

1. Company details

Name of entity:	PPK Group Limited
ABN:	65 003 964 181
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

2. Results for announcement to the market

Statutory results	31 Dec 2025 \$'000	31 Dec 2024 ⁽¹⁾ \$'000	Change \$'000	Change %
Revenues from ordinary activities	15,867	12,126	3,741	31%
Profit/(loss) from continuing operations before income tax	11,558	(6,403)	17,961	281%
Profit/(loss) from continuing operations after income tax	5,253	(9,441)	14,694	156%
Profit/(loss) from discontinued operations before income tax ⁽²⁾	5,929	8,882	(2,953)	(33%)
Profit/(loss) after income tax from discontinued operations ⁽²⁾	5,226	5,450	(224)	(4%)
Profit/(loss) after income tax for the half-year	10,479	(3,991)	14,470	363%
Profit/(loss) for the half-year attributable to the owners of PPK Group Limited	10,535	(3,273)	13,808	422%

(1) The comparative information has been re-presented due to a discontinued operation in November 2025.

(2) The profit from discontinued operations relates to the deconsolidation of White Graphene Ltd as a controlled entity on 5 November 2025 (31 Dec 2024: White Graphene Ltd and BNNT Technology Pty Ltd's full 6 months and Li-S Energy Limited deconsolidated as a controlled entity on 31 October 2024), and its reclassification to an investment in associate on the same date, along with the related non-cash tax expense.

Dividends

The Board has resolved not to issue an interim dividend for the six months ended 31 December 2025.

Underlying Results before tax (unaudited, non-IFRS measure) - by segment

During the half-year (and the previous half-year) there were a number of significant non-operating and non-cash transactions across the business recorded in both continuing and discontinued operations.

Underlying profit/(loss) is a financial measure which is not prescribed by Australian Accounting Standards and represents the Group's underlying and recurring earnings from its operations and is determined by adjusting the statutory net profit/(loss) after tax for items that are non-cash or non-operating in nature. The directors consider underlying profit/(loss) to represent the core earnings of the Group. A reconciliation between the profit/(loss) before tax (as set out in note 3 for operating segments) and underlying profit/(loss) (an unaudited, non-IFRS measure) is provided below.

Deconsolidation of White Graphene Ltd

On 10 July 2025, White Graphene Ltd (WGL) and BNNT Technology Pty Ltd (BNNTTPL) successfully merged into a single nanomaterials business. As part of the transaction, WGL acquired 100% of the shares in BNNTTPL in exchange for shares in WGL.

On 5 November 2025, PPK disposed of 22.5 million shares to a third party and consequently, PPK ceased to control WGL (including its wholly owned subsidiary BNNTTPL) and deconsolidated it from its accounts. From this date, the remaining 39.38% interest in WGL is now recognised as an investment in associate under the equity method of accounting.

The non-cash gain before income tax from deconsolidation recognised in profit was \$6,937,000 (gain after income tax: \$6,234,000).

PPK reversal of non-cash impairment of investment in Li-S Energy Limited

In the 30 June 2025 full year accounts, PPK was required under the Accounting Standards to impair its 39.24% investment in Li-S Energy Limited (LIS), which is accounted for as an investment in an associate. LIS is listed on the ASX and has a quoted market price for the shares that trade day-to-day. There is considered to be an active market for LIS shares.

As the initial investment in LIS (as remeasured at deconsolidation on 31 October 2024) was recorded at 20.0 cents per share, the investment in LIS was required to be revalued down to 10.5 cents per share based on the closing market price on 30 June 2025. This resulted in a non-cash impairment of \$22,413,000 before tax (\$16,810,000 post tax). The impairment was included in the FY2025 Statutory Loss from continuing operations and was fully attributable to the owners of PPK.

To measure the reversal of impairment of its holdings in LIS, AASB 13 Fair Value Measurement required PPK to use the closing market price on 31 December 2025 of 15.5 cents per share as the Level 1 valuation input, less the estimated costs of disposal.

This resulted in a reversal of \$12,870,000 (\$9,009,000 post tax) of the previous impairment recorded at 30 June 2025. All profit impacts disclosed above are non-cash.

Underlying profit/(loss) before tax reconciliation - by segment

	Associates						Total
	PPE (Energy Storage)	WGL & BNNTTPL (Discon- tinued) ⁽¹⁾	WGL & BNNTTPL ⁽²⁾	LIS Energy	CIB	Corporate	
Half-year ended 31 December 2025	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reported profit / (loss) before tax	(289)	5,929	(156)	12,397	1,437	(1,831)	17,487
Gain on deconsolidation	-	(6,937)	-	-	-	-	(6,937)
Non-cash amortisation	230	-	-	-	-	-	230
Non-cash impairment reversal	-	-	-	(12,870)	-	-	(12,870)
Reversal of legal provision ⁽³⁾	-	-	-	-	-	253	253
Underlying profit / (loss) before tax	(59)	(1,008)	(156)	(473)	1,437	(1,578)	(1,837)

(1) Results from 1 July 2025 to 5 November 2025 included as part of discontinued operations.

(2) Results from 5 November 2025 to 31 December 2025 included as part of associates accounted for using the equity method.

(3) On 19 December 2025, a final settlement was reached for a legal dispute and the Group reversed \$253,000 of the previously recognised provisions as it was no longer required.

Half-year ended 31 December 2024	Associates								Total
	PPE (Energy Storage)	Technology	WGL & BNNTTPL (Discontinued)	LIS Energy ¹ (Discontinued)	LIS Energy ²	CIB	AMAG	Corporate	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Reported profit / (loss) before tax	(2,079)	49	(1,577)	10,459	(274)	1,972	(3,441)	(2,630)	2,479
Gain on deconsolidation	-	-	-	(12,180)	-	-	-	-	(12,180)
Non-cash Impairments and amortisation	245	-	-	-	-	-	3,248	-	3,493
Legal dispute ³	-	-	-	-	-	-	-	1,102	1,102
Donation of LIS shares	-	-	-	-	-	-	-	500	500
Underlying profit / (loss) before tax	(1,834)	49	(1,577)	(1,721)	(274)	1,972	(193)	(1,028)	(4,606)

(1) LIS results for 4 months to 31 October 2024 included as part of discontinued operations.

(2) LIS results for 2 months to 31 December 2024 included as part of associates accounted for using the equity method.

(3) This includes a recovery of costs from PPK Mining Group.

3. Net tangible assets

	31 Dec 2025 Cents	30 Jun 2025 Cents
Net tangible assets per ordinary security	59.2	40.7

The net tangible assets per share exclude right-of-use assets recognised in accordance with AASB 16, as well as intangible assets and deferred tax.

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Name of entities (or group of entities)	White Graphene Ltd (including its wholly owned subsidiary BNNT Technology Pty Ltd)
Date control lost	5 November 2025

On 10 July 2025, White Graphene Ltd (WGL) and BNNT Technology Pty Ltd (BNNTTPL) successfully merged into a single nanomaterials business. As part of the transaction, WGL acquired 100% of the shares in BNNTTPL in exchange for shares in WGL.

On 5 November 2025, PPK disposed of 22.5 million shares to a third party and consequently, PPK ceased to control WGL (including its wholly owned subsidiary BNNTTPL) and deconsolidated it from its accounts. The remaining 39.38% interest in WGL is now recognised as an investment in associate under the equity method of accounting.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

	Amount per security Cents	Franked amount per security Cents
Special (in-specie) dividend for the half-year ended 31 December 2024	5.71	5.71

PPK paid a 5.71 cent per share special ordinary dividend on 31 October 2024, which was fully satisfied by an in-specie distribution of shares in Li-S Energy Limited.

7. Dividend reinvestment plans

Not applicable.

8. Details of associate entities

Name of associate	Reporting entity's percentage holding		Contribution to profit/(loss)	
	Reporting period %	Previous period %	Reporting period \$'000	Previous period \$'000
Craig International Ballistics Pty Ltd	39.85%	39.85%	1,437	1,972
Li-S Energy Limited	39.11%	39.24%	(473)	(274)
AMAG Holdings Australia Pty Ltd	-	-	-	(193)
White Graphene Limited ⁽¹⁾	39.38%	-	(156)	-
<i>Group's aggregate share of associate entities' loss</i>				
Profit/(loss) from ordinary activities			808	(1,743)

(1) On 5 November 2025, PPK ceased to control WGL (including its wholly owned subsidiary BNNTTPL) and deconsolidated it from its accounts. The remaining 39.38% interest in WGL is now recognised as an investment in associate under the equity method of accounting.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments:

The Interim Report of PPK Group Limited for the half-year ended 31 December 2025 is attached.

12. Signed

A handwritten signature in black ink, appearing to read 'A. Birkill'.

Signed _____

Date: 27 February 2026

Anne-Marie Birkill
Non-Executive Chair

PPK Group Limited

ABN 65 003 964 181

Interim Report

For the half-year ended 31 December 2025

PPK Group Limited
Contents
For the half-year ended 31 December 2025



Chair's report	2
Directors' report	4
Auditor's independence declaration	11
Consolidated statement of profit or loss and other comprehensive income	12
Consolidated statement of financial position	13
Consolidated statement of changes in equity	14
Consolidated statement of cash flows	15
Notes to the consolidated financial statements	16
Directors' declaration	34
Independent auditor's review report to the members of PPK Group Limited	35

Dear fellow shareholder,

In this half year report, I am pleased to provide shareholders with an update on PPK Group's performance and strategic progress for the period. While market conditions remain dynamic, we have continued to invest our expertise and resources to actively support our portfolio companies and position the Group for long-term value creation.

