



**CLEVER CULTURE
SYSTEMS**

Clever Culture Systems Ltd

ABN 95 107 670 673

APPENDIX 4D HALF YEAR RESULTS

Interim Financial Report for the half year ended 31 December 2025

(Previous corresponding period being the half year ended 31 December 2024)

This information should be read in conjunction with the 30 June 2025 Annual Report and any public announcements made by Clever Culture Systems Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

RESULTS FOR ANNOUNCEMENT TO THE MARKET (Appendix 4D)

Half Year	December 2025 \$000	December 2024 \$000	Change \$000	Change %
Revenue from Ordinary Activities	2,562	3,768	(1,206)	(32%)
Consolidated Profit / (Loss) Before Income Tax	(1,684)	621	(2,305)	(371%)
Consolidated Profit / (Loss) for the Half Year	(1,319)	1,109	(2,428)	(219%)

Revenue

Revenue from Ordinary Activities for the half year ended 31 December 2025 (Half Year) was \$2.56 million, comprising:

- \$1.96 million sales of APAS® Independence instruments and accessories
- \$0.57 million comprises annual licence fees and income from maintenance services
- \$0.03 million interest and other income

The prior comparative period included grant and other income of \$0.91 million that was not applicable to the current Half Year period.

Consolidated Profit/(Loss) for the Half Year

The Group's net loss for the Half Year was (\$1.32) million. This comprised a loss before income tax of (\$1.68) million and an income tax benefit of \$0.36 million. The income tax benefit largely relates to the Research & Development Tax Incentive claimable on eligible expenditure incurred in the Half Year.

The loss before income tax of (\$1.68) million comprises:

- \$2.56 million revenue from ordinary activities
- (\$0.45) million cost of sales
- (\$2.12) million for total employee related expenses (includes \$0.32 million non-cash share-based payments)
- (\$0.89) million other expenses including marketing, R&D consumables, travel, sustaining engineering and maintenance support of customers
- (\$0.48) million corporate expenses
- (\$0.30) million of depreciation and amortisation expenses

Compared to the prior half year period ended 31 December 2024, the Profit / (loss) before income tax reduced from a profit of \$0.62 million to a loss of (\$1.68) million. The (\$2.30) million change in the Profit / (loss) before income tax is largely attributable to 1) (\$0.91) million government grants and other income included in the prior period, not applicable to the current Half Year; 2) (\$0.68) million staff and other expenses that had been capitalised as part of the Contact plate development in the prior period; and 3) (\$0.31) million increase in non-cash expenses (depreciation and share based payments).

During the Half Year, the Group's cash position increased from \$1.27 million to \$3.10 million. The 31 December 2025 cash position is bolstered by \$1.39 million in short term receivables and an estimated \$0.33 million research and development tax incentive claim related to expenditure in the Half Year.

Dividends

It is not proposed to pay a dividend.

Net Tangible Assets per Security

The net tangible assets per CCS share was 0.22 of a cent as at 31 December 2025, compared with 0.16 of a cent per share as at 30 June 2025.

Control Gained or Lost over Entities

Not applicable in the Half Year period.

Dividend or Distribution Reinvestment Scheme

Not applicable.

Details of Associates and Joint Venture Entities

Not applicable.

DIRECTORS REPORT

Your Directors present their report on Clever Culture Systems Ltd (**CCS Ltd** or the **Company**) and its 100% owned subsidiary Clever Culture Systems AG (**CCS AG**) (together **CCS**, or the **Group**) for the half year ended 31 December 2025 (the Half Year).

Directors

The names of Directors in office at any time during or since the end of the Half Year are:

Rebecca Wilson (Chair)
Brenton Barnes (Chief Executive Officer and Managing Director)
Daniel Hill
Ian Wisenberg

Company Secretary:

Raymond Ridge

Review of Financials

The Loss after income tax was (\$1.3) million, comprising a Loss before income tax of (\$1.7) million plus an income tax benefit of \$0.3million. The income tax benefit largely relates to the Research & Development Tax Incentive claimable on eligible expenditure incurred in the Half Year.

Compared to the prior half year period ended 31 December 2024, the Profit / (loss) before income tax reduced from a profit of \$0.6 million to a loss of (\$1.7) million. The (\$2.3) million change in the Profit / (loss) before income tax is largely attributable to:

1. (\$0.9) million government grants and other income included in the prior period, not applicable to the current Half Year;
2. (\$0.7) million staff and other expenses that had been capitalised as part of the Contact plate development in the prior period; and
3. (\$0.3) million increase in non-cash expenses (depreciation and share based payments).

Total revenue of \$2.6 million includes \$2.0 million from the sales of the APAS® Independence instruments and accessories and \$0.6 million from annual licence fees and maintenance services.

During the Half Year, the Group's cash position increased by \$1.8 million to \$3.1 million. The 31 December 2025 cash position is bolstered by \$1.4 million in short term receivables and an estimated \$0.3 million research and development tax incentive claim related to expenditure in the Half Year.

