

ANNUAL REPORT APPENDIX 4E

PRELIMINARY FINAL REPORT
AS AT 30 JUNE 2026**1. Company Details**

Name of Entity:	Tetratherix Limited
ABN:	72 607 771 077
	For the year ended 30 June 2026
Previous Period:	For the year ended 30 June 2025

2. Results for Announcement to the Market

			\$
Total Revenue and Other Income from Ordinary Activities	Up	+308%	4,657,553
Underlying Loss for the Year ¹	Up	+105%	(9,320,535)
Loss from Ordinary Activities After Tax Attributable of Tetratherix Limited	Down	-1%	(9,320,535)
Loss for the Year Attributable to the Owners of Tetratherix Limited	Down	-1%	(9,320,535)

Dividends

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

Comments

The loss for the Consolidated Entity after providing for income tax amounted to \$9,320,535 (30 June 2025 : \$9,425,552).

¹ Underlying loss represents statutory loss for the year adjusted for non-recurring non-operating items.

Refer to the Financial Overview section of the 2026 Annual Report for further information, including a reconciliation between net loss before tax and underlying loss for the year.

3. Net Tangible Assets

	Reporting Period Cents	Previous Period Cents
Net Tangible Assets per Ordinary Security	59.52	54.05

4. Control Gained Over Entities

not applicable

5. Loss of Control Over Entities

not applicable

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AS AT 30 JUNE 2026

6. Dividends

Current Period

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

Previous Period

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

7. Details of Associates and Joint Venture Entities

Name of Associate/Joint Venture	Reporting Entity's Percentage Holding	
	Reporting Period %	Previous Period %
Tutelix Pty Ltd	38.9%	50.0%

8. Audit Qualification or Review

Details of Audit/Review Dispute or Qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

9. Attachments

Details of Attachments (if any):

The Annual Report of Tetratherix Limited for the year ended 30 June 2026 is attached.

10. Signed



William Knox
Executive Director and
CEO

Sydney

Date: 20 August 2026



Annual Report 2026



About this Annual Report

This report covers Tetratherix's* operations, activities and financial performance for the year ended 30 June 2026, a milestone year where our platform matures and that sees our flywheel in full motion.

As always, we do not take our shareholders' investments for granted. We regard ourselves as custodians of that capital, and we run the Company with the financial hygiene that demands: every dollar is deployed deliberately against milestones we have committed to. That discipline funded a year of substantive progress – our first full FDA submission for Bone Regeneration, the development of an entirely new franchise in Precision Medicine, our first licence payment from a commercial partner, and a growing body of clinical trial data that continues to build strong validation of the Tetramatrix™ platform across indications.

The Tetratherix flywheel is in motion, it is being further boosted by the native incorporation of AI across our developments, manufacturing and operating systems.

This year we have also produced the report in an agent-ready form. Alongside the designed document, the content has been structured so that it can be read accurately by AI systems: sections sit under consistent, semantically labelled headings; product, entity and franchise names follow a single controlled vocabulary; figures carry explicit units, currencies and reporting periods; and tables are preserved as structured data rather than as images.

Our intention is that investors, analysts and partners using AI tools to interrogate this report receive answers grounded in what we have actually reported, with fewer transcription errors and less risk of misinterpretation. An AI friendly version of this report is accessible at <https://reports.tetratherix.com/>.

This report provides information on matters that we believe could materially affect value creation at Tetratherix. The Board has collectively identified and prioritised the material issues for inclusion in this report. In this report, we present the identified material information through a structured narrative.

We review who we are and how we create value through our technology and business model. We report those matters significantly impacting value and outline our strategy, performance, and outlook to ensure long-term value creation and patient impact. The Board will continue to engage with key stakeholders and consult with them on matters that interest and impact them and update the market when necessary. Our ARC verifies the integrity of each periodic report before release, with the Financial Statements and Remuneration Report independently audited.

References in this report to a 'year' or 'this year' are to the financial year ended 30 June 2026 (previous corresponding period to 30 June 2025) unless otherwise stated. All years are financial years ending 30 June unless otherwise stated. All dollar figures are Australian dollars (AUD) unless otherwise stated.

Nexia has conducted an independent audit of the Financial Statements and Remuneration Report. A copy of Nexia's audit report is contained in this annual report.

The Tetratherix Investor Hub platform provides existing and prospective shareholders with real-time access to ASX announcements, reports and presentations. You can visit the Tetratherix Investor Hub at <https://investors.tetratherix.com/>.

* references to 'Tetratherix', 'TTX', 'the Company', 'the Group', 'we', 'us' and 'our' refer to Tetratherix Limited (ACN 607 771 077) and its subsidiaries, unless otherwise stated.

An Introduction to Tetratherix

We are an Australian biomedical technology company, founded in 2015 as an advanced manufacturing and intellectual property-generating entity in the biomaterial and regenerative medicine space. At our core is our flagship Tetramatrix™ platform technology.

We commercialise multiple products derived from our Tetramatrix™ platform technology through a flywheel model in which our established foundational intellectual property, safety, efficacy, and streamlined manufacturing processes facilitate the rapid and efficient development of products in different fields of medicine.

We have been building this Company and its platform technology for 15 years, having started the journey as a PhD thesis at the University of Sydney. The founders and inventors of the technology continue to control and drive the company towards its mission.

The platform technology allows for multiple parallel commercial opportunities, with the first generation of products will be launching into global markets in FY27, representing an exciting inflection point in the TTX journey.

Our Tetramatrix Platform Technology

Tetramatrix™ is a biostealth fluid technology engineered to transition at physiological temperature and form a tissue-adhering 3D matrix after delivery. Designed as a single platform it can be adapted to distinct derivatives for different tissues, indications and delivery requirements without reinventing the underlying system each time.





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01. 2026 in Review

Letter From Our Chair

Dear Shareholders,

It is with great pleasure that I present the Annual Report for Tetratherix Limited for the financial year ended 30 June 2026.

This year has been a period of continued progress and relentless execution. We moved from being a newly listed company to an organisation delivering on the commercial, clinical, technical and operational goals we set when we listed on the ASX in June 2025. We achieved significant milestones across our key product areas and continued to strengthen our organisation to support long-term, sustainable growth.

FY26 was marked by important progress on several fronts. We completed our first full FDA dossiers including performance and safety testing for our dental and orthopaedic bone regeneration products for initial market launch in the US. Within Tutelix, our injectable spacer for radiation oncology, we successfully completed the first insertion of the device into a human patient and progressed to stage 2 of the clinical study, alongside completing an early-stage meeting with the FDA to discuss our regulatory pathway. TetraDerm, our product for surgical scar reduction, completed its first patient cohort and progressed through a second, with the third and final cohort set for completion in CY26. We also introduced our new Precision Medicine franchise and reached a major technical milestone in nasal drug delivery. Together, these achievements validate our work and will help us accelerate our commercialisation plans across our key product areas, while we continue to invest in research and development.

We also made considerable progress building long-term partnerships. We finalised our exclusive global quality and supply agreement with Henry Schein, Inc., one of the world's largest medical distributors, and signed our Superpower Health Inc. research and development agreement, which secures us a licence payment of US\$3 million a year for up to ten years, along with expected sales of our polymer technology. We signed an exclusive licensing agreement with BioOptix, Inc., which has itself partnered with Alcon Research, and our Tutelix joint venture accelerated its major clinical trial program following its first round of external investment. We also progressed discussions with several potential partners in orthopaedic bone regeneration for our TegenEOS product. These outcomes reflect the hard work of our entire team and give us confidence that key stakeholders believe in our mission.

Financially, we directed investment towards research and development, digital systems and production capability, supported by more than \$20 million in additional funding beyond what we originally forecast at IPO. This included a \$15.6 million capital raise in May 2026 (before costs), a \$3.3 million IGP grant to be received over two years, and \$4.2 million in licence revenue from our Superpower agreement. We ended the year with \$34.4 million cash and cash equivalents on hand and recorded a net loss of \$9.3 million. This loss reflects our capital light model, continued investment in research and development and in our advanced manufacturing capability, offset in part by our first year of licence revenue and supplemental income from our additional capital raise and IGP grant.

