ("ASX") under the code "CYC".

During the year, the principal continuing activities of the consolidated entity ("the Group") consisted of the manufacture and sale of medical equipment and radiopharmaceuticals, including associated research and development, and installation and distribution of third-party products to the diagnostic imaging sector.

2. Summary of Material Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business for a period of at least twelve months from the date of approval of the financial statements. In assessing and concluding on going concern, the directors have considered the Group's business plan including the accelerated US market roll out along with related cashflow forecasts informing the group's future capital requirements and information on the availability of additional equity or debt capital to the Group.

The financial report is presented in Australian dollars ("AUD").

(b) New and amended Accounting Policies adopted by the Group

Consolidated financial statements

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

None of the new or amended Accounting Standards and Interpretations has had a material impact on the Group's financial statements.

Change of Accounting Policy

The Group has reassessed its accounting policy in relation to Technegas® generators designated for licencing to customers in the United States of America (USA). The Group manufactures and warehouses Technegas® generators in a centralised inventory pool at its production facility in Australia until such time as the destination market and logistical/distribution arrangements are confirmed. All finished goods generators are initially classified as Inventory.

Globally the Group employs two separate commercial models in relation to Technegas® generators. Outside the USA, the group predominantly sells generators direct to customers. In the USA, the Group retains ownership of generators and enters into multi-year licencing agreements with customers for the use of the device. Consumables are sold outright to customers in all markets.

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2. Summary of Material Accounting Policies (continued)

The Group's previous accounting policy was to reclassify generators from Inventory to Property, Plant and Equipment at the point when a generator was licensed to a customer. Following an assessment of this policy against organisations with comparable commercial models, the Group has elected to change its accounting policy to reclassify generators from Inventory to Property, Plant and Equipment at the time that the destination market for the generator is first determined. The effect of this change in accounting policy is an earlier reclassification of generator inventory to Property, Plant and Equipment. There are no impacts on previously reported amounts in Profit and Loss and Other Comprehensive Income or Earnings Per Share. Licensed generators continue to be depreciated from the point that installation is complete. The Group believes the change in accounting policy provides more relevant and reliable information in relation to ultimate accounting classification of generators.

The change in accounting policy has been applied retrospectively and the comparative amounts disclosed for the 2024 financial year have been restated where appropriate.

The table below summarises the adjustments made to reflect the implementation of the change in accounting policy:

	for the year ended 31 December 2024		
	Balance previously reported $	Impact of change in accounting policy $	Restated balance $
Consolidated Statement of Financial Position			
Inventory	13,247,691	(2,621,944)	10,625,747
Total current assets	42,385,166	(2,621,944)	39,763,222
Plant and equipment	2,621,853	(732,648)	1,889,205
Placed generators	–	732,648	732,648
Capital work in progress	21,327	2,621,944	2,643,271
Property, plant and equipment	6,039,763	2,621,944	8,661,707
Total non-current assets	19,741,495	2,621,944	22,363,439
Consolidated Statement of Cash Flows			
Payments to suppliers and employees	(41,522,988)	1,818,308	(39,704,680)
Net cash flows used in operating activities	(12,574,405)	1,818,308	(10,756,097)
Purchase of property, plant and equipment	(803,534)	(1,818,308)	(2,621,842)
Net cash flows from/(used in) investing activities	(971,857)	(1,818,308)	(2,790,165)

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2. Summary of Material Accounting Policies (continued)

(c) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2025. These new or amended Accounting Standards and Interpretations are not expected to have a material impact on the consolidated entity's financial statements.

AASB S2 *Climate-related Disclosures*, sets out disclosure requirements about an entity's climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over the short, medium or long term. The main climate-related financial disclosure requirements relate to governance, strategy, risk management, metrics and targets including information about scenario analysis and Scope 1, 2 and 3 greenhouse gas emissions and climate-related financial information. Cyclopharm currently expects to be a Group 3 entity under AASB S2, with mandatory application from 1 January 2028.

AASB 18 *Presentation and Disclosure in Financial Statements* will replace AASB 101 *Presentation of Financial Statements*. AASB 18 will better align the presentation of the statement of profit or loss to the categories in the statement of cash flows, require disclosure of management-defined performance measures and enhance the requirements for aggregation and disaggregation disclosure. It has mandatory application from 1 January 2027.

(d) Basis of consolidation

Cyclopharm Limited is the ultimate parent entity ("the Parent") in the wholly owned group. The consolidated financial statements comprise the financial statements of Cyclopharm and its subsidiaries as at 31 December each year ("the Group").

The Group's financial statements consolidate those of the parent company and all of its subsidiaries as of 31 December 2025. All subsidiaries have a reporting date of 31 December.

Subsidiaries

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Parent has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

For business combinations involving entities under common control, which are outside the scope of AASB 3 *Business Combinations*, the Company applies the purchase method of accounting by the legal parent.

(e) Foreign currency translation

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars (AUD $) which is the parent entity's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items that are measured in terms of historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate when the fair value was determined.

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2. Summary of Material Accounting Policies (continued)

Exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow hedge or net investment hedge. On disposal of a foreign entity the deferred cumulative amount in equity is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Group companies

The functional currency of the overseas subsidiaries Cyclomedica Ireland Limited, Cyclomedica Germany GmbH, Cyclomedica Europe Limited, and Cyclomedica Benelux bvba, is European Euro (Euro €), Cyclomedica Nordic AB is Swedish Kroner (SEK), Cyclomedica Canada Limited is Canadian dollars (CAD), Cyclomedica UK Ltd is Great British Pound (GBP), Cyclomedica USA LLC is United States dollars (USD) and Cyclomedica Danmark ApS is Danish Kroner (DKK).

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at the reporting date.
- Income and expenses are translated at the average exchange rates for the period.
- Retained profits/equity are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of foreign operations are recognised in other comprehensive income and are transferred directly to the Group's foreign currency translation reserve in the Statement of Financial Position. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

(f) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit or Loss and Other Comprehensive Income, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the Statement of Financial Position date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

Cyclopharm Limited is the head entity of the tax consolidated group comprising all the Australian wholly owned subsidiaries. The implementation date for the tax consolidated group was 31 May 2006. Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using a "stand-alone basis without adjusting for intercompany transactions" approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under consolidation.

Any current Australian tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax consolidated group. Any difference between these amounts is recognised by the head entity as an equity contribution or distribution.

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2. Summary of Material Accounting Policies (continued)

Cyclopharm Limited recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(g) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(h) Property, plant and equipment

Plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Impairment

The carrying amount of plant and equipment is reviewed annually to consider impairment. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Useful lives of property, plant and equipment

The estimation of the useful lives of assets has been based on historical experience as well as lease terms and turnover policies. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets are depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Basis	Method
Plant and equipment	5 – 33%	Straight-line method
Leasehold improvements	7.5 – 10%	Straight-line method
Motor vehicles	16.67 – 25%	Straight-line method

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Profit or Loss and Other Comprehensive Income in the year the item is derecognised.

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2. Summary of Material Accounting Policies (continued)

(i) Investments accounted for using the equity method

Associates are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Associate. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition whereby the Group's share of the net fair value of the associate exceeds the cost of investment is recognised in profit or loss in the period in which the investment is acquired. The carrying amount of the investment also includes loans made to the associate which are not expected to be repaid in the short term.

Profits or losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the Group's investments in associates are provided in Note 13.

(j) Intangibles

Intangible assets

Intangible assets acquired as part of a business combination other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost.

Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment.

The gains and losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible assets. The method and useful lives of finite life intangible assets are reviewed annually.

Internally generated intangible assets, excluding development costs, are not capitalised and are recorded as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

Intangible assets are tested for impairment where an indicator of impairment exists, and in the case of indefinite life intangibles, at each reporting date, either individually or at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Expenditure on the development of the Technegas®Plus generator has been capitalised. Costs will be amortised once the asset development is completed and the asset is ready for use. No impairment provision has been deemed appropriate. The Directors are satisfied that the future economic benefits will eventuate to justify the capitalisation of the expenditure incurred. Development expenditure is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.

Due to a reassessment of its strategy, the Company derecognised its Ultralute™ asset. Expenditure on the development of the Ultralute™ generator was capitalised up until the asset was derecognised. Future expenditure on the development of the Ultralute™ generator is expensed as incurred.

	New Patents and licences	Technegas® Development costs
Useful lives	Patents – Finite Licenses – Finite	Finite
Method used	8–10 years – Straight-line	9 years – Straight-line
Impairment test/ Recoverable amount testing	Annually and where an indicator of impairment exists	Amortisation method reviewed at each financial year-end; Reviewed annually for indicator of impairment

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2. Summary of Material Accounting Policies (continued)

Research and development costs
Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intend to complete the development and its costs can be measured reliably. Development expenditure is measured at cost less any accumulated amortisation and impairment losses. Amortisation is calculated using a straight-line method to allocate the costs over a period during which the related benefits are expected to be realised.

(k) Inventories
Inventories are valued at the lower of cost and net realisable value where net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Purchase costs incurred in bringing each product to its present location and condition are accounted for on a first-in, first-out basis for both raw materials and finished goods.

(l) Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 90 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(m) Cash and cash equivalents
Cash and cash equivalents comprise cash on hand, deposits held at call with banks, short-term deposits with an original maturity of three months or less and bank overdrafts. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(n) Trade and other payables
Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade payables are normally settled within 30 to 60 days.

(o) Interest-bearing loans and borrowings
All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the liabilities are derecognised and as well as through the amortisation process.

(p) Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

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2. Summary of Material Accounting Policies (continued)

(q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of economic benefits will result and that an outflow can be reliably measured. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

(r) Employee entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled plus related on-costs. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow (after applying probability) to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yields as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of wages and salaries, non-monetary benefits, annual leave, long service leave and other leave benefits, and other types of employee benefits, are recognised against profits on a net basis in their respective categories.

(s) Employee share and performance share schemes

The fair value of performance rights issued under the Cyclopharm Long Term Incentive Plan are recognised as a personnel expense over the vesting period with a corresponding increase in Employee Equity Benefits Reserve.