The \$1.8 million net cash inflows for the Half Year included \$3.2 million cash received from options exercised, (\$1.0) million cash used to repay the remainder of the loan provided by the South Australian Government, and other net cash outflows from operations of (\$0.4) million. The Company now has no debt.

During the Half Year, net assets of the Group have increased by \$2.4 million to \$8.0 million at 31 December 2025. The change in net assets is reflected in the increased cash balance \$1.8 million, repayment of the SAFA loan \$1.0 million and \$0.7 million increased inventory which has been replenished with sufficient parts to manufacture the next ten instruments. This is partly offset by the \$1.1 million reduction in net receivables/payables largely being the lower Research and Development Tax incentive claim at the end of the Half Year compared to the accrual for the full year's expenditure at 30 June 2025.

Review of Operations

The key highlights and significant events for the 2026 Half Year and up to the date of this Directors Report:

- During the Half Year, four new APAS® Independence orders were received and the installed base of APAS® instruments increased to 27 units globally¹.
- The Company's FY26 commercial objective is to broaden the customer base in line with the established "land and expand" strategy that underpinned the positive FY25 turnaround, driven by a single strategic customer AstraZeneca. A broader customer base builds depth and resilience of the long-term sales pipeline that is expected to deliver sustainable growth for shareholders.
- New placements were made to two global pharmaceutical manufacturers, Novo Nordisk and Boehringer Ingelheim. Both Companies are now in the process of undertaking an evaluation of the APAS® technology to assess performance and suitability for deployment across their global manufacturing networks. Other key global customers include AstraZeneca, Pfizer, Bristol Myers Squibb and Thermo Fisher Pharma Services (Patheon).
- In August, the Company finalised the validation of its new analysis module for 55mm contact plates used in pharmaceutical environmental monitoring. This was a key development milestone, ensuring the APAS® Independence can provide a complete solution for environmental monitoring to customers. The new application has been rolled out to existing customers as a hardware and software upgrade.
- During the Half Year, there has been a focus on customer support, including installation and qualification of instruments, and supporting customers with their validation of the APAS® system into routine use. This support activity is important to pharmaceutical customers where any change to processes is tightly regulated. The validation support to customers provides a further revenue stream and ultimately drives the increase of recurring revenues (software and service) for the Company.
- In October and November, the Company attended major conferences in the United States, Europe, Australia and South Korea. As part of these events, there were new customer presentations by AstraZeneca, Bristol Myers Squibb and Pfizer sharing their positive experience and data using the APAS® Independence. These high-profile events are important to showcase the APAS® technology to build awareness and generate new sales leads. The presentations from third parties are a significant differentiator for the APAS® Independence, provide important external validation, and support customers sales and marketing activities.
- 99.6% of all CC50A Options were exercised prior to their expiry on 15 November 2025, raising \$3.2m in the Half Year period, with part of the proceeds applied to full repayment of the \$1 million South Australian Government loan, leaving the Company with zero debt.
- At the Company's AGM in November 2025, all resolutions were strongly supported by Shareholders. Following the meeting, an investor Open Day was hosted in Adelaide, allowing investors to meet the Board and employees, while receiving presentations and demonstrations of the APAS® technology.

¹ The installed base excludes instruments currently on lease or under evaluation. At the end of the Half Year, there remained two outstanding orders pending installation.

Future Developments and Prospects

The Company has delivered on operational and strategic objectives over the last 24 months, following the strategic reset at the end of 2023. During this time, the Company has secured some of the leading pharmaceutical companies as customers and developed a highly promising pipeline of sales underpinned by the opportunity to expand within existing customers. Key focus areas for the next 12 months:

- Continue to execute a highly targeted sales approach, focussed on sales and placements with major global pharmaceutical manufacturers (“land phase”). Over the next 12 months, we expect to complete additional placements with new customer groups, expanding the global APAS® user base and continuing to build depth and resilience into the long-term sales pipeline.
- Disciplined support of our key global customers during their evaluation phase of APAS®, to establish them as trusted partners leading to the “expand” phase of the land-and-expand strategy. The Company expects this strategy to translate into further expansion of the installed base with this customer segment in the FY27 and beyond time horizon.
- Deliver high quality customer support and service to transition customers into routine use of the APAS® Independence. By ensuring a positive experience and successful implementation of the APAS® technology, this helps develop group sales opportunities with the largest customers and builds annual recurring revenues through maintenance and software renewals.
- Further enhancements to the APAS® technology that deliver improved value to customers. This includes new software features to streamline plate processing, improved integration tools for implementation within customers digital ecosystem and improvements to analysis modules based on real world feedback and data.

Rounding of Amounts

CCS is an entity to which ASIC Class Order 98/100 applies and, accordingly, amounts in the financial statements have been rounded to the nearest thousand dollars.

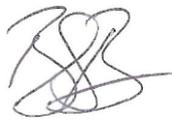
Auditor’s Independence Declaration

The lead auditor’s independence declaration under section 307C of the Corporations Act 2001 is set out on page 6.

Signed in accordance with a resolution of the Board of Directors.



Rebecca Wilson
Chair



Brent Barnes
Chief Executive Officer and Managing Director

Dated at Adelaide this 17th day of February 2026.

