

1 Company Information

Name of entity:	HYDRIX LIMITED
ABN:	84 060 369 048
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

	31-Dec-25	31-Dec-24	% Change
Revenues from ordinary activities	4,837,519	5,597,012	-14%
Loss from ordinary activities after tax attributable to the owners of Hydrix Limited	(2,340,411)	(635,660)	-268%
Net loss for the half-year attributable to the owners of Hydrix Limited	(2,350,797)	(668,052)	-252%

Dividends

The consolidated entity does not propose to pay a dividend.

No dividend or distribution plans are in operation.

Comments

Reduced revenues reflects timing of new client project commencement readiness and the completion of current development programs. Cash used in operating activities was \$22,383 per the statement of cash flows (page 13 of accounts) compared to net cash inflows from operating activities of \$558,517 in the comparative prior period. The loss for the consolidated entity after providing for income tax was \$2,340,411 (31 December 2024: \$635,660).

3 Net tangible assets / (liabilities)

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security (including right-of-use assets)	<u>(3.37)</u>	<u>1.14</u>

4 Control gained over entities

Not applicable.

5 Loss of control over entities

Not applicable.

6 Details of associates and joint venture entities

Not applicable.

7 Audit qualification or review

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

The financial statements have been subject to a review by the auditors and the review report is included in the Interim Financial Report.

8 Attachments

Details of attachments (if any):

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

9 Signed



Mr Gavin Coote
Executive Chairman
Melbourne

Date: 27 February 2026



HYDRIX LIMITED
INTERIM REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025
ABN: 84 060 369 048

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31 December 2025

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General information

The financial statements cover Hydrix Limited as a consolidated entity consisting of Hydrix 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 Hydrix Limited's functional and presentation currency.

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

Registered office
30-32 Compark Circuit
Mulgrave VIC 3170

Principal place of business
30-32 Compark Circuit
Mulgrave VIC 3170

A description of the nature of the consolidated entity'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. The directors have the power to amend and reissue the financial statements.



Directors	Mr Gavin Coote (Executive Chairman)
	Ms Julie King (Non-Executive Director)
	Mr Paul Wright (Non-Executive Director)
	Mr Paul Lewis (Non-Executive Director)
Company Secretary	Ms Alyn Tai
Registered Office	30-32 Compark Circuit Mulgrave VIC 3170 Phone: (03) 9550 8100
Principal place of business	30-32 Compark Circuit Mulgrave VIC 3170
Share register	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000
Auditor	Grant Thornton Audit Pty Ltd Collins Square, Tower 5 727 Collins Street Melbourne VIC 3008
Solicitors	Thomson Geer Level 23, Rialto South Tower 525 Collins Street Melbourne VIC 3000
Stock Exchange Listing	Hydrix Limited's shares are listed on the Australian Securities Exchange (ASX code: HYD)
Website	www.hydrix.com
Country of incorporation and domicile	Australia

Hydrix Limited
Directors' Report
For the half-year 31 December 2025

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

Directors

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

Mr Gavin Coote

Executive Chairman

Ms Julie King

Non-Executive Director

Mr Paul Wright

Non-Executive Director

Mr Paul Lewis

Non-Executive Director

Principal activities

The principal activities of the consolidated entity during the half-year were providing product design, engineering, and regulatory services to customers in the medical industry, market development of disruptive cardiovascular product technologies and venture investment in high potential early-stage medtech clients.

The consolidated entity operates three businesses:

Hydrix Services delivers world first products and innovation across the medtech and cardiac market sectors. It offers a comprehensive range of engineering, development and regulatory consulting services including software, electronics, mechanical, industrial design, and general product development services. Its product development and consulting services range from applied research through all stages of engineering design, development, prototyping, manufacturer management, certification process management and supply for global markets.

Hydrix Medical distributes disruptive cardiovascular technologies that address unmet needs for patients and healthcare providers. Products include the Guardian real-time heart attack warning system from Avertix Medical and Implicity's cloud-based AI-driven remote cardiac patient monitoring and data management solution. These products are pre commercial revenue and being distributed by Hydrix under distribution license agreements across Australia and various Asia Pacific jurisdictions.