Craig International Ballistics (CIB) maintains a strong order book across FY26 and FY27. Against a backdrop of heightened geopolitical uncertainty and increasing global supply-chain risk, CIB's sovereign manufacturing capability has become increasingly attractive to its client base.

As reported in July 2025, PPK received an unsolicited, non-binding and indicative offer to acquire its stake in CIB. Despite discussions and engagement the offer was unable to be concluded, however it does support PPK's broad expectations around the value and attractiveness of the business.

CIB continues to draw significant interest from both domestic and international organisations seeking partnership and collaboration opportunities.

The first half (H1) of FY26 was a period of strong operational execution for Li-S Energy, marked by meaningful progress in advancing its core lithium-sulfur technology, the successful commissioning of Australia's first lithium metal foil production line, and continued optimisation of its Phase 3 cell manufacturing facilities. It also strengthened its international profile, securing collaborations across defence, counter-drone and undersea systems - including with Praetorian Aeronautics and UK-based MSubs - highlighting the widening range of high-value applications now evaluating its technology. Supported by a new \$7.8 million ARENA grant to progress Phase 4 feasibility and engineering activities, Li-S Energy enters 2026 well positioned, with international partners ready to commence cell testing and trials as soon as the relevant transportation approvals are completed.

Over the past year, PowerPlus Energy (PPE) expanded its product range beyond small-scale commercial and industrial (C&I), launching residential and larger C&I systems. H1 FY26 revenue grew 32% to \$15.7m with modest margin improvement, driven by new products and cost discipline. Residential demand benefited from policy support despite price competition, while certified rack-mounted, modular C&I and utility SAPS systems saw strong uptake.

During the period, White Graphene Ltd (WGL) continued product development and validation of its nano-materials across metal, polymer and coating applications, informed by industry engagement. Evaluation results were shared with third parties for further technical assessment as part of early-stage qualification and commercialisation efforts. WGL also appointed additional international distributors to support market access. Evaluation programs and engagement activities are ongoing, with no material commercial outcomes finalised to date.

Financial Results and deconsolidation of White Graphene Ltd

On 5 November 2025, our investment in WGL Group was deconsolidated from the consolidated PPK Group, as a result of PPK ceasing to control WGL. This resulted in the derecognition of all the assets and liabilities associated with WGL Group, along with derecognition of the non-controlled (minority) interest recorded in equity in PPK's consolidated financial accounts. The remaining 39.38% investment in WGL was re-measured at fair value and is now recognised as an equity accounting investment going forward.

During the half-year (and the previous half-year) there were a number of significant non-operating and non-cash transactions across the business recorded in both continuing and discontinued operations. These include the deconsolidation of WGL Group, the deconsolidation of LIS in the previous period and the partial reversal of the non-cash impairment in LIS, initially recorded in H2 FY25.

Ultimately, these deconsolidations will improve the understanding of PPK Group's financial statements for the benefit of shareholders.

In the meantime, the directors consider underlying profit/(loss) of the portfolio businesses on an individual segment basis to best represent the core earnings of the Group. For completeness a reconciliation from reported profit/(loss) to underlying profit/(loss) before tax is provided in this report.

Resignation of Chief Executive Officer

Shareholders will recall that we announced the resignation of Marc Fenton in June 2025. Marc's employment, and his role as a PPK director, ceased on 5 December. I acknowledge Marc's significant contribution to PPK during his tenure and wish him all the best.

Until such time as a new CEO is appointed, PPK is being capably managed by the remaining members of the Executive Leadership Team with the support of PPK directors.

Outlook

During the first half of the financial year, we continued to implement our strategy of investing capital and expertise in innovative, growth stage companies in the energy storage, armour protection and nano-materials sectors with a view to creating value and delivering shareholder returns.

We maintain a firm belief that the companies in our underlying portfolio have good commercial potential.

We expect CIB to continue to perform strongly in H2 FY26, with the company continuing to draw significant interest regarding partnership and collaboration opportunities.

We are encouraged by recent product developments by Li-S Energy in its core lithium-sulfur technology, the \$7.8m ARENA grant greatly assisting in funding the feasibility and engineering studies required to progress their Phase 4 manufacturing plant plans.

PPE revenue growth and margin improvement is expected to continue in H2 FY26, as a result of management's turn-around efforts in the business capturing increased market share.

We have continued to ensure the companies in our portfolio have sufficient cash and other resources to action their strategic plans.

As we do regularly, and particularly during periods of change, we are undertaking a strategic review of the PPK portfolio to identify the most effective pathways to maximise shareholder value.

On 2 December 2025 we released our most recent newsletter, which can be found on our website at: <https://ppkgroup.com.au/investor-centre/presentations-all/>. We welcome your feedback on how we can improve our engagement with you.

In closing, thank you once again for your support.

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'PPK Group') consisting of PPK Group Limited (referred to hereafter as the 'Company', 'parent entity' or 'PPK') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025 ('HY26').

Directors

The following persons were directors of PPK Group Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Anne-Marie Birkill (Independent Non-Executive Chair)
 Glenn Molloy (Executive Director)
 Rick Francis (Independent Non-Executive Director)
 Marc Fenton (Managing Director) (resigned 5 December 2025)

Principal activities

During the financial half year the principal continuing activities of the Group consisted of investing capital and expertise in high potential opportunities with a current focus on energy storage, safety related products and nanomaterials. Our goal is to strengthen each investment and, when appropriate, exit the investment.

The current portfolio of businesses include:

- energy storage assets comprising Li-S Energy Limited and PowerPlus Energy Pty Ltd;
- ballistic protection products delivered through Craig International Ballistics Pty Ltd; and
- nanomaterials comprising BNNT Technology Pty Limited and White Graphene Limited.

PPK provides finance, IT, legal, and other strategic and transactional shared services to its portfolio companies. The strategic and transactional services include financial planning across multiple years, commercial activities, contract establishment, capital raising, risk management, IT architecture, cyber security, accounts payable, accounts receivable and payroll. PPK portfolio companies pay for these shared services, and those fees partially cover PPK's corporate costs.

Dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>Special dividend:</i>		
Special (in-specie) dividend for the half-year ended 31 December 2025 of nil cents (31 Dec 2024: 5.71 cents) per ordinary share	-	<u>5,189</u>

PPK paid a 5.71 cent per share special ordinary dividend, which was fully satisfied by an in-specie distribution of shares in LIS in October 2024.

The directors have not declared a dividend for the half-year ended 31 December 2025.

Review of operations

PPK Group holds a diversified portfolio of investments comprising operating entities: Craig International Ballistics (CIB) and PowerPlus Energy Pty Limited (PPE); and pre-revenue (R&D) ventures - Li-S Energy Limited (LIS), White Graphene Limited (WGL), and its subsidiary BNNT Technology Pty Ltd (BNNTTPL).

Investments in these businesses are either accounted for as a controlled subsidiary (PPE) or associates (WGL, LIS and CIB).

Current period: Deconsolidation of White Graphene Ltd

On 10 July 2025, White Graphene Ltd (WGL) and BNNT Technology Pty Ltd (BNNTTPL) successfully merged into a single nanomaterials business. As part of the transaction, WGL acquired 100% of the shares in BNNTTPL in exchange for shares in WGL.

On 5 November 2025, PPK disposed of 22.5 million shares to a third party and consequently, PPK ceased to control WGL (including its wholly owned subsidiary BNNTTPL) and deconsolidated it from its accounts. The remaining 39.38% interest in WGL is now recognised as an investment in associate under the equity method of accounting.

The non-cash gain before income tax from deconsolidation recognised in profit was \$6,937,000 (gain after income tax: \$6,234,000).

Prior period: PPK deconsolidation of Li-S Energy Limited

During the financial year ended 30 June 2025, LIS was reclassified from a controlled subsidiary to an associate following its deconsolidation from the Group on 31 October 2024.

The results of both WGL and LIS are now equity accounted as Associates from their respective dates of deconsolidation from PPK. All results for periods prior to their deconsolidation, and their respective gain or loss on deconsolidation are shown separately in Discontinued Operations.

Underlying Results before tax (unaudited, non-IFRS measure) – by segment

During the year ended 30 June 2025 there were a number of significant non-operating and non-cash transactions across the business recorded in both continuing and discontinued operations. This included the impairment of PPK's investment in LIS from 20.0 cents (being the price at deconsolidation) to 10.5 cents, being the closing market price on the ASX at 30 June 2025.

At 31 December 2025 PPK reversed a portion of the impairment previously recognised in its investment in LIS, which is accounted for as an investment in an associate, to the closing market price on 31 December 2025 being 15.5 cents. This resulted in a partial reversal of the previous impairment of \$12,870,000 (before tax).

To measure the reversal of impairment of its holdings in LIS, AASB 13 Fair Value Measurement required PPK to use the closing market price on 31 December 2025 of 15.5 cents per share as the Level 1 valuation input, less the estimated costs of disposal.

PPK also ceased to control WGL (and its wholly owned subsidiary BNNTTPL) during the half-year ended 31 December 2025. The recognition of the retained investment in WGL was recorded at 12.5 cents per share, which is considered the Fair Market Value. These transactions will lead to a greater simplification of the financial statements in the future and improve the understandability of the results for shareholders.