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Clever Culture Systems Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

HLB mann Judd

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
17 February 2026



Travis Rickard
Director

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Interim Consolidated Financial Report

31 December 2025

Page	Contents
8	Consolidated Statement of Comprehensive Income/(Loss)
9	Consolidated Statement of Financial Position
10	Consolidated Statement of Changes in Equity
11	Consolidated Statement of Cash Flows
12	Notes to the Consolidated Financial Statements

Consolidated Statement of Comprehensive Income/(Loss)

For the Half Year ended 31 December 2025

	Note	31/12/25	31/12/24
		\$000	\$000
Revenue	2	2,535	2,823
Other Income	2	27	945
Cost of Sales		(452)	(755)
Employee Benefits Expense	3b	(2,115)	(1,322)
Corporate Expenses	3a	(475)	(453)
Research & Development Expenses		(127)	(58)
Marketing Expenses		(113)	(138)
Finance Expenses	3c	(59)	(58)
Other Expenses	3d	(602)	(208)
Depreciation and Amortisation Expense		(303)	(155)
Consolidated Profit/(Loss) Before Income Tax		(1,684)	621
Income Tax Benefit		365	488
Consolidated Profit/(Loss) for the Half Year		(1,319)	1,109
Basic Gain/(Loss) per Share (cents per share)		(0.07)	0.07
Diluted Gain/ (Loss) per Share (cents per share)		(0.07)	0.05

The accompanying notes form part of the financial statements.

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	31/12/25	30/06/25
		\$000	\$000
Assets			
Current Assets			
Cash and Cash Equivalents		3,101	1,265
Trade and Other Receivables		1,389	1,490
Inventory	4	2,160	1,428
Current Tax Asset		330	1,077
Total Current Assets		6,980	5,260
Non-Current Assets			
Trade and Other Receivables		127	233
Property Plant and Equipment		27	34
Right of Use Assets		1,188	1,209
Deferred Tax Assets		1,590	1,584
Intangible Assets	5	2,659	2,449
Total Non-Current Assets		5,591	5,509
Total Assets		12,571	10,769
Current Liabilities			
Trade and Other Payables		1,131	848
Lease Liabilities		223	226
Other Financial Liabilities	6	474	656
Provisions		660	624
Total Current Liabilities		2,488	2,354
Non-Current Liabilities			
Lease Liabilities		1,088	1,014
Other Financial Liabilities	6	-	798
Deferred Tax Liabilities		906	914
Provisions		78	44
Total Non-Current Liabilities		2,072	2,770
Total Liabilities		4,560	5,124
Net Assets		8,011	5,645
Equity			
Issued Capital	7	57,520	54,164
Reserves	8	1,907	1,673
Accumulated Losses		(51,416)	(50,192)
Total Equity		8,011	5,645

The accompanying notes form part of the financial statements.

Consolidated Statement of Changes in Equity

For the Half Year ended 31 December 2025

	Share Based Payments Reserve	Share Capital	Accumulated Losses	Total
	\$000	\$000	\$000	\$000
Balance at 1 July 2024	2,087	53,106	(52,770)	2,423
Shares Granted as Remuneration	-	53	-	53
Options Granted as Remuneration	163	-	-	163
Options Exercised	-	1,058	-	1,058
Options Granted as Payment for Services	2	-	-	2
Options Lapsed	(281)	-	281	-
Options Relinquished	(396)	-	396	-
Capital Raising Costs	-	(35)	-	(35)
Net Loss for the Half Year	-	-	1,109	1,109
Balance at 31 December 2024	1,575	54,182	(50,984)	4,773
Balance at 1 July 2025	1,673	54,164	(50,192)	5,645
New Shares Issued	-	3,199	-	3,199
Shares Granted as Remuneration	-	175	-	175
Options and Performance Shares Granted as Remuneration	329	-	-	329
Performance Shares Vested	(25)	-	25	-
Options Exercised	(11)	-	11	-
Options Lapsed	(59)	-	59	-
Tax Effect Attributable to Capital Raising Costs	-	(18)	-	(18)
Net Loss for the Half Year	-	-	(1,319)	(1,319)
Balance at 31 December 2025	1,907	57,520	(51,416)	8,011

The accompanying notes form part of the consolidated financial statements.

Consolidated Statement of Cash Flows

For the Half Year ended 31 December 2025

	Note	31/12/25	31/12/24
		\$000	\$000
Cash Flows from Operating Activities			
Receipts from Customers		3,218	1,617
Government Grants Received		-	877
Payments to Suppliers and Employees		(4,113)	(3,167)
Research and Development Tax Concession		1,071	953
Interest Received		17	22
Net Cash provided by / (used in) Operating Activities		193	302
Cash Flows from Investing Activities			
APAS [®] Analysis Module Development (intangible asset)		(466)	(1,113)
Payments for Plant and Equipment		(3)	(8)
Net Cash used in Investing Activities		(469)	(1,121)
Cash Flows from Financing Activities			
Cash Proceeds from New Shares Issued		3,199	1,058
Repayment of Share Placement Facility		-	-
Loan Repayments		(975)	(768)
Repayment of Lease Principal		(108)	(115)
Capital Raising Costs		-	(3)
Net Cash provided by Financing Activities		2,116	172
Net Increase (Decrease) in Cash and Cash Equivalents		1,840	(647)
Foreign Currency Exchange Rate Impact on Cash Held		(4)	-
Cash and Cash Equivalents at Beginning of Year		1,265	2,347
Consolidated Cash and Cash Equivalents at End of Half Year		3,101	1,700