Looking ahead to FY27, our objectives remain clear and our key priorities are:

- Secure FDA 510(k) approval for our Bone Regeneration products;
- Begin our first commercial production and sales for our Bone Regeneration franchise and STEPP – our nasal drug delivery product;
- Sign a strategic partnership agreement for TegenEOS, our orthopaedic product;
- Progress clinical trials for Tutelix, our oncology spacing product, through our joint venture;
- Advance pre-clinical trials and complete technical reporting for Optimatrix, our ophthalmic product;
- Complete our advanced manufacturing campus and relocate our company headquarters;
- Recruit and onboard new team members across our digital, production and customer success teams; and
- Commence tracking patient impact following our first product sales.

We would like to thank our entire team for their dedication, without which none of these achievements would be possible. We also thank our partners and shareholders for their continued support and belief in our vision.

We are excited about the journey ahead and remain committed to finding new possibilities in life sciences. Our mission remains the same: to use our Tetramatrix™ platform technology to expand healthcare access, improve equity in global health, and deliver better outcomes and real, positive impact for patients.

Yours sincerely

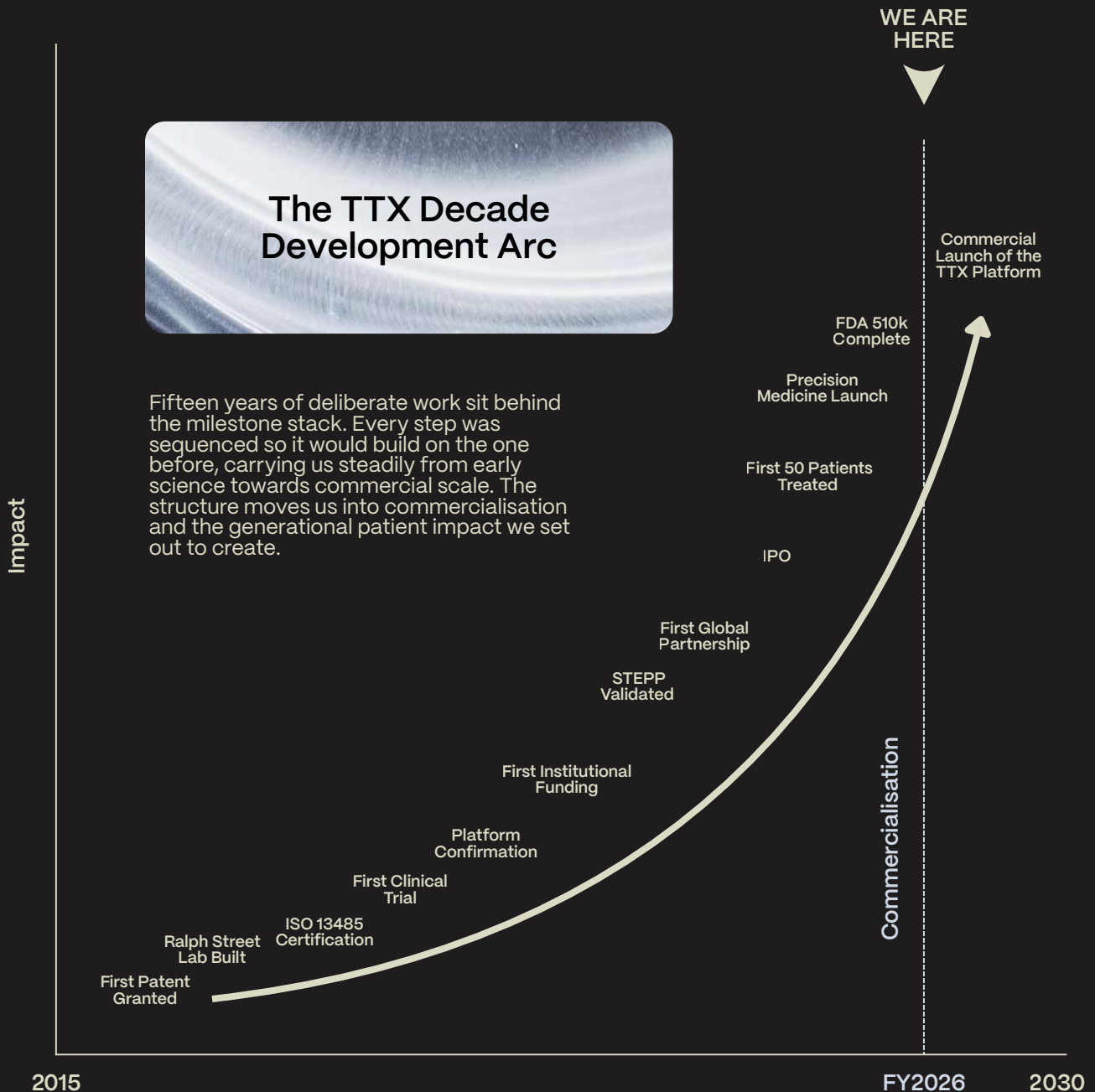
Emma



Emma Cleary
Non-Executive Chair



TTX Timeline – 15 Years in the Making





2026 Highlights

01 

58% Growth in Patient Impact

Patient impact is how we measure our success. Tetramatrix™ platform technology has now been used across multiple clinical trials with over 75 patients included. This number will significantly grow upon market clearance in 2026.

02 

First Revenues of \$4.2m*

Reaching the commercial inflection point. Tetratherix is now officially a revenue generating business, having successfully transitioned from an R&D house to a commercial entity.

03 

Completed First FDA Submission

Significant regulatory milestone met. 2026 saw TTX complete its first full FDA dossiers including performance and safety testing for our dental and orthopaedic bone regeneration products for initial market launch in the US.

04 

Production Readiness Underway

Federal Government support for Australian Export. With the support of a \$3.3m IGP grant, we have now begun the build of our bespoke advanced manufacturing facility to increase our capabilities by 10x in Sydney, Australia with completion estimated to be in late 2026.

05 

Precision Medicine Launch

Changing the way drugs are delivered on the back of 5+ years of mRNA delivery research. Tetratherix has now launched its drug delivery franchise, targeting the exciting intersection of consumer preventative medicine and metabolic health.

06 

Paving the Path with our Pipeline

Growing patient impact, anchored by science. Working closely with our development partners, TTX has progressed the clinical safety & efficacy testing for its pipeline products in scar prevention, urological spacing and cataract surgeries.

*The \$4.2 million licence revenue is being recognised on a straight-line basis over the 12-month period from April 2026. Of this, \$0.9 million has been recognised in the FY26 P&L, with the remaining \$3.3 million to be recognised in FY27.