Underlying profit/(loss) is a financial measure which is not prescribed by Australian Accounting Standards and represents the Group's underlying and recurring earnings from its operations and is determined by adjusting the statutory net profit/(loss) after tax for items that are non-cash or non-operating in nature. The directors consider underlying profit/(loss) to represent the core earnings of the Group. A reconciliation between the profit/(loss) before tax (based on the classifications as set out in note 3 for operating segments) and underlying profit/(loss) (an unaudited, non-IFRS measure) is provided below:

Underlying profit/(loss) before tax reconciliation - by segment

	Associates						Total
	PPE (Energy Storage)	WGL & BNNTTPL (Discontinued) ⁽¹⁾	WGL & BNNTTPL ⁽²⁾	LIS Energy	CIB	Corporate	
Half-year ended 31 December 2025	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reported profit / (loss) before tax	(289)	5,929	(156)	12,397	1,437	(1,831)	17,487
Gain on deconsolidation	-	(6,937)	-	-	-	-	(6,937)
Non-cash amortisation	230	-	-	-	-	-	230
Non-cash impairment reversal	-	-	-	(12,870)	-	-	(12,870)
Reversal of legal provision ⁽³⁾	-	-	-	-	-	253	253
Underlying profit / (loss) before tax	(59)	(1,008)	(156)	(473)	1,437	(1,578)	(1,837)

(1) WGL results from 1 July 2025 to 5 November 2025 included as part of discontinued operations.

(2) WGL results from 5 November 2025 to 31 December 2025 included as part of associates accounted for using the equity method.

(3) On 19 December 2025, a final settlement was reached for a legal dispute and the Group reversed \$253,000 of the previously recognised provisions as it was no longer required.

Underlying profit/(loss) before tax reconciliation - by segment

Half-year ended 31 December 2024	Associates								Total
	PPE (Energy Storage)	Technology	WGL & BNNTTPL (Discontinued)	LIS Energy ¹ (Discontinued)	LIS Energy ²	CIB	AMAG	Corporate	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Reported profit / (loss) before tax	(2,079)	49	(1,577)	10,459	(274)	1,972	(3,441)	(2,630)	2,479
Gain on deconsolidation	-	-	-	(12,180)	-	-	-	-	(12,180)
Non-cash Impairments and amortisation	245	-	-	-	-	-	3,248	-	3,493
Legal dispute ³	-	-	-	-	-	-	-	1,102	1,102
Donation of LIS shares	-	-	-	-	-	-	-	500	500
Underlying profit / (loss) before tax	(1,834)	49	(1,577)	(1,721)	(274)	1,972	(193)	(1,028)	(4,606)

(1) LIS results for 4 months to 31 October 2024 included as part of discontinued operations.

(2) LIS results for 2 months to 31 December 2024 included as part of associates accounted for using the equity method.

(3) This includes a recovery of costs from PPK Mining Group.

Craig International Ballistics Pty Ltd (CIB)

CIB (Associate)	31 Dec 2025 \$'000	31 Dec 2024 \$'000	Change \$'000	Change %
Underlying equity accounted profit before tax	1,437	1,972	(535)	(27%)
Distributions paid to PPK	2,397	1,581	816	52%

CIB continued to perform strongly in the first half. While revenue at \$17.5m was down 13% from the prior corresponding period, this was off the back of an exceptional year in FY25. CIB paid a dividend to all shareholders in July 2025, of which PPK received \$2,397,000.

CIB provides advanced personal protection and survivability solutions - both opaque and transparent - for land vehicles, aircraft, and marine vessels. CIB's manufacturing facilities are located on the Gold Coast, Queensland, delivering a critical sovereign manufacturing capability. The Company is a long-standing and trusted supplier of ballistic protection to the Australian Defence Force.

During the first half of the financial year, CIB participated in several major international defence and security trade shows, including DSEI (London), PASS (Belgium), and MILIPOL (Paris). These events were strategically important in strengthening industry relationships, assessing the global competitive landscape, and showcasing CIB's latest ballistic protection technologies. CIB received strong interest from North American and European industry participants, particularly regarding collaboration opportunities to evaluate its new lightweight hard-armour product range, manufactured using ultra-high-pressure consolidation.

CIB continues to maintain a strong order book across FY26 and FY27. Against a backdrop of heightened geopolitical uncertainty and increasing global supply-chain risk, CIB's sovereign manufacturing capability has become increasingly attractive. As a result, the Company continues to draw significant interest from both domestic and international organisations seeking partnership and collaboration opportunities.

PowerPlus Energy Pty Ltd (PPE)

	31 Dec 2025 \$'000	31 Dec 2024 \$'000	Change \$'000	Change %
PPE (Energy Storage)				
Underlying loss before tax	(59)	(1,834)	1,775	97%
Distributions paid to PPK	-	-	-	-

PPE designs and manufactures modular lithium ferro phosphate (LFP) batteries and Battery Energy Storage Systems (BESS) for off-grid, on-grid and fringe-of-grid applications across Australia. PPE operates through an established national network of distributors and installers, with Australian-made products and locally based support representing key points of differentiation.

Over the past 12 months, PPE has refreshed its product portfolio, expanding beyond its historical focus on small-scale commercial and industrial solutions. New offerings include the Whispr-7 residential battery and larger systems targeting commercial and industrial customers. Continued investment in product innovation has supported PPE's ability to respond to evolving customer requirements and market conditions.

For HY26, PPE reported revenue of \$15.7 million, representing growth of 32% compared to HY25. Revenue growth was driven primarily by the introduction of new products across core market segments. Margins improved modestly during the period, reflecting higher sales volumes and ongoing cost discipline, with fixed cost growth held broadly in line with CPI.

The Cheaper Home Batteries Program remained an important driver of industry activity during the first half. However, the current program structure has intensified price competition in the residential segment. PPE entered the residential stackable battery market in collaboration with technology partner Renox and achieved strong sales momentum. A program restructure scheduled for May 2026 is expected to improve market conditions, with PPE anticipating that the Whispr product, incorporating a silent inverter and AI-enabled backend, will be well aligned to the revised settings.

PPE continued to prioritise core market segments where sustainable and profitable growth opportunities exist. Following Clean Energy Council certification of the Eco4847P battery in late June 2025, demand for rack-mounted battery systems increased, supported by improvements to the bill of materials. Key end markets included agriculture, tourism and utilities, where PPE maintains an established reputation.

During HY26, PPE commissioned its first Escape 215 system, a 215kWh modular solution for larger commercial and industrial applications. Demand for utility stand-alone power systems (SAPS) remained strong, particularly in regional areas requiring resilient energy solutions.

PPE recorded a strong start to FY26 and expects demand to remain robust, supported by ongoing product development, strategic agility and a focus on addressing unmet customer needs, while managing competitive dynamics in the residential market.

Li-S Energy Limited (LIS)

	31 Dec 2025 \$'000	31 Dec 2024 \$'000	Change \$'000	Change %
LIS Energy (Associate)				
Underlying loss before tax:				
Discontinued operations: \$nil (2025: for 4 months to 31 October 2024)	-	(1,721)	1,721	n/a
Associate loss: equity accounted result (2025: for 2 months to 31 December 2024)	(473)	(274)	(199)	(73)%

Note: Discontinued operations represent the losses up until 31 October 2024 while LIS was a controlled entity of PPK. Accordingly, these results represent 100% of LIS results (before non-controlling interests). The results post deconsolidation (i.e. the 2 months from 31 October 2024 to 31 December 2024) represent PPK's 39.24% share of LIS' losses for that period under equity accounting rules.

LIS is commercialising lithium-sulfur and lithium-metal batteries. The battery cell will offer higher energy density, lighter weight, and improved safety. The target market sectors are primarily drones, defence and electric aviation where weight and safety performance are crucial. Key activities for LIS during the six months to 31 December 2025 included:

- **Power Cell Development**

At LIS's Annual General Meeting, it announced progress in the development of a next-generation power cell architecture designed to deliver improved power output while maintaining high energy density in its lithium sulfur cells. This development has the potential to broaden the applicability of LIS's technology across additional mission profiles including multi-rotor drones and advanced wearable systems.

- **Completion of Australia's First Lithium Foil Production Line**

During the period, LIS completed the installation and commissioning of the second stage of Australia's first lithium metal foil production line at its Geelong facility.

- **Australia's First Lithium Metal Foils Produced**

In a major milestone for Australia's battery manufacturing capability, LIS successfully produced Australia's first lithium metal foils. This achievement validates LIS's proprietary lithium metal processing capability and supports both internal battery production and external commercial opportunities.

- **\$7.8 million ARENA Grant**

LIS was awarded a \$7.8 million grant from the Australian Renewable Energy Agency (ARENA) to support the scale-up of advanced battery manufacturing and related technology development. The grant materially strengthens LIS's balance sheet and accelerates its commercialisation pathway.

- **Praetorian Aeronautics Collaboration**

LIS entered into a collaboration with Praetorian to explore the application of its battery technologies in advanced security and defence systems, further expanding its portfolio of defence-focused partnerships.

- **MSubs Collaboration**

LIS entered into a collaboration with UK company MSubs Limited to explore and test its lithium sulfur cells to power large crewed and uncrewed underwater and maritime vessels, extending the reach of LIS's technology into new operational environments.

- **Appointment of U.S. Representative – Paladin Defense Services LLC**

LIS appointed Paladin Defense Services LLC as its U.S. representative to support engagement with U.S. defence, aerospace and government agencies. This appointment strengthens LIS's presence in the strategically important U.S. market.

Nanomaterials

WGL & BNNTPL (Associate)	31 Dec 2025 \$'000	31 Dec 2024 \$'000	Change \$'000	Change %
Underlying loss before tax:				
Discontinued operations: consolidated results for the period until 5 November 2025 (2025: 6 months to 31 December 2024)	(1,008)	(1,577)	569	36%
Associate loss: equity accounted result from 5 November 2025 to 31 December 2025 (2025: nil)	(156)	-	(156)	n/a

Note: Discontinued operations represent the results up until 5 November 2025 while WGL was a controlled entity of PPK. Accordingly, these results represent 100% of WGL results (before non-controlling interests). The results post deconsolidation (i.e. the period from 5 November 2025 to 31 December 2025) represent PPK's 39.38% share of WGL's results for that period under equity accounting rules.