The accompanying notes form part of the consolidated financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025****1. Accounting Policies**

The financial reports present the financial information of Clever Culture Systems Limited (CCS Ltd or the Company), consolidated with its 100% owned company, Clever Culture Systems AG (CCS AG) (collectively, CCS or the Group).

The Half Year financial statements are a general-purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. It is recommended that this consolidated financial report be read in conjunction with the annual financial report for the year ended 30 June 2025 and any public announcements made by CCS Ltd during the Half Year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX listing rules.

The Half Year report has been prepared on an accrual basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The Half Year report does not include full disclosures of the type normally included in an annual financial report.

The condensed interim financial report was approved by the Board of Directors on 17th February 2026.

The accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in its financial report for the year ended 30 June 2025 and the corresponding interim reporting period.

Going Concern basis of Accounting

The Group's financial statements have been prepared on the basis of continuity of operations, the realisation of assets and the satisfaction of liabilities in the ordinary course of business. As disclosed in the financial statements, the Group has incurred a Loss after income tax of \$1,319,000 and had net cash outflows from operating and investing activities of \$276,000 for the half-year ended 31 December 2025. Whilst these results are a significant improvement from prior reporting periods, and taking a conservative view, the Directors believe these conditions do continue to create some uncertainty as to the ability of the Group to continue as a going concern whilst the Company is building the customer base in the pharmaceutical industry.

The future viability of the Group is largely dependent on the number and timing of sales, and on its ability to raise capital to finance its operations if needed. The Group believes that it has access to sufficient liquidity to prepare the financial statements on a going concern basis based on available cash and receivables, together with sales prospects. If these sales do not proceed as expected, the Group may be required to delay, reduce or eliminate research and development programs, reduce costs, reduce or eliminate commercialisation efforts, obtain funds through arrangements with collaborators, pursue merger or acquisition strategies or cease operations. As the Group believes that it has sufficient liquidity to prepare the financial statements on a going concern basis, the financial statements do not include adjustments relating to the recoverability and classification of recorded assets amounts, nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

(a) Changes in Accounting Policies

The Group has considered the implications of new or amended Accounting Standards and has determined that their application to the financial statements is either not relevant or not material.

(b) Impairment of Non-Financial Assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. If such an indication exists, an impairment test is carried out on the asset. An impairment test is also performed annually for intangible assets with indefinite lives and intangible assets not yet available for use.

The Group last performed a formal impairment test as at 30 June 2025.

An impairment test compares the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in the profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

1. Accounting Policies cont.

(c) Critical Accounting Estimates and Judgements

The Directors evaluate managements' estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key Estimates – Impairment

The carrying amount for intangible assets of \$16.1 million (30 June 2025: \$15.9 million), before any provision for impairment, comprise:

\$13.4 million (30 June 2025: \$13.4 million) for the capitalised development costs for the physical APAS® instrument and the development costs for the initial analysis modules for the clinical market (Pre-Pharma Market Expenditure); and

\$2.7 million (30 June 2025: \$2.5 million) for costs incurred in the development of the second analysis module for the pharmaceutical market, including enhancements to the physical instrument to enable processing of the smaller contact plates (Pharma Contact Plates Expenditure).

The recoverability of these intangible assets are dependent on sufficient future cash flows generated through repeatable sales of the APAS® instrument, ongoing license fees for the analysis modules and income from providing maintenance services.

CCS originally targeted the clinical microbiology market, with the development of Analysis Modules for the reading and interpretation of culture plates for infectious diseases, routinely used in clinical microbiology laboratories. Sales into the clinical market did not meet expectations and a step change in sales potential was achieved in March 2024 with the development of an Analysis Module for the reading and interpretation of 'settle' culture plates used in environmental monitoring within pharmaceutical manufacturing. As this was a new market, the expenditure incurred in the development of an Analysis Module for settle plates was expensed as incurred. The Group has since focused its sales resources on this significant new market and based on early market feedback, CCS developed a second Analysis Module for the pharmaceutical market, for the reading and interpretation of 'contact' culture plates which was completed and made available for sale during the Half Year. This is a significant development as contact plates account for approximately 50% of the global volume of culture plates used in environmental monitoring within pharmaceutical industry, while the settle plates account for the other half of the volume. With this development now completed, the APAS® Independence is the only automated instrument with off-the-shelf validated Analysis modules available, with capacity to process both plate types used in environmental monitoring. Expenditure incurred in the development of contact plates Analysis Module, including associated enhancements to the physical instrument to enable processing of the smaller contact plates, have been capitalised as an intangible asset.