The fair value of the implied option attached to shares granted is determined using a pricing model that takes into account factors that include exercise price, the term of the performance option, the vesting and performance criteria, the share price at grant date and the expected price volatility of the underlying share. The fair value calculation excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of performance options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of performance rights that are expected to become exercisable. The personnel expense recognised each period takes into account the most recent estimate.

Shares issued under employee and executive share plans are held in trust until vesting date. Unvested shares held by the trust are consolidated into the group financial statements.

(t) Revenue recognition

Revenue recognition begins by identifying the contract with the customer, ensuring it meets criteria such as enforceability, rights, payment terms, and commercial substance. Performance obligations in the contract are determined by identifying the distinct product or service being delivered. The transaction price is then calculated, reflecting the amount of the consideration the company expects to receive. This price is allocated to the performance obligations based on their standalone selling prices. Finally, revenue is recognised when each performance obligation is satisfied, aligning the recognition of revenue with the transfer of goods or services to the customer.

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2. Summary of Material Accounting Policies (continued)

(u) Other revenue

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Research & development tax incentive

Government grants, including Research and Development incentives, are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met.

Grants relating to cost reimbursements are recognised as other income in profit or loss in the period when the costs were incurred or when the incentive meets the recognition requirements (if later).

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

All revenue is stated net of the amount of goods and services tax ("GST").

(v) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred is not recoverable from the Australian Taxation Office ("ATO") and is therefore recognised as part of the asset's cost or as part of the expense item. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position. Cash flows are presented in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

(w) Financial instruments

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

De-recognition of financial instruments

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group assesses at each Statement of Financial Position date whether a financial asset or group of financial assets is impaired.

(x) Contributed equity

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Other contributed equity

Other contributed equity arises from prior period transfers of tax liabilities within the group and the 2006 demerger from Vita Life Sciences Limited.

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2. Summary of Material Accounting Policies (continued)

(y) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year. Where there is a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year, the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Where there is a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year, the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

(z) Fair value

The Group subsequently measures some of its assets at fair value on a non-recurring basis. Fair value is the price the Group would receive to sell an asset in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

(aa) Significant accounting judgements and estimates

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 2(t) and 4: revenue recognition – estimation of percentage-of-completion method;
- Note 2(f): tax liabilities and recognition of deferred taxes – uncertain tax treatments and judgements regarding the availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilised;
- Note 2(j): capitalisation of development costs;
- Notes 2(j) and 14: impairment test of intangible assets and goodwill – key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Notes 2(k) and 10: measurement of net realisable value of inventory;
- Notes 2(p) and 16: lease liabilities – incremental borrowing rate;
- Notes 2(q), 17 and 21(b): recognition and measurement of provisions and contingencies – key assumptions about the likelihood and magnitude of an outflow of resources;
- Notes 2(s) and 26: share based payment transactions – estimates of fair value;
- Notes 2(h) and 11: property, plant and equipment – estimates of fair value;
- Notes 2(l), 2(w) and 9: measurement of ECL allowance for trade receivables and contract assets – key assumptions in determining the weighted-average loss rate.

3. Segment Information

Operating segment

The Group has identified it has only one operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources in order to progress the commercialisation of Technegas®.

The chief operating decision makers review the results of the business on a single entity basis. Performance assessment is based on underlying EBITDA (underlying earnings before interest, tax, depreciation and amortisation). This underlying EBITDA measurement differs from the profit or loss reported in the consolidated financial statements, which is shown after net interest and income tax expense and includes items related to underlying operational performance such as impairment and derecognition of assets, acquisition and disposal costs.

	Notes	Consolidated 2025 $	Consolidated 2024 $
Loss for the year		**(17,219,906)**	**(13,197,618)**
Underlying adjustments:			
Gain on sale of Cyclotron asset	5(e), 11	(2,368,292)	–
Deferred income liabilities recognised	5(e)	(611,800)	–
Derecognition of intangible assets	5(f), 14	3,344,217	–
Underlying net loss		**(16,855,781)**	**(13,197,618)**
Depreciation and amortisation	5(b)	1,769,992	1,476,407
Net interest expense/(income)	5(g)	324,100	(350,553)
Income tax (benefit)/expense		(636,778)	126,171
Underlying E(L)BITDA		**(15,398,466)**	**(11,945,593)**

Geographical areas

The table below presents revenue information regarding the geographical areas that the Group operates in for the years ended 31 December 2025 and 31 December 2024:

Revenue from contracts with customers

	Consolidated 2025 $	Consolidated 2024 $
Geographical areas		
Asia Pacific	7,096,416	7,991,800
Europe	19,555,340	15,846,261
Canada	2,359,199	2,518,920
USA	2,696,243	826,605
Other countries	618,058	388,995
	32,325,256	**27,572,581**

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4. Revenue from contracts with customers

All customer contracts are standardised and meet criteria for transaction approval, which includes identification of each party's rights, payment terms, commercial substance, and probable collection based on the customer's ability to pay. The Group also operates via a distributor model in certain overseas markets and the same criteria applies.

Judgement applies to assessing when risks and rewards of ownership have been transferred to a customer based on the terms of the contract and the nature of the product or service. The company also evaluates whether a contract contains multiple performance obligations and allocates the transaction price to each performance obligation based on standalone selling prices.

The Group has identified the following main categories of revenue:

Technegas® revenue

The Group revenue consists primarily of Technegas® products and services, which includes the sale of diagnostic equipment and consumables used by physicians in the detection of pulmonary embolism and other respiratory conditions.

Revenue is recognised as follows:

- Equipment and consumables: when the risks and rewards of ownership pass to the customer.
- Service: as the service obligation is rendered and the performance obligations are satisfied.

Third-party distribution revenue

Third-party distribution revenue is a combination of capital works projects and ongoing sales from consumables and service support.

Revenue is recognised as follows:

- Capital works projects: using the percentage-of-completion method by monitoring progress and milestone achievements.
- Consumables: when the risks and rewards of ownership pass to the customer.
- Service: as the service obligation is rendered and the performance obligations are satisfied.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Consolidated	
	2025 $	2024 $
Type of goods or service		
Technegas®	16,692,434	15,209,759
Third-party distribution	15,632,822	12,362,822
Total revenue from contracts with customers	**32,325,256**	**27,572,581**
Timing of revenue recognition		
Goods transferred at a point in time	30,011,089	25,955,874
Services transferred over time	2,314,167	1,616,707
Total revenue from contracts with customers	**32,325,256**	**27,572,581**

5. Expenses

	Notes	Consolidated 2025 $	Consolidated 2024 $
(a) Employee benefits expenses			
Salaries and wages		(16,145,213)	(14,446,293)
Defined contribution superannuation expense		(1,110,159)	(978,550)
Non-Executive Director fees		(412,733)	(325,425)
Share-based payments expense	26(a)	(286,994)	(360,897)
		(17,955,099)	**(16,111,165)**
(b) Depreciation and amortisation			
Depreciation of land and buildings		(38,200)	(41,343)
Depreciation of plant and equipment		(448,338)	(402,353)
Depreciation of leasehold improvements		(324,400)	(325,916)
Depreciation of leased assets		(892,323)	(641,720)
Amortisation of intangibles		(66,731)	(65,075)
		(1,769,992)	**(1,476,407)**
(c) Research & development expenses			
Pilot Clinical Trial expenses		(190,793)	(252,725)
Research expenses		(423,895)	(112,291)
		(614,688)	**(365,016)**
(d) Administration expenses			
Legal and professional costs		(3,740,262)	(2,521,906)
Office and facility costs		(2,468,104)	(1,825,324)
Provision for doubtful debts		6,093	(72,493)
Consulting fees		(1,237,048)	(1,042,006)
Regulatory costs		(2,061,718)	(2,275,462)
ASX and share registry costs		(85,846)	(105,928)
Travel and motor vehicle costs		(2,454,400)	(2,356,425)
Other administration expenses		(1,043,021)	(1,157,369)
		(13,084,306)	**(11,356,913)**
(e) Other income			
Insurance recoveries		–	7,520
Gain on sale of Cyclotron asset		2,368,292	–
Gain on sale of other assets		30,261	–
Realised foreign exchange gains		312,128	–
Unrealised foreign exchange gains		85,530	225,075
Deferred income liabilities recognised		611,800	–
		3,408,011	**232,595**
(f) Other expenses			
Realised foreign exchange losses		(279)	(51,560)
Unrealised foreign exchange losses		(478,027)	–
Loss on sale of assets		(32,088)	(3,340)
Derecognition of intangible assets		(3,344,217)	–
		(3,854,611)	**(54,900)**
(g) Net interest income			
Interest received from other parties		302,159	669,648
Bank and other finance charges		(48,397)	(36,217)
Interest on leased assets		(577,862)	(282,878)
		(324,100)	**350,553**

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6. Income tax

	Consolidated	
	2025 $	2024 $
The components of income tax expense comprise:		
Current income tax expense	(187,061)	(142,897)
Deferred income tax benefit	823,839	16,726
Income tax reported in Income Statement	**636,778**	**(126,171)**
Reconciliation of income tax expense to prima facie tax payable:		
Accounting (loss) before income tax	**(17,856,684)**	**(13,071,447)**
Statutory income tax rate of 25% (2024: 25%)	4,464,171	3,267,862
Effects of lower rates on overseas income	610,051	44,092
Expenditure not allowable for income tax purposes	(2,098,230)	(813,841)
Attributed income from controlled foreign companies	(52,112)	(917,923)
Temporary differences recognised in Australian group	705,172	16,726
Temporary differences recognised in overseas subsidiaries	118,667	–
Tax losses not recognised in Australia	(3,110,940)	(1,723,087)
Total income tax (expense)/benefit	**636,778**	**(126,171)**
Effective income tax rate	(3.6%)	1.0%
Current income tax asset	**125,659**	**152,989**
Current income tax liability	**–**	**–**
Deferred tax assets		
Deferred tax assets from temporary differences on:		
Investments	(1,205,842)	(2,454,728)
Provisions and accruals	2,647,408	2,893,049
Other	127,857	307,263
Total deferred tax assets	**1,569,423**	**745,584**
Movements in deferred tax assets		
Opening balance	745,584	762,310
Temporary differences brought to account/(reversed)	823,839	(16,726)
Closing balance	**1,569,423**	**745,584**
Deferred tax assets for which no benefit has been recognised:		
– arising from temporary differences – at 25% (2024: 25%)	–	47,647
– arising from revenue tax losses – at 25% (2024: 25%)	9,205,756	2,266,064
– arising from capital tax losses – at 25% (2024: 25%)	19,715	19,715

The Group's accounting policy for income tax requires management's judgment in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Judgments are also required about the application of income tax legislation. These judgments and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the Statement of Profit or Loss and Other Comprehensive Income.

