

Terragen Holdings Limited
ABN 36 073 892 636

Appendix 4D for the six months ended 31 December 2025

Reporting period: Half-year from 1 July 2025 to 31 December 2025
 Previous corresponding period: Half-year from 1 July 2024 to 31 December 2024

The following information should be read in conjunction with both the Financial Report for the year ended 30 June 2025 and the Interim Financial Report for the half-year ended 31 December 2025.

Results for announcement to the market

a. Financial

	31 December 2025	31 December 2024	Change
	\$	\$	%
Revenue from ordinary activities	672,046	911,597	(26%)
Loss from ordinary activities after tax attributable to members	(1,776,439)	(2,299,294)	23%
Net Loss from ordinary activities attributable to members	(1,776,439)	(2,299,294)	23%

b. Dividends

There were no dividends paid, recommended or declared during the half-year ended 31 December 2025 or in the prior half-year ended 31 December 2024.

Terragen does not currently have an active dividend reinvestment plan.

c. Explanation of results

Please refer to the Directors' Report of the attached Interim Financial Report for further commentary on the half-year ended 31 December 2025.

Net tangible assets

	31 December 2025	31 December 2024
Net tangible assets per ordinary security	0.78 cents	1.28 cents

Review

The Financial Statements for the half-year ended 31 December 2025 have been subject to review by Terragen's external auditors, MVAB Assurance, and the review report is included in the Interim Financial Report attached.

Attachments

1. Interim Financial Report of Terragen Holdings Limited for the half-year ended 31 December 2025.



Signed Date: 19 February 2026

Richard Norton
Managing Director and Chief Executive Officer



Terragen Holdings Limited and Controlled Entity

ABN 36 073 892 636

Interim financial report
for the half-year ended 31 December 2025

**Interim financial report
for the half-year ended 31 December 2025**

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Terragen Holdings Limited and Controlled Entity
Directors' Report
For the half-year ended 31 December 2025

The directors of Terragen Holdings Limited submit herewith the interim financial report of Terragen Holdings Limited (the Company) and its subsidiary (the Group) for the half-year ended 31 December 2025.

Directors

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

- Dr Michele Allan AO – Non-Executive Chair
- Scobie Ward – Non-Executive Director
- Michael Barry – Non-Executive Director
- Richard Norton – Managing Director and CEO
- Andrew Guthrie – Non-Executive Director

On 6 February 2026 the Company also announced changes to the Board of Directors with existing Non-executive Director, Dr Michele Allan AO being appointed as Non-executive Chair to replace Mike Barry who will remain on the Board as a Non-executive Director.

Principal activities

The Group's principal activities during the period were research, development and commercialisation of biological products that enhance animal and plant health for use in agriculture. There were no significant changes in the nature of these activities during the half-year.

Operating and financial review

Review of financial results

The Group reported a loss after tax for the half-year of \$1,776,439 (2024: loss of \$2,299,294). The key drivers of the result were:

- Revenues of \$672,046 (2024: \$911,597) from the sale of the Company's products *Mylo*[®], *Great Land Plus*[®] and *Terragen Probiotic*[®] for Ruminants in Australia. Sales for the half-year were 26% lower than the previous corresponding period. The decline in sales reflects key markets in Australia experiencing dry conditions during the period as well as Terragen's strategic shift in sales strategy from a traditional farm-to-gate model to a more focused investment approach into research and development and commercial trials. The new product, *Terragen Probiotic*[®] for Ruminants (TPR) was launched in late April 2025 with sales in December quarter up 87% on September quarter.
- Research and development expenses of \$617,879 (2024: \$1,193,616) remain consistent with the Company's strategy of targeted investment into scientific research in commercial settings to further validate the benefits of existing products and to facilitate the development of new products for commercialisation. The key driver of the decrease in research and development expenses was the higher level of development activity undertaken in 2024 pertinent to *Terragen Probiotic*[®] for Ruminants (TPR). In addition, the Company made a strategic decision during the current period to moderate R&D expenditure to preserve cash as it continues to focus on the commercialisation of TPR.