During the reporting period, WGL undertook ongoing product development and validation activities for its range of nanomaterials (including those held by its wholly owned subsidiary BNNT Technology Pty Ltd). These activities were directed toward assessing potential performance characteristics of the Group's materials across a range of metal, polymer and coating applications, selected based on existing industry engagement.

As part of these activities, the Group shared evaluation results with third parties for the purposes of further technical assessment and internal testing. These engagements are preliminary in nature and form part of the Group's broader product qualification and commercialisation process.

The Group also appointed additional international distributors during the period to support market access and customer engagement in selected regions.

The Company continues to progress evaluation programs and engagement activities. No material commercial outcomes have been finalised as at the date of this report.

AMAG (Associate)	31 Dec 2025 \$'000	31 Dec 2024 \$'000	Change \$'000	Change %
Underlying equity accounted loss before tax	-	(193)	193	n/a

The AMAG business was disposed of in the previous year.

PPK Group consolidated results

Financial Performance – Statutory

The profit attributable to the Owners of PPK Group amounted to \$10,535,000 (31 December 2024: loss of \$3,273,000).

The financial results in PPK's profit or loss statement, excluding results relating to discontinued operations (refer to Note 7), as summarised in Note 3 Operating segments show:

- Revenue from contracts with customers of \$15,867,000 (31 December 2024: \$12,126,000);
- Other operating income/(losses) and finance income of \$634,000 (31 December 2024: loss of \$263,000);
- Share of profit from associates of \$808,000 and reversal of a prior period impairment of \$12,870,000 (31 December 2024: loss of \$1,743,000);
- Finance costs of \$500,000 (31 December 2024: \$523,000). These costs relate mainly to external convertible notes held by PPE;
- Energy Storage Segment expenses of \$4,443,000 (31 December 2024: \$4,471,000); and
- Corporate expenses of \$2,532,000 (31 December 2024: \$3,087,000).

Financial position at 31 December 2025

The Group continues to maintain a strong balance sheet as evidenced by:

- \$2,652,000 of cash and cash equivalents (30 June 2025: \$5,058,000) of which \$1,960,000 is directly held by PPK (30 June 2025: \$3,566,000);
- PPK received current year management fees of \$480,000 (30 June 2025: \$1,613,000) from non-wholly owned subsidiary companies and associates for providing shared support services;
- On 10 July 2025, WGL acquired 100% of the shares in BNNT for shares in WGL. The merger was implemented to improve commercial efficiency and obtain operational synergies. The nanomaterials business has access to sufficient working capital funds to finance the planned research and development programs of the combined nanomaterials business; and
- PPK owns 251m shares in LIS which is an ASX listed Company.

At 31 December 2025, the market price of LIS shares increased to 15.5 cents per share, resulting in a reversal of \$12,870,000 (\$9,009,000 post tax) of the impairment of \$22,413,000 recorded at 30 June 2025. All profit impacts disclosed above are non-cash.

As reported in July 2025 PPK received an unsolicited, non-binding and indicative offer to acquire its stake in CIB. Due diligence materials were provided during the second half of FY25, and significant engagement occurred. Despite these discussions the offer was unable to be concluded, however it does support PPK's broad expectations around the value and attractiveness of the business.

During the half-year (and the previous half-year) there were a number of significant non-operating and non-cash transactions across the business recorded in both continuing and discontinued operations. These include the deconsolidation of WGL, the deconsolidation of LIS in the previous period and the partial reversal of the non-cash impairment in LIS, initially recorded in H2 FY25.

Ultimately, these deconsolidations, will improve the understanding of PPK Group's financial statements for the benefit of shareholders.

Environmental regulation

AASB S2 'Climate-related Disclosures' sets out specific climate related disclosures. It applies to entities required to prepare and lodge a financial report with ASIC under Chapter 2M and is effective for different entities based on certain criteria. This mandatory sustainability reporting will be applicable for the Company for the first time for the year ending 30 June 2027.

Significant changes in the state of affairs

On 10 July 2025 White Graphene Limited (WGL) and BNNT Technology Pty Ltd (BNNTTPL) merged into a single nanomaterials business. As part of the transaction, WGL acquired 100% of the shares in BNNTTPL in exchange for shares in WGL. The merger was implemented to improve commercial efficiency and obtain operational synergies. Engagements with prospective partners and customers often involve the full suite of boron nitride nanomaterials, and a single point of entry into the Group's nanomaterials capability allows for more streamlined and coordinated discussions. The combination will also deliver governance, audit and overhead efficiencies.

On 5 November 2025, PPK disposed of 22.5 million shares to a third party and consequently, PPK ceased to control WGL (including its wholly owned subsidiary BNNTTPL) and deconsolidated it from its accounts. The remaining 39.38% interest in WGL is now recognised as an investment in associate under the equity method of accounting.

There were no other significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year

On 5 February 2026 PPK increased its shareholding in its subsidiary company, PowerPlus Energy Pty Ltd (PPE), to 75.4% after acquiring additional shares in PPE as part of a broader settlement to resolve several matters between various parties, resulting in a small net cash payment by PPK to an entity connected to the founders and former Chief Executive Officer of PPE.

On 24 February 2026, the loan provided by PPE's minority shareholders, Altus Constructions, was extended for a further 6 months to 31 August 2026.

PPK also extended the following loan terms:

- the term of the loan from PPK to White Graphene Limited was extended from May 2026 to May 2027;
- the capitalisation period of the PPE convertible note from PPK was extended to 20 August 2027, to align with the expiry of the term of the notes; and
- the term and capitalisation period of the PPK loan to PPE was also extended to 31 August 2026, to align with the term of the loan from Altus Constructions to PPE discussed above.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Anne-Marie Birkill
Non-Executive Chair

27 February 2026
Brisbane



**Shape the future
with confidence**

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Auditor's independence declaration to the directors of PPK Group Limited

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

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of PPK Group Limited and the entities it controlled during the financial period.

Ernst & Young

Madhu Nair
Partner
27 February 2026

PPK Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025



	Note	Consolidated 31 Dec 2025 \$'000	31 Dec 2024 \$'000*
Revenue from contracts with customers	4	15,867	12,126
Cost of sales		(11,146)	(8,442)
Gross profit		<u>4,721</u>	<u>3,684</u>
Share of profit/(loss) of associates accounted for using the equity method	8	808	(1,743)
Reversal of impairment of investment in associates	8	12,870	-
Other income and gains/(losses)	5	355	(441)
Interest revenue calculated using the effective interest method		279	178
Expenses			
Energy storage segment expenses		(4,443)	(4,471)
Corporate expenses		(2,532)	(3,087)
Finance costs		(500)	(523)
Profit/(loss) before income tax from continuing operations		11,558	(6,403)
Income tax expense	6	(6,305)	(3,038)
Profit/(loss) after income tax expense from continuing operations		<u>5,253</u>	<u>(9,441)</u>
Discontinued operations:			
Profit before tax from discontinued operations	7	5,929	8,882
Income tax expense from discontinued operations	7	(703)	(3,432)
		<u>5,226</u>	<u>5,450</u>
Profit/(loss) after income tax for the half-year		10,479	(3,991)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income/(loss) for the half-year		<u>10,479</u>	<u>(3,991)</u>
Profit/(loss) for the half-year is attributable to:			
Non-controlling interest		(56)	(718)
Owners of PPK Group Limited		<u>10,535</u>	<u>(3,273)</u>
		<u>10,479</u>	<u>(3,991)</u>
		Cents	Cents
Earnings per share for profit/(loss) from continuing operations attributable to the owners of PPK Group Limited			
Basic earnings per share		5.7	(7.7)
Diluted earnings per share		5.6	(7.7)
Earnings per share for profit/(loss) attributable to the owners of PPK Group Limited			
Basic earnings per share		11.5	(3.6)
Diluted earnings per share		11.1	(3.6)

* The comparative information has been re-presented due to a discontinued operation. Refer to note 7.