Hydrix Ventures selectively invests in high potential Hydrix Services medtech clients to generate equity capital gains. Current portfolio companies include Gyder Surgical Pty Ltd (orthopaedic surgical tool used in hip replacement surgeries) and WaveWise Analytics Pty Ltd (formerly known as Cyban Pty Ltd) (non-invasive brain trauma injury monitoring device). For each of these clients, Hydrix Services provides arm's-length product design and development consulting services.

The consolidated entity has approximately 54 employees and its headquarters are located in Mulgrave, Victoria Australia.

Hydrix Limited
Directors' Report
For the half-year 31 December 2025

Review of operations

The consolidated entity's revenue from contracts with customers of \$4,837,519 was primarily derived from Hydrix Services.

Hydrix Services revenues for the half year were \$4,835,981 down from \$5,595,872 in the prior comparative period. Operating costs for the half were similar to prior comparative period. Overhead costs remain tightly managed while retaining sufficient engineering resources to support new project growth. New sales and contract commencement slippage resulted in lower revenues in the period and was primarily attributable to client funding delays. Pleasingly, some of these new projects have since sold in the quarter to date supporting the growth outlook.

Consistent with Hydrix Services international sales strategy, approximately 74% of revenue in the half was from overseas clients (December half 2024: 61%). The business has a large and growing sales opportunity pipeline, including approximately \$40 million in future program stage revenues from 15 active clients. Sales conversions remain subject to client budget and funding constraints and these factors create fluidity in the timing of sales and project revenues.

Hydrix Medical continues to prosecute its sales opportunity pipeline of more than \$1.5m of annual recurring revenue from sales of its remote cardiac patient monitoring product, it has licensed for distribution from Implicity. Sales of cloud-based software products to public hospitals and medical clinics can be subject to lengthy sales cycles which include heavy cybersecurity technical reviews and budget approval processes.

Hydrix Ventures' Hydrix Ventures has selectively invested in several medical device technology clients where Hydrix Services provides product design and development services. Ventures currently hold investments in early stage medical device companies. The majority of the portfolio value is the investment in Gyder Surgical which has commenced commercialising its first-generation product in the USA. WaveWise Analytics had its valuation marked to market, resulting in a \$337,397 decrease in fair value. The fair value of the Ventures portfolio at 31 December 2025 is \$2.7 million.

Review of financials

Total consolidated entity made sales to external customers of \$4,837,519 for the first half ending 31 December 2025 (December 2024: \$5,597,012).

The operating loss before income tax for the consolidated entity was \$2,340,412 (December 2024: \$635,660). As noted above, the increased loss was due to lower revenues resulting from new client sales delays in the period, but some of which

Total operating costs for the period increased by \$443,415 or 7% to \$6,805,953 (December 2024: \$6,362,538). Contributing factors include increased overseas sales-related travel expense, and increased interest expense and consulting costs in Hydrix Limited.

Cash used in operating activities during the period by the consolidated entity of \$22,383 (December 2024: cash inflow \$558,517). The main uses of cash supported the principal activities of the business, including international sales pursuits and ensuring sufficient engineering consulting capacity to support near-term growth uplift.

The consolidated entity's cash position was \$584,183 at 31 December 2025 compared to \$297,881 at 30 June 2025.

Outlook for full financial year 2026

The business prospects for the consolidated entity remain strong. The key objectives for the remainder of the financial year are to convert new client sales opportunities into higher year on year revenues, margins and billable utilisation across the consolidated entity.

Hydrix Limited
Directors' Report
For the half-year 31 December 2025

Significant changes in the state of affairs

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

Matters subsequent to the end of the half-year

On 7th January 2026, Hydrix Limited announced that its wholly owned subsidiary Hydrix Services Pty Ltd entered into a \$2.5m contract with SynCardia Systems LLC to commence an initial development phase for SynCardia's next-generation fully implantable Total Artificial Heart technology, known as the Emperor.

This initial stage will be completed within calendar year 2026, and is an initial phase within a broader, staged development program.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs.