Terragen Holdings Limited and Controlled Entity
Directors' Report
For the half-year ended 31 December 2025

Review of financial position

- Net cash outflows used in operating activities increased by 48% to \$1,575,090 (2024: \$1,060,305) largely driven by the reduction in receipts from customers and increase in product manufacturing and operating costs.
- The Group's net assets have decreased from \$6,569,265 to \$4,775,122 which is largely attributable to net cash used in operating activities. The Group's unencumbered cash balance, ongoing cash flow management and capital raising activities have resulted in a reasonable working capital position supporting future research, product development and commercialisation activities.
- On 6 February 2026 the Company announced a successful equity raising by way of a placement to Professional and Sophisticated investors which raised \$7.0 million to accelerate Global Commercialisation of the Company's products. The placement is in two tranches with the first tranche comprising of 126,254,293 ordinary shares which were issued on 16 February 2026 raising \$2,777,594. The second tranche is conditional on shareholder approval at an EGM to be held on 25 March 2026. If approved a further 191,927,526 shares will be issued which will raise a further \$4,222,406.

Principal risks

There have been no changes in principal risks previously reported in the Group's Financial Report for the year-ended 30 June 2025.

Capital structure

There have been no changes to the capital structure previously reported in the Group's Financial Report for the year-ended 30 June 2025.

Board and Management Changes

During the half-year the following Board and management changes were made:

- Following the resignation of Matthew Whyte, Roger McPherson was appointed Company Secretary and Chief Financial Officer on 11 August 2025.

Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the half year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as below:

- On 6 February 2026 the Company announced a successful equity raising by way of a placement to Professional and Sophisticated investors which raised \$7.0 million to accelerate Global Commercialisation of the Company's products. The placement is in two tranches with the first tranche comprising of 126,254,293 ordinary shares which were issued on 16 February 2026 raising \$2,777,594. The second tranche is conditional on shareholder approval at an EGM to be held on 25 March 2026. If approved a further 191,927,526 shares will be issued which will raise a further \$4,222,496.
- On 6 February 2026 the Company also announced changes to the Board of Directors with existing Non-executive Director, Dr Michele Allan AO being appointed as Non-executive Chair to replace Mike Barry who will remain on the Board as a Non-executive Director.

Terragen Holdings Limited and Controlled Entity
Directors' Report
For the half-year ended 31 December 2025

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 immediately after this directors' report.

Signed in accordance with a resolution of directors made pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'Richard Norton', with a long horizontal stroke extending to the right.

Richard Norton
Managing Director and CEO
19 February 2026

TERRAGEN HOLDINGS LIMITED AND CONTROLLED ENTITY
ABN 36 073 892 636

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TERRAGEN HOLDINGS LIMITED AND CONTROLLED ENTITY

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2025 there have been:

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

MVAB Assurance

MVAB Assurance
Chartered Accountants

W. Tarrant

WAYNE TARRANT
Partner

Signed at Melbourne this 19th day of February 2026

Consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2025

	Notes	31 Dec 25 \$	31 Dec 24 \$
Revenue	3	672,046	911,597
Cost of sales		(227,796)	(445,869)
Gross profit		444,250	465,728
Other income	3	60,824	84,290
Gross profit and other income		505,074	550,018
Sales and marketing expenses		(725,748)	(782,745)
Research and development expenses	4	(617,879)	(1,193,616)
Administration and other expenses		(1,335,821)	(1,422,853)
Finance costs	7	(24,010)	(25,719)
Loss before tax		(2,198,384)	(2,874,915)
Income tax benefit	9	421,945	575,621
Loss after income tax for the half-year		(1,776,439)	(2,299,294)
Other comprehensive losses for the half-year			
(Loss)/profit on translation of foreign operations		(3,019)	(169)
Total comprehensive loss for the half-year		(1,779,458)	(2,299,463)
Loss per share			
Basic loss per share (cents per share)	18	(0.35)	(0.60)
Diluted loss per share (cents per share)		(0.32)	(0.60)

The accompanying notes form part of these financial statements

Consolidated statement of financial position**As at 31 December 2025**

	Notes	31 Dec 25 \$	30 Jun 25 \$
Current assets			
Cash and cash equivalents	8	2,815,642	4,701,017
Trade and other receivables		179,574	146,131
Inventories		875,032	495,865
Other assets		235,374	280,381
Current tax asset	9	235,370	802,667
Total current assets		4,340,992	6,426,061
Non-current assets			
Right of use assets		98,662	164,126
Plant and equipment	10	560,006	639,799
Intangible assets	11	819,897	886,705
Other assets	12	24,188	-
Total non-current assets		1,502,753	1,690,630
Total assets		5,843,745	8,116,691
Current liabilities			
Trade and other payables	13	404,933	548,928
Lease liabilities		96,463	141,247
Other financial liabilities	14	149,629	276,993
Employee provisions		155,411	235,361
Total current liabilities		806,436	1,202,529
Non-current liabilities			
Lease liabilities		-	24,364
Other financial liabilities	14	237,776	292,843
Employee provisions		24,411	27,690
Total non-current liabilities		262,187	344,897
Total liabilities		1,068,623	1,547,426
Net assets		4,775,122	6,569,265
Equity			
Issued capital	16	51,302,054	51,302,054
Reserves	17	511,119	2,259,295
Accumulated losses		(47,038,051)	(46,992,084)
Total equity		4,775,122	6,569,265

The accompanying notes form part of these financial statements.