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

PPK Group Limited
Consolidated statement of financial position
As at 31 December 2025



	Note	Consolidated 31 Dec 2025 \$'000	30 Jun 2025 \$'000
Assets			
Current assets			
Cash and cash equivalents		2,652	5,058
Trade and other receivables		4,867	8,912
Inventories		7,325	7,485
Other assets		211	135
Total current assets		15,055	21,590
Non-current assets			
Trade and other receivables		2,813	-
Financial assets at fair value through profit or loss		72	172
Investments accounted for using the equity method	8	54,552	34,955
Property, plant and equipment		1,227	3,457
Right-of-use assets		3,040	3,696
Intangible assets	9	3,800	5,657
Deferred tax assets	6	3,623	3,417
Other assets		654	660
Total non-current assets		69,781	52,014
Total assets		84,836	73,604
Liabilities			
Current liabilities			
Trade and other payables		10,343	11,823
Contract liabilities		46	66
Borrowings		5,122	5,206
Lease liabilities		884	907
Income tax payable		-	67
Employee benefits		576	784
Provisions		2,192	3,542
Other current liabilities		1,800	1,800
Total current liabilities		20,963	24,195
Non-current liabilities			
Borrowings		598	555
Lease liabilities		2,617	3,217
Deferred tax liabilities	6	7,469	446
Provisions		61	101
Total non-current liabilities		10,745	4,319
Total liabilities		31,708	28,514
Net assets		53,128	45,090
Equity			
Issued capital	10	62,598	62,598
Reserves	11	37,145	36,607
Accumulated losses		(46,763)	(57,273)
Equity attributable to the owners of PPK Group Limited		52,980	41,932
Non-controlling interest		148	3,158
Total equity		53,128	45,090

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

PPK Group Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2025



Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total Attributable to owners of PPK Group Ltd \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2024	62,268	43,558	(38,083)	67,743	26,176	93,919
Loss after income tax benefit for the half-year	-	-	(3,273)	(3,273)	(718)	(3,991)
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-
Total comprehensive loss for the half-year	-	-	(3,273)	(3,273)	(718)	(3,991)
<i>Transactions with owners in their capacity as owners:</i>						
Issue of share capital for short-term incentive plan	330	-	-	330	-	330
Issue of performance rights	-	342	-	342	87	429
Loss of control in subsidiary	-	(8,217)	9,288	1,071	(20,807)	(19,736)
Dividends paid	-	-	(5,189)	(5,189)	-	(5,189)
Balance at 31 December 2024	<u>62,598</u>	<u>35,683</u>	<u>(37,257)</u>	<u>61,024</u>	<u>4,738</u>	<u>65,762</u>

Consolidated	Issued capital \$'000	Reserves \$'000	Accumulated losses \$'000	Total Attributable to owners of PPK Group Ltd \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 July 2025	62,598	36,607	(57,273)	41,932	3,158	45,090
Profit/(loss) after income tax benefit for the half-year	-	-	10,535	10,535	(56)	10,479
Other comprehensive income for the half-year, net of tax	-	-	-	-	-	-
Total comprehensive income/(loss) for the half-year	-	-	10,535	10,535	(56)	10,479
<i>Transactions with owners in their capacity as owners:</i>						
Issue of share capital for short-term incentive plan	-	-	-	-	-	-
Issue of performance rights	-	349	-	349	-	349
Loss of control in subsidiary	-	-	-	-	(2,954)	(2,954)
Other changes	-	189	(25)	164	-	164
Balance at 31 December 2025	<u>62,598</u>	<u>37,145</u>	<u>(46,763)</u>	<u>52,980</u>	<u>148</u>	<u>53,128</u>

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

	Consolidated	
Note	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	17,390	14,021
Payments to suppliers and employees (inclusive of GST)	(21,588)	(19,834)
Government grants received	30	66
Interest received	121	369
Interest and other finance costs paid	(254)	(217)
Income taxes paid	-	(7)
	<u>(4,301)</u>	<u>(5,602)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(102)	(1,374)
Payments for intangible assets	(126)	(860)
Proceeds from sale of investment in subsidiaries	1,160	2,760
Dividends received	2,497	405
Proceeds from government grants for capital acquisitions	36	799
Net cash reversed on deconsolidation of subsidiary*	7 (939)	(19,337)
	<u>2,526</u>	<u>(17,607)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	800
Repayment of borrowings	(200)	-
Repayment of lease liabilities	(431)	(459)
	<u>(631)</u>	<u>341</u>
Net cash (used in)/from financing activities		
Net decrease in cash and cash equivalents	(2,406)	(22,868)
Cash and cash equivalents at the beginning of the half-year	5,058	28,348
	<u>2,652</u>	<u>5,480</u>
Cash and cash equivalents at the end of the half-year		

* Cash attributable to WGL on the date of deconsolidation (5 November 2025) (31 Dec 2024: LIS on the date of deconsolidation (31 October 2024)).

Note 1. General information

The financial statements cover PPK Group Limited as a Group consisting of PPK Group Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is PPK Group Limited's functional and presentation currency.

PPK Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 13
120 Edward Street
Brisbane QLD 4000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 February 2026.

Note 2. Material accounting policy information

Going concern

As at 31 December 2025, the Group has net current liabilities of \$5,908,000 (30 June 2025: \$2,605,000).

Forecast operating cash flows and scenario analysis indicate that cash generation continues to be sufficient to fund operations. During the reporting period the term of the loan from Li-S Energy Limited (LIS), in which PPK has a 39.11% strategic holding, was extended from April 2026 to October 2026. At 31 December 2025 the quoted market price for LIS shares was 15.5 cents per share, which equates to a total approximate value of \$38.9 million. Whilst the investment in LIS is a strategic holding, the individual shares are liquid securities and can be used to manage cash flows as required.

One of PPK's subsidiaries has an outstanding loan payable to its minority shareholder which is due within the next 12 months. On 24 February 2026, this loan was extended for a further 6 months to 31 August 2026, and the directors are confident that this loan can be extended again in the future, if required. Should further extensions not be agreed, the directors are confident that the Group is able to implement other measures including reducing discretionary and variable operating expenditure and realisation of selected investments to manage cash flows.

Accordingly, the directors consider that there are reasonable grounds to believe the Group will be able to pay its debts as and when they fall due. As a result, these financial statements are prepared on a going concern basis.

Basis of preparation

These general purpose financial statements for the half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Comparatives

Comparative information has also been re-presented due to the discontinued operation. Refer to note 7.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any material impact for the Group during the financial half-year ended 31 December 2025 and are not expected to have a significant impact for the full financial year ending 30 June 2026.

Note 2. Material accounting policy information (continued)

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

Note 3. Operating segments

Identification of reportable operating segments

The Group is organised into 4 operating segments: Energy Storage, Technology (Subsidiaries), Associates and Corporate/Unallocated. These operating segments are based on the internal reports that are reviewed and used by the directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The entities included in the reportable segment information are differentiated by the amount of involvement PPK has with their operations. As either the major shareholder or having responsibilities to commercialise the technologies, PPK maintains an active role in the management of these entities through the appointment of directors and other key management personnel.

PPK deems that it controls the following entities and accounts for them as subsidiary companies for segment reporting:

Subsidiary

Segment

PowerPlus Energy Pty Ltd
BNNT Precious Metals Pty Ltd

Energy Storage
Technology

On 5 November 2025, PPK deconsolidated White Graphene Ltd (WGL). As a result, PPK now accounts for its remaining interest in WGL as an associate under the equity method of accounting. For the period 1 July 2025 to 5 November 2025, and for the prior comparative period, the results of WGL are shown in 'Discontinued operations'.

For those entities which PPK does not control the operations of the business and is reliant on the management to operate the business, PPK equity accounts these entities separately and for segment reporting. These include:

- Craig International Ballistics Pty Ltd;
- Li-S Energy Limited; and
- White Graphene Ltd (and its subsidiary BNNT Technology Pty Ltd) - from 6 November 2025.

Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions consist of management fees and are eliminated on consolidation.

Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Note 3. Operating segments (continued)

Operating segment information

Consolidated - 31 Dec 2025	Energy Storage \$'000	Technology \$'000	Associates \$'000	Corporate ⁽¹⁾ \$'000	Discontinued operations \$'000	Total \$'000
Revenue						
Revenue from contracts with customers	15,387	-	-	480	31	15,898
Other income	296	-	-	22	30	348
Reversal of impairment of investment in associates	-	-	12,870	-	-	12,870
Fair value adjustment of financial assets at FVTPL	-	-	-	37	-	37
Finance income	42	-	-	237	10	289
Gain on deconsolidation of subsidiary	-	-	-	-	6,937	6,937
Share of profit of associates	-	-	808	-	-	808
Total revenue and other income	15,725	-	13,678	776	7,008	37,187
Segment expenses include						
Cost of sales	(11,146)	-	-	-	-	(11,146)
Administration expenses	(3,739)	-	-	(2,085)	(729)	(6,553)
Share-based payment expense	-	-	-	(349)	(40)	(389)
Interest expense	(425)	-	-	(75)	(59)	(559)
Depreciation and amortisation	(704)	-	-	(98)	(251)	(1,053)
Profit/(loss) before income tax expense	(289)	-	13,678	(1,831)	5,929	17,487
Income tax expense						(7,008)
Profit after income tax expense						10,479
Assets						
Segment assets	17,744	99	54,552	12,441	-	84,836
Total assets						84,836
Liabilities						
Segment liabilities	19,440	547	-	11,721	-	31,708
Total liabilities						31,708

(1) Excludes \$134,000 in management fees charged by PPK to provide shared support services to the subsidiary companies which are eliminated on consolidation.

Note 3. Operating segments (continued)

Consolidated - 31 Dec 2024	Energy Storage \$'000	Technology \$'000	Associates \$'000	Corporate ⁽²⁾ \$'000	Discontinued operations \$'000	Total \$'000
Revenue						
Revenue from contracts with customers	11,602	49	-	475	114	12,240
Other income/(loss)	(421)	-	-	8	200	(213)
Fair value adjustment of financial assets at FVTPL	-	-	-	(28)	21	(7)
Finance income	34	-	-	144	416	594
Gain on deconsolidation of subsidiary	-	-	-	-	12,180	12,180
Share of loss of associates	-	-	(1,743)	-	-	(1,743)
Total revenue and other income	11,215	49	(1,743)	599	12,931	23,051
Segment expenses include						
Cost of sales	(8,442)	-	-	-	(2)	(8,444)
Administration expenses	(3,790)	-	-	(2,426)	(2,774)	(8,990)
Share-based payment expense	-	-	-	(555)	(138)	(693)
Interest expense	(381)	-	-	(142)	(86)	(609)
Depreciation and amortisation	(681)	-	-	(106)	(1,049)	(1,836)
Profit/(loss) before income tax expense	(2,079)	49	(1,743)	(2,630)	8,882	2,479
Income tax expense	-	-	-	-	-	(6,470)
Loss after income tax expense	-	-	-	-	-	(3,991)
Consolidated - 30 Jun 2025						
Assets						
Segment assets	22,332	12,150	36,030	3,092	-	73,604
Total assets	22,332	12,150	36,030	3,092	-	73,604
Liabilities						
Segment liabilities	20,878	7,380	-	256	-	28,514
Total liabilities	20,878	7,380	-	256	-	28,514

(2) Excludes \$442,000 in management fees charged by PPK to provide shared support services to the subsidiary companies which are eliminated on consolidation.