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7. Net tangible assets and loss per share

Net tangible assets per share

	Consolidated	
	2025 $	2024 $
Net assets per share	0.24	0.38
Net tangible assets per share	0.22	0.33

	2025 Number	2024 Number
Number of ordinary shares for net assets per share	111,136,850	111,136,850

	2025 $	2024 $
Net assets	27,111,058	42,729,869
Less: Intangible assets	(2,673,267)	(5,896,080)
Net tangible assets	24,437,791	36,833,789

The number of ordinary shares includes the effects of 642,500 Long Term Incentive Performance (LTIP) shares issued on 23 March 2023 and 100,000 LTIP Shares issued on 12 September 2023 (2024: no change). The net assets includes both right-of-use assets and lease liabilities accounted for in accordance with AASB 16 Leases.

Loss per share

	Consolidated	
	2025 cents	2024 cents
Basic loss per share for continuing operations	(15.64)	(12.83)
Basic loss per share	(15.64)	(12.83)
Diluted loss per share	(15.64)	(12.83)

	2025 Number	2024 Number
Weighted average number of ordinary shares for basic loss per share	110,127,288	102,901,831
Weighted average number of ordinary shares for diluted loss per share	110,127,288	102,901,831

	2025 $	2024 $
Loss used to calculate basic earnings per share	(17,219,906)	(13,197,618)
Loss used to calculate diluted earnings per share	(17,219,906)	(13,197,618)

The weighted average number of ordinary shares for basic loss per share excludes the effects of 267,062 LTIP shares issued on 19 February 2021, 642,500 LTIP shares issued on 23 March 2023 and 100,000 LTIP shares issued on 12 September 2023 as they are contingently returnable.

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8. Cash and cash equivalents

	Consolidated	
	2025 $	2024* Restated $
Cash at bank and in hand	6,626,497	20,567,898
Total cash and cash equivalents	**6,626,497**	**20,567,898**

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates and at fixed rates for that portion of cash invested in short-term bank deposit accounts.

The fair value of cash and cash equivalents is $6,626,497 (2024: $20,567,898).

Reconciliation of Statement of Cash Flows

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following:

	Consolidated	
	2025 $	2024* Restated $
Cash at bank and in hand	6,626,497	20,567,898
	6,626,497	**20,567,898**

(a) Reconciliation of net loss after tax to net cash flows from operations

	Notes	Consolidated	
		2025 $	2024* Restated $
Net loss after tax		**(17,219,906)**	**(13,197,618)**
Adjustments for non-cash income and expense items:			
Depreciation		1,703,261	1,411,332
Amortisation		66,731	65,075
Property, plant and equipment disposed		(2,718,705)	7,330
Derecognition of intangible assets	14	3,344,217	–
Movement in intangible assets		(66,731)	(65,075)
Movement in provision for employee benefits		345,892	1,435,979
Movement in foreign exchange		392,497	14,663
Movement in employee benefits reserve		286,994	360,897
Movement in deferred income liabilities recognised		(611,800)	–
		(14,477,549)	**(9,967,417)**
Increase/decrease in assets and liabilities:			
(Increase)/decrease in trade receivables		(1,953,677)	837,140
Increase in inventories		(808,941)	(1,273,531)
Decrease/(increase) in other receivables		232,826	(445,327)
Decrease/(increase) in current tax asset		27,330	(152,819)
(Increase)/decrease in deferred tax assets		(823,839)	16,726
Increase in creditors		474,404	266,226
Decrease in current tax liabilities		–	(37,095)
Net cash flow used in operating activities		**(17,329,447)**	**(10,756,097)**

* The comparative information is restated, as detailed in Note 2(b).

(b) Non-cash financing and investing activities

All Long-Term Incentive Plan (LTIP) shares as set out in Note 26 Share Based Payment Plans are issued by way of loans.

During the year, no LTIP shares vested (2024: nil) and an election was made to extend the exercise period until 31 March 2026, whilst no LTIP shares lapsed and were cancelled (2024: nil). Refer to Note 19 Contributed Equity and Note 26 Share Based Payment Plans.

No LTIP shares were issued by way of loans during the year (2024: nil).

9. Trade and other receivables

	Notes	Consolidated 2025 $	Consolidated 2024 $
Current			
Trade receivables		6,975,310	5,063,579
Allowance for expected credit losses		(114,140)	(156,086)
Net trade receivables	(i)	6,861,170	4,907,493
Other receivables	(ii)	1,135,508	1,368,334
Deposits to suppliers		469,152	1,227,413
Total current trade and other receivables		**8,465,830**	**7,503,240**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade receivables are non-interest bearing and generally on 30 and 60-day terms.
(ii) Other receivables are non-interest bearing and include security deposits on leased premises and amounts refundable in relation to GST and VAT credits.

Movements in the allowance for expected credit losses are as follows:

	Consolidated 2025 $	Consolidated 2024 $
Opening balance	156,086	100,317
Provisions recognised/(reversed)	(41,946)	55,769
Closing balance	**114,140**	**156,086**

The ageing of Cyclopharm's trade receivables and allowance for expected credit losses are as follows:

	Trade receivables		Allowance for expected credit losses		Trade receivables net of allowance for impairment losses	
	2025 $	2024 $	2025 $	2024 $	2025 $	2024 $
Trade receivables						
0 – 30 days	5,764,999	4,120,415	–	–	5,764,999	4,120,415
31 – 60 days	558,494	250,413	–	–	558,494	250,413
61 – 90 days	220,432	341,700	–	–	220,432	341,700
over 90 days	431,385	351,051	(114,140)	(156,086)	317,245	194,965
	6,975,310	**5,063,579**	**(114,140)**	**(156,086)**	**6,861,170**	**4,907,493**
Other receivables	1,135,508	1,368,334	–	–	1,135,508	1,368,334
Deposits to suppliers	469,152	1,227,413	–	–	469,152	1,227,413
Trade and other receivables	**8,579,970**	**7,659,326**	**(114,140)**	**(156,086)**	**8,465,830**	**7,503,240**

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10. Inventories

	Consolidated	
	2025 $	2024* Reststed $
Current		
Raw materials at cost	6,975,948	7,091,769
Finished goods at lower of cost or net realisable value	4,495,999	3,610,489
Provision for obsolescence	(37,259)	(76,511)
Total current inventory	**11,434,688**	**10,625,747**

* The comparative information is restated, as detailed in Note 2(b).

11. Property, plant and equipment

Reconciliation of carrying amount

Consolidated	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Placed generators	Capital work in progress	Total
	$	$	$	$	$	$
Cost						
Balance 1 January 2024*	2,445,676	5,680,362	6,599,290	2,400,834	803,636	17,929,798
Additions/transfers	(50,000)	–	402,817	429,390	1,839,635	2,621,842
Disposals	–	–	(7,330)	–	–	(7,330)
Effect of movements in exchange rates	13,806	189,980	795,998	57,290	–	1,057,074
Balance 31 December 2024*	**2,409,482**	**5,870,342**	**7,790,775**	**2,887,514**	**2,643,271**	**21,601,384**
Balance 1 January 2025*	2,409,482	5,870,342	7,790,775	2,887,514	2,643,271	21,601,384
Additions/transfers	–	204,662	85,463	486,837	1,193,730	1,970,693
Disposals	(1,983,729)	(2,825,047)	(5,232,480)	–	–	(10,041,256)
Effect of movements in exchange rates	21,583	924	(61,564)	120,048	–	80,991
Balance 31 December 2025	**447,336**	**3,250,881**	**2,582,194**	**3,494,399**	**3,837,001**	**13,611,811**
Accumulation depreciation and impairment losses						
Balance 1 January 2024*	(1,299,136)	(3,020,173)	(4,770,076)	(2,063,889)	–	(11,153,274)
Depreciation	(41,343)	(325,916)	(358,893)	(43,460)	–	(769,612)
Impairment reversal/(loss)	–	–	–	–	–	–
Disposal	–	–	(7,330)	–	–	(7,330)
Effect of movements in exchange rates	(6,693)	(189,980)	(765,271)	(47,517)	–	(1,009,461)
Balance 31 December 2024*	**(1,347,172)**	**(3,536,069)**	**(5,901,570)**	**(2,154,866)**	**–**	**(12,939,677)**
Balance 1 January 2025*	(1,347,172)	(3,536,069)	(5,901,570)	(2,154,866)	–	(12,939,677)
Depreciation	(38,200)	(324,400)	(186,334)	(262,004)	–	(810,938)
Disposals	209,565	298,444	1,112,852	–	–	1,620,861
Impairment reversal/(loss)	1,047,407	1,420,418	3,232,037	–	–	5,699,862
Effect of movements in exchange rates	(5,808)	(924)	81,178	(87,744)	–	(13,298)
Balance 31 December 2025	**(134,208)**	**(2,142,531)**	**(1,661,837)**	**(2,504,614)**	**–**	**(6,443,190)**
Carrying amounts						
At 1 January 2024*	1,146,540	2,660,189	1,829,214	336,945	803,636	6,776,524
At 31 December 2024*	1,062,310	2,334,273	1,889,205	732,648	2,643,271	8,661,707
At 31 December 2025	**313,128**	**1,108,350**	**920,357**	**989,785**	**3,837,001**	**7,168,621**

* The comparative information is restated, as detailed in Note 2(b).