Consolidated statement of changes in equity**For the half-year ended 31 December 2025**

	Notes	Issued capital	Reserves	Accumulated losses	Total
		\$	\$	\$	\$
2025					
Balance at 1 July 2025		51,302,054	2,259,295	(46,992,084)	6,569,265
Loss for the half-year		-	-	(1,776,439)	(1,776,439)
Translation of foreign operations		-	(3,019)	-	(3,019)
Total comprehensive loss for the half-year		-	(3,019)	(1,776,439)	(1,779,458)
<i>Transactions with owners in their capacity as owners</i>					
Issue of share capital	16	-	-	-	-
Transfer of value of expired options		-	(1,730,472)	1,730,472	-
Capital raising Costs	16	-	-	-	-
Share-based payments		-	(14,685)	-	(14,685)
Balance at 31 December 2025		51,302,054	511,119	(47,038,051)	4,775,122
2024					
Balance at 1 July 2024		46,903,663	1,680,842	(43,268,254)	5,316,251
Loss for the half-year		-	-	(2,299,294)	(2,299,294)
Translation of foreign operations		-	(169)	-	(169)
Total comprehensive loss for the half-year		-	(169)	(2,299,294)	(2,299,463)
<i>Transactions with owners in their capacity as owners</i>					
Issue of share capital	16	3,218,456	-	-	3,218,456
Capital raising costs	16	(249,625)	-	-	(249,625)
Share based payments		-	182,753	-	182,753
Balance at 31 December 2024		49,872,494	1,863,426	(45,567,548)	6,168,372

The accompanying notes form part of these financial statements.

Terragen Holdings Limited and Controlled Entity
Consolidated statement of cash flows
For the half-year ended 31 December 2025

	31 Dec 25	31 Dec 24
	\$	\$
Cash flows from operating activities		
Receipts from customers	594,537	847,529
Payments to suppliers and employees	(3,138,234)	(2,951,662)
Research and development tax concession received	989,242	970,998
Interest and other costs of finance paid	(63,334)	(13,100)
Interest received	42,700	85,930
Net cash used in operating activities	(1,575,089)	(1,060,305)
Cash flows from investing activities		
Payment for property, plant & equipment	(37,162)	-
Payment for intangible assets	(21,273)	(79,823)
Net cash used in investing activities	(58,435)	(79,823)
Cash flows from financing activities		
Proceeds from share issue	-	3,218,456
Costs of issuing equity securities	-	(247,406)
Repayment of borrowings & lease liabilities	(246,285)	(280,148)
Net cash provided by financing activities	(246,285)	2,690,902
Net decrease in cash and cash equivalents	(1,879,809)	1,550,774
Cash and cash equivalents at the beginning of the year	8 4,701,017	4,543,013
Foreign exchange differences on cash and cash equivalents	(5,566)	(882)
Cash and cash equivalents at the end of the half-year	8 2,815,642	6,092,905

The accompanying notes form part of these financial statements.

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

1. Material accounting policies

The financial statements are for the consolidated Group, consisting of Terragen Holdings Limited (the Company) and its subsidiary (the Group). Terragen Holdings Limited is a company limited by shares whose shares are publicly traded on the Australian Securities Exchange (ASX) under the code TGH.

(i) Statement of compliance

The half-year financial report is a general-purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

(ii) Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost unless stated otherwise. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Comparatives have been reclassified where appropriate to ensure consistency and comparability with current period. The consolidated interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Terragen Holdings Ltd during the half-year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

(iii) Accounting standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(iv) Critical estimates and judgements

There have been no changes in critical estimates and judgements previously reported in the Group's Financial Report for the year-ended 30 June 2025.

(v) Operating losses / Going concern

The Group incurred a loss after income tax of \$1,776,439 (31 December 2024: \$2,299,294) and net operating cash outflows of \$1,575,090 (31 December 2024: \$1,060,305) for the period ended 31 December 2025. Notwithstanding the above, the financial report has been prepared on a going concern basis which contemplates the continuation of normal business operations and the realisation of assets and the settlement of liabilities in the normal course of business.