Note 4. Revenue from contracts with customers

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
From continuing operations		
Sale of goods	15,384	11,279
Rendering of services	483	847
	15,867	12,126

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>Geographical regions</i>		
Australia	15,867	12,126
	15,867	12,126
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	15,384	11,279
Services transferred over time	483	847
	15,867	12,126

Customer Concentration

For the period ended 31 December 2025, revenues from contracts with customers of approximately \$13,111,000 (31 Dec 2024: \$7,792,000) were derived from five major customers in the energy storage CGU, each individually representing more than 10% of the Group's total revenue. Customer A contributed approximately \$4,765,000 (31 Dec 2024: \$3,501,000), Customer B contributed approximately \$2,858,000 (31 Dec 2024: \$1,825,000), Customer C contributed approximately \$2,239,000 (31 Dec 2024: \$1,315,000), Customer D contributed approximately \$1,675,000 (31 Dec 2024: \$nil), and Customer E contributed approximately \$1,574,000 (31 Dec 2024: \$1,151,000).

In addition, the Corporate segment earned revenues from subsidiary companies which were eliminated on consolidation, and also from an associate or a joint venture and recognised in the rendering of services category of revenue.

Note 5. Other income and gains/(losses)

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
Net foreign exchange gain/(loss)	291	(434)
Gain on sale of financial assets at FVTPL	-	(21)
Government grants	-	12
Rental income	27	30
Fair value adjustment of financial assets at FVTPL	37	(28)
	355	(441)

Note 6. Income tax

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>Income tax expense</i>		
Current tax	-	1,107
Deferred tax	7,008	5,363
Aggregate income tax expense	<u>7,008</u>	<u>6,470</u>
Income tax expense is attributable to:		
Profit/(loss) from continuing operations	6,305	3,038
Profit from discontinued operations	703	3,432
Aggregate income tax expense	<u>7,008</u>	<u>6,470</u>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit/(loss) before income tax expense	11,558	(6,403)
Profit before income tax expense from discontinued operations	5,929	8,882
	<u>17,487</u>	<u>2,479</u>
Tax at the statutory tax rate of 25%	4,372	620
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other non-deductible expenses/(non-assessable income)	108	(493)
	4,480	127
Current half-year tax losses not recognised	118	697
Current half-year temporary differences on fair value of retained interest ⁽¹⁾	2,108	5,666
Other	302	(20)
Income tax expense	<u>7,008</u>	<u>6,470</u>

(1) PPK re-measured its retained 39% interest in WGL to fair value on the date of deconsolidation to \$8.432 million and this required the initial recognition of a DTL of \$2.108 million. In the previous comparative period, PPK re-measured its remaining 39% interest in LIS to fair value on the date of deconsolidation to \$50.301 million and this required the initial recognition of a deferred tax liability (DTL) of \$12.575 million (net tax effected value of \$37.725 million). PPK has also recognised \$30.900 million of gross carry forward tax losses available to partially offset the tax expense related to the initial recognition of the DTL recognising an associated income tax benefit of \$7.725 million.

Note 7. Discontinued operations

Current period - 31 Dec 2025: Deconsolidation of White Graphene Ltd

On 10 July 2025, White Graphene Ltd (WGL) and BNNT Technology Pty Ltd (BNNTTPL) successfully merged into a single nanomaterials business. As part of the transaction, WGL acquired 100% of the shares in BNNTTPL in exchange for shares in WGL.

On 5 November 2025, PPK disposed of 22.5 million shares to a third party and consequently, PPK ceased to control WGL (including its wholly owned subsidiary BNNTTPL) and deconsolidated it from its accounts. The remaining 39.38% interest in WGL is now recognised as an investment in associate under the equity method of accounting.

The deconsolidation required PPK to derecognise all the assets and liabilities associated with WGL including the non-controlling interest, and to remeasure its remaining interest at fair value as of the deconsolidation date. The resulting difference between these amounts was recognised as a non-cash gain in the consolidated statement of profit or loss in the current half-year.

The consolidated results for WGL for the period up to and including 5 November 2025, including the gain on deconsolidation, and the consolidated results for the prior half-year have been re-classified as discontinued operations and are disclosed separately from continuing operations.

The results for WGL from 6 November 2025 are now shown in share of profit/(loss) of associates in the consolidated statement of profit or loss.

The non-cash gain before income tax from deconsolidation recognised in the profit or loss was \$6,937,000 (gain after income tax: \$6,234,000).

Prior period - 31 Dec 2024: Deconsolidation of Li-S Energy Limited

On 31 October 2024, the deconsolidation of Li-S Energy Limited (ASX: LIS) was finalised following a series of transactions initiated by PPK Group Limited and undertaken by both PPK and its subsidiaries. These actions included:

- the distribution of a fully franked in-specie dividend of 25,950,000 LIS shares, valued at \$5,189,000, to PPK shareholders;
- the sale of approximately 34,700,000 LIS shares through off-market transactions at fair value for consideration of \$6,958,000;
- a charitable donation of 2,500,000 LIS shares to Deakin University in recognition of its contributions to PPK and its subsidiaries; and
- PPK reduced its influence on LIS reducing the number of appointed directors from two to one to the LIS Board.

As a result, PPK ceased to control LIS and deconsolidated it from its accounts. The remaining 39.24% interest in LIS is now recognised as an investment in associate under the equity method of accounting.

The deconsolidation required PPK to derecognise all the assets, liabilities, and any related goodwill associated with LIS including the non-controlling interest, and to remeasure its remaining interest at fair value as of the deconsolidation date. The resulting difference between these amounts was recognised as a non-cash gain in the consolidated statement of profit or loss.

The consolidated result for LIS for the period up to and including 31 October 2024, including the gain on deconsolidation, was reclassified as discontinued operations and is disclosed separately from continuing operations.

The results for LIS from 1 November 2024 are now shown in share of profit/(loss) of associates in the consolidated statement of profit or loss.

The financial performance and cashflow information presented below comprise:

Current Period (5 November 2025 column):

- WGL for the period from 1 July 2025 to 5 November 2025

Prior Period (31 December 2024 column):

- WGL for the period from 1 July 2024 to 31 December 2024
- LIS for the period from 1 July to 31 October 2024

Note 7. Discontinued operations (continued)

	WGL 5 Nov 2025 '000	WGL 31 Dec 2024 '000	LIS 31 Dec 2024 '000
Summarised statement of profit or loss for discontinued operation			
Revenue	31	114	-
Cost of sales	-	(2)	-
Gross profit	<u>31</u>	<u>112</u>	<u>-</u>
Interest revenue	10	-	416
Other income	30	121	79
Fair value adjustment of financial assets at FVTPL	-	-	21
Total other income	<u>40</u>	<u>121</u>	<u>516</u>
Employee expenses	(575)	(736)	(482)
Administration expenses	(194)	(504)	(1,443)
Depreciation and amortisation	(251)	(514)	(535)
Finance costs	(59)	(56)	(30)
Adjustment for elimination of intercompany transactions	-	-	253
Total expenses	<u>(1,079)</u>	<u>(1,810)</u>	<u>(2,237)</u>
Profit/(loss) before income tax expense	(1,008)	(1,577)	(1,721)
Gain on deconsolidation of the subsidiary before income tax (note 7(c))	6,937	-	12,180
Profit/(loss) before tax from discontinued operations	<u>5,929</u>	<u>(1,577)</u>	<u>10,459</u>
Income tax expense from discontinued operations	(703)	(264)	(3,168)
Profit after income tax expense from discontinued operations	<u>5,226</u>	<u>(1,841)</u>	<u>7,291</u>

	Consolidated	
	31 Dec 2025 \$'000	31 Dec 2024 \$'000
Summarised cashflow statement		
Net cash used in operating activities	(739)	(3,276)
Net cash from/(used in) investing activities	106	(489)
Net cash from financing activities	729	831
Net increase/(decrease) in cash and cash equivalents from discontinued operations	<u>96</u>	<u>(2,934)</u>

The closing balance of WGL cash and cash equivalents at 5 November 2025 was \$939,000 (2024: The closing balance of LIS cash and cash equivalents at 31 October 2024 was \$19,337,000).

Note 7. Discontinued operations (continued)

(b) Assets and liabilities of the disposal group

The following assets and liabilities were consolidated in relation to the WGL subsidiary immediately prior to the disposal on 5 November 2025 (2024: the assets and liabilities also include LIS subsidiary immediately prior to the disposal on 31 October 2024):

	Consolidated	
	5 Nov 2025 WGL \$'000	31 Oct 2024 LIS \$'000
Subsidiaries contribution to net assets		
Cash and cash equivalents	939	19,337
Trade and other current assets	3,275	2,451
Property, plant and equipment	2,073	6,867
Right-of-use assets	335	1,000
Intangibles	1,656	7,384
Investments	-	4,632
Other non-current assets	-	1,120
Total assets	8,278	42,791
Trade and other payables	447	627
Provisions	95	255
Other liabilities	608	1,394
Total liabilities	1,150	2,276
Net assets	7,128	40,515
Goodwill allocated to disposal group	-	29,271
Total net assets derecognised	7,128	69,786

(c) Gain on deconsolidation

White Graphene Ltd

As a result of the loss of control of WGL during the current period, the net assets are derecognised, the retained investment in WGL is measured at its fair value and consideration for shares sold or distributed to shareholders is recognised.