2026 Highlights

01

58% Growth in Patient Impact



Patient Impact
Score FY26

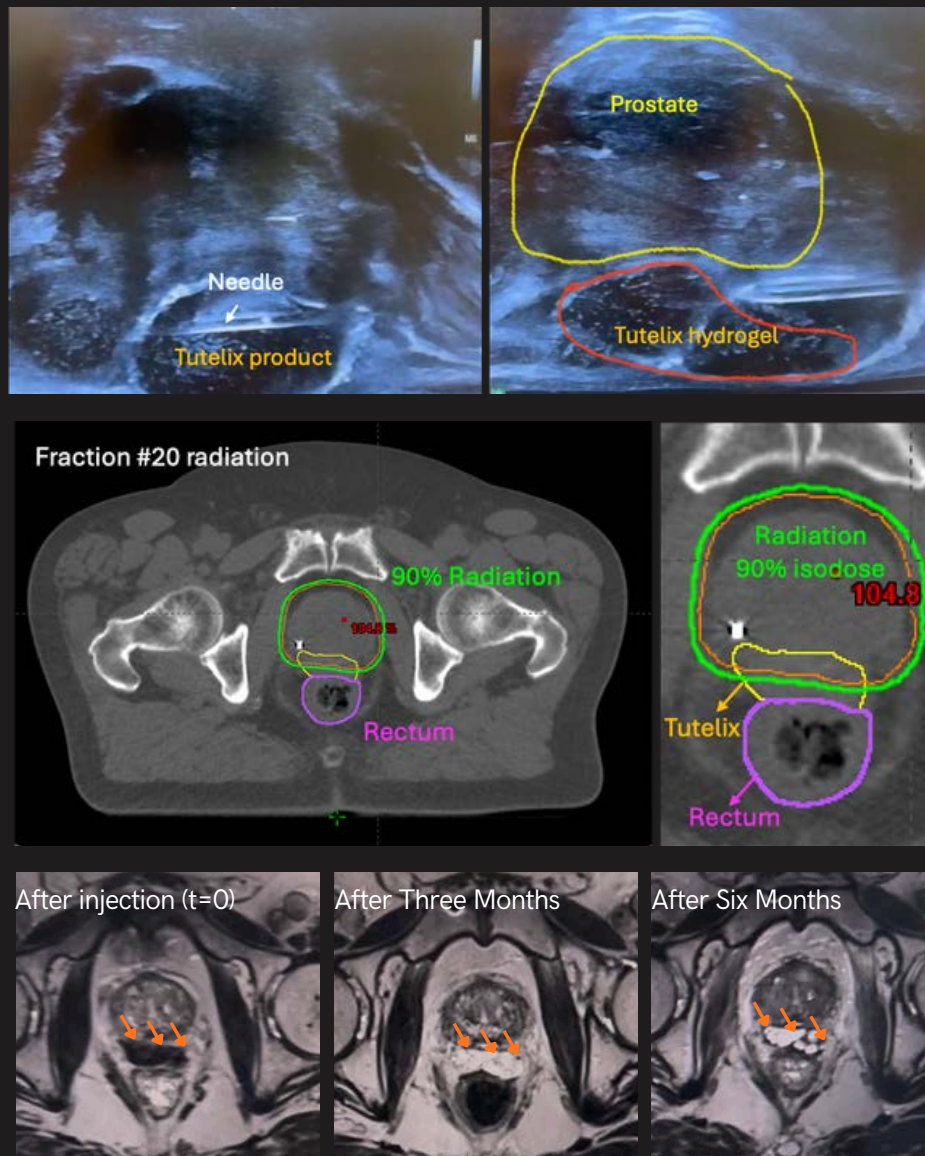
Patient impact is how we measure our success.

The Tetramatrix™ platform has now been used across multiple clinical trials, with more than 75 patients treated to date, and that number is set to grow considerably once we reach market clearance in 2026.

Across the year the TetraDerm clinical trial advanced into cohorts 2 and 3, with major wounds now being treated and with strong indications of performance in reducing scar formation. The Tutelix pilot trial was completed with 15 patients treated, recording no adverse events to date, outstanding clinical usability outcome and space generating capability. HREC approval was granted for the Tutelix pivotal trial towards the product clearance with the FDA.

A. Tutelix First In Human Success

The FIH clinical trial for Tutelix product was initiated and all planned 15 patients completed their treatment with no product related adverse event. The product administration was successfully completed for all patients across two sites in Australia. The visibility of the product during its deployment provides a safe and easy to use product for the clinicians while the mechanical performance of the forming hydrogel and its "lift" strength formed an homogeneous space anatomically between prostate and other tissues.



Product displayed an outstanding structural stability at the injection site for 3 months. MRI results displayed "water intake" at this time point which is a prerequisite for over time hydrolysis and resorption of the injected structure. The uniformity of the structure and its stability for at least 3 months can provide solid basis to expand the application of the technology for pelvic cancer.

B. TetraDerm Clinical Trial Progress

TetraDerm clinical trial progressed in two sites in Australia. The results from the unblinded cohort 1 showed strong indications of efficacy for the technology to reduce scar formation. No report of inflammation, seroma formation and no report of hypertrophic scarring are all aligned with the expected mode of action for TetraDerm.

Operation



1 Week



6 Weeks



6 Months



12 Months



Cohort 2 recruitment with 18 patients completed and significant progress has been achieved in cohort 3 that involves up to 1.5 m wounds after breast augmentation, belt lipectomy and other major surgeries.

70

years of age

Oldest patient treated in the trial with VSS of <1 at all time points

9

cm wound length

Relatively large wounds with no healing issues observed

0

seroma formation

No reports of seroma formation in any of the treated wounds

ZERO

inflammation

No reports of inflammation from 2 weeks onwards in any of the patients

2026 Highlights

02

First Revenues of \$4.2m*



Reaching the commercial inflection point. Tetratherix is now a revenue generating business, having made the transition from a research and development house to a commercial entity.

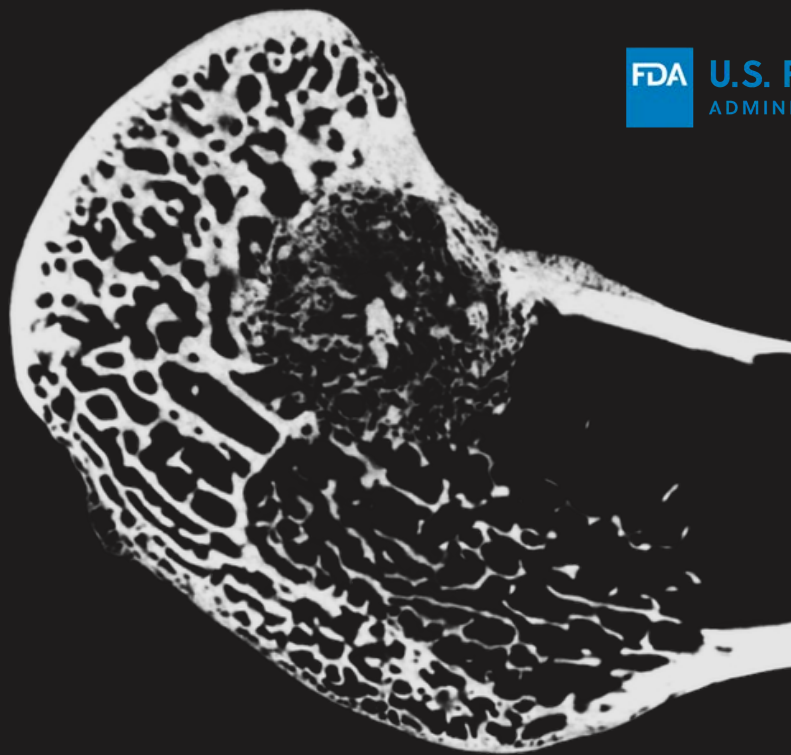
This first revenue is an annual licensing fee that gives a single partner access to our intellectual property, and it establishes a model we can extend as further partners are added across the entire platform. Supply of the Tetramatrix™ platform polymer will build on this base, adding a second stream to our revenue-generating potential.

*The \$4.2 million licence revenue is being recognised on a straight-line basis over the 12-month period from April 2026. Of this, \$0.9 million has been recognised in the FY26 P&L, with the remaining \$3.3 million to be recognised in FY27.