At 31 December 2025 the Group had cash and cash equivalents of \$2,815,642. On 6 February 2026 the Company announced a successful equity raising by way of a placement to Professional and Sophisticated investors which raised \$7.0 million to accelerate Global Commercialisation of the Company's products. The placement is in two tranches with the first tranche comprising of 126,254,293 ordinary shares which were issued on 16 February 2026 raising \$2,777,594. The second tranche is conditional on shareholder approval

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

at an EGM to be held on 25 March 2026. If approved a further 191,927,526 shares will be issued which will raise a further \$4,222,406. Refer to note 19 for full details.

Based on the successful equity raising and management's cash flow forecasts and having considered the current trading performance and the plans for the Group, the Directors are satisfied there is sufficient cash and cash equivalents to withstand current operating losses and settle its liabilities in the normal course of business.

2. Operating segments

i. Segment performance

The following tables present revenue and loss information for the Group's operating segments for half-year ended 31 December 2025 and 31 December 2024, respectively.

	Australia	New Zealand	TOTAL
	\$	\$	\$
31 December 2025			
Total segment revenue	672,046	-	672,046
Segment other income	60,824	-	60,824
Segment expenditure	(2,926,425)	(4,828)	(2,931,253)
Segment result	(2,193,555)	(4,828)	(2,198,383)

	Australia	New Zealand	TOTAL
	\$	\$	\$
31 December 2024			
Total segment revenue	895,104	16,493	911,597
Segment other income	84,290	-	84,290
Segment expenditure	(3,843,275)	(27,527)	(3,870,802)
Segment result	(2,863,881)	(11,034)	(2,874,915)

ii. Segment assets

The following tables present assets and liabilities information for the Group's operating segments as at 31 December 2025 and 30 June 2025, respectively.

	Australia	New Zealand	Total
	\$	\$	\$
31 December 2025	5,804,501	39,244	5,843,745
30 June 2025	8,035,832	80,859	8,116,691

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

	Half-year ended 31 Dec	
	2025 \$	2024 \$
3. Revenue and other income		
Sales by product at a point in time:		
- Mylo®	332,030	781,477
- Great Land Plus®	97,591	130,120
- Terragen Probiotic® for Ruminants	241,037	-
- Other sales	1,388	-
	672,046	911,597
Other income		
Interest received	42,700	84,290
Other income	18,124	-
Total other income	60,824	84,290
Total revenue and other income	732,870	995,887
4. Research and development expenses		
Direct research	280,466	824,925
Employee benefits	262,615	261,856
Depreciation and amortisation	37,791	43,138
Other Expenses	37,007	63,697
Total research and development expenses	617,879	1,193,616
5. Depreciation and amortisation		
Depreciation of right-of-use assets	65,464	86,736
Depreciation of property, plant, and equipment (refer to note 10)	86,197	48,617
Amortisation of intangible assets	79,287	16,360
Total depreciation and amortisation	230,948	151,713

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

Depreciation and amortisation (continued)	Half-year ended 31 Dec	
	2025 \$	2024 \$
Depreciation and amortisation by function as disclosed in the Profit & Loss		
- Cost of sales	43,349	51,954
- Sales and marketing expenses	20,109	19,667
- Research and development expenses	108,088	43,138
- Administration and other expenses	59,402	36,954
Total depreciation and amortisation	230,948	151,713
6. Employee benefits		
Employee benefits by function as disclosed in the Profit & Loss		
- Cost of sales	246,031	249,296
- Sales and marketing expenses	339,882	244,477
- Research and development expenses	262,615	249,064
- Administration and other expenses	486,329	913,916
Total employee benefits	1,334,857	1,656,753
7. Finance costs		
Interest on lease liabilities	3,908	7,909
Other finance costs	20,102	17,810
	24,010	25,719
	31 Dec 25	30 Jun 24
	\$	\$
8. Cash and cash equivalents		
Cash at bank	2,815,642	4,701,017

At 31 December 2025, the Group held a term deposit of \$104,347, which is restricted for the use of bank guarantees. This has been classified within other assets on the Statement of Financial Position at 31 December 2025.

