



Appendix 4E

Preliminary Final

Report for the Year

Ended 31 December

2025

ACN: 614 508 039

Appendix 4E

Preliminary final report (unaudited)

Name of entity:

Epsilon Healthcare Limited

ABN or equivalent company
reference:

33 614 508 039

1. Reporting period

Reporting period:

Year ended 31 December 2025

Previous corresponding period:

Year ended 31 December 2024

2. Results for announcement to the market				Current Year 2025 \$
2.1 Revenue from ordinary activities	Up	68%	to	9,393,660
2.2 Loss from ordinary activities for the period after tax attributable to members	Down	63%	to	(2,050,658)
2.3 Net profit for the period attributable to members	Up	129%	to	2,958,466
2.4 Dividends	Amount per security		Franked amount per security	
Final dividend	Nil		N/A	
Interim dividend	Nil		N/A	
2.5 Record date for determining entitlements to the dividends	N/A			

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

Revenue and loss from ordinary activities reflect:

- A strong recovery trajectory, driven by both revenue growth and improved cost discipline.
- The Group delivered increased revenues from its Contract Manufacturing division, complemented by the successful launch and early contribution of the new Pharmacy division.
- Gains were further strengthened by a materially lower cost base, following the elimination of one-off expenses associated with the period of voluntary administration.
- Importantly, both B2B client revenues and B2C patient revenues showed marked improvement as the business refocused on core operations and re-established market confidence.
- Renewed commercial momentum demonstrates the strength of the underlying business, the effectiveness of management's turnaround strategy, and positions the Group for sustainable growth going forward.

Year ended 31 December 2025

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Current Period 31 Dec 2025 \$	Previous Period 31 Dec 2024 \$
Revenue from continuing operations	9,393,660	5,600,181
Cost of goods sold	(3,634,580)	(1,323,442)
Gross profit	5,759,080	4,276,739
Other income	478,522	471,861
Freight and other selling expenses	(402,388)	(197,276)
Professional expenses	(399,669)	(380,236)
Voluntary Administration Costs		
- Legal	(309,139)	(342,934)
- Administrator	(266,065)	(1,342,653)
- External accounting fees	(584,290)	(329,059)
Corporate and consulting expenses	(400,663)	(309,204)
Plant and facility costs	(574,181)	(660,777)
License and registration fees	(113,616)	(103,620)
Employee benefits expense	(3,147,315)	(2,536,444)
Advertising and promotion expenses	(40,613)	(1,591)
Insurance expenses	(439,145)	(411,307)
Bad debts expense	(41,387)	(105,962)
Depreciation and amortisation expense	(358,592)	(1,407,628)
Finance expenses	(1,059,636)	(1,130,746)
Office and occupancy expenses	(93,834)	(45,108)
General expenses	(614,016)	(343,585)
Foreign exchange (loss)/gain	(22,913)	(11,164)
Interest – Leases	(196,041)	(20,278)
Facilitation and establishment cost	(191,556)	(696,156)
Profit/(Loss) before income tax	(3,017,457)	(5,627,128)
Income tax benefit/(expense)	966,799	133,392
Profit/(Loss) after income tax expense from continuing operations	(2,050,658)	(5,493,736)
Other comprehensive income	5,009,124	(4,842,702)
Total comprehensive profit/(loss) for the year	2,958,466	(10,336,438)
Basic loss per share	(0.54 cents)	(1.59 cents)

Year ended 31 December 2025

4. Consolidated Statement of Financial Position

	Current Period 31 Dec 2025 \$	Previous Period 31 Dec 2024 \$
Current Assets		
Cash and cash equivalents	242,862	1,565,647
Trade and other receivables	3,075,783	792,461
R&D Receivable	449,216	299,470
Accrued revenue	102,327	-
Inventory	1,204,362	528,991
Assets held for sale	-	6,700,000
Financial assets	296,860	502,736
Total Current Assets	5,371,410	10,389,305
Non-Current Assets		
Property, plant and equipment	6,821,802	-
Right-of-use assets	5,336,291	-
Financial assets	336,251	66,000
Total Non-Current Assets	12,494,344	66,000
Total Assets	17,865,754	10,455,305
Current Liabilities		
Trade and other payables	3,257,942	3,155,455
Contract liabilities	441,424	230,891
Borrowings	184,196	7,850,755
Employee benefits	339,152	231,230
Lease liabilities	391,838	33,861
Total Current Liabilities	4,614,552	11,502,192
Non-Current Liabilities		
Deferred tax liability	1,669,708	966,799
Borrowings	3,422,776	-
Employee benefits	89,922	63,529
Lease Liabilities	5,079,733	-
Total Non-Current Liabilities	10,262,139	1,030,328
Total Liabilities	14,876,691	12,532,520
Net Assets	2,989,063	(2,077,215)
Equity		
Contributed entity	48,272,261	47,533,485
Reserves	6,378,160	3,980,197
Accumulated losses	(51,661,358)	(53,590,897)
Total equity	2,989,063	(2,077,215)