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11.
Property, plant and equipment (continued)

Disposal of Cyclotron to Cyclotek NSW Pty Ltd

Cyclotek NSW Pty Ltd was established by Cyclotek (Aust) Pty Ltd (together, Cyclotek) to utilise existing cyclotron assets, expand its established commercial network, and enhance access to specialty short-lived radiopharmaceuticals for the Australian community.

In 2019, Cyclopharm entered into a Sale and Collaboration Agreement with Cyclotek. That agreement included an option for Cyclotek to purchase Cyclopharm's cyclotron assets at Macquarie University, which Cyclotek exercised during the current financial year.

In August this year, Cyclopharm entered into a binding Heads of Agreement to sell its cyclotron assets and earnings interest to Cyclotek for a total consideration of $6.2 million. The sale was completed in November 2025, as announced to the ASX on 12 November 2025.

The total consideration of $6.2 million includes the Group's share of earnings distribution for the 2024/2025 financial year, which is recognised as a share of earnings from the collaboration agreement for the year ended 31 December 2025. At settlement, the Group recognised a gain on disposal of $2,368,292.

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. There was no impairment of any property, plant and equipment assets in the current year.

12.
Right-of-use assets

	Consolidated	
	2025 $	2024 $
Land and buildings – right-of-use	9,585,101	9,586,953
Less: Accumulated depreciation	(3,478,872)	(2,693,373)
	6,106,229	**6,893,580**
Motor vehicle – right-of-use	506,949	425,016
Less: Accumulated depreciation	(384,976)	(258,528)
	121,973	**166,488**
Total right-of-use assets	**6,228,202**	**7,060,068**

The Group leases land and buildings for its offices, manufacturing facilities and warehouse under agreements of between two to ten years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are negotiated. The Group also leases motor vehicles under agreements of three to four years.

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13.
Investments accounted for using the equity method

Equity accounted investments	Notes	Consolidated 2025 $	Consolidated 2024 $
Associated companies	(a)	–	–

Name	Principal Activities	Principal place of business	Measurement Method	Ownership Interest 2025 %	Ownership Interest 2024 %
Macquarie Medical Imaging Pty Ltd	Imaging centre	Sydney, Australia	Equity method	20%	20%

Macquarie Medical Imaging Pty Ltd ("MMI") is a private entity that provided medical imaging facilities for Macquarie University Hospital. From 7 December 2019, the business operations of MMI have been transferred to MQ Health, an entity associated with Macquarie University Hospital.

Extract from the associate's statement of financial position:	Notes	Consolidated 2025 $	Consolidated 2024 $
Current assets		95,477	191,888
Current liabilities		(8,813)	(987,136)
Net assets/(liabilities)		86,664	(795,248)
Share of associate's net assets/(liabilities)	(a)	17,333	(159,050)

Extract from the associate's statement of comprehensive income:	Notes	Consolidated 2025 $	Consolidated 2024 $
Revenue		6,266	1,105
Net profit/(loss)	(a)	13,243,509	(17,548)

(a) The share of the associate's profit not recognised during the year was $2,648,702 (2024: loss of $3,510) and the cumulative share of the associate's loss not recognised as at 31 December 2025 was $69,505 (31 December 2024: $2,718,207).

The share of profit of associate not recognised as at 31 December 2025 is extracted from the unaudited financial report of the associate, and it may be revised when that financial report has been audited.

The fair value of the Group's investment in Macquarie Medical Imaging Pty Ltd was $nil (2024: $nil). It is anticipated that MMI will be de-registered upon the finalisation of its accounts payable and receivables.

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14. Intangible assets

Consolidated	Intellectual Property $	Goodwill* $	Licences $	Technegas® Development $	Target $	Ultralute $	Total $
Balance at 1 January 2025	134,066	929,110	788,312	788,588	27,419	3,228,585	5,896,080
Additions	–	–	–	–	–	115,632	115,632
Disposals	–	–	–	–	(27,419)	–	(27,419)
Foreign exchange translation	–	45,496	54,426	–	–	–	99,922
Derecognition of assets	–	–	–	–	–	(3,344,217)	(3,344,217)
Amortisation	(26,446)	–	(40,285)	–	–	–	(66,731)
Balance at 31 December 2025	**107,620**	**974,606**	**802,453**	**788,588**	**–**	**–**	**2,673,267**
31 December 2025							
Non-current	107,620	974,606	802,453	788,588	–	–	2,673,267
Total	**107,620**	**974,606**	**802,453**	**788,588**	**–**	**–**	**2,673,267**
31 December 2024							
Non-current	134,066	929,110	788,312	788,588	27,419	3,228,585	5,896,080
Total	**134,066**	**929,110**	**788,312**	**788,588**	**27,419**	**3,228,585**	**5,896,080**

* Goodwill on consolidation arising upon the acquisition of Cyclomedica Benelux bvba on 1 October 2017, Cyclomedica Nordic AB on 1 May 2018 and Cyclomedica Danmark ApS on 1 April 2023.

The following assumptions are made in respect of the following intangible assets: (a) Goodwill, and (b) Technegas® Development and were separately applied in assessing each asset.

The recoverable amounts of intangible assets have been assessed using a discounted cash flow methodology forecasting five years of pre-tax cash flows.

The following describes each key assumption on which management has based its value in use calculations:

(a) Five-year pre-tax cash flow projections, based upon management approved budgets and growth rates covering a one-year period, with the subsequent periods based upon management expectations of growth excluding the impact of possible future acquisitions, business improvement capital expenditure and restructuring, together with a terminal value.
(b) A range of pre-tax discount rates were considered between 7.51% to 22.50% (2024: between 3.92% to 22.50%). The discount rates reflect management's estimate of the time value of money and the Group's adjusted weighted average cost of capital to reflect the current market risk-free rate but also price for the uncertainty inherent in the assets.
(c) Management believes the projected 3% (2024: 3%) revenue growth rate for existing markets is prudent and justified.

Management assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No changes in estimations were made by management compared to prior years. The key assumptions used for assessing the carrying value of intangible assets reflects the risk estimates of the business and respective assets.

There were no other key assumptions for Goodwill and Technegas® Development costs.

Management have concluded that the recoverable amount of Goodwill and Technegas® Development costs exceed their respective carrying values. Based on the above, no impairment charge was recognised for either intangible asset.

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14. Intangible assets (continued)

Ultralute derecognition

Due to a reassessment of its strategy, the Company has derecognised the Ultralute asset as at 31 December 2025. The reassessment determined that the Company can no longer continue to demonstrate that Ultralute meets all of the criteria for the recognition as an internally developed intangible asset under AASB 138. Consequently, the carrying amount of the Ultralute asset has been fully derecognised, resulting in a loss of $3,344,217 in the current financial year.

Management notes that the derecognition does not reflect the operational or strategic potential of the Ultralute asset. The Directors believe the asset remains commercially viable in the longer term, and the Company intends to retain all commercial options for future development, intellectual property, partnerships, or technological enhancements that may restore or create value.

The derecognition ensures compliance with AASB 138 and provides a true and fair view of the Company's financial position.

Sensitivity

Judgments and estimates have been made in respect of impairment, as noted above. Should these judgments and estimates not occur the resulting carrying amounts may change.

Goodwill

All other assumptions remaining constant, the sensitivity in the value of goodwill is that revenue would need to decrease by more than 4% (2024: by more than 10%) before any impairment would arise.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of Goodwill is calculated would not cause the carrying amount to exceed its recoverable amount.

Technegas® development costs

Sensitivity analysis has been performed by adjusting underlying assumptions for these costs by up to 11% (2024: up to 10%). The analysis indicated that headroom exists in the cash flow projections to support the carrying value of the intangible assets.

15. Trade and other payables

	Notes	Consolidated 2025 $	Consolidated 2024 $
Current			
Trade payables	(i)	4,061,829	3,798,618
Other payables and accruals	(ii)	2,777,948	2,438,233
Deposits from customers		767,126	989,795
Total current trade and other payables		**7,606,903**	**7,226,646**
Non-current			
Other payables and accruals		23,460	–
Total non-current trade and other payables		**23,460**	**–**
Total trade and other payables		**7,630,363**	**7,226,646**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade payables are non-interest bearing and are normally settled on 30-60 day terms.
(ii) Other payables and accruals are non-interest bearing and have an average term of 4 months.

16. Lease liabilities

	Consolidated	
	2025 $	2024 $
Current		
Lease liabilities	561,173	625,870
Non-current		
Lease liabilities	7,179,826	7,659,894
Total lease liabilities	**7,740,999**	**8,285,764**

At the date of commencement of a lease, a lease liability is recognised. The liability is initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate.

Over the life of the lease, the lease liability will be increased by interest costs and will be reduced as lease payments are made.

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third-party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

17. Provisions

	Consolidated	
	Total* $	Number of employees (at year end)
Balance at 1 January 2025	2,982,570	
Arising during the year	2,823,275	
Utilised during the year	(2,477,384)	
Balance at 31 December 2025	**3,328,461**	
31 December 2025		
Current	3,094,030	
Non-current	234,431	
Total	**3,328,461**	**109**
31 December 2024		
Current	2,758,151	
Non-current	224,419	
Total	**2,982,570**	**95**

* The total provision includes employee entitlements relating to long service and annual leave. The measurement and recognition criteria relating to employee entitlements have been disclosed in Note 2(r).

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18. Deferred income liabilities

	Consolidated	
	2025 $	2024 $
Deferred income liabilities	**290,013**	**901,812**

Historically, a portion of the Research & Development Grant refund received in previous years had been recognised as a deferred income liability to be amortised over the same period as the amortisation of the related intangible development asset. As per Note 14, the Ultralute asset has been derecognised in the current financial year, and the deferred income liability of $611,799 related to this asset has been recognised in profit in the current financial year.