The carrying value for all intangible assets are assessed against their estimated recoverable amount annually, consistent with Accounting Standard AASB 136 Impairment of Assets. This formal assessment was last undertaken on 30 June 2025. The recoverable amount was assessed using a value-in-use calculation, comprising a forecast of cash flows associated with future sales of the APAS® instrument, discounted to net present value. For this purpose, the cash generating unit was identified as comprising the Group in its entirety. This assessment was considered for the following intangible assets:

Pharma Contact Plates Expenditure: \$2.7 million (30 June 2025: \$2.5 million). Based on the expanding pipeline of advanced sales prospects with large multinational pharmaceutical companies, together with the extension of the instrument's capability to processing of contact plates, the Group considers there to be a "reasonable and supportable" level of forecast future sales. The discounted cash flow forecast at 30 June 2025 indicated a recoverable amount well in excess of the \$2.7 million carrying value. At this early stage of sales into the pharmaceutical market some uncertainty naturally exists with regards forecast sales volumes and sales growth rates. However, sales outcomes would need to fall materially short of expectations, before impacting the carrying value of the \$2.7 million intangible asset. On this basis, Directors concluded an impairment of this intangible asset was not required. At 31 December 2025, Board and management are not aware of any circumstances that would indicate that the \$2.7 million carrying value is not recoverable from net cashflows from future sales. In particular, the implied market value of CCS at 31 December 2025, based on its ASX traded share value, is well in excess of the \$2.7 million carrying value. The recoverable amount test will be formally reassessed at 30 June 2026.

Pre-Pharma Market Expenditure: \$13.4 million (30 June 2025: \$13.4 million). This carrying amount was last assessed against its estimated recoverable amount, at 30 June 2023. At that date, the Board determined that the Group was not in a position to provide a "reasonable and supportable" forecast for a level of sales to the clinical microbiology market that would indicate a recoverable amount of the APAS® assets. Accordingly, a non-cash impairment expense of \$13.4 million was recognised in the Group's Statement of Comprehensive Income/(Loss) in that financial year. The Group's sales strategy is now targeting the pharmaceutical market and is focussed on firstly expanding its customer base of large pharmaceutical companies, progressing through early sales and customer evaluations and then global deployment of multiple instruments within those large pharmaceutical customers. The customer base and customer pipeline are expanding as planned, and AstraZeneca is the first example of the 'land and expand' sales strategy, with eleven sales to date. However, at this stage of the pharmaceutical sales cycle, it remains too early to confidently know the extent to which this experience with AstraZeneca will be repeated within the expanding customer base. Given this level of uncertainty, Directors and management do not believe that there is a sufficient level of

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025****1. Accounting Policies cont.****(c) Critical Accounting Estimates and Judgements cont.****Key Estimates – Impairment cont.**

“reasonable and supportable” evidence to consider reversing the impairment provision of \$13.4 million. The Group will reconsider this recoverable amount assessment as existing pharmaceutical customers complete their evaluation of the APAS® technology and progress to a global deployment of multiple instruments. The Group expects to progress the ‘expand’ stage of its ‘land and expand’ sales strategy over the next 12 months and will become better informed of a “reasonable and supportable” cash flow forecast more reflective of the Group’s expectations.

Key Estimates – Deferred Tax Asset Recoverability

In addition to the carrying value of the intangible assets noted above, the Group also has net deferred tax assets of \$684,000 (30 June 2025: \$670,000), arising from deductible temporary differences and unused carried forward tax losses, for both CCS AG and CCS Ltd. These are recognised to the extent that it is probable that future tax profits will be available against which the deductible temporary differences and carried forward tax losses may be utilised. The Group recognises the full value of its deferred tax assets on the basis of an estimate of future net cash inflows and profitability of the Group, underpinned by potential pharmaceutical sales. The assessment of the potential pharmaceutical sales is based on the Group’s existing pipeline of advanced and qualified sales prospects in the pharmaceutical market. Future sales outcomes would need to fall materially short of expectations, before impacting the carrying value of the \$684,000 net deferred tax asset.

Key Estimates – Share Based Payments

A key area of judgement relates to the calculation of the market value of the unlisted options and performance shares issued to Directors, employees and other service providers. The market value of performance shares are determined by reference to the underlying share price and for each option series It is assessed using the Binomial method. For more complex market vesting conditions, the Group utilises a Monte Carlo simulation together with a net present value calculation. A key assumption in the Binomial and Monte Carlo calculations is the Company’s future share price volatility. Future volatility was based on the historic daily price movements of the Company’s ASX listed shares prior to the relevant valuation date for each of the option series. For further information in relation to the options issued, refer to Note 8.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

2. Revenue

	31/12/25	31/12/24
	\$000	\$000
Instrument and Accessories Sales	1,963	2,401
License Fees	302	217
Maintenance Services	270	135
Consulting Services	-	70
Revenue	2,535	2,823
Government Grants ⁽¹⁾	-	736
Foreign Exchange Gain	-	178
Interest	18	31
Other	9	-
Other Income	27	945

(1) Grant income in the half year ended 2024 is in relation to matched funding from the Government under the CTCM grant for development of the Contact plates analysis module.