Year ended 31 December 2025

5. Consolidated Statement of Cash Flows

	Current Period 31 Dec 2025	Previous Period 31 Dec 2024
	\$	\$
Cash flows from operating activities		
Receipts from customers	9,177,155	5,372,974
Payments to suppliers and employees	(11,273,590)	(7,581,536)
Research and development tax incentive received	299,470	302,371
Finance costs	(1,329,696)	(1,499,408)
Net cash used in operating activities	(3,126,661)	(3,405,599)
Cash flows from investing activities		
Payments for plant and equipment	(169,742)	(97,732)
Payment of lease security deposit	(244,000)	
Proceeds from disposal of plant and equipment	6,700,000	-
Net cash used in investing activities	6,286,258	(97,732)
Cash flows from financing activities		
Principal payment of lease liabilities	(244,875)	(126,200)
Principal payment of borrowings	(5,368,201)	(3,421,835)
Proceeds from borrowings	455,594	7,554,000
Proceeds from shares issued net of costs	675,100	720,000
Net cash used in financing activities	(4,482,382)	4,725,965
Net (decrease)/increase in cash and cash equivalents	(1,322,785)	1,222,634
Cash and cash equivalents at the beginning of the year	1,565,647	343,013
Cash and cash equivalents at the end of the year	242,862	1,565,647

Year ended 31 December 2025

6. Consolidated Statement of Changes in Equity

	Contributed Equity \$	Other Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total \$
At 1 January 2024	46,813,485	-	(48,097,161)	8,822,899	7,539,223
Loss for the year	-	-	(5,493,736)	-	(5,493,736)
Other comprehensive income	-	-	-	(4,842,702)	(4,842,702)
Total comprehensive loss	-	-	(5,493,736)	(4,842,702)	(10,336,438)
Transactions with owners in their capacity as owners:					
Issue of share capital	620,000	-	-	-	620,000
Issue of ordinary shares as consideration of repayment of loan borrowing	100,000	-	-	-	100,000
Total transactions with owners	720,000	-	-	-	720,000
At 31 December 2024	47,533,485	-	(53,590,897)	3,980,197	(2,077,215)

	Contributed Equity \$	Other Contributed Equity \$	Accumulated Losses \$	Reserves \$	Total \$
At 1 January 2025	47,533,485	-	(53,590,897)	3,980,197	(2,077,215)
Loss for the year	-	-	(2,050,658)	-	(2,050,658)
Other comprehensive income	-	-	-	5,009,124	5,009,124
Total comprehensive loss	-	-	(2,050,658)	5,009,124	2,958,466
Transactions with owners in their capacity as owners:					
Issue of share capital	675,100	-	-	-	675,100
Issue of options	-	-	-	1,432,712	1,432,712
Issue of share capital – exercise of options	63,676	-	-	(63,676)	-
Options vesting expense and expiration	-	-	113,000	(113,000)	-
Revaluation reserve – transfer to accumulated	-	-	3,867,197	(3,867,197)	-
Total transactions with owners	738,776	-	3,980,197	2,611,161	2,107,812
At 31 December 2025	48,272,261	-	(51,661,358)	6,378,160	2,989,063

7. Dividends (in the case of a trust, distributions)

Date dividend is payable

+Record date to determine entitlements to the dividend

If it is a final dividend, has it been declared?

Amount per security

		Amount per security	Franked amount per security at 30% tax (see note 4)	Amount per security of foreign source dividend
Final dividend:	Current year	NIL	N/A	N/A
Interim dividend:	Current year	NIL	N/A	N/A

Total dividend (distribution) per security (interim plus final)

	Current period	Previous period
Ordinary securities	N/A	N/A
Preference securities	N/A	N/A

8. Dividend or distribution plans in operation

N/A

The last date(s) for receipt of election notices for the +dividend or distribution plans

N/A

9. NTA backing

	Current Period 2025 Cents per Share	Prior Period 2024 Cents per Share
Net tangible asset backing per ordinary shares	0.79	(0.60)

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

Controlled entities

	Country of Incorporation	Percentage Owned	Date Control Gained
N/A			

11. Details of associates and joint venture entities

N/A

12. Significant information

Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position:

Please refer to section 2.6 above for information on the Group's financial performance.

13. Foreign entities set of accounting standards used in compiling the report (IAS)

The Company is not a foreign entity. Australian Accounting Standards have been applied consistently across all entities in the Group.