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 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



Mr Gavin Coote
Executive Chairman
27 February 2026
Melbourne

Grant Thornton Audit Pty Ltd

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Collins Square
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Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001
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Auditor's Independence Declaration

To the Directors of Hydrix Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Hydrix Limited for the half-year ended 31 December 2025. I declare that, 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; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B A Mackenzie
Partner – Audit & Assurance

Melbourne, 27 February 2026

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Hydrix Limited**Consolidated Statement of Profit & Loss and Other Comprehensive Income
For the half-year ended 31 December 2025**

	Note	Consolidated	
		31 Dec 2025	31 Dec 2024
		\$	\$
Revenue			
Revenue from contracts with customers	3	4,837,519	5,597,012
Other Income		84,342	115,660
Interest income		18,016	20,536
		4,939,877	5,733,208
Operating expenses			
Employee benefits expense		(4,465,101)	(4,513,770)
Project material expenses		(263,728)	(169,763)
Cost of sales		(4,310)	(7,048)
Depreciation and amortisation expense		(270,301)	(210,497)
Finance costs	4	(595,881)	(395,517)
Rental expense		(93,520)	(97,172)
Selling, advertising and distribution expenses		(51,177)	(63,993)
Other expenses	4	(1,061,934)	(904,778)
Share based payment expenses		(20,897)	(8,716)
Write-back / (impairment) of receivables		23,744	(11,454)
(Loss) / Gain on financial instruments at fair value through profit or loss	4	(472,949)	1,013
Unrealised foreign exchange (loss) / gain		(4,234)	12,827
		(7,280,288)	(6,368,868)
Loss before income tax expense		(2,340,411)	(635,660)
Income tax expense		-	-
Loss after income tax expense		(2,340,411)	(635,660)
Other comprehensive income			
Movement in functional currency of foreign operations		(10,386)	(32,392)
Total comprehensive loss for year attributable to the Owners of Hydrix Limited		(2,350,797)	(668,052)
Loss per share			
Basic and diluted loss per share (cents per share)	8	Cents (0.86)	Cents (0.23)

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

Hydrix Limited
Consolidated Statement of Financial Position
As at 31 December 2025

		Consolidated	
	Note	31 Dec 2025	30 Jun 2025
		\$	\$
Current assets			
Cash and cash equivalents		584,183	297,881
Trade and other receivables		1,405,039	1,730,465
Contract assets		139,414	397,314
Prepayments		364,450	238,630
Inventory		46	46
Total current assets		<u>2,493,132</u>	<u>2,664,336</u>
Non-current assets			
Plant and equipment		86,364	119,512
Intangible assets		87,500	175,000
Financial assets at fair value through profit & loss	5	2,696,108	3,172,082
Right of use assets		727,606	961,000
Other assets		98,906	100,811
Security deposits		424,980	424,980
Total non-current assets		<u>4,121,464</u>	<u>4,953,385</u>
Total assets		<u>6,614,596</u>	<u>7,617,721</u>
Current liabilities			
Trade and other payables		4,099,212	3,839,220
Contract liabilities		1,021,115	398,221
Other liabilities		-	4,807
Employee benefits		932,702	1,127,097
Borrowings	6	8,155,685	6,083,010
Lease liabilities		355,824	483,841
Total current liabilities		<u>14,564,538</u>	<u>11,936,197</u>
Non-current liabilities			
Employee benefits		157,804	174,661
Provisions		87,066	183,977
Borrowings	6	-	1,000,000
Lease liabilities		907,009	1,094,806
Total non-current liabilities		<u>1,151,878</u>	<u>2,453,444</u>
Total liabilities		<u>15,716,416</u>	<u>14,389,641</u>
Net assets		<u>(9,101,820)</u>	<u>(6,771,920)</u>
Equity			
Issued capital		102,411,434	102,411,434
Reserves		67,651	57,140
Accumulated losses		(111,580,905)	(109,240,494)
Total equity		<u>(9,101,820)</u>	<u>(6,771,920)</u>