3. Loss for the Year

The loss before income tax from continuing operations includes the following items:

	31/12/25	31/12/24
	\$000	\$000
(a) Corporate Expenses		
ASX Fees and Share Registry costs	67	72
Auditors Remuneration ⁽¹⁾	18	23
Insurance	39	45
Corporate Consulting and Legal	223	189
General Office Expenses and Other	128	124
Total Corporate expenses	475	453
(b) Employee Benefits Expense		
Cash Based Employee Benefits Expense (includes directors' fees, contractor fees, salaries and wages, executive bonuses) ⁽²⁾	1,786	1,157
Share Based Payments ⁽³⁾	329	165
Total Employee Benefits Expense	2,115	1,322

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

3. Loss for the Year cont.

	31/12/25	31/12/24
	\$000	\$000
(c) Finance Expenses		
Interest Expenses	59	58
Total Finance Expense	59	58
(d) Other Expenses		
Travel and Accommodation	158	170
Sustaining Engineering	199	-
Foreign Exchange Losses	41	-
Patents and Trademarks	19	20
APAS® Independence Customer Maintenance and Support	185	18
Total Other Expenses	602	208

(1) The Auditor did not provide any Non-Audit Services to the Group during the Half Year.

(2) For the comparative period ending 31 December 2024, a larger amount of Employee Benefits Expense was capitalised for employees working on the Contact Plate Development project. The development project was completed on 31 August 2025 and therefore such costs were only capitalised for two months of the current period ending 31 December 2025.

(3) Share Based Payments include a total of \$329,000 (2024: \$165,000) expensed in the period for options and performance shares granted to employees and Directors (refer Note 8).

4. Inventory

	31/12/25	30/06/25
	\$000	\$000
Finished Goods	619	402
Work in Progress	123	93
Parts	1418	933
Total Inventory	2,160	1,428

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

5. Intangible Assets

	31/12/25	30/06/25
	\$000	\$000
APAS® Development Costs	18,491	18,491
Less: Accumulated Amortisation	(11,419)	(11,419)
	7,072	7,072
APAS® Analysis Module Development	4,038	4,038
Less: Accumulated Amortisation	-	-
	4,038	4,038
CCS Development Costs (fair value on acquisition)	3,416	3,416
Less: Accumulated Amortisation	(1,118)	(1,118)
	2,298	2,298
Provision for Impairment (Note 1 (b))	(13,408)	(13,408)
Contact Plate Development	2,775	2,449
Less: Accumulated Amortisation	(116)	-
Total Intangible Assets	2,659	2,449

6. Other Financial Liabilities

	31/12/25	30/06/25
	\$000	\$000
a) Current		
Loan ⁽¹⁾	-	177
Unearned Income ⁽²⁾	433	291
Share-Based Liability to Directors and Executives ⁽³⁾	41	188
Total Current Other Financial Liabilities	474	656
b) Non-Current		
Loan ⁽¹⁾	-	798
Total Non-Current Other Financial Liabilities	-	798

(1) The loan from the South Australian Government included an early repayment clause, where all proceeds received by CCS on the exercise of options issued under the rights issue (ASX: CC50A, expiring 15 November 2025) were to be first applied to repayment of the loan. During the half year ended 31 December 2025, CCS received proceeds of \$3,199,000 from the exercise of these options, of which \$975,000 was utilised to repay the loan.

(2) At 31 December 2025, unearned income includes deposit received for an APAS® instrument that has yet to be installed at the customer's site, unearned maintenance income and prepaid lease payments for an APAS® instrument.

(3) At 31 December 2025, the share based liability of \$41,000 (30 June 2025: \$14,000) relates to a Director, Mr Ian Wisenberg, who has elected to receive part of his cash-based Directors fees in CCS shares. The comparative figure, as at 30 June 2025, also included \$83,000 for the executive team annual bonus, \$91,000 payable to the Managing Director who elected to receive his annual bonus in CCS Shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025

7. Issued Capital

	31/12/25	30/06/25
	\$000	\$000
Issued and Paid Up Capital		
2,172,922,833 (30 June 2025: 1,766,590,293) Ordinary Shares Fully Paid	61,847	58,473
Less: Costs Associated with Capital Raising		
Opening Balance	(4,309)	(4,242)
Capital Raising Costs	-	(4)
Tax Effect of Capital Raising Costs	(18)	(63)
Total Issued Capital	57,520	54,164
Ordinary Shares	No.	No.
At the Beginning of the Reporting Period	1,766,590,293	1,553,986,346
Employee Incentive Plan ⁽¹⁾	3,252,326	3,561,955
Employee Performance Shares ⁽²⁾	1,474,716	5,850,000
In Lieu of CEO/Managing Director Bonus ⁽³⁾	3,545,581	-
Exercise of Options	398,059,917	203,191,992
At Balance Date	2,172,922,833	1,766,590,293

(1) The issue of shares to Executives under the Group's Employee Incentive Plan. The value of the shares to be awarded to each Executive is made following an assessment of individual performance against preset KPI's and is approved by the Board. The total value of the CCS Shares issued under the short-term incentive was \$84,000 (30 June 2025: \$53,429) and has been recognised as an expense in the prior year. The number of shares was determined using the VWAP for the month of July 2025 being \$0.0258 per CCS Share (30 June 2025: \$0.015 per CCS Share).