14. Commentary on the results for the period

14.1 Earnings per security (EPS)

	Current Period 2025	Previous Period 2024
Basic Loss per share	(0.54) cents	(1.59) cents

14.2 Returns to shareholders (Including distributions and buy backs)

	Current Period 2025 \$	Previous Period 2024 \$
Ordinary securities	-	-
Preference securities	-	-
Other equity instruments	-	-
Total	-	-

14.3 Significant features of operating performance

Please refer to section 2.6 above for information on the Group's financial performance.

14.4 Segment Information

Operating Segments and Revenue Profile

Management has structured the Group's operating segments around its core service lines, reflecting the principal products and services through which value is created. This clear segmentation supports focused capital allocation, disciplined execution, and informed strategic decision-making, with performance assessed on the basis of adjusted segment operating results.

The Group operates through three complementary and strategically aligned segments:

a) Contract Development and Manufacturing (CDMO)

The CDMO segment provides end-to-end pharmaceutical development and manufacturing services to both Australian domiciled and international clients. Capabilities include the development and manufacture of Active Pharmaceutical Ingredients (APIs), formulation development, and the manufacture and testing of finished pharmaceutical products. This segment represents the cornerstone of the Group's operations and is highly scalable, supported by increasing utilisation of the sovereign Southport manufacturing facility.

b) Telehealth Medical Practice

The Telehealth Clinic delivers accessible, technology-enabled medical services, supporting patient care. The Clinic continued to provide a stable and growing revenue contribution during the period, reinforcing the Group's diversified revenue base.

c) Pharmacy Services

The Pharmacy segment strengthens the Group's diversification objectives, enabling greater control across the value chain and enhancing patient engagement. The pharmacy service supports both the Telehealth and CDMO operations and represents an important platform for future revenue expansion and margin optimisation.

For the year ended 31 December 2025, the Group's primary source of revenue was the CDMO segment, reflecting strong customer demand and continued progress in increasing utilisation of the Southport facility. This operational leverage positions the Group well for sustained revenue growth and improved profitability as capacity utilisation continues to rise. Telehealth services also remained a meaningful contributor, underscoring the resilience and diversity of the Group's operating model. Revenues, profits, segment assets and segment liabilities for each operating segment are summarised below, demonstrating a business with a clear strategic focus, multiple growth drivers, and a strong foundation for long-term shareholder value creation.

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Year ended 31 December 2025

	Telehealth Medical Practice 31 Dec 2025 \$	Contract Development and Manufacturing 31 Dec 2025 \$	Pharmacy Services 31 Dec 2025 \$	Unallocated 31 Dec 2025 \$	Total 31 Dec 2025 \$
Revenue					
External sales	-	7,650,167		-	7,650,167
External services	524,862	-	1,213,733	4,899	1,743,493
Total segment revenue	524,862	7,650,167	1,213,733	4,899	9,393,660
Depreciation and amortisation	-	12,175	-	123	12,299
Segment operating (loss)/profit	(237,694)	(1,746,763)	(7,853)	(58,348)	(2,050,658)
Segment assets	305,237	15,360,779	201,823	1,997,915	17,865,754
Segment liabilities	221,292	13,034,900	155,760	1,464,738	14,876,691

	Telehealth Medical Practice 31 Dec 2024 \$	Contract Development and Manufacturing 31 Dec 2024 \$	Pharmacy Services 31 Dec 2024 \$	Unallocated 31 Dec 2024 \$	Total 31 Dec 2024 \$
Revenue					
External sales	-	4,738,918		-	4,738,918
External services	861,263	-	-	-	861,263
Total segment revenue	861,263	4,738,918	-	-	5,600,181
Depreciation and amortisation	67	1,358,910	-	48,651	1,407,629

Segment operating (loss)/profit	(164,660)	(5,413,083)	-	84,007	(5,493,736)
Segment assets	267,183	8,759,825	-	1,428,297	10,455,305
Segment liabilities	95,509	10,724,140	-	1,712,870	12,532,520

14.5 Report on trends in performance

Cash Flow and Operating Performance

Overall net operating cash outflows decreased materially during the period, reflecting a significant strengthening in underlying operating performance. Cash receipts from customers increased by 71%, driven by improved revenues across key business units and demonstrating the effectiveness of management’s recovery and growth strategy. This improvement represents a meaningful step toward sustainable cash generation as operational momentum continues to build.

Revenue Performance

Revenue from Contract Development and Manufacturing (CDMO) operations at the Group’s onshore Southport facility increased compared to the prior year, reflecting continued operational recovery. The Company remains focused on rebuilding manufacturing cadence, restoring client confidence, and executing reliably across its production schedule, all of which underpin improving commercial outcomes. The establishment of the Pharmacy services business unit in 2025 has added a new and scalable revenue stream. Despite being in its first year of operation, the division has already achieved annualised revenues exceeding \$1.0 million, highlighting strong early traction and validating management’s strategy to diversify the Group’s service offering. Clinics revenue declined compared to the previous financial year, reflecting a period of consolidation as the Group prioritised stabilisation, recovery, and the reallocation of resources toward its highest-return growth opportunities.