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

Hydrix Limited
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2025

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2024	102,126,684	353,758	(105,835,534)	(3,355,091)
Loss after income tax expense for the half-year	-	-	(635,660)	(635,660)
Other comprehensive income, net of tax	-	(32,392)	-	(32,392)
Total comprehensive loss for the half-year	-	(32,392)	(635,660)	(668,052)
<i>Transactions with owners in their capacity as owners:</i>				
Share based payments	-	8,716	-	8,716
Exercised options / performance rights	58,500	(58,500)	-	-
Expired options / performance rights	-	(45,835)	45,835	-
Contributions of equity, net of transaction costs	219,499	-	-	219,499
Balance at 31 December 2024	102,404,684	225,747	(106,425,360)	(3,794,929)
	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2025	102,411,434	57,140	(109,240,494)	(6,771,920)
Loss after income tax expense for the half-year	-	-	(2,340,411)	(2,340,411)
Other comprehensive income, net of tax	-	(10,386)	-	(10,386)
Total comprehensive loss for the half-year	-	(10,386)	(2,340,411)	(2,350,797)
<i>Transactions with owners in their capacity as owners:</i>				
Share based payments	-	20,897	-	20,897
Balance at 31 December 2025	102,411,434	67,651	(111,580,905)	(9,101,820)

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

Hydrix Limited
Consolidated Statement of Cash Flows
For the half-year ended 31 December 2025

	Note	31 Dec 2025 \$	31 Dec 2024 \$
Cash Flows from operating activities			
Receipts from customers (including GST)		6,336,207	5,954,886
Payments to suppliers and employees (including GST)		(6,397,899)	(5,396,369)
Income tax receipt (R&D tax incentive)		39,309	-
Net cash flow (used in) / from operating activities		<u>(22,383)</u>	<u>558,517</u>
Cash Flows from investing activities			
Payments for plant and equipment		(7,850)	(8,320)
Payments for intangible assets		(4,521)	(27,417)
Net cash flow used in investing activities		<u>(12,372)</u>	<u>(35,737)</u>
Cash Flows from financing activities			
Proceeds from borrowings		1,115,769	1,391,895
Repayments of borrowings		(222,564)	(1,008,681)
Interest received		18,016	20,536
Interest and other finance costs paid		(201,167)	(243,597)
Repayments of lease liabilities		(388,230)	(480,371)
Net cash flow from / (used in) financing activities		<u>321,824</u>	<u>(320,218)</u>
Net increase in cash and cash equivalents		287,070	202,563
Cash and cash equivalents at the beginning of the financial half-year		297,881	914,274
Effects of exchange rate changes on cash and cash equivalents		(768)	1,089
Cash and cash equivalents at end of the financial half-year		<u>584,183</u>	<u>1,117,926</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Hydrix Limited
Notes accompanying the Financial Statements
For the half-year ended 31 December 2025

1 Material accounting policies

These general purpose financial statements for the interim 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 principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the ordinary course of business.

For the half year period ended 31 December 2025, the consolidated entity incurred a net loss before tax of \$2,340,411, reported cash used in operations of \$22,383 and had a net current assets deficit (current assets less current liabilities) of \$12,071,406.

These conditions indicate the existence of material uncertainties that may cast significant doubt on the consolidated entity's ability to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

Despite these material uncertainties, the directors are of the opinion the consolidated entity will continue as a going concern, taking into consideration various factors including:

- The consolidated entity had an available cash balance of \$584,183 at 31 December 2025.
- \$3.7m of sales in the March 2026 quarter as at the date of this report underpin a strong revenue forecast through the next 12 months. The directors have reviewed and approved detailed budgeted cash flow forecasts for the 12 month period from the date of signing of the financial statements, which demonstrate the consolidated entity's ability to meet its obligations as they fall due, subject to forecast assumptions and future events.
- Directors have provided a Letter of Support to the business for \$2.2m, valid until 11 October 2026, which may be extended by mutual agreement.
- Director loans of \$2.8m have a maturity date of 1 October 2026, which may be extended further by mutual agreement.
- Convertible Notes of \$2.6m have a maturity date of 11 October 2026.
- TP24 finance facility was renewed to 30 April 2026.
- The Group has an overdue PAYG obligation with the ATO of \$2.5 million (excluding interest). The Group has engaged constructively with the ATO and submitted a payment plan proposal to address the outstanding balance through operating cash flows. Pending formal confirmation from the ATO, the Group has been honouring the terms of the proposed payment plan and has been making payments in accordance with the proposal.
- At a Board level, the directors are actively evaluating strategic capital and liquidity initiatives, including potential equity funding, alternative debt arrangements and asset realisation strategies, to ensure sufficient liquidity is available should it be required to support working capital and strategic growth.
- The directors are continuously assessing the consolidated entity's asset base and liquidity options, including the potential sale or monetisation of Hydrix Ventures' assets, as part of an ongoing capital management strategy.
- The directors continue to defer interest payments on loans and convertible notes, as well as directors fees, in support of the working capital requirements of the Group.