2026 Highlights

03

Completed First FDA Submission

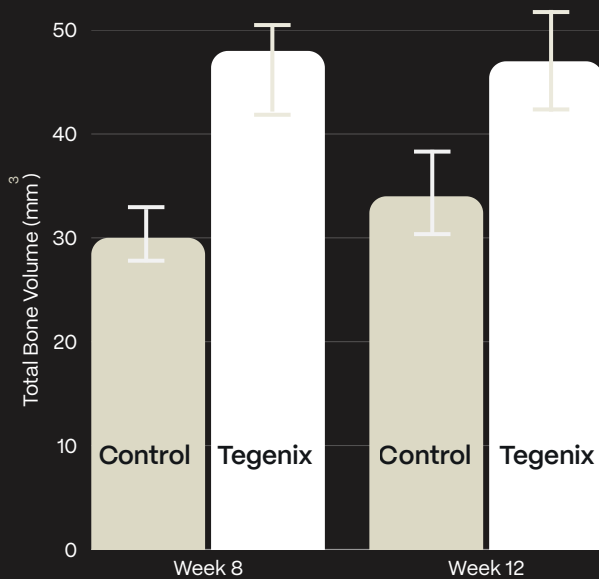


A significant regulatory milestone met. In 2026 Tetratherix completed its first full FDA dossiers, covering the performance and safety testing for our dental and orthopaedic bone regeneration products ahead of their initial market launch in the United States.

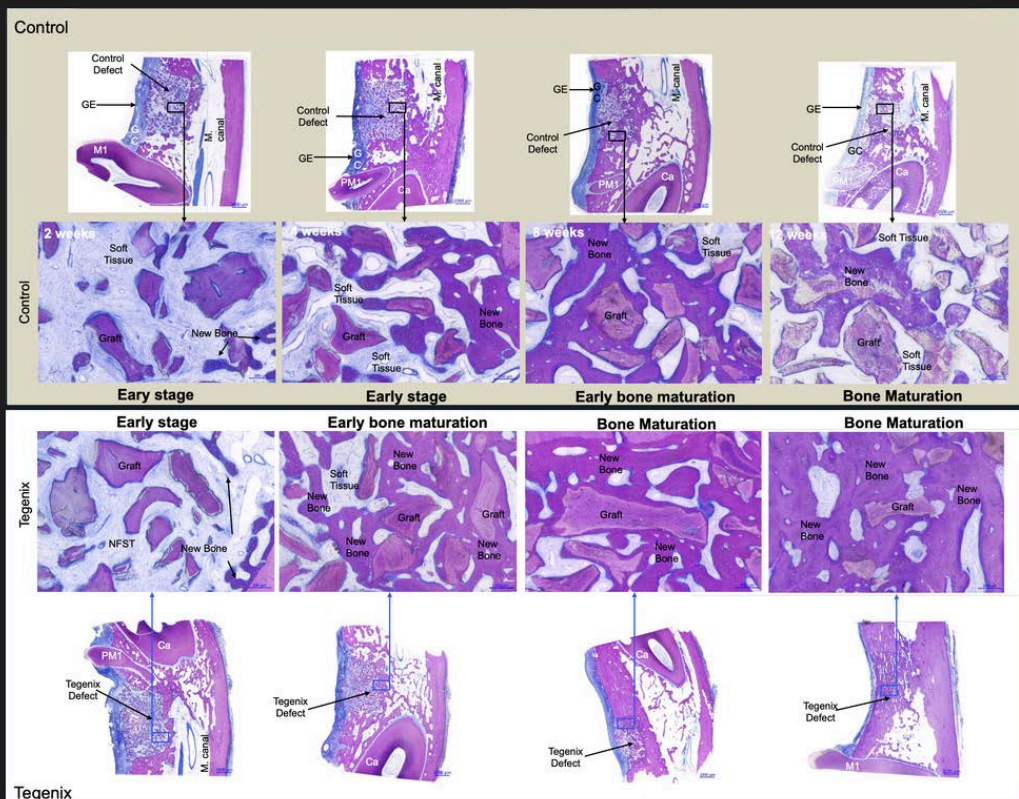
The submissions were completed on the back of multiple pre-submission meetings with the FDA and draw on 27 internal reports, the full suite of ISO 10993 preclinical safety studies, and two large-animal performance studies. Completing this work sets the regulatory flywheel in motion and makes each future submission easier to prepare. It is a licence to hunt and the beginning of a longer journey.

FDA submission Data Read out

As a novel platform material, and to enable effective and efficient motion of our flywheel for our current and future FDA submissions, we went above and beyond to confirm the safety of our polymer platform per ISO10993. An independent review of data with a biological safety scientist and a principal toxicologist in the US concluded that the platform is safe as a weight-of-evidence from numerous In vivo studies demonstrated no evidence of irritation, sensitisation, systemic toxicity, genotoxicity, pyrogenicity or carcinogenicity from the platform.

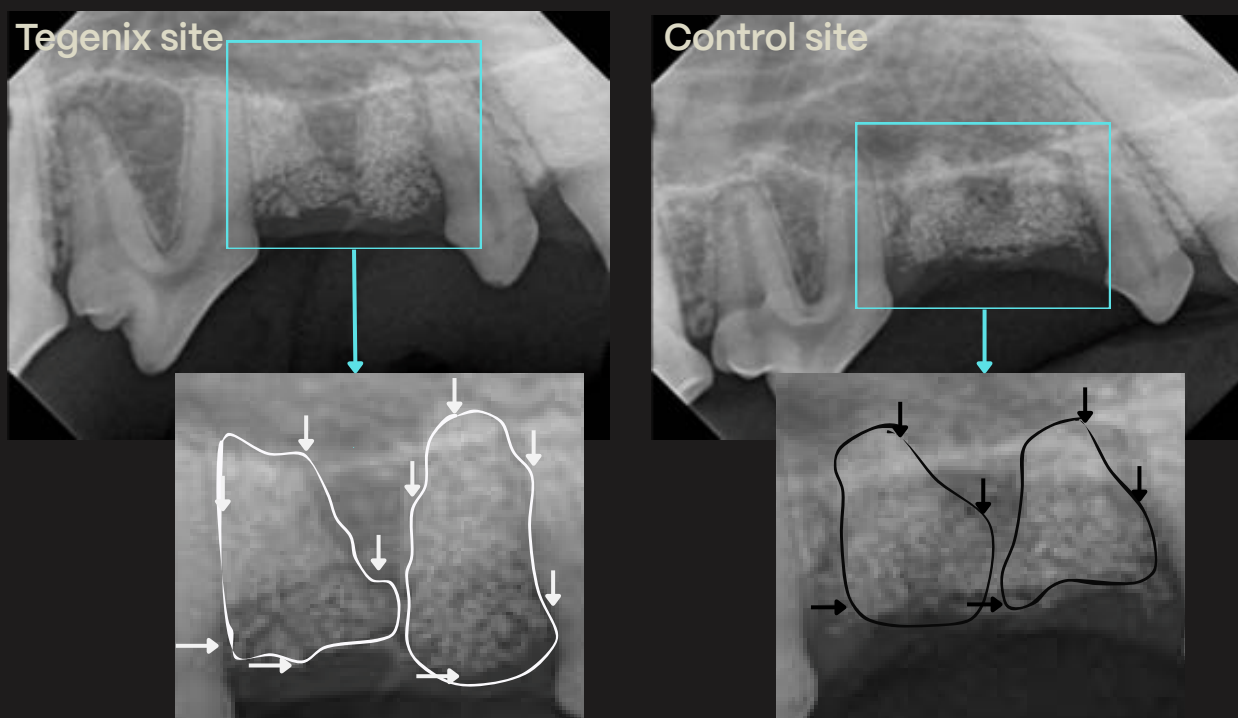


The results from these clinically relevant models confirmed that Tegenix: (a) acts as an effective carrier for any type of bone grafts (animal or human-derived) to enhance their usability and handling; (b) supports natural healing with no inflammatory/foreign body reaction to Tegenix and (c) provides a 3D matrix to hold them in place to enable cellular ingrowth and activation. The impact was more evident where adhesivity of Tegenix matrix play an important role (for example in upper jaw).