19. Contributed equity

		Consolidated			
	Notes	2025 Number	2024 Number	2025 $	2024 $
Issued and paid up capital					
Ordinary shares	(a)	111,136,850	111,136,850	92,406,905	92,406,905
Other contributed equity	(b)	–	–	(5,333,158)	(5,333,158)
Total issued and paid up capital		**111,136,850**	**111,136,850**	**87,073,747**	**87,073,747**
(a) Ordinary shares					
Balance at the beginning of the period		111,136,850	94,096,326	92,406,905	69,114,460
Issue of Long Term Incentive Plan shares		–	–	–	–
Issue of shares		–	–	–	–
Exercise of options		–	–	–	–
Settlement of loans for Long Term Incentive Plan shares	(i)	–	–	–	198,675
Issue of shares	(ii)	–	16,903,181	–	24,002,712
Issue of shares	(iii)	–	137,343	–	235,973
Share issue cost (net of tax)		–	–	–	(1,144,915)
Balance at end of period		**111,136,850**	**111,136,850**	**92,406,905**	**92,406,905**
(b) Other contributed equity					
Balance at the beginning of the period				(5,333,158)	(5,333,158)
Balance at the end of the period				(5,333,158)	(5,333,158)
Total contributed equity				**87,073,747**	**87,073,747**

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(i) Proceeds from settlement of loans to acquire LTIP shares.

(ii) On 30 May 2024, 11,971,832 ordinary shares were issued at a price of $1.42 per new share in connection with an institutional share placement. On 4 June 2024 a further 2,112,676 ordinary shares were issued at a price of $1.42 per new share in connection with the same institutional share placement. On 28 June 2024, 2,818,673 ordinary shares were issued at a price of $1.42 per new share in connection with a share purchase plan to eligible shareholders.

(iii) On 5 April 2024, 93,443 ordinary shares were issued at a price of $1.83 per new share as consideration for an employee performance bonus. On 28 June 2024, 43,900 ordinary shares were issued at a price of $1.48 as consideration for an employee performance bonus.

19.
Contributed equity (continued)

As disclosed in Note 23, the Company completed a capital raise, on 4 February 2026, of $14 million before costs by way of a share placement to new and existing institutional, sophisticated and professional investors via two tranches (T1 Placement Shares and T2 Placement Shares). The Company also announced a non-underwritten Share Purchase Plan (SPP) offer to existing eligible shareholders to raise up to $2 million which closed on 5 March 2026. As a result of the capital raise and SPP, the following shares have been, or will be, issued:

- On 11 February 2026, 9,473,684 ordinary shares (T1 Placement Shares) were issued at a price of $0.95 per new share in connection with the share placement to new and existing institutional, sophisticated and professional investors.
- On 20 April 2026, 5,263,158 ordinary shares (T2 Placement Shares) will be issued at a price of $0.95 per new share, subject to the expected receipt of those funds, in connection with the share placement to a sophisticated investor.
- On 12 March 2026 192,097 ordinary shares were issued at a price of $0.95 per new share in connection with the SPP to eligible shareholders.

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns for shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management constantly assesses the capital structure to take advantage of favourable costs of capital and/or high returns on assets. As the market is continually changing, management may issue dividends to shareholders, issue new shares, increase the entity's short- or long-term borrowings or sell assets to reduce borrowings.

As at 31 December 2025, the Group has no interest-bearing loans and borrowings.

		Consolidated	
	Notes	2025 $	2024 $
Total interest bearing loans and borrowings		–	–
Add: cash and cash equivalents	8	6,626,497	20,567,898
Net cash		**6,626,497**	**20,567,898**
Total equity		27,111,058	42,729,869
Gearing ratio		0.0%	0.0%

Dividends

During the current financial year, the Directors did not declare any dividends (2024: nil).

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20.
Financial risk management objectives

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of specified credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board review and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Audit and Risk Committee under the authority from the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed throughout Note 2.

(a) Interest rate risk

As the Group has moved into a no debt, strong cash position, the main interest rate risk is now in cash assets exposure.

The following sensitivity analysis is based on the interest rate risk exposures in existence at the Statement of Financial Position date.

At 31 December 2025, if interest rates had moved, as illustrated in the table below, with all other variables held constant, pre-tax profit would have been affected as follows:

	Consolidated	
	2025 $	2024 $
Judgements of reasonably possible movements:		
Loss before income tax		
+1.0% (100 basis points)	66,265	205,679
–0.5% (50 basis points)	(33,132)	(102,839)

The movements in profit/(loss) are due to possible higher or lower interest income from cash balances.

20.
Financial risk management objectives (continued)

At balance date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk:

Consolidated Year ended 31 December 2025	Note	Weighted average interest rate	Non interest bearing	Floating interest rate	Fixed interest maturing in 1 year or less	1 to 5 years	More than 5 years	Total
		%	$	$	$	$	$	$
Financial Assets								
Cash and cash equivalents	8	2.22%	–	6,363,970	262,527	–	–	6,626,497
Trade and other receivables	9	n/a	8,465,830	–	–	–	–	8,465,830
Total financial assets			**8,465,830**	**6,363,970**	**262,527**	**–**	**–**	**15,092,327**
Financial Liabilities								
Trade payables	15	n/a	7,630,363	–	–	–	–	7,630,363
Leases	16	6.90%	–	–	561,173	1,957,643	5,222,183	7,740,999
Total financial liabilities			**7,630,363**	**–**	**561,173**	**1,957,643**	**5,222,183**	**15,371,362**
Net exposure			**835,467**	**6,363,970**	**(298,646)**	**(1,957,643)**	**(5,222,183)**	**(279,035)**

Consolidated Year ended 31 December 2024	Note	Weighted average interest rate	Non interest bearing	Floating interest rate	Fixed interest maturing in 1 year or less	1 to 5 years	More than 5 years	Total
		%	$	$	$	$	$	$
Financial Assets								
Cash and cash equivalents	8	4.15%	–	4,949,798	15,618,100	–	–	20,567,898
Trade and other receivables	9	n/a	7,503,240	–	–	–	–	7,503,240
Total financial assets			**7,503,240**	**4,949,798**	**15,618,100**	**–**	**–**	**28,071,138**
Financial Liabilities								
Trade payables	15	n/a	7,226,646	–	–	–	–	7,226,646
Leases	16	6.90%	–	–	625,871	1,876,390	5,783,503	8,285,764
Total financial liabilities			**7,226,646**	**–**	**625,871**	**1,876,390**	**5,783,503**	**15,512,410**
Net exposure			**276,594**	**4,949,798**	**14,992,229**	**(1,876,390)**	**(5,783,503)**	**12,558,728**

(b) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Group's policy to scrutinise the counterparty's trade and other receivables. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures such as reviewing their industry reputation, financial position and credit rating. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is constantly managed.

There are no significant unprovided concentrations of credit risk within the Group.

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20.
Financial risk management objectives (continued)

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and, for major growth initiatives, capital raisings. The Group completed a capital raising in May 2024 (see Note 19) and has no borrowings as at 31 December 2025.

As disclosed in Note 23, the Company completed a capital raise in February 2026 of $14 million before costs, with a non-underwritten Share Purchase Plan to follow in March 2026 to raise up to $2 million. All new shares were, or will be, issued at a price of $0.95.

Refer to the table above in Note 20(a) Interest Rate Risk, which reflects all contractually fixed payoffs for settlement of financial liabilities and collection of financial assets. Trade payables and other financial liabilities generally originate from the financing of assets used in our ongoing operations such as investments in working capital e.g. inventories and trade receivables and investment in property, plant and equipment. These assets are considered in the Group's overall liquidity risk. To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Board and management monitor the Group's expected settlement of financial assets and liabilities on an ongoing basis.

The Group monitors the rolling forecast of liquidity reserves based on expected cash flow together with capital and debt market conditions to assess the availability of funding.

Consolidated Year ended 31 December	Note	Less than 6 months $	6 months to 1 year $	1 year to 5 years $	Greater than 5 years $	Total $
2025						
Trade payables	15	7,606,903	–	23,460	–	7,630,363
Leases	16	311,586	249,587	1,957,643	5,222,183	7,740,999
		7,918,489	**249,587**	**1,981,103**	**5,222,183**	**15,371,362**
2024						
Trade payables	15	7,226,646	–	–	–	7,226,646
Leases	16	304,070	321,801	1,876,390	5,783,503	8,285,764
		7,530,716	**321,801**	**1,876,390**	**5,783,503**	**15,512,410**

(d) Commodity price risk

The Group's exposure to commodity price risk is minimal.

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20.
Financial risk management objectives (continued)

(e) Foreign currency risk

As a result of significant investment operations in Europe, the Group's Statement of Financial Position can be affected significantly by movements in the Euro/$A exchange rates. The Group does not hedge this exposure but mitigates this risk by maintaining bank accounts in Australia denominated in Euro.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an entity in currencies other than the entity's functional currency. Approximately 78% (2024: 70%) of the Group's sales are denominated in currencies other than the Group's reporting currency (AUD), whilst approximately 57% (2024: 58%) of costs are denominated in the Group's reporting currency (AUD).

At 31 December 2025, the Group had the following financial instrument exposures to foreign currency fluctuations:

	Consolidated	
	2025 $	2024 $
United States dollars		
Trade payables	106,768	672,807
Trade receivables	336,043	396,638
Euros		
Trade payables	2,379,949	1,385,248
Trade receivables	3,143,287	1,797,781
Canadian dollars		
Trade payables	494	928
Trade receivables	378,686	524,400
Swedish Kroners		
Trade payables	573,180	72,556
Trade receivables	1,597,432	1,094,644
Japanese Yen		
Trade payables	–	3,120
Trade receivables	–	–
Great British Pound		
Trade payables	11,448	59,929
Trade receivables	334,063	390,382
Danish Krone		
Trade payables	8,899	4,652
Trade receivables	22,792	46,009
Net exposure	**(2,731,565)**	**(2,050,614)**

Management believes the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

Forward Exchange Contracts

The Company has not entered into foreign exchange forward contracts as at 31 December 2025.

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20.
Financial risk management objectives (continued)

(e) Foreign currency risk (continued)

Foreign currency sensitivity

Currency risk is measured using sensitivity analysis. A portion of Cyclopharm's receivables and payables are exposed to movements in the values of those currencies relative to the Australian dollar. Cyclopharm management have determined that it is not cost effective to hedge against foreign currency fluctuations.