(2) 1,474,716 performance shares were issued to four executives on 30 August 2024, as part of their annual remuneration review, to minimise cash-based remuneration increases. The performance shares vested into the same number of ordinary shares on 31 July 2025. (30 June 2025: 5,850,000 vesting of performance shares that were originally granted on 15 February 2024 to incentivise a number of staff in relation to development of an analysis module for the reading and interpretation of Contact Plates. The performance shares converted into the same number of ordinary shares on 31 January 2025, following the achievement of the development milestones.)

(3) As part of his remuneration, the CEO / Managing Director is eligible for a maximum annual cash bonus of 30% of his annual salary, subject to achievement of performance targets set annually by the Board. For the bonus related to the year ended 30 June 2025, the Board awarded a bonus of \$91,000. Mr Barnes elected to receive the bonus in CCS shares. The number of shares to be issued was determined using the VWAP for the month of July 2025, being \$0.0258 per CCS Share. These shares were issued on 3 December 2025 following shareholder approval at the AGM held on 17 November 2025.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

8. Share Based Payments Reserve

The share-based payments reserve represents the cumulative amortised value of share options and performance shares issued as share based remuneration. The following details the change in the number and value of options during the half year period:

	No of Options and Performance Shares	Value \$000
Share Based Payments Reserve Opening Balance 1 July 2025	133,854,241	1,673
<i>Share Based Payments Expensed in the Profit or Loss Statement</i>		
Options Granted to Incoming Chair ⁽¹⁾	-	1
Options Granted to a Consultant ⁽²⁾	-	57
Options Granted to Directors ⁽³⁾	-	24
CEO and MD Long Term Incentive - Options ⁽⁴⁾	-	93
CEO and MD Long Term Incentive - Performance Shares ⁽⁴⁾	-	16
Executive Long Term Incentive Options ⁽⁵⁾	-	93
Executive Remuneration - Performance Shares ⁽⁶⁾	-	2
Executive retention - Performance Shares ⁽⁷⁾	-	31
Options Issued as Payment for Services ⁽⁸⁾	-	12
Total Share Based Payments Expensed in the Profit or Loss Statement	133,854,241	329
Executive Remuneration - Performance Shares Vested ⁽⁶⁾	(1,474,716)	(25)
Options Exercised ⁽⁹⁾	(2,500,000)	(11)
Options Lapsed ⁽¹⁰⁾	(786,667)	(59)
Share Based Payments Reserve Closing Balance 31 December 2025	129,092,858	1,907

(1) Ms Rebecca Wilson, as incoming Chair, was issued 1,250,000 options on 19 December 2023 following shareholder approval. The options vested 19 December 2025, two years after the issue date. The options have an exercise price of \$0.033 and expire 22 December 2033. The combined fair value of the options was calculated to be \$6,066. In accordance with AASB 2 "Share based Payment", the fair value of the options was expensed over the vesting period from the commencement of services in July 2023 to 19 December 2025, with \$1,000 being expensed in the half-year ended 31 December 2025.

(2) Options issued to an investor relations consultant on 22 May 2025 as part of their contract. 5,750,000 options vested immediately and 5,750,000 options vested on 8 November 2025 upon both parties agreeing to continue with the contract for the second 6-month term. The options have an exercise price of \$0.025 and expire on 22 May 2027. The combined fair value of the options was calculated to be \$113,470. In accordance with AASB 2 "Share based Payment", \$56,735 has been expensed in the prior year and the remaining fair value of \$56,735 was expensed when the remaining 5,750,000 options vested in the period ending 31 December 2025.

(3) An issue of 3,814,286 options to Ms Rebecca Wilson (Non-executive Chair) and 2,314,286 options each of Messrs Dan Hill and Ian Wisenberg (Non-executive directors) on 10 December 2024, following shareholder approval. The options have an exercise price of \$0.014, a two-year vesting period and an expiry date of 10 December 2027. The fair value of the options was calculated to be \$45,031 for the options issued to Ms Wilson, and \$27,322 each for Messrs Hill and Wisenberg. In accordance with AASB 2 "Share based Payment", the fair value of the options are being expensed over the two-year vesting period.

(4) As part of a refreshed Long-Term Incentive (LTI), the Company issued 40,000,000 unlisted options and 10,000,000 performance shares to incentivise, retain and reward the Company's CEO / Managing Director. This follows the voluntary relinquishment of the previous LTI structure and shareholder approval was obtained on 14 November 2024. The options have an exercise price of \$0.024, vest on 10 June 2027 subject to continued service and expire 10 December 2028. The fair value of the options was calculated as \$473,311, using the Binomial method. In accordance with AASB 2 "Share based Payments", the \$473,311 fair value of the options is being expensed over the vesting period through to 10 June 2027. The 10,000,000 performance shares vest into the same number of ordinary shares on 10 December 2028, subject to a share price performance hurdle \$0.07 and continuity of service. The fair value of the performance shares was calculated as \$130,000, using a Monte Carlo simulation. In accordance with AASB 2 "Share based Payments", the \$130,000 fair value of the shares is being expensed over the vesting period through to 10 December 2028.