Accordingly, the financial report has been prepared on a going concern basis; however, the consolidated entity's ability to continue as a going concern is dependent on the ongoing support of these arrangements and a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern should such support not continue.

The financial statements do not include any adjustments relating to amounts or classification of recorded assets or liabilities that might be necessary should the consolidated entity not be able to continue as a going concern.

Hydrix Limited
Notes accompanying the Financial Statements
For the half-year ended 31 December 2025

2 Operating Segments

Identification of reportable operating segments

The consolidated entity is organised into three operating segments based on the internal reports that are reviewed and used by the Board of 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.

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the CODM, who are responsible for the allocation of resources to operating segments and assessing their performance.

The consolidated entity's operations are in four geographical locations, being Australia, Singapore, New Zealand, and the USA.

<i>Operating Segment Information</i>	Hydrix Services	Hydrix Medical	Hydrix Ventures	Unallocated	Total Operations
Consolidated - 31 Dec 2025	\$	\$	\$	\$	\$
Revenue					
Revenue from contracts with customers	4,835,981	1,538	-	-	4,837,519
Total segment revenue	4,835,981	1,538	-	-	4,837,519
Other income					
Interest revenue	-	-	-	18,016	18,016
Other income	84,342	-	-	-	84,342
Total segment income	4,920,323	1,538	-	18,016	4,939,877
EBITDA	(52,385)	(192,710)	(4,315)	(750,484)	(999,894)
Finance costs	(292,522)	(98)	-	(303,261)	(595,881)
Depreciation and amortisation	(269,524)	(751)	-	(25)	(270,300)
Write-back of receivables	23,744	-	-	-	23,744
Share based payment expenses	(13,921)	(2,672)	-	(4,304)	(20,897)
Unrealised foreign exchange loss	(1,209)	-	(3,025)	-	(4,234)
Loss on financial instruments at FVTPL	-	-	(472,949)	-	(472,949)
Loss before income tax expense	(605,817)	(196,231)	(480,290)	(1,058,074)	(2,340,411)
Income tax expense	-	-	-	-	-
Loss after income tax expense	(605,817)	(196,231)	(480,290)	(1,058,074)	(2,340,411)
Assets					
Segment assets	3,108,553	40,324	142	-	3,149,019
<i>Unallocated assets:</i>					
Cash and cash equivalents	-	-	-	584,183	584,183
Intangible assets	-	-	-	87,500	87,500
Hydrix Ventures financial assets	-	-	2,696,108	-	2,696,108
Other assets	-	-	-	97,786	97,786
Total assets	3,108,553	40,324	2,696,250	769,469	6,614,596
Liabilities					
Segment liabilities	8,026,983	64,269	314	-	8,091,566
<i>Unallocated liabilities:</i>					
Borrowings	-	-	-	6,973,484	6,973,484
Other liabilities	-	-	-	651,366	651,366
Total liabilities	8,026,983	64,269	314	7,624,850	15,716,416

Hydrix Limited
Notes accompanying the Financial Statements
For the half-year ended 31 December 2025