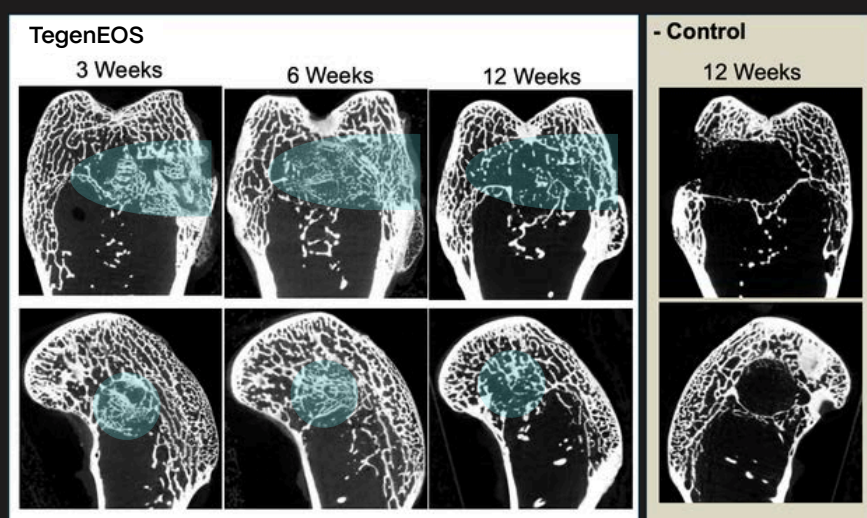


FDA submission Data Read out

The sites were integrated with the host tissue, and the Tegenix treated sites demonstrated the product's proposition, allowing bone ingrowth within the grafted site, leading to greater bone volume.



TegenEOS allows effective delivery of autografts to the site for effective integration of the newly formed bone with the host environment (turquoise blue area showed the original location of the defect).



2026 Highlights

04

Production Readiness Underway



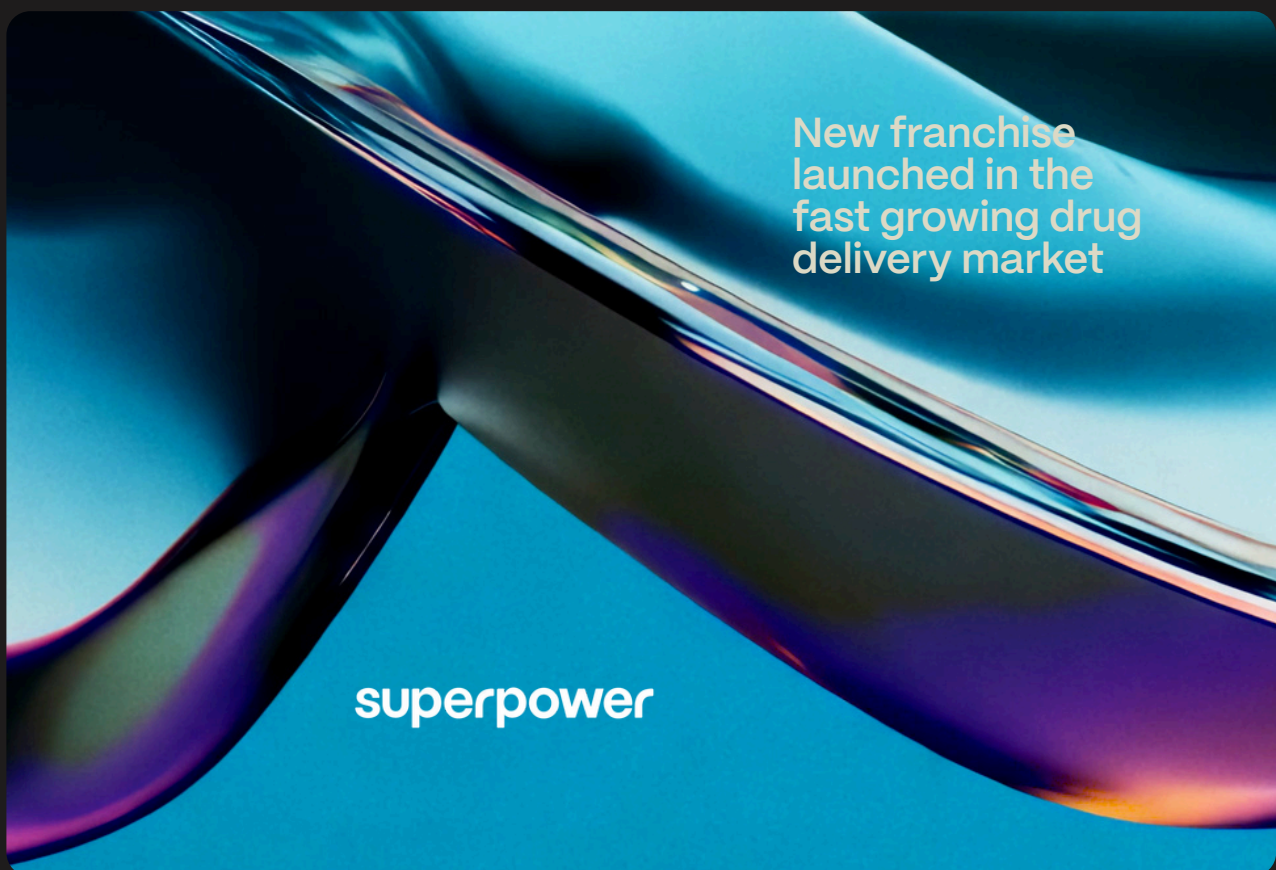
Federal Government support for Australian export. With the backing of a \$3.3m IGP grant, we have begun building a purpose-designed advanced manufacturing facility in Sydney that will lift our production capability tenfold, with completion expected in late 2026.

The facility adds 3,000 sqm of production space to our campus and positions Tetratherix to be a leader in innovation for Australian advanced manufacturing, exporting globally. Capacity is being brought online in stages to match global demand, and inventory is being built through the process to supply both the Bone Regeneration and Precision Medicine franchises.

2026 Highlights

05

Precision Medicine Launch



Changing the way drugs are delivered, on the back of more than five years of mRNA delivery research. Tetratherix has launched its Precision Medicine franchise, targeting the intersection of consumer preventative medicine and metabolic health.

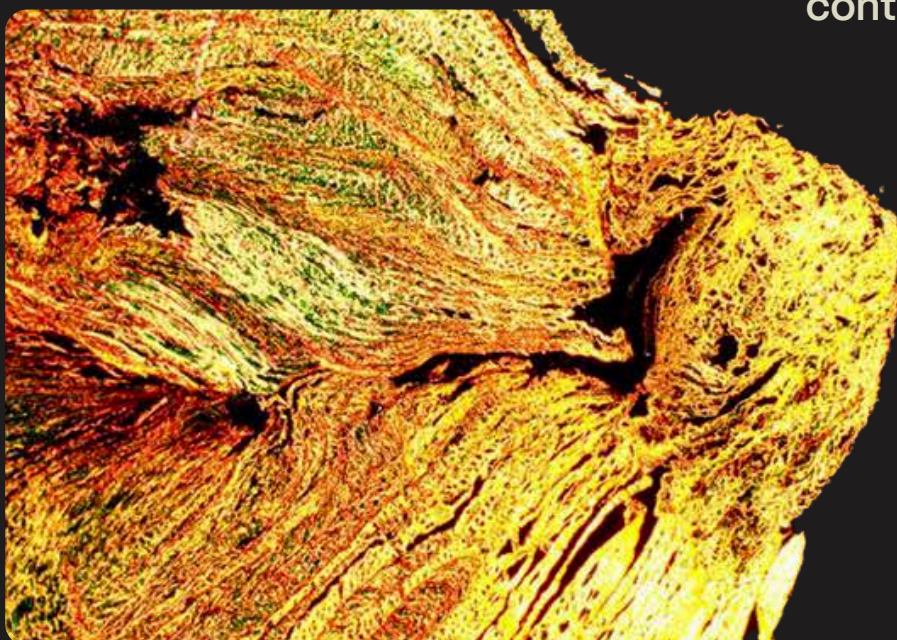
The franchise is built on years of complex pharmaceutical R&D and collaboration with big pharma on mRNA delivery. The technology's distinctive feature is the ability to hold active compounds in place for controlled nasal delivery, avoiding injection entirely. Anchored by science, the technology's proposition has been validated by recent peer-reviewed publications covering the nasal delivery of proteins, peptides and insulin.