The fair value of the retained investment in WGL as at the date of deconsolidation has been determined to be \$8,432,000 based on \$0.125 per share.

Li-S Energy Limited

As a result of the loss of control of LIS during 2024, the net assets are derecognised, the retained investment in LIS is measured at its fair value and consideration for shares sold or distributed to shareholders is recognised.

The fair value of shares in LIS as at the date of deconsolidation has been determined to be \$0.20 per share.

Note 7. Discontinued operations (continued)

This has resulted in the following items being derecognised and recognised during the period:

	Consolidated	
	5 Nov 2025	31 Oct 2024
	\$'000	\$'000
Fair value of equity interest in WGL ¹ (2025: LIS ¹) before tax	8,432	50,301
Less: net assets of investment in a controlled subsidiary including goodwill (note 7(b))	(7,128)	(69,786)
Less: non-controlling interests derecognised in relation to WGL (2025: LIS)	2,954	21,518
Less: loan from/(to) PPK Group	2,086	(2,000)
Less: fair value adjustment of the loan from PPK Group	(2,220)	-
Add: consideration receivable for sale of shares	2,813	6,958
Add: donation of 2.5 million shares transferred to Deakin at nil consideration	-	-
Add: fair value of in-specie distribution of shares to PPK shareholders	-	5,189
Gain on deconsolidation	6,937	12,180
Income tax expense	(703)	(3,168)
Post tax gain on deconsolidation	<u>6,234</u>	<u>9,012</u>

(1) PPK re-measured its remaining 39.38% interest in WGL to fair value on the date of deconsolidation to \$8,432,000 and this required the initial recognition of a deferred tax liability of \$2,108,000. In the prior period, PPK re-measured its remaining 39.24% interest in LIS to fair value on the date of deconsolidation to \$50,301,000 and this required the initial recognition of a deferred tax liability of \$12,575,000 (net tax effected value of \$37,725,000).

Critical accounting judgements, estimates and assumptions

Determining control of an entity - LIS

With respect to the Group's assessment of its control of LIS, management used significant judgement to determine the power the Group has over LIS, the exposure to rights, to variable returns from its involvement with LIS and the ability to use its power over LIS to affect the amount of the returns from LIS to determine whether the Group controls the entity. Management actively assessed the Group's control of LIS throughout the year. In assessing its power over LIS, management considered:

- the direct and indirect interest the Group held, which at 30 June 2025 was 39.24% (31 Dec 2024: 39.24%);
- the relationship the Group has with Deakin, the research and development provider and other large shareholder of LIS;
- the composition of the LIS Board;
- the provision of senior executives pursuant to the management services agreements between the companies;
- the make-up of the LIS share register; and
- the relationship the Group has with WGL which is the supplier of BNNT to the entity, and whether there is a long-term supply agreement in place.

Weighing all the factors, the Board considered that the Group ceased to control LIS on 31 October 2024 as a result of its decrease in ownership interest in LIS to 39.24%.

As a result of the loss of control of LIS, PPK was required to recognise its remaining ownership interest in LIS as an associate at its fair value on the date of deconsolidation of the former subsidiary. This fair value was estimated based at \$0.20 per share of LIS on 31 October 2024. AASB 13 Fair Value Measurement required PPK to value its holding in LIS at the closing market price for LIS shares at the measurement date as a level 1 input per the fair value hierarchy as set out in AASB13.

The Company based its assumptions and estimates on parameters available when the financial report was prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Note 7. Discontinued operations (continued)

Determining control of an entity - WGL

With respect to the Group's assessment of its control of WGL, management used significant judgement to determine the power the Group has over WGL, the exposure to rights, to variable returns from its involvement with WGL and the ability to use its power over WGL to affect the amount of the returns from WGL to determine whether the Group controls the entity. Management actively assessed the Group's control of WGL throughout the year. In assessing its power over WGL, management considered:

- the direct interest the Group held, which at 31 December 2025 was 39.38% (30 June 2025: 48.91%);
- the relationship the Group has with Deakin, the research and development provider and other large shareholder of WGL;
- the composition of the WGL Board;
- substantive rights; and
- and variable returns.

Weighing all the factors, the Board considers that the Group ceased to control WGL on 5 November 2025 as a result of its decrease in ownership interest in WGL to 39.38%.

As a result of the loss of control of WGL, PPK was required to recognise its remaining ownership interest in WGL as an associate at its fair value on the date of deconsolidation of the former subsidiary.

The Company based its assumptions and estimates on parameters available when the financial report was prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Note 8. Investments accounted for using the equity method

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
<i>Non-current assets</i>		
Craig International Ballistics Pty Ltd	7,852	8,811
Li-S Energy Limited	38,424	26,144
White Graphene Limited	8,276	-
	<u>54,552</u>	<u>34,955</u>

31 December 2025			
Summarised statement of financial position	LIS	CIB	WGL ⁽¹⁾
	\$'000	\$'000	\$'000
Current assets	17,834	8,591	3,922
Non-current assets	18,677	12,300	3,913
Current liabilities	(1,800)	(1,905)	(686)
Non-current liabilities	(627)	(7,708)	(2,503)
Equity	<u>34,084</u>	<u>11,278</u>	<u>4,646</u>
Group's share in equity %	39.11%	39.85%	39.38%
PPK's carrying amount of the investment before goodwill	13,330	4,494	1,830
Goodwill and fair value adjustments	34,637	3,358	6,446
Goodwill: PPK's accumulated impairment of investment	(9,543)	-	-
PPK's carrying amount of the investment	<u>38,424</u>	<u>7,852</u>	<u>8,276</u>

Note 8. Investments accounted for using the equity method (continued)

Summarised statement of profit/(loss)	LIS \$'000	CIB \$'000	WGL ⁽¹⁾ \$'000
Revenue from contracts with customers	-	17,479	1
Profit/(loss) for the half-year before income tax	(1,210)	4,825	(395)
Total comprehensive income/(loss) for the half-year after tax	(1,210)	3,608	(395)
PPK's share of profit/(loss)	(473)	1,437	(156)
PPK's reversal of impairments of investments ⁽²⁾	12,870	-	-
Dividend received	-	2,397	-

(1) PPK's share of WGL and BNNT's loss is from 5 November 2025, the date of deconsolidation.

(2) As the initial investment in LIS (as remeasured at deconsolidation on 31 October 2024) was recorded at 20.0 cents per share, the investment in LIS was required to be impaired based on the closing market price on 30 June 2025 of 10.5 cents per share. This resulted in a non-cash impairment of \$22,413,000 before tax (\$16,810,000 post tax). The impairment was included in the FY2025 Statutory Loss from continuing operations and was fully attributable to the owners of PPK.

At 31 December 2025, the market price of LIS shares had increased to 15.5 cents per share, resulting in a reversal of \$12,870,000 (\$9,009,000 post tax) of the previous impairment recorded at 30 June 2025.

30 June 2025 Summarised statement of financial position	AMAG \$'000	CIB \$'000	LIS ¹ \$'000
Current assets	-	22,771	18,905
Non-current assets	-	12,066	19,243
Current liabilities	-	(9,970)	(2,109)
Non-current liabilities	-	(11,165)	(745)
Equity	-	13,702	35,294
Group's share in equity %	-	39.85%	39.24%
PPK's carrying amount of the investment before goodwill	-	5,461	13,867
Goodwill	-	3,350	34,690
PPK's impairment of investment	-	-	(22,413)
PPK's carrying amount of the investment	-	8,811	26,144

Summarised statement of profit/(loss) as at 31 December 2024

Revenue from contracts with customers	468	17,479	-
Profit/(loss) for the half-year before income tax	(940)	4,825	(2,672)
Total comprehensive income/(loss) for the half-year after tax	(717)	3,608	(2,672)
PPK's share of profit/(loss)	(193)	1,972	(274)
PPK's impairments of investments	(3,248)	-	-
Dividend received	-	-	-

(1) PPK's share of LIS's loss is from 31 October 2024, the date of deconsolidation.

Note 9. Intangible assets

	Consolidated	
	31 Dec 2025 \$'000	30 Jun 2025 \$'000
<i>Non-current assets</i>		
Goodwill - at cost	3,391	3,391
Intellectual property - at cost	1,869	1,760
Less: Accumulated amortisation	(1,460)	(1,069)
	409	691
Development costs WGL application – at cost	-	1,146
Less: Accumulated amortisation	-	(12)
	-	1,134
Development costs BNNT application – at cost	-	3,280
Less: Accumulated amortisation	-	(2,839)
	-	441
	3,800	5,657

Reconciliations

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

Consolidated	Goodwill \$'000	Intellectual property \$'000	Development costs WGL application \$'000	Development costs BNNT application \$'000	Total \$'000
Balance at 1 July 2025	3,391	691	1,134	441	5,657
Additions	-	109	17	-	126
Disposals	-	-	-	(36)	(36)
Disposals due to loss of control of subsidiary	-	(128)	(1,127)	(401)	(1,656)
Amortisation expense	-	(263)	(24)	(4)	(291)
	3,391	409	-	-	3,800

Note 10. Issued capital

	Consolidated			
	31 Dec 2025 Shares	30 Jun 2025 Shares	31 Dec 2025 \$'000	30 Jun 2025 \$'000
Ordinary shares - fully paid	90,562,498	90,562,498	62,707	62,707
Treasury Shares	250,000	250,000	(109)	(109)
	90,812,498	90,812,498	62,598	62,598

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 10. Issued capital (continued)

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.