Cyclopharm is most exposed to the European Euro (Euro), Canadian Dollar (CAD), US Dollar (USD), Swedish Kroner (SEK) and Great British Pound (GBP) movements. The following table details Cyclopharm's sensitivity to a 10% change in the Australian dollar against those respective currencies with all other variables held constant as at reporting date for unhedged foreign exposure risk. A positive number indicates an increase in net profit/equity.

A sensitivity has been selected as this is considered reasonable given the current level of exchange rates and the volatility observed on a historic basis and market expectation for future movement.

	Consolidated	
	Increase in AUD of 10% $	Decrease in AUD of 10% $
Euros		
31 December 2025		
Net (loss)/profit	**(69,394)**	**76,334**
Equity (decrease)/increase	**(69,394)**	**76,334**
31 December 2024		
Net (loss)/profit	(37,503)	41,253
Equity (decrease)/increase	(37,503)	41,253
Canadian dollars		
31 December 2025		
Net (loss)/profit	**(34,426)**	**37,869**
Equity (decrease)/increase	**(34,426)**	**37,869**
31 December 2024		
Net (loss)/profit	(47,633)	52,396
Equity (decrease)/increase	(47,633)	52,396
United States dollars		
31 December 2025		
Net profit/(loss)	**(20,843)**	**22,928**
Equity increase/(decrease)	**(20,843)**	**22,928**
31 December 2024		
Net profit/(loss)	25,106	(27,617)
Equity increase/(decrease)	25,106	(27,617)
Swedish Kroners		
31 December 2025		
Net (loss)/profit	**(93,114)**	**102,425**
Equity (decrease)/increase	**(93,114)**	**102,425**
31 December 2024		
Net (loss)/profit	(92,917)	102,209
Equity (decrease)/increase	(92,917)	102,209
Great British Pound		
31 December 2025		
Net (loss)/profit	**(29,872)**	**32,860**
Equity (decrease)/increase	**(29,872)**	**32,860**
31 December 2024		
Net (loss)/profit	(34,389)	37,828
Equity (decrease)/increase	(34,389)	37,828

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20.
Financial risk management objectives (continued)

(f) Fair value measurement
For financial assets and liabilities measured and carried at fair value, the Company uses the following levels to categorise the valuation methods used:

- Level 1: Measurements based on quoted prices in active markets for identical assets that the entity can access at the measurement date.
- Level 2: Measurements based on inputs other than the quoted prices included in Level 1, but that are observable for the asset, either directly or indirectly.
- Level 3: Measurements based on unobservable inputs for the asset or liability.

Items subject to fair value measurement include goodwill at initial recognition (Note 14), share-based payments (note 26) and investments (Note 13).

21.
Commitments & contingencies

(a) Capital commitments
Cyclopharm has entered into agreements to fund research projects with unrelated institutions. The commitments for these projects total $1,137,766 (2024: $961,228) and will be expensed when incurred. Payments will be made based on the achievement of certain milestones.

There were no other capital commitments as at the date of this report. (2024: $nil)

(b) Contingent liabilities
(i) In December 2019, a business venture collaboration agreement combined CycloPet Pty Ltd and Pettech Solutions Limited's cyclotron facilities under a single operating enterprise known as Cyclotek NSW Pty Limited (Cyclotek NSW). Cyclopharm and Cyclotek NSW entered into a sub-lease agreement as tenants in common whereby Cyclotek NSW was solely responsible for the tenant's obligations except for make good obligations until such time as it exercises the right to transfer its interest as tenant in common to Cyclopharm. Cyclopharm sold its interest to Cyclotek NSW for a total consideration of $6.2 million in November of this year (see Note 11). All contingent liabilities associated with the cyclotron assets were extinguished upon settlement (2024: $3,042,657).

(ii) The Group was served with legal proceedings by 4DMedical Limited on 7 October 2025, claiming damages of $26 million. On 27 January 2026, the Group received confirmation from its insurer that it has accepted indemnity in respect of the proceedings and has assumed conduct of the defence on the Group's behalf.

There were no other contingent liabilities as at the date of this report (2024: $nil).

22.
Related party transactions

The consolidated financial statements include the financial statements of Cyclopharm Limited and its subsidiaries as listed in Note 27 of this report. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note.

Mr Robert Branch, a director of Cyclomedica UK Limited, provides accounting and taxation services to the Company through BQC Limited. BQC Limited was paid £18,000 during the financial year (2024: £18,000).

Ms Edith Lau, a director of Cyclomedica Nordic AB, provides accounting and taxation services to the Company through Metric Accounting AB. Metric Accounting AB was paid kr372,764 during the financial year (2024: kr363,881).

There were no transactions that were entered into with other related parties during the financial year.

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23.
Events after the balance date

Shares issued

The Company completed a capital raise, on 4 February 2026, of $14 million before costs by way of a share placement to new and existing institutional, sophisticated and professional investors via two tranches (T1 Placement Shares and T2 Placement Shares). The Company also announced a non-underwritten Share Purchase Plan (SPP) offer to existing eligible shareholders to raise up to $2 million which closed on 5 March 2026. As a result of the capital raise and SPP, the following shares have been issued:

(i) On 11 February 2026, 9,473,684 ordinary shares (T1 Placement Shares) were issued at a price of $0.95 per new share in connection with the share placement to new and existing institutional, sophisticated and professional investors.
(ii) On 20 April 2026, 5,263,158 ordinary shares (T2 Placement Shares) will be issued at a price of $0.95 per new share, subject to the expected receipt of those funds, in connection with the share placement to a sophisticated investor.
(iii) On 12 March 2026 192,097 ordinary shares were issued at a price of $0.95 per new share in connection with the SPP to eligible shareholders.

Other than the above, no matters or circumstances have arisen since the end of the financial year, not otherwise disclosed in the financial report, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial periods.

24.
Auditors' remuneration

The following total remuneration was received, or is due and receivable, by auditors of the Company in respect of:

	Consolidated	
	2025 $	2024 $
Amounts received or due and receivable by the auditor of the parent entity and associated entities for:		
Audit and review of the financial statements	195,898	165,313
Other services:		
– tax compliance	36,071	20,964
	231,969	**186,277**
Amounts received or due and receivable by other audit firms for:		
Audit of the financial statements of controlled entities	341,780	239,586
Other services	39,463	46,730
	381,243	**286,316**

25.
Director and key management personnel disclosure

Individual Directors and Key Management Personnel compensation disclosures

Information regarding individual Directors and Key Management Personnel compensation and some equity instruments disclosures as required by Corporations Regulation 2M.3.03 are provided in the Remuneration Report section of the Directors' Report.

Summary of remuneration of Directors & Key Management Personnel:

	Short-term employee benefits		Post employment benefits	Other long-term benefits	Share-based payment	Total
	Salary and Directors Fees $	Cash Bonus $	Super-annuation $	$	$	$
2025	**1,604,729**	**50,831**	**174,412**	**32,030**	**178,106**	**2,040,108**
2024	1,446,005	93,317	162,133	30,575	241,019	1,973,049

Short-term salary, bonus, fees and leave

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other Key Management Personnel.

Post-employment benefits

These amounts are the current year's estimated cost of providing for superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service leave benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid out during the year (where applicable).

Share based payment expense

These amounts represent the expense related to the participation of Key Management Personnel in equity-settled benefit schemes as measured by the fair value of the Implied Options granted on grant date.

Further information in relation to Key Management Personnel remuneration can be found in the Directors' Report.

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26.
Share-based payment plans

(a) Recognised share-based payment expenses

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

The expense recognised for employee services received in relation to share based payments during the year is shown in the table below:

	Consolidated	
	2025 $	2024 $
Expense arising from equity-settled share-based payment transactions (Note 5(a))	286,994	360,897

The share-based payment reserve at 31 December 2025 was $4,413,846 (2024: $4,126,852).

(b) Share-based payment other than implied options

No share-based payments other than implied options were made during the year.

(c) Type of share-based payment plans

The existing share-based payment plan is described below. An updated Plan was approved by members at the Annual General Meetings held on 29 May 2018, 4 May 2021 and 27 May 2024.

Shares

Long Term Incentive Plan ("Plan") Shares ("Shares") may be granted to certain Directors and certain employees.

In valuing transactions settled by way of issue of shares, tenure of service, performance conditions and market conditions linked to the price of the shares of Cyclopharm Limited are taken into account. Shares issued will have attaching tenure of service and have market performance conditions so as to align shareholder return and reward for the Company's selected management and staff ("Participants").

The Shares vest upon the satisfaction of certain conditions within the term ("Term") specified for Participants in the Plan. The Board has residual discretion to accelerate vesting and exercise of Shares in the event of a takeover or merger or any other circumstance in accordance with the terms of the Plan.

Shares where certain conditions have not been satisfied (i.e. that do not vest) will lapse and will not be able to be exercised, except in the circumstances described below. However, the Board may at any time amend any rules governing the operation of the Plan or waive or modify the application of the rules in relation to any Participant. Shares which have not vested will lapse where a Participant ceases employment with Cyclopharm other than on retirement, redundancy, death or total and permanent disablement or unless as otherwise determined by the Board in its absolute discretion.

Where a Participant has ceased employment with Cyclopharm as a result of resignation, retirement, redundancy, death or total and permanent disablement prior to the end of a performance period, only shares that have vested may be retained by the Participant on a pro-rata basis. If a Participant ceases employment for any reasons mentioned above prior to the first anniversary of the grant date, the Participant forfeits all entitlement to Shares.

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26.
Share-based payment plans (continued)

LTIP Shares issued
At the Annual General Meeting held on 8 May 2007, Shareholders approved the Company's Plan with an updated Plan approved by Shareholders on 29 May 2018, 4 May 2021 and 27 May 2024.

Implied Options
AASB 2 *Share Based Payments* requires that the benefit to an employee arising from an employee share scheme such as the Cyclopharm Long Term Incentive Plan be treated as an expense over the vesting period. All the issues of Plan shares have been treated as Plan Share Options ("Implied Options") in accordance with AASB 2. The employee benefit is deemed to be the Implied Option arising from the Plan. Consequently, the value of the discount which has been determined using the Black Scholes option pricing model will be charged to the Statement of Comprehensive Income and credited to the Employee Equity Benefits Reserve over the vesting period.