2 Operating Segments (continued)

Consolidated - 31 Dec 2024	Hydrix Services \$	Hydrix Medical \$	Hydrix Ventures \$	Unallocated \$	Total Operations \$
Revenue					
Revenue from contracts with customers	5,595,872	1,140	-	-	5,597,012
Total segment revenue	<u>5,595,872</u>	<u>1,140</u>	<u>-</u>	<u>-</u>	<u>5,597,012</u>
Other income					
Interest revenue	-	-	-	20,536	20,536
Other revenue	115,660	-	-	-	115,660
Total Segment income	<u>5,711,532</u>	<u>1,140</u>	<u>-</u>	<u>20,536</u>	<u>5,733,208</u>
EBITDA	<u>821,229</u>	<u>(191,960)</u>	<u>(181)</u>	<u>(652,401)</u>	<u>(23,313)</u>
Finance costs	(175,904)	-	-	(219,613)	(395,517)
Depreciation and amortisation	(208,746)	(1,711)	-	(42)	(210,499)
Impairment of receivables	(11,454)	-	-	-	(11,454)
Share based payment expenses	(6,963)	(281)	-	(1,473)	(8,717)
Unrealised foreign exchange gain	3,663	-	9,164	-	12,827
Gain on financial instruments at FVTPL	-	-	1,013	-	1,013
Profit / (Loss) before income tax expense	<u>421,825</u>	<u>(193,952)</u>	<u>9,996</u>	<u>(873,529)</u>	<u>(635,660)</u>
Income tax expense	-	-	-	-	-
Profit / (Loss) after income tax expense	<u>421,825</u>	<u>(193,952)</u>	<u>9,996</u>	<u>(873,529)</u>	<u>(635,660)</u>
Assets					
Segment assets	3,914,877	50,709	142	-	3,965,728
<i>Unallocated assets:</i>					
Cash and cash equivalents	-	-	-	1,117,925	1,117,925
Intangible assets	-	-	-	525,000	525,000
Hydrix Ventures financial assets	-	-	3,426,298	-	3,426,298
Other assets	-	-	-	58,482	58,482
Total assets	<u>3,914,877</u>	<u>50,709</u>	<u>3,426,440</u>	<u>1,701,407</u>	<u>9,093,433</u>
Liabilities					
Segment liabilities	7,381,138	63,766	314	-	7,445,218
<i>Unallocated liabilities:</i>					
Borrowings	-	-	-	4,595,059	4,595,059
Other liabilities	-	-	-	848,084	848,084
Total liabilities	<u>7,381,138</u>	<u>63,766</u>	<u>314</u>	<u>5,443,143</u>	<u>12,888,361</u>

Hydrix Limited
Notes accompanying the Financial Statements
For the half-year ended 31 December 2025

3 Revenue

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Revenue from contracts with customers		
Project revenue – services	4,541,157	5,445,321
Project revenue – materials	294,824	150,552
Project revenues	<u>4,835,981</u>	<u>5,595,873</u>
Sales of Avertix Guardian Consumables	1,538	1,140
Total revenue from contracts with customers	<u>4,837,519</u>	<u>5,597,012</u>

Disaggregation of revenue

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

Timing of revenue recognition

Goods transferred at a point in time	1,538	1,140
Services transferred over time	4,835,981	5,595,873
	<u>4,837,519</u>	<u>5,597,012</u>

4 Expenses

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loss before income tax includes the following specific expenses:		
Finance costs		
Interest expense on lease liabilities	72,417	104,981
Interest on loans	523,464	290,536
Total finance costs	<u>595,881</u>	<u>395,517</u>
(Loss) / Gain on financial instruments at fair value through profit or loss		
(Loss) / Gain on financial assets	(472,949)	1,013
	<u>(472,949)</u>	<u>1,013</u>
Other expenses		
Consultancy charges	6,607	8,956
Corporate advisory transaction costs	-	1,648
Directors' fees	82,131	82,131
Insurance	123,417	127,114
Investor relations	31,896	31,955
IT related expenses	238,886	227,190
Legal and professional charges	291,432	225,641
Listing fees and share register maintenance	42,299	36,816
Regulatory Fees	8,538	-
Travelling costs	130,809	85,479
Administration expenses	105,919	77,848
Total other expenses	<u>1,061,934</u>	<u>904,778</u>

5 Financial assets at fair value through profit & loss

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Listed ordinary shares	7,039	4,052
Unlisted ordinary shares	2,689,069	3,168,030
	<u>2,696,108</u>	<u>3,172,082</u>

Hydrix Limited
Notes accompanying the Financial Statements
For the half-year ended 31 December 2025

5 Financial assets at fair value through profit & loss (continued)

All investments in unlisted ordinary shares are classified as Tier 2 investments under AASB 13 Fair Value Measurement for the purpose of determining fair value.