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

	31 Dec 25	30 Jun 25
	\$	\$
9. Current tax asset		
Tax incentive on research and development	235,370	869,192

Movements in the tax incentive during the half-year ended 31 December 2025 and year ended 30 June 2025 are set out below:

Opening balance	802,667	869,192
Tax incentive on research and development received	(989,242)	(974,726)
Under provision of prior year R&D benefit	186,575	105,534
Accrual of tax incentive for the period	235,370	802,667
Closing balance at the end of the half-year	235,370	802,667

10. Property, plant and equipment

Carrying amounts of:

Plant and equipment	127,304	166,099
Office equipment	957	94
Motor Vehicles	362,291	384,526
Research equipment	56,925	66,956
Leasehold improvements	12,529	22,124
	560,006	639,799

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period.

	Plant & equipment	Office equipment	Motor Vehicles	Research equipment	Leasehold improvements	Total
	\$	\$	\$	\$	\$	\$
<u>Cost</u>						
Balance 1 July 2025	549,858	99,574	412,725	1,017,727	527,125	2,607,009
Additions	6,338	-	-	-	-	6,338
Balance 31 December 2025	556,196	99,574	412,725	1,017,727	527,125	2,613,347
<u>Accumulated depreciation</u>						
Balance 1 July 2025	(383,759)	(99,480)	(28,199)	(950,771)	(505,001)	(1,967,210)
Depreciation	(45,133)	863	(22,235)	(10,031)	(9,595)	(86,131)
Balance 31 December 2025	(428,892)	(98,617)	(50,434)	(960,802)	(514,596)	(2,053,341)
Carrying amount at 31 December 2025	127,304	957	362,291	56,925	12,529	560,006

Notes to the consolidated financial statements**For the half-year ended 31 December 2025**

	31 Dec 25	30 Jun 25
	\$	\$
11. Intangible Assets		
<u>Carrying amounts of:</u>		
Patents and trademarks	275,338	281,639
Capitalised development costs	544,559	605,066
Total Intangible Assets	819,897	886,705

Movements in carrying amounts

Movement in the carrying amounts for each class of intangibles between the beginning and the end of the current financial period.

	Patents and trademarks	Capitalised development costs	Total
	\$	\$	\$
<u>Cost</u>			
Opening balance	281,639	605,066	886,705
Additions	145,713	-	145,713
Balance at period end	427,352	605,066	1,032,418
<u>Accumulated amortisation</u>			
Opening balance	(133,234)	-	(133,234)
Charge for the year	(18,780)	(60,507)	(79,287)
Balance at period end	(152,014)	(60,507)	(212,521)
Carrying amount at period end	275,338	544,559	819,897

	31 Dec 25	30 Jun 25
	\$	\$
12. Other assets		
Capital works in progress	24,188	-
	24,188	-

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

	31 Dec 25	30 Jun 25
	\$	\$
13. Trade and other payables		
At amortised cost		
Trade payables	107,787	204,958
Accrued expenses	212,490	89,402
Other payables	84,657	254,568
	<u>404,934</u>	<u>548,928</u>
14. Financial liabilities		
<i>Current at amortised cost</i>		
Hire purchase	105,696	100,872
Insurance premium funding	43,933	176,121
	<u>149,629</u>	<u>276,993</u>
<i>Non-current at amortised cost</i>		
Hire purchase	237,776	292,843
	<u>237,776</u>	<u>292,843</u>

15. Share-based payments

Details of share options granted during the period under the employee incentive plan are provided below:

<u>Number</u>	<u>Grant date</u>	<u>Vesting date</u>	<u>Expiry date</u>	<u>Exercise price (\$)</u>	<u>Share price at grant date (\$)</u>	<u>Fair value at grant date (\$)</u>
750,000	26/9/2025	26/3/2026	26/9/2030	0.025	0.022	0.0162
750,000	26/9/2025	26/9/2026	26/9/2030	0.025	0.022	0.0162
750,000	26/9/2025	26/3/2027	26/9/2030	0.040	0.022	0.0147
750,000	26/9/2025	26/9/2027	26/9/2030	0.040	0.022	0.0147
750,000	26/9/2025	26/3/2028	26/9/2030	0.060	0.022	0.0133
750,000	26/9/2025	26/9/2028	26/9/2030	0.060	0.022	0.0133
750,000	26/9/2025	26/3/2029	26/9/2030	0.085	0.022	0.0121
750,000	26/9/2025	26/9/2028	26/9/2030	0.085	0.022	0.0121
750,000	26/9/2025	26/3/2030	26/9/2030	0.110	0.022	0.0111
750,000	26/9/2025	26/9/2030	26/9/2030	0.110	0.022	0.0111

The fair value of the share-based payment arrangements was determined using the option pricing model, incorporating the following key assumptions:

- Share price at grant date: \$0.022 per share.
- Expected price volatility: 98.064% per annum, based on the historical volatility of the Company's shares over a period consistent with the expected option life.
- Expected dividend yield: 0% per annum, as no dividends are anticipated during the option period.
- Risk-free interest rate: 3.773% per annum, derived from Australian Government bond yields with similar maturity terms.
- No modifications, cancellations, or settlements of share-based payment arrangements occurred during the half-year reporting period.