Where employee shares are issued under a non-recourse loan payment plan, the loan assets and the increments to Contributed Equity are not recognised at grant date but rather the increments to Contributed Equity are recognised when the share loans are settled by the relevant employees.

Performance rights
At the Annual General Meeting held on 30 May 2025, shareholders approved a separate Performance Rights Scheme for the Managing Director. The Rationale for this Scheme has also in part been adopted for other Key Management Personnel. The scheme provides Performance Rights to be issued to other Key Management Personnel (KMP) upon achieving prescribed performance hurdles designed to align KMP interest to increasing company efficiency, performance and shareholder value.

Shareholder approval included authorisation for the Company to issue up to 4 million performance rights under the Plan over a three-year period starting from 30 May 2025. This approval establishes the maximum number of performance rights that may be granted under the Plan during that period; it does not represent an intention or forecast of the number of performance rights that will ultimately be issued. The Group has not issued any performance rights under the Plan for the year ended 31 December 2025.

(d) Summary of Options and Implied Options granted
The following table summarises the movements in Options and Implied Options during the current year:

		Consolidated		Weighted Average Exercise Price	
		2025 Number	2024 Number	2025 $	2024 $
Balance at the beginning of the year		1,009,562	1,009,562	2.31	2.31
Granted during the year		–	–	–	–
Vested but unexercised during the year	(i)	–	–	–	–
Vested and exercised during the year	(ii)	–	–	–	–
Balance at the end of the year		**1,009,562**	**1,009,562**	**2.31**	**2.31**
Vested but unexercised at the end of the year		4,021,139	4,021,139		

(i) No LTIP shares (2024: nil) vested but unexercised during the year.
(ii) No LTIP shares (2024: nil) vested and exercised during the year. There are no Options (2024: nil) and 5,030,701 LTIP shares (2024: 5,030,701) on issue as at 31 December 2025.

(e) Range of exercise price, weighted average remaining contractual life and weighted average fair value
The weighted average exercise price for Implied Options at the end of the year was $2.31 (2024: $2.31). The weighted average remaining contractual life for Implied Options outstanding as at 31 December 2025 is 0.23 years (2024: 0.98 years). The weighted average fair value of Implied Options granted during the year was nil (2024: nil).

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26.
Share-based payment plans (continued)

(f) Option pricing models

The following assumptions were used to derive a value for the Options and Implied Options granted using the Black Scholes Option model as at the grant date, taking into account the terms and conditions upon which the Shares were granted:

	Implied Options	Implied Options	Implied Options	Implied Options
Exercise price per Option	**$3.20**	**$3.20**	**$1.82**	**$3.04**
Number of recipients	25	1	38	1
Number of Options	264,062	3,000	642,500	100,000
Grant date	19/02/2021	19/02/2021	23/03/2023	12/09/2023
Dividend yield	–	–	–	–
Expected annual volatility	61.00%	61.00%	46.00%	48.00%
Risk-free interest rate	0.08%	0.37%	3.48%	3.90%
Expected life of Option (years)	*n/a	6 years	**3.02 years	**2.55 years
Fair value per Option	$1.012	$1.447	$0.419	$0.594
Share price at grant date	$2.79	$2.79	$1.50	$2.56
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes

* Extended to 30 June 2025, yet to be cancelled.
** Extended to 31 March 2026.

Expected volatility percentages used for the Option pricing calculations were determined using historic data over 24 months and were adjusted to reflect comparable companies in terms of industry and market capitalisation. The Implied Options are not listed and as such do not have a market value.

27.
Controlled entities

Ultimate parent entity

Cyclopharm Limited is the ultimate parent entity in the wholly owned group.

Controlled Entities

Name	Country of Incorporation	Percentage of equity interest held 2025	2024
Cyclopharm Limited	Australia		
Controlled entities			
CycloPET Pty Limited	Australia	100%	100%
Cyclomedica Australia Pty Limited	Australia	100%	100%
Cyclomedica Ireland Limited	Ireland	100%	100%
Cyclomedica Europe Limited	Ireland	100%	100%
Cyclomedica Benelux bvba	Belgium	100%	100%
Cyclomedica Nordic AB	Sweden	100%	100%
Cyclomedica Germany GmbH	Germany	100%	100%
Cyclomedica Canada Limited	Canada	100%	100%
Cyclomedica USA LLC	USA	100%	100%
Cyclomedica UK Limited	United Kingdom	100%	100%
Cyclomedica New Zealand Limited	New Zealand	100%	100%
Cyclomedica Danmark ApS*	Denmark	100%	100%

* Previous name, Dupharma ApS, changed 23 October 2024.

28. Parent entity disclosure

	2025 $	2024 $
(i) Financial position		
Assets		
Current assets	2,683,751	16,262,173
Non-current assets	79,986,362	68,315,660
Total assets	**82,670,113**	**84,577,833**
Liabilities		
Current liabilities	158,477	231,058
Non-current liabilities	11,668,606	10,757,312
Total liabilities	**11,827,083**	**10,988,370**
Net assets	**70,843,030**	**73,589,463**
Equity		
Contributed equity	87,274,279	87,274,279
Employee equity benefits reserve	4,413,845	4,126,852
Accumulated losses	(20,845,094)	(17,811,668)
Total equity	**70,843,030**	**73,589,463**
(ii) Financial performance		
Loss for the year	(3,033,426)	(1,560,544)
Other comprehensive income	–	–
Total comprehensive loss for the year	**(3,033,426)**	**(1,560,544)**

29. Reserves and other contributed equity

Nature and purpose of reserves:

(a) Employee equity benefits reserve

The employee share-based payments reserve is used to record the value of share-based payments provided to employees, including key management personnel, as part of their remuneration.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(c) Other contributed equity

Other contributed equity arises from prior period transfers of tax liabilities within the group (refer Note 2(f)) and the 2006 demerger from Vita Life Sciences Limited.

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Consolidated Entity Disclosure Statement

In accordance with subsection 295(3A) of the *Corporations Act 2001*, this consolidated entity disclosure statement provides information about each entity that was part of the consolidated entity at the end of this financial year.

				Tax residency	
Entity Name	Entity Type	Country of Incorporation	Ownership Interest	Australian or Foreign	Foreign Jurisdiction
Cyclopharm Limited	Body Corporate	Australia	N/A	Australian	N/A
CycloPET Pty Limited	Body Corporate	Australia	100%	Australian	N/A
Cyclomedica Australia Pty Limited	Body Corporate	Australia	100%	Australian	N/A
Cyclomedica Ireland Limited	Body Corporate	Ireland	100%	Foreign	Ireland
Cyclomedica Europe Limited	Body Corporate	Ireland	100%	Foreign	Ireland
Cyclomedica Benelux bvba	Body Corporate	Belgium	100%	Foreign	Belgium
Cyclomedica Nordic AB	Body Corporate	Sweden	100%	Foreign	Sweden
Cyclomedica Germany GmbH	Body Corporate	Germany	100%	Foreign	Germany
Cyclomedica Canada Limited	Body Corporate	Canada	100%	Foreign	Canada
Cyclomedica USA LLC	Body Corporate	USA	100%	Foreign	USA
Cyclomedica UK Limited	Body Corporate	United Kingdom	100%	Foreign	United Kingdom
Cyclomedica New Zealand Limited	Body Corporate	New Zealand	100%	Foreign	New Zealand
Cyclomedica Danmark ApS *	Body Corporate	Denmark	100%	Foreign	Denmark

* Previous name, Dupharma ApS, changed 23 October 2024.

Key assumptions and judgments

Section 295(3A) of the *Corporations Act 2001* also requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement be disclosed and defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*.

The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 Income Tax: central management and control test of residency.

Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

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Directors' Declaration

In the opinion of the Directors of Cyclopharm Limited:

1. (a) The financial statements and notes of the consolidated entity as set out on pages 36 to 76 are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards which, as stated in accounting policy Note 2(a) to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   (b) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

   (c) The consolidated entity disclosure statement as required by section 295(3A) of the *Corporations Act 2001* and set out on page 77 is true and correct as at 31 December 2025

2. The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial year ended 31 December 2025.

Signed in accordance with a resolution of the Directors:



James McBrayer
Managing Director and CEO

Sydney, 27 March 2026

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Independent Auditor's Report

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Nexia Australia

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Independent Auditor's Report to the Members of Cyclopharm Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Cyclopharm Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

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

i) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended; and

ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key audit matters

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

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Key audit matter	How our audit addressed the key audit matter
Inventory valuation and existence ($11,434,688) **Capital Work in Progress valuation and existence ($3,837,001)** Refer to notes 10 and 11 The Group holds a significant amount of inventory and capital work in progress (hereinafter collectively referred to as inventory) which are complex medical machines with significant useful lives. Inventory may be held for long periods of time before sale or rental, making it vulnerable to obsolescence or theft. Further, deterioration in global economic conditions can potentially lead to this inventory being sold or rented at reduced prices or lead to a reduction in revenue. Inventory is a key audit matter due to the continuing significantly higher level of inventory held relative to historical balances to service expected revenue growth, arising primarily from expansion in the USA market. As a result, there is a risk that the carrying value of inventory exceeds its net realisable value, or is classified incorrectly.	Our procedures included, amongst others: ▪ Performing stocktake procedures on a sample of inventory items to ascertain their existence at balance date. ▪ Agreeing a sample of raw material inventory items to purchase invoices to test that costs assigned to inventories are appropriate. ▪ Agreeing a sample of raw materials through to the assembled finished good to determine whether these were assembled in accordance with the underlying subassemblies and related bill of materials. ▪ Obtaining evidence that inventory does not exceed its net realisable value by: - Checking a sample of inventory items to subsequent selling prices; - Reviewing the aged inventory report for any slow moving items; and - Considering management's plans for growth in the USA market and existing markets; and ▪ Obtaining evidence for planned sales of inventory to Rest of World markets and rental of completed generators to the US market to validate the classification of the carrying amounts of inventory and capital work in progress in the financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the information in Cyclopharm Limited's annual report for the year ended 31 December 2025, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

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Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the Directors determine is necessary to enable the preparation of:

i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

Auditor's responsibility for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 26 to 33 of the Directors' Report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Cyclopharm Limited for the year ended 31 December 2025, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia Sydney Audit Pty Limited

Stephen Fisher
Director

Dated in Sydney on 27 March 2026

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ASX Additional Information

The following information is current at 28 February 2026.