2026 Highlights

06

Paving the Path with our Pipeline

The Tetramatrix™ platform continues to grow



A histological assessment of a pipeline Tissue Healing application in an animal model from UPenn (USA)

Growing patient impact, anchored by science. Working closely with our development partners, Tetratherix advanced the clinical safety and efficacy testing of its pipeline products across scar prevention, urological spacing and cataract surgery.

In addition to our clinical trials for TetraDerm and Tutelix, that both reached significant clinical milestones, we continued the development of our other pipeline products. BioOptix completed its proof-of-concept preclinical studies, demonstrating that the product can maintain surgical space and allow complete cataract surgery with no spike in eye pressure. We published our results in multiple peer-reviewed journal articles on novel utility of our polymer platform for tissue healing and precision medicine.

CEO FY26 Letter

Dear Shareholders,

Healthcare is moving in one direction: faster, cheaper, and further from the operating theatre than most legacy medical technology companies are prepared to admit. In the United States, more than 80% of surgical procedures are now performed outside a hospital inpatient bed. Ambulatory surgery centres, a \$45.6 billion market today, are forecast to grow past \$55 billion in the US within five years, and regulators keep widening what can be done within them: CMS added 37 procedures to the approved ambulatory service centre (ASC) list in 2024 and another 21 in 2025, and by next year an estimated third of all cardiac procedures in the US will be performed in an ASC rather than a hospital. Urology intervention, orthopaedic surgery and general surgery are all following the same path. The economics behind the move are straightforward. Procedures performed in an ambulatory setting typically cost 35% to 50% less than the same procedure in a hospital outpatient department, a colonoscopy runs around 38% cheaper, a rotator cuff repair or knee arthroscopy over 50% cheaper, and the US Medicare system alone saves more than \$4 billion a year by moving care into these settings. But to be clear – this shift applies to markets all around the world, with the EU, Australia and Asia catching up to the US thematic.

Following, although we are pushing the progression to the clinic, Tetramatrix™ is not a platform built exclusively for ambulatory settings, and that is deliberate. The Tetramatrix™ chemistry performs the same way inside a hospital theatre as it does in an ASC, and our partners value that consistency: one specification that works wherever a case lands, rather than a different product for outpatient sites and another for inpatient ones. Our role in this shift is to give partners a material that lets them move with it at whatever pace their market does, hospital or ASC, and put them at the front of a global trend rather than a cycle behind it. We spent much of FY26 in the rooms where this shift is being decided, meeting the partners and clinicians who are actually reallocating volume between settings, and it confirmed the premise we built this company around: a platform that reduces the footprint, time and cost of a procedure is exactly where the system is heading, pushed by payers and regulators as much as by patients.

Tetramatrix was designed for that shift before the shift had a name most investors would recognise. Our patient impact across our clinical programs built on the platform has grown by 58% in FY26, a number that will move quickly once our regulatory position clears. Our bone regeneration products remain under active FDA review, with our 510(k) submissions progressing through the process; our upcoming clearance is the gate that turns a research cohort into a commercial one, and turns a product that has existed in a trial protocol into something a surgeon can reach for in an ASC or a hospital theatre, wherever the case is booked.

There is a way to launch a medical technology properly, and it takes longer than the market tends to want. When a new product reaches a physician's hands for the first time, it is delivered into a person's body to manipulate biology – no mean feat – and every launch we run follows the same discipline: a twelve to eighteen month seed program, run with a defined and limited group of users, deliberately unhurried, built so we can watch exactly how the product performs, in which patients, and under what training, before it goes anywhere near broad distribution. That seed period is what makes everything that follows it trustworthy. A device used in the wrong patient, by a surgeon who has not been properly trained on it, causes damage that compounds well past that single case, because trust in an entire category of care, once lost, is close to impossible to rebuild. We take that risk seriously, on behalf of patients who have no way of knowing, from where they sit, how carefully the company behind their treatment actually did this work. The seed program exists because being slow, here, is the work itself, and we intend to keep doing it this way long after the market has stopped asking us to hurry. This is exactly where twenty-plus years of experience commercialising medical technology globally earns its place at the table, because we have seen how this goes right and how it goes wrong often enough to know which twelve to eighteen months are worth spending before anyone touches broad distribution.

On the theme of deliberate patience, the approach to our orthopaedic partnership deserves some airtime, to further explain the partner selection process which may be seen to be taking longer than some would like, despite this being a targeted mission. Our first bone regeneration product – Tegenix – already moves through Henry Schein's team and will soon launch into its distribution network in the US, which tells you the product performs and the surgeons assessing it are excited. But, like this Henry Schein agreement's structure exemplifies, a traditional distribution agreement is a different thing from choosing who we co-develop the next generation of orthopaedic innovation with over the fifteen to twenty-year horizon our licensing model is actually built around. We are running that process with the diligence a decision of that length deserves: technical evaluation in both directions, clinical evidence exchanged rather than asserted, and enough time in each other's labs and production lines to know whether the relationship holds up past a couple of quarters. We would rather take our time and get the right partner than announce a name early because the market wants one in a report. Shareholders should read the pace of this process as discipline, not delay.

CEO FY26 Letter

In FY26, we backed the science up with another genuine commercial result ahead of time. In March we signed our inaugural drug delivery licence agreement with Superpower Health, a US consumer health group, worth US\$3 million a year for up to a decade, plus polymer supply revenue on top – a partnership already delivering \$4.2 million cash inflow, catalysing balance sheet rigour in FY26. It is proof, at commercial terms, that a partner with rapidly growing resources and ambitions is willing to build its own product roadmap around our platform. Regulatory progress moved at the same pace. We completed full FDA dossiers for our dental and orthopaedic bone regeneration products, and the FDA has since assigned the Tetramatrix™ polymer its own federal identifier, a UNII number, the agency's formal acknowledgment that the Tetramatrix™ technology is exactly what we say it is. A \$3.3 million Industry Growth Program grant from the Australian Government is now helping to underwrite the manufacturing expansion behind all of it. The platform kept moving beyond bone, too: five years of internal mRNA delivery research became an entirely new Precision Medicine franchise, aimed squarely at preventative care and metabolic health.

We think our advantage here is structural rather than incremental. The global GLP-1 and metabolic health drug market is forecast to grow from roughly US\$27.5 billion in 2026 to close to US\$100 billion by 2030 and more than 12% of American adults are already taking one of these medications. At June 2026, almost all of them take it by injection. That is the entire commercial opening in front of STEPP: our nasal delivery system that forms a protective, adhesive cushion inside the nasal cavity, protects the therapeutic payload against degradation, and releases it into the bloodstream in a controlled way, without a needle. We have now shown this works across a genuinely wide range of payload types rather than one molecule class, including GLP-1 peptides, mRNA constructs, antibiotics, antibodies and growth factors, the result of more than five years of internal drug delivery research done with research institution partners rather than built around a single drug. Superpower's decision to build its consumer metabolic health roadmap around STEPP is the first commercial evidence that this advantage is real and monetisable. And it won't be the last.

Elsewhere, our pipeline in scar reduction, a radiation oncology spacer for prostate treatment, and our cataract surgery solution all continued to accumulate safety and efficacy data on their own timeline, quietly and with laser focused and deliberate strategic vision.