Expense Management

Cost of goods sold increased in line with higher revenue levels, consistent with increased manufacturing activity and operational throughput. Importantly, the Group achieved a significant reduction in its underlying cost base, with other operating expenses decreasing by more than \$1.1 million. This reduction reflects the cessation of non-recurring legal, funding, administrator and external accounting costs incurred during and

immediately following the period of voluntary administration, resulting in a more efficient and sustainable operating structure.

Balance Sheet Position

The Group's balance sheet strengthened during the period, with total assets increasing by \$7.4 million. This increase was primarily attributable to the recognition of the right-of-use asset associated with the lease arising from the sale of the Southport facility, together with the recognition of a \$2.0 million promissory note from the Managing Director, demonstrating continued leadership support and alignment with shareholder interests. Trade and other receivables increased in line with higher revenue levels, reflecting improved sales activity across the Group's operating segments. Total liabilities increased by \$2.3 million, predominantly due to the recognition of the lease liability on commencement of the Southport facility lease.

Overall, the Group exited the period with improved operational momentum, a materially lower cost base, enhanced balance sheet transparency, and multiple growth platforms in place, positioning the business for continued recovery and value creation.

14.6 Report any factors which have affected the results during the reporting period or which are likely to affect results in the future, including those where the effect could not be quantified.

The Group's Contract Development and Manufacturing (CDM), Telehealth medical clinic services and newly established Pharmacy services business unit are closely aligned with Epsilon's previously announced strategic focus on strengthening its domestic operating platform while pursuing targeted export opportunities. Together, these complementary business lines form an integrated healthcare and pharmaceutical manufacturing ecosystem designed to support sustainable growth in both scale and revenue.

By concentrating on local operations, Epsilon is enhancing operational control, reliability and efficiency across its manufacturing and healthcare services, while leveraging this foundation to service Australian-domiciled and international clients. The expansion of CDMO activities, supported by increasing utilisation of the Southport facility, positions the Group to capture growing demand for onshore pharmaceutical development and manufacturing, including export-oriented opportunities.

The Telehealth and Pharmacy services further strengthen Epsilon's vertically integrated model, improving patient access, supporting demand generation, and creating additional, recurring revenue streams. The successful establishment of the Pharmacy business in particular demonstrates management's ability to execute on strategy and diversify revenues while maintaining a disciplined operational focus.

Collectively, these business units underpin Epsilon’s strategy to deliver increased scale, enhanced earnings capability and long-term value creation, reinforcing confidence in the Group’s growth trajectory and its ability to execute against its stated strategic objectives.

Any other information required to be disclosed to enable the reader to compare the information presented with equivalent information for previous periods. This must include information needed by an investor to make an informed assessment of the entity’s activities and results.

Since exiting voluntary administration (VA), the Company has been firmly focused on rebuilding Epsilon Healthcare from the ground up and re-establishing a stable, scalable and disciplined operating platform. Management’s priority has been the stabilisation of core operations, the re-engagement of key clients, and the restoration of market confidence in the Company’s ability to execute and deliver sustainable value.

These efforts have translated into tangible outcomes. The Company’s reinstatement to the ASX marks an important milestone in the turnaround, reflecting renewed regulatory compliance and improved corporate stability. This has been supported by strong revenue growth across core operating segments, a materially lower overhead base following the removal of non-recurring costs associated with VA, and an improved capital structure that better supports future growth initiatives.

Together, these achievements demonstrate the effectiveness of management’s recovery strategy and provide a solid foundation for the next phase of growth. With operations stabilised, customer relationships re-established and financial discipline restored, Epsilon Healthcare is well positioned to execute on its strategic and operational objectives and to deliver long-term value for shareholders.

15. Compliance statement

This report is based on accounts to which one of the following applies.

(Tick one)

- | | |
|---|---|
| <input type="checkbox"/> The accounts have been audited | <input type="checkbox"/> The accounts have been subject to review |
| <input checked="" type="checkbox"/> The accounts are in the process of being audited or subject to review | <input type="checkbox"/> The accounts have not yet been audited or reviewed |

16. If the accounts have not yet been audited or subject to audit review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

The report is based upon the annual financial report which are in the process of being audited, and it is unlikely that there will be any dispute or qualification.

17. If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

N/A


Alan Preston Beasley
Dated:

27 February 2026

Alan Beasley, Chairman.
as Approved by the Full Board of Directors