A. Substantial Shareholders

The following have disclosed a substantial shareholder notice:

Name of Substantial holder	Person's votes (Ordinary Shares)	Voting power	Date of latest notice
Anglo Australian Christian and Charitable Fund	13,211,332	12.20%	04/06/2024
Regal Funds Management Pty Limited	12,002,783	11.31%	30/05/2024
Barings Acceptance Limited	11,444,962	10.57%	04/06/2024
National Nominees Limited ACF Australian Ethical Investment Lmited	9,867,556	8.88%	23/01/2025
Chemical Overseas Limited	9,188,008	8.49%	04/06/2024
CVC Limited	6,644,758	6.14%	05/06/2024
Investors Mutual Limited	7,067,962	5.86%	12/02/2026

B. Distribution of Equity Security Holders

(i) Analysis of numbers of equity security holders by size of holding as at 28 February 2026.

Category	Ordinary Shareholders	% held of issued ordinary capital
1 – 1,000	642	0.28%
1,001 – 5,000	722	1.73%
5,001 – 10,000	326	2.13%
10,001 – 100,000	476	11.41%
100,001 and over	72	84.45%
Total	**2,238**	**100.00%**

(ii) There were 384 holders of less than a marketable parcel of ordinary shares.

C. Equity Security Holders

		Ordinary Shares	
	Twenty largest quoted equity security holders	Number held	Percentage of issued shares
1	Citicorp Nominees Pty Limited	16,841,343	13.96%
2	Anglo Australian Christian and Charitable Fund	13,211,332	10.95%
3	Barings Acceptance Limited	12,022,415	9.97%
4	HSBC Custody Nominees (Australia) Limited	11,118,279	9.22%
5	Chemical Overseas Limited	8,005,769	6.64%
6	CVC Limited	6,510,817	5.40%
7	UBS Nominees Pty Limited	5,682,965	4.71%
8	South Seas Holdings Pty Limited	3,503,439	2.90%
9	J P Morgan Nominees Australia Pty Limited	2,914,328	2.42%
10	Warbont Nominees Pty Limited <Unpaid Entrepot A/c>	1,751,931	1.45%
11	McBrayer Reid Investments Pty Limited – LTIP 6 <McBrayer Clan Trust A/c>	1,721,554	1.43%
12	Chemical Overseas Limited	1,182,239	0.98%
13	Mr James McBrayer	1,061,728	0.88%
14	Phillips River Pty Limited <GAT A/c>	1,038,914	0.86%
15	Lloyds & Casanove Investment Partners Limited	987,503	0.82%
16	Mr James McBrayer	861,728	0.71%
17	Marayong Nicholas Pty Limited <The Malackey A/c>	743,296	0.62%
18	Mr Anthony Rex Morgan & Mrs Elena Morgan <Ziklag Super Fund A/c>	630,000	0.52%
19	Mr Frederick Bart	622,875	0.52%
20	McBrayer Reid Investments Pty Limited <McBrayer Clan LTIP 8 A/c>	500,000	0.41%
20	Mathew Farag <LTIP Account Holding 4>	**500,000**	**0.41%**
		91,412,455	**75.79%**
	Other equity security holders	**29,198,079**	**24.21%**
	Total	**120,610,534**	**100.00%**

D. Voting Rights

The Company's constitution details the voting rights of members and states that every member, present in person or by proxy, shall have one vote for every ordinary share registered in his or her name.

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Corporate Directory

Directors

David Heaney
Non-Executive Chairman

James McBrayer
Managing Director & CEO

Dianne Angus
Non-Executive Director

Kevin Barrow
Non-Executive Director

Professor Greg King
Non-Executive Director

John Wigglesworth
Non-Executive Director

Company Secretary
James McBrayer

Registered Office
Cyclopharm Limited
Unit 4, 1 The Crescent
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Australia
T: 02 9541 0411
F: 02 9543 0960
E: corporate@cyclopharm.com.au

Offices

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T: 02 9541 0411
F: 02 9543 0960

CycloPET Pty Limited
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Kingsgrove NSW 2208

Cyclomedica Canada Limited
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Burlington
Ontario L7T 2Z5
Canada

Cyclomedica Germany GMBH
C/o STARTPLATZ
Im Mediapark 5
50670 Cologne
Germany

Cyclomedica Europe Limited
Unit A5
Calmount Business Park
Ballymount
Dublin 12, D12 AX06
Ireland

Cyclomedica Nordic AB
Gustavslundsvägen 145
SE-16751 Bromma
Sweden

Cyclomedica Benelux bvba
79 Rue des Francs
1040 Etterbeek
Belgium

Cyclomedica UK Limited
Dayan House
818 Whitchurch Lane
Whitchurch
Bristol
United Kingdom BS14 0JP

Cyclomedica Danmark ApS
Kirstinehøj 17
Kastrup 2770
Denmark

Cyclomedica USA LLC
5126 S Royal Atlanta Drive
Tucker, GA 30084
USA

Auditors
Nexia Sydney Audit Pty Limited
Level 22, 2 Market Street
Sydney NSW 2000

Share Registry
Automic Pty Limited,
trading as Automic (AIC 22031)
Level 5
126 Philip Street
Sydney NSW 2000
Tel: 1300 288 664
02 9698 5414
Fax: 02 8583 3040
Email: hello@automic.com.au
Web: www.automic.com.au

Bankers
National Australia Bank
Level 21, 255 George Street
Sydney NSW 2000

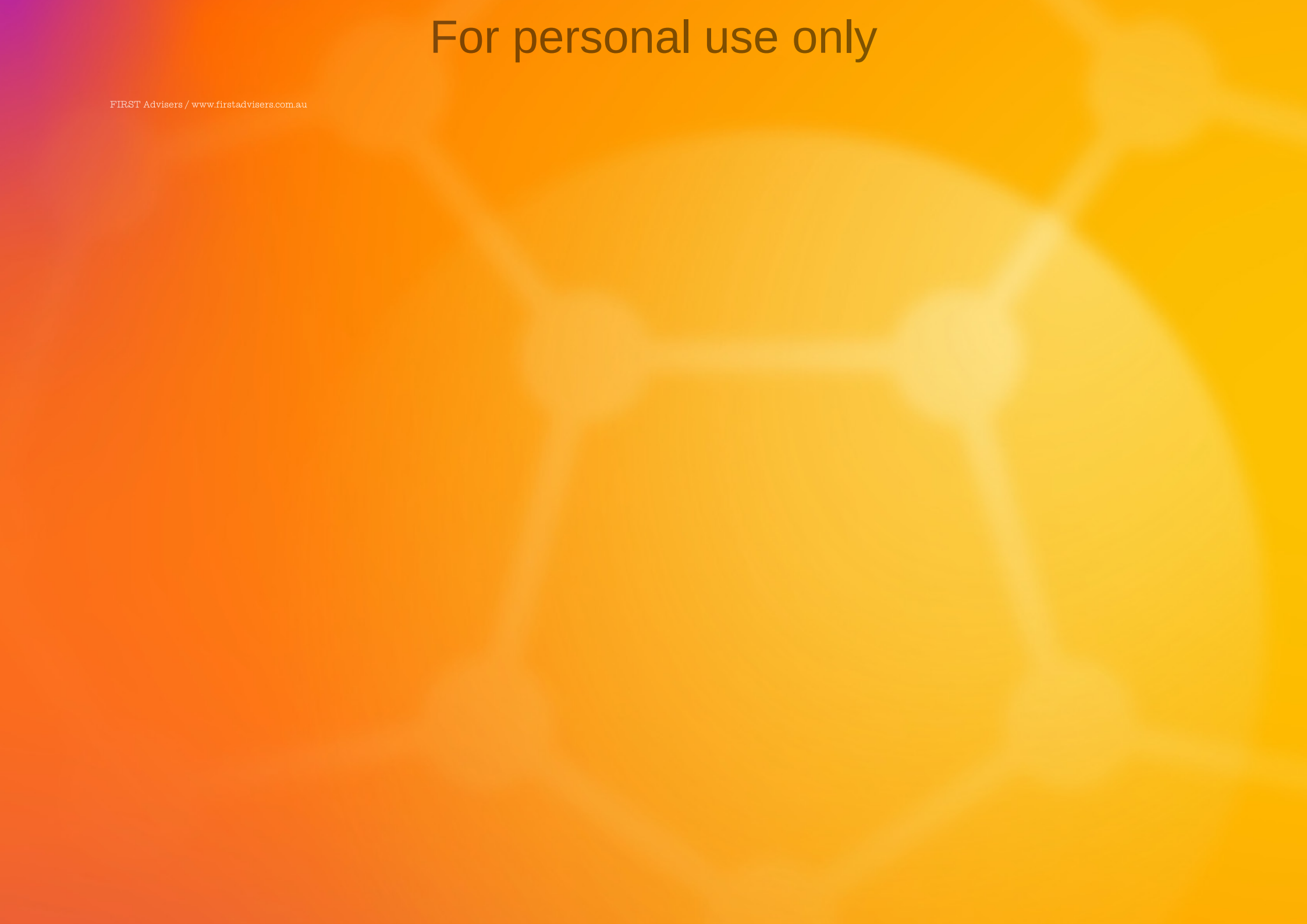
Solicitors
Thomson Geer Lawyers
One Eagle – Waterfront Brisbane
Level 28, 1 Eagle Street
Brisbane QLD 4001

Securities Exchange Listing
The ordinary shares of Cyclopharm Limited are listed on the Australian Securities Exchange Ltd (ASX: CYC).

Corporate Governance Statement
https://www.cyclomedica.com/company/cyclopharm/

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