We have been deliberate about what capital we raise and why, and deliberate about the shape of the business underneath it, since well before FY26. The model was never going to be capital intensive in the way a company that owns its own commercialisation assets is capital intensive. We hand that work to globally leading partners who are set up to do it better and faster than we ever could, and we keep the parts of the value chain that scale without scaling cost: one core Tetramatrix™ chemistry, licenced and supplied into as many derivative products as the platform can support. That is why our licence revenue plus product supply carries a gross margin most product companies would not recognise, and why the margin compounds rather than merely accumulates: every new partner adds revenue on largely the same fixed cost base, not a new commercial function or a new regulatory team built specifically for them. FY26 closed with more than \$20 million above what our Prospectus modelled, across a placement, licence revenue and incremental government grants, and none of that capital is a general-purpose war chest. It funds a specific list of things: manufacturing capacity, clinical enrolment and the commercial infrastructure that turns a partner's interest into a cash-generating agreement, because the point of building our war chest was always to reach our own operating cash flow on a visible timeline, not to extend how long we could operate without one. A company that depends on capital markets' goodwill between raises is not fully in control of its own decisions. Compounding margin on top of a lean cost base is a slower, less headline-friendly story than announcing a large raise, but it is the version of this story that ends with us setting our own terms, on our own schedule – which maximises outcomes for our shareholders but more importantly, grows the impact we can have on patients' lives all around the world.

There is also a case, separate from any single product, for building this in Australia rather than somewhere else. We are constructing Tetratherix's manufacturing capability in Sydney because Australia gives us technical talent that is genuinely hard to find elsewhere, a regulator the rest of the world takes seriously, a group of commercial medtech talent that has worked at the highest echelon of the industry and an opportunity to build on the work of our founder – Dr Ali Fathi – to foster an ecosystem of global leadership in our sector. That combination – real engineering depth and genuine global commercial acumen – is what has let a company our size sit across the table from, and sign terms with, some of the largest healthcare and consumer health companies on earth. Tetramatrix is designed, developed and entirely made here, in Sydney, then licenced and sold into markets many times the size of our own. Done properly, over the coming years, Tetratherix becomes a working example of what sovereign manufacturing in Australian life sciences can look like: the source of a complete, unique technological export – not a subsidiary of someone else's supply chain.

CEO FY26 Letter

None of this happens without the people who are the heart, soul and engine of Tetratherix. What I'm proudest of this year isn't any single result, it's the accumulation of differentiated proof points and most importantly, that the TTX culture held while the company changed shape underneath it. We went from a research house to a manufacturing-led commercial business in the space of twelve months, and the same people who would tell you honestly what was wrong with an experiment in a team meeting are now the ones running qualified production lines, engaging with regulators at the highest level and holding partners to the standard our science requires. The team behind our mission make us immensely proud and our culture is at the top of our list of achievements.

FY27 is where the science transitions to revenue, on a schedule we have set for ourselves rather than one set for us. Three things carry the year. First, FDA clearance for Tegenix and TegenEOS, followed by our inaugural product sales for bone regeneration and STEPP meaning Tetramatrix™ will begin its journey to rapidly grow its reach to clinical customers rather than sitting on a desk in the form of a research paper. Second, a single manufacturing campus, with HQ and production under one roof, alongside MDSAP accreditation, which opens the US, Australian and other major markets collectively rather than one at a time. Third, clinical progress that is not waiting on either of the above: Tutelix's pivotal trial enrolling its first patients, and Optimatrix moving out of preclinical work and into the clinic.

To the team: thank you for building something real, on a schedule most people would have called unreasonable twelve months ago.

To our partners and shareholders: thank you for backing a company that has chosen to prove itself in stages, with evidence, rather than promise everything at once.

To every shareholder who put capital behind us, and every partner who put their own name on the line to work with us: you are funding a future patient, one we cannot yet name, who will walk into an operating theatre or a clinic and receive care that is faster, gentler and genuinely better because this company existed and you backed it early enough for that to be possible. That is the actual scale of what your support is building toward, quarter by quarter, and it is the reason this company exists.

Thank you.

Kind regards,



Will Knox
Chief Executive Officer



02. Our Company

The Tetratherix Mission

We use the Tetramatrix™ platform polymer to develop multiple products to treat patients faster, cheaper and safer.

Our goal is to derive products from our platform technology to expand healthcare access by treating more patients outside traditional hospital and surgical settings, fostering greater health equity worldwide and improving clinical outcomes.

We use the modularity of the Tetramatrix™ platform to partner with key market leaders to develop new technologies and together maximise impact.

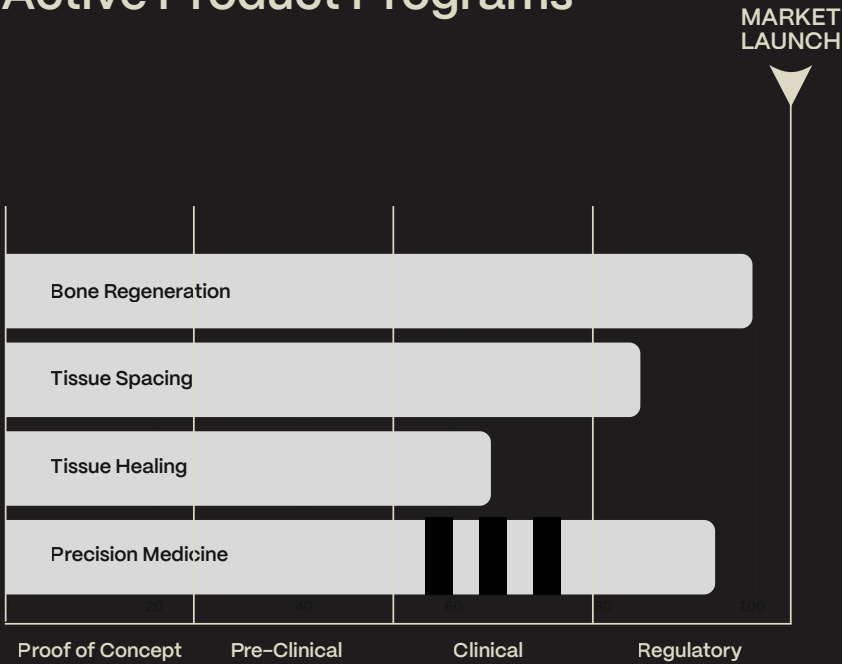
We make product development more efficient; patients and physicians can access the future of healthcare sooner.

We will treat 10 million patients by 2035 by using our platform technology.



Tetratherix by the data

Active Product Programs



15

Years of deep R&D on the cusp of changing lives around the world

6

Products being developed from a single technology in the first generation

3X

Enhanced productivity With flywheel in motion from experience and AI/digitalisation



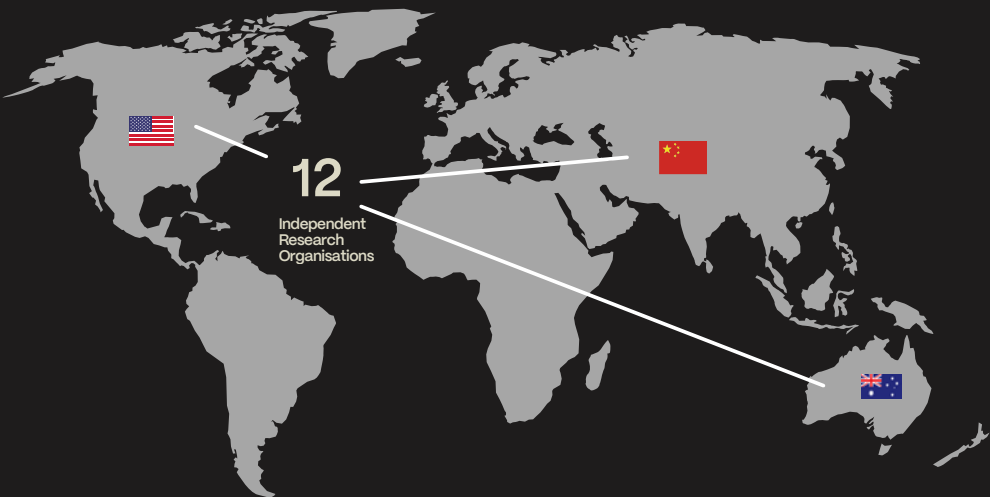
03

New chemistries with 95% similarities from our single Tetramatrix Platform technology