Treasury shares

Treasury shares represent the shares of the parent entity PPK Group Limited that are held in treasury. Own shares are recorded at cost and deducted from equity.

Note 11. Reserves

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$'000	\$'000
Share premium reserve	32,329	32,329
Share options reserve	2,877	2,339
Dividend revaluation reserve	1,939	1,939
	<u>37,145</u>	<u>36,607</u>

Share premium reserve

The reserve is used to recognise gains and losses on the change of PPK's interest in subsidiaries that do not result in a change of control.

Share options reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

The fair value of the options at issue date is deemed to represent the value of employee services received over the vesting period, recognised as a proportional share-based payment expense during each reporting period, with the corresponding credit taken to a share option reserve.

Dividend revaluation reserve

The reserve was used to recognise the internal profits generated from issue of LIS shares to PPK shareholders in the form of a special dividend of \$0.025 per PPK share held by PPK shareholders on 17 December 2020.

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Share premium reserve \$'000	Share options reserve \$'000	Dividend revaluation reserve \$'000	Total \$'000
Balance at 1 July 2025	32,329	2,339	1,939	36,607
Issue of performance rights	-	349	-	349
Other changes	-	189	-	189
	<u>32,329</u>	<u>2,877</u>	<u>1,939</u>	<u>37,145</u>

Note 12. Dividends

Dividends paid during the financial half-year were as follows:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$'000	\$'000
<i>Special dividend</i>		
Special (in-specie) dividend for the half-year ended 31 December 2025 of nil cents (31 Dec 2024: 5.71 cents) per ordinary share	-	5,189

PPK paid a 5.71 cents per share special ordinary dividend, which was fully satisfied by an in-specie distribution of shares in LIS in October 2024.

The directors have not declared a dividend for the half-year ended 31 December 2025.

Note 13. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Assets</i>				
Listed equity investments - shares	72	-	-	72
Total assets	72	-	-	72
<i>Liabilities</i>				
Borrowings - secured	-	-	396	396
Total liabilities	-	-	396	396
Consolidated - 30 Jun 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Assets</i>				
Listed equity investments - shares	172	-	-	172
Total assets	172	-	-	172
<i>Liabilities</i>				
Borrowings - secured	-	-	353	353
Total liabilities	-	-	353	353

The level 1 fair value of listed equity investments are determined by reference to the published closing price of the shares on the ASX on 31 December 2025.

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Note 14. Contingent assets and contingent liabilities

The Group had no contingent assets or contingent liabilities as at 31 December 2025 and 30 June 2025.

Note 15. Commitments

Consolidated	
31 Dec 2025	30 Jun 2025
\$'000	\$'000

Capital commitments

Committed at the reporting date but not recognised as liabilities, payable:

Intangible assets - commitments to Deakin University ¹

	-	413
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(1) PPK's subsidiaries had outstanding commitments to Deakin University for projects contracted under Deakin's Recycling and Clean Energy Commercialisation Hub ('REACH').

Note 16. Related party transactions

Parent entity

PPK Group Limited is the parent entity.

Associates

Interests in associates are set out in note 8.

Transactions with related parties

(a) Management Services Agreement between LIS and PPK Aust. Pty Ltd

A management services agreement pursuant to which PPK Aust. Pty Ltd (PPK Aust) provides administrative functions such as accounting, record keeping, reporting, legal, company secretarial support, IT/systems support, etc. It is also appointed, to the extent permitted by law, to facilitate/oversee the funding and capital raising requirements of the Company and is paid a funding fee of up to 1% of any debt or capital raised that it facilitates. PPK Aust will also provide staff to act in key officer roles including the public officer, chief financial officer and company secretary. The key material terms of the management services agreement are as follows:

- PPK Aust is paid a fee for providing the management services, which the scope of services to be provided and the fee is reviewed and agreed between the parties every 3 months;
- the agreement was for an initial term of 3 years, and has since been renewed by PPK Aust for a further 3 year term;
- PPK Aust may terminate the agreement on 30 days' notice if it is not satisfied with the Annual Plan of LIS;
- LIS may terminate the agreement at will on 6 months' notice; and
- LIS indemnifies PPK Aust for any loss that arises from the performance by PPK Aust of its obligations under the agreement.

(b) Management Services Agreement between WGL and PPK Aust. Pty Ltd

A management services agreement pursuant to which PPK Aust. Pty Ltd (PPK Aust) provides administrative functions such as accounting, finance and treasury, reporting, legal and regulatory support, company secretarial assistance, IT/systems support, and other corporate administrative services. PPK Aust provides personnel to support the delivery of these services and is paid a recurring fee, together with reimbursement of approved costs incurred in connection with the provision of the services. The key material terms of the management services agreement are as follows:

- PPK Aust is paid a monthly fee for providing the management services and the agreement operates on an ongoing basis until either party terminates;
- PPK Aust and WGL may terminate the agreement on 30 days' notice; and
- PPK Aust's aggregate liability under the agreement is limited to the total fees paid by WGL with liability for consequential loss excluded.

Note 16. Related party transactions (continued)

The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Other income:		
Management fee income from associate entities	390,299	211,300
Rental income from associate entities	6,000	2,000
Interest income from associate entities	24,153	-
Payment for other expenses:		
Interest paid to director-related entities	43,270	14,384
Interest paid to associate entities	100,822	33,425

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Current assets:		
Other receivables from associate entities	1,888	4,250
Current liabilities:		
Other payables to associate entities	16,986	16,986

Loans to/from related parties

The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Current assets:		
Loan to associate entities ³	2,110,736	-
Current liabilities:		
Loan from director-related entities ¹	883,770	1,040,499
Loan from associate entities ²	2,000,000	2,000,000

(1) *Loan from director-related entities*

On 16 August 2024, PPK Investment Holdings Pty Ltd (PPKIH) and PowerPlus Energy Pty Ltd (PPE) entered into a secured convertible note deed under which PPE will issue up to \$2,000,000 in notes. PPK subscribed for up to \$1,000,000 in notes with the remaining \$1,000,000 subscribed for by two entities related to Glenn Molloy (PPK Executive Director). As at 31 December 2025, the Glenn Molloy related entities had subscribed for \$800,000 of the notes (30 June 2025: \$800,000). The notes are secured and include a redemption option in favour of PPE, with an early redemption premium applicable if the notes are redeemed before the maturity date. The notes bear interest at 10% per annum, have a maturity date of 16 August 2027, and include a conversion option allowing the notes to be converted into equity in PPE at a predetermined fixed conversion price.

In addition, on 6 June 2025, a Glenn Molloy related entity extended a loan of \$200,000 to the newly incorporated subsidiary of PPE, PPE Whispr. The interest free loan was to assist with short-term working capital requirements and was repaid in July 2025.

Note 16. Related party transactions (continued)

(2) *Loan agreement with Li-S Energy Limited*

On 19 April 2023, the Company entered into a loan facility with LIS for \$2,000,000, on a fully secured basis, for a period of up to 24 months and at a fixed interest rate of 10.0% per annum. At 31 December 2025, the Group had fully drawn down the \$2,000,000 loan facility (30 June 2025: \$2,000,000 drawn down). The loan agreement term which expires in April 2026, was extended to October 2026 on 25 August 2025. The security interest taken is against the shares held by PPK Group in CIB.

(3) *Loan agreement with White Graphene Limited*

On 3 May 2024, the Company entered into a loan facility with White Graphene Limited providing up to \$1,860,000, for a period of 24 months from initial advance date and at a fixed interest rate of 8.0% per annum, with interest of \$250,736 capitalised to the loan balance. As of 31 December 2025, White Graphene Limited had fully drawn down the \$1,860,000 loan facility (30 June 2025: \$1,860,000 drawn down). The loan agreement currently expires in May 2026.

Note 17. Events after the reporting period

On 5 February 2026 PPK increased its shareholding in its subsidiary company, PowerPlus Energy Pty Ltd (PPE), from 51.0% to 75.4% after acquiring additional shares in PPE as part of a broader settlement to resolve several matters between various parties, resulting in a small net cash payment by PPK to an entity connected to the founders and former Chief Executive Officer of PPE.

On 24 February 2026, the loan provided by PPE's minority shareholders, Altus Constructions, was extended for a further 6 months to 31 August 2026.

PPK also extended the following loan terms:

- the term of the loan from PPK to White Graphene Limited was extended from May 2026 to May 2027;
- the capitalisation period of the PPE convertible note from PPK was extended to 20 August 2027, to align with the expiry of the notes terms; and
- the term and capitalisation period of the PPK loan to PPE was extended to 31 August 2026, to align to the term of the loan from Altus Constructions to PPE.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

In the directors' opinion:

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

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

On behalf of the directors

A handwritten signature in cursive script, appearing to read 'Birkill'.

Anne-Marie Birkill
Non-Executive Chair

27 February 2026
Brisbane



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Independent auditor's review report to the members of PPK Group Limited

Conclusion

We have reviewed the accompanying half-year financial report of PPK Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2025 the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant 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 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 consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

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

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 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*.



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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 black ink that reads 'Ernst & Young'. The signature is written in a cursive style with a horizontal line underneath and two dots below it.

Ernst & Young

A handwritten signature in black ink that reads 'm Madhu Nair'. The signature is written in a cursive style with a horizontal line underneath and two dots below it.

Madhu Nair
Partner
Brisbane
27 February 2026