(5) The Company issued 40,000,000 unlisted options to executives on 15 January 2025, as a refreshed Long-Term Incentive (LTI) to incentivise, retain and reward key staff. The option terms align with that of the refreshed LTI options issued to the Company's CEO / Managing Director (refer Footnote 8), being an exercise price of \$0.024, vesting on 10 June 2027 subject to continuity of service and expire 10 December 2028. The options were valued at \$0.0118 per option or \$473,311 in total using the binomial method on 14 November 2024, being the date the Board approved the offer to employees. In accordance with AASB 2 "Share based Payments", the \$473,311 total fair value of the options is being expensed over the vesting period through to 10 June 2027. The previously issued executive team LTI was voluntarily relinquished subsequent to 31 December 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2025**

8. Share Based Payments Reserve cont.

- (6) 1,474,716 performance shares were issued to CCS executives on 30 August 2024, as part of their annual remuneration review, to minimise cash-based remuneration increases. The shares vested on 31 July 2025. The fair value of the shares was calculated as \$24,900, being the cash remuneration increase otherwise forgone. The number of shares issued was based on the 5-day VWAP of the CCS shares traded on the ASX immediately prior to Board approval. In accordance with AASB 2 "Share based Payments", the \$24,900 fair value of the performance shares was expensed over the vesting period through to 31 July 2025.
- (7) 4,200,000 performance shares were granted on 15 February 2024 to a key technical employee as part of a retention strategy. The performance shares converted into the same number of ordinary shares on 7 February 2026. The performance shares were valued at \$0.015 each, being the ASX closing price of the Company's Ordinary Shares the day prior to Board approval to offer the performance shares. The total value of \$63,000 is being expensed over the vesting period through to 7 February 2026, with \$31,000 expensed in the period ended 31 December 2025.
- (8) Options issued to an investor relations consultant on 15 January 2025, as part of their contract. The options vested on 15 January 2026. The options have an exercise price of \$0.019 and expire on 15 January 2027. The fair value of the options was calculated to be \$26,695, based on the binomial method determined at the date of signing the contract. In accordance with AASB 2 "Share based Payment", the fair value of the options was expensed over the vesting period to 15 January 2026, with \$12,000 being expensed in the period ended 31 December 2025.
- (9) Options exercised on 23 December 2025 at an exercise price of \$0.014. The \$11,000 fair value of the options was removed from the options reserve.
- (10) Employee options lapsed during the Half Year, with the fair value of these options removed from the options reserve.

9. Dividends

There have been no dividends declared or paid during the period of this report.

10. Segment Reporting

(a) The Group operates in one business segment, researching, developing and commercialising innovative technologies.

The Group operates in one business segment, conducting researching, developing and commercialising innovative technologies. The Group's product development, administration and production occurs in Australia, with sales activities occurring in Australia, the EU and the US, managed from Australia.

(b) Revenue by geographic region

	31/12/25	31/12/24
	\$000	\$000
United States	789	493
Europe	1,589	1,451
Australia	143	447
Asia	14	432
Total Revenue	2,535	2,823

(c) Assets by Geographical Region

All global sales management, product development and manufacturing occurs in Australia.

(c) Major customers

CCS recognised \$865,000 (2024: \$1,730,000) from the recognition of the sales to AstraZeneca. AstraZeneca's corporate office is domiciled in Sweden.

11. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting period.

12. Subsequent Events

There were no material subsequent events.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Clever Culture Systems Ltd, we state that:

In the opinion of the Directors:

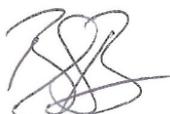
The financial statements and notes set out on pages 8 to 20 are in accordance with the Corporations Act 2001, including:

- complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
- giving a true and fair view of the financial position as at 31 December 2025 and the performance for the Half Year ended on that date; and

In the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.



Rebecca Wilson
Chair



Brent Barnes
Chief Executive Officer and Managing Director

Dated at Adelaide this 17th day of February 2026.

Independent Auditor's Review Report to the Members of Clever Culture Systems Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Clever Culture Systems Limited and controlled entity ("the group"), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information, and the directors' declaration.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Clever Culture Systems Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Clever Culture Systems Limited financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to reviews of the half-year financial report of public interest entities 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 group.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the interim consolidated financial report, which indicates that the Group incurred a net loss after income tax of \$1,319,000 and had net cash outflows from operating and investing activities of \$276,000 during the half-year ended 31 December 2025. These events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

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

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Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

A handwritten signature in blue ink that reads 'HLB mann Judd'.

HLB Mann Judd Audit (SA) Pty Ltd
Chartered Accountants

Adelaide, South Australia
17 February 2026

A handwritten signature in blue ink that appears to read 'Travis Rickard'.

Travis Rickard
Director

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