TTX by the data

Global R&D Infrastructure



Digital

Internal Machine Learning Tool*

42

Granted Patents

2044

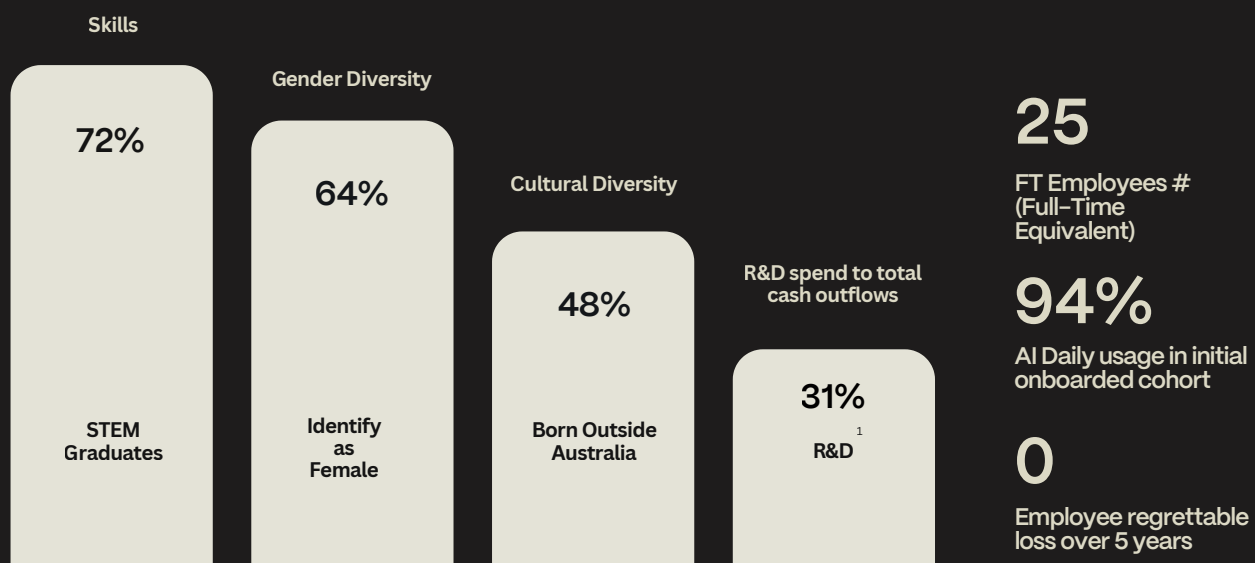
Patent Expiry Timeframe

* embedded internal digital tool to enable effective discovery of new and ongoing opportunities .



TTX by the data

People and Culture



¹ R&D includes specific projects including capitalised costs, directly attributable staff, laboratory costs, trademarks and patents



The Tetramatrix™ Platform Technology



The Evolving Dynamics of Global Healthcare is Demanding Innovative & Cost-Effective Biomaterials

01. Rising Patient Expectations

Patients are increasingly expecting higher quality of care with a particular focus on reducing recovery times and the lower risk of complications – which is also a driver of increasing healthcare costs for patients and payers globally.

02. Need for Cost-Effective and Decentralised Care

Increasing global healthcare spending and demand for healthcare services are necessitating investment in cost-effective tools and treatments, including those that can be delivered outside a traditional hospital setting, to minimise burden on the healthcare system.

03. Easier Healthcare Delivered Wherever Care Happens

Consumers are taking a bigger role in healthcare choices, they are demanding safer, easier options they can use at home or assisted in outpatient settings focused on predictable performance that improves access and outcomes.



How does Tetramatrix™ solve the problem?



Tetramatrix™ Platform Technology

We use the modularity of the Tetramatrix™ platform to partner with key market leaders to develop new technologies and together maximise impact. We make product development more efficient; patients and physicians can access the future of healthcare sooner.

The Company's primary focus is on developing and commercialising the Company's unique and innovative Tetramatrix™ platform technology. Tetramatrix™ is a platform of proprietary, fully synthetic polymer products that are compatible with minimally invasive administration techniques and cause minimal foreign body reaction (making it ideal for regenerative medicine and drug delivery).

The Tetramatrix™ platform technology is clinically modular, integrates and adheres to the target tissue to support different regenerative biological processes and/or to simplify surgical interventions. The core technology used in Tetramatrix™ is a family of synthetic polymers comprising of four building blocks that act as medical Lego®, allowing fine tuning of the polymer chemistry to address different clinical needs.

Three polymer configurations are formulated by using Tetramatrix™; these three polymer configurations share ~95% chemical similarity, are manufactured with an identical processing conditions and quality management system. Tetramatrix™ is used to derive products in three market segments, also called franchises that include bone regeneration, tissue spacing and tissue healing.

01



**Universal
Minimally
invasive delivery**

Water-based solution that can be injected or sprayed into the body without causing disruption to the surrounding host tissue.

02



**Seamlessly
integrates into
existing workflow**

Engineered for predictable point-of-care handling without bespoke infrastructure, with controlled transition at physiological temperature for repeatable, measurable and clinically practical performance.

03



**Biostealth:
Engineered to be
ignored**

With seamless biocompatibility, Tetramatrix™ works with the body then disappears with no fuss, no noise and nothing left behind.

04



**Manufactured at
low cost and
scaled**

Built with manufacturability, robust quality systems and scalability in mind, Tetramatrix™ supports clear pathways from development through to validation and ultimately real-world clinical deployment.

¹ Published in three peer-reviewed journal articles: (1) Calder, D. et al. Thermoresponsive and Injectable Hydrogel for Tissue Agnostic Regeneration (Adv. Healthcare Mater. 23/2022). Adv Healthcare Mater 11, 2270137 (2022); (2) Calder, D. et al. Universal Hydrogel Carrier Enhances Bone Graft Success: Preclinical and Clinical Evaluation. Adv Healthcare Mater (2025). doi:10.1002/adhm.202403930; and (3) Fathi, A. et al. Elastin based cell-laden injectable hydrogels with tunable gelation, mechanical and biodegradation properties. Biomaterials 35, 5425–5435 (2014).

Tetramatrix™ Platform Technology – How does it work?

Tetramatrix™ is a synthetic material supplied in a ready-to-use syringe format that fits within the existing clinical workflow rather than changing it. It is manufactured locally, at scale and at low cost.

The material is delivered by injection or spray, causing minimal, if any damage to the surrounding area during its application. Gelation is purely physical: the material uses the heat of the body to transition from a fluid into a hydrogel. Its water content and mechanical properties closely match soft tissue, which encourages the body to accept the matrix as part of its own. Over time it breaks down into safe by-products that are cleared through the kidneys.



01



Intelligent

The material is an injectable fluid to avoid causing damage to the body during its application. Upon injection, triggered by physiological temperature, a 3D matrix is formed that physically integrates and adheres to the target tissue.

02



Modular

A biomaterial platform built with unique polymer programming akin to 'medical Lego®' to form implantable products to solve a wide range of clinical problems.

03



Biomimetic

The matrix has similar water content and mechanical properties to natural tissue, and therefore is impervious to the body, bridging healthy and injured tissues, helping heal injuries or physically manipulating the body during surgical interventions.

Tetramatrix™ Clinical Franchises

The Tetramatrix™ platform is applied across four distinct clinical use cases we call franchises. In practice, we do what a material can usefully do inside the body: we help repair both soft and hard tissue, we deliver therapeutics, and we create and hold surgical space. Our products are developed to go deeper within each application rather than broader across many, so that every derivative is refined for the clinical problem it solves.

Bone Regeneration

Bone Regeneration