Notes to the consolidated financial statements

For the half-year ended 31 December 2025

	31 Dec 25	30 Jun 25
	\$	\$
16. Issued capital		
Ordinary shares	51,302,054	51,302,054

	31 Dec 25	30 Jun 25	31 Dec 25	30 Jun 25
	shares	shares	\$	\$
<u>Ordinary shares issued and fully paid</u>				
Beginning of the period	505,017,174	369,081,126	51,302,054	46,903,663
Issue of shares	-	135,936,048	-	4,757,762
Capital raising costs	-	-	-	(359,371)
Balance at period end	505,017,174	505,017,174	51,302,054	51,302,054

	31 Dec 25	30 Jun 25
	\$	\$
17. Reserves		
Share-based payments reserve (a)	511,452	2,256,609
Foreign currency translation reserve (b)	(333)	2,686
Total reserves	511,119	2,259,295

Movements in reserves during the half-year comprised:

a) Share-based payment reserve

	31 Dec 25	30 Jun 25	31 Dec 25	30 Jun 25
	Options	Options	\$	\$
Outstanding at the beginning of the period	62,500,000	8,000,000	2,256,609	1,679,050
Additions	7,500,000	54,500,000	274,340	577,559
Deductions	(25,300,000)	-	(2,019,497)	-
Outstanding at the end of the period	44,700,000	62,500,000	511,452	2,256,609

b) Foreign currency translation reserve

The movement in foreign currency translation reserve represents the loss on translation of the Group's foreign operations of \$3,019 for the half-year ended 31 December 2025 (2024: gain of \$169).

Notes to the consolidated financial statements**For the half-year ended 31 December 2025****18. Loss per share**

Both the basic and diluted loss per share have been calculated using the loss for the half-year. The reconciliation of the weighted average number of shares for the purpose of diluted loss per share to the weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

	Half-year ended 31 Dec	
	2025	2024
	\$	\$
Loss attributable to the owners of the Company	(1,776,439)	(2,299,294)
	2025	2024
	No.	No.
Weighted average number of shares used in basic loss per share	505,017,174	378,125,968
Weighted average number of shares used in diluted loss per share	561,693,261	382,550,011

19. Subsequent events

There has not been any matter or circumstance occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as below:

- On 6 February 2026 the Company announced a successful equity raising by way of a placement to Professional and Sophisticated investors which raised \$7.0 million to accelerate Global Commercialisation of the Company's products. The placement is in two tranches with the first tranche comprising of 126,254,293 ordinary shares which were issued on 16 February 2026 raising \$2,777,594. The second tranche is conditional on shareholder approval at an EGM to be held on 25 March 2026. If approved a further 191,927,526 shares will be issued which will raise a further \$4,222,406.
- On 6 February 2026 the Company also announced changes to the Board of Directors with existing Non-executive Director, Dr Michele Allan AO being appointed as Non-executive Chair to replace Mike Barry who will remain on the Board as a Non-executive Director.

Terragen Holdings Limited and Controlled Entity
Directors' Report
For the half-year ended 31 December 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Richard Norton
Managing Director and CEO
19 February 2026

TERRAGEN HOLDINGS LIMITED AND CONTROLLED ENTITY
ABN 36 073 892 636**REPORT ON THE HALF-YEAR REPORT TO THE MEMBERS OF TERRAGEN HOLDINGS LIMITED AND CONTROLLED ENTITY****Conclusion**

We have reviewed the half-year financial report of Terragen Holdings Limited (the Company) and its controlled entity (the Group) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the Corporations Act 2001 including:

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other Matter

The financial report for the year ended 30 June 2025 was audited by another auditor who expressed an unmodified opinion on that financial report dated 26 August 2025.

Responsibility of the Directors for the 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 (including Australian Accounting Interpretations) and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of the Group, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.



MVAB ASSURANCE
Chartered Accountants



WAYNE TARRANT
Partner

Signed at Melbourne this 19th day of February 2026

Melbourne

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