During November 2025, WaveWise Analytics Pty Ltd completed a capital raise through the issuance of Series A Senior Preference shares at a price of \$2.77 per share.

Prior to this transaction, the Group's investment in WaveWise Analytics Pty Ltd was measured using a Level 3 fair value methodology due to the absence of observable market inputs. The capital raise represents an arm's-length transaction and provides an observable input that management has determined to be the most appropriate basis for estimating fair value at the reporting date.

As a result, the investment was remeasured to fair value, resulting in a \$337,397 decrease recognised during the period

6 Borrowings

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Current		
Shareholder loans - Unsecured	3,363,506	1,713,985
Insurance premium funding	195,455	85,538
TP24 CreditLine - Secured	986,745	746,266
AMEX Credit Card	96,287	13,307
Convertible note - Unsecured	3,513,692	3,523,915
	<u>8,155,685</u>	<u>6,083,010</u>
Non-current		
Shareholder loans - Unsecured	-	1,000,000
	<u>-</u>	<u>1,000,000</u>

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Total facilities		
Shareholder loans	3,050,000	2,750,000
Convertible note	2,922,000	3,060,000
TP24 CreditLine	1,000,000	746,266
AMEX Credit Card	112,000	112,000
	<u>7,084,000</u>	<u>6,668,266</u>
Used at the reporting date		
Shareholder loans	3,050,000	2,500,000
Convertible note	2,922,000	3,060,000
TP24 CreditLine	986,745	746,266
AMEX Credit Card	96,287	13,307
	<u>7,055,032</u>	<u>6,319,573</u>
Unused at the reporting date		
Shareholder loans	-	250,000
TP24 CreditLine	13,255	-
AMEX Credit Card	15,713	98,693
	<u>28,968</u>	<u>348,693</u>

Hydrix Limited
Notes accompanying the Financial Statements
For the half-year ended 31 December 2025

7 Related party transactions

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loans received from shareholders	550,000	250,000
Interest expenses on loans from shareholders	152,773	63,014
Interest expenses on convertible notes issued to shareholders	151,938	154,258

Payable to related parties:

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Director fees payable	198,819	116,688
Interest payable to shareholders	905,197	677,900
	<u>1,104,016</u>	<u>794,588</u>

Loans from related parties

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Loans from shareholders	3,050,000	2,500,000

8 Earnings per share

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Loss after income tax attributable to the owners of Hydrix Limited	(2,340,411)	(635,660)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	272,768,847	272,768,847
Anti-dilutive shares excluded from weighted average number of ordinary shares:		
Options & Rights over ordinary shares	13,938,727	6,387,220
Convertible note	2,922,000	3,060,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	272,768,847	272,768,847
	Cents	Cents
Basic and diluted loss per share	(0.86)	(0.23)

9 Contingent liabilities

The consolidated entity had no contingent liabilities as at 31 December 2025 (2024: nil).

10 Events after the reporting period

On 7th January 2026, Hydrix Limited announced that its wholly owned subsidiary Hydrix Services Pty Ltd entered into a \$2.5m contract with SynCardia Systems LLC to commence an initial development phase for SynCardia's next-generation fully implantable Total Artificial Heart technology, known as the Emperor.

This initial stage will be completed within calendar year 2026, and is an initial phase within a broader, staged development program.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs.

Hydrix Limited
Directors' Declaration
31 December 2025

In the directors' opinion:

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



Mr Gavin Coote
Executive Chairman
27 February 2026
Melbourne

Independent Auditor's Review Report

To the Members of Hydrix Limited

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Hydrix Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

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

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$2,340,411 during the half year ended 31 December 2025 and, as at that date, the Group's current liabilities exceeded its current assets by \$12,071,406. The Group also reported net cash used in operating activities of \$22,383 for the half year ended 31 December 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility 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 responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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*.

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.



Grant Thornton Audit Pty Ltd
Chartered Accountants



B A Mackenzie
Partner – Audit & Assurance
Melbourne, 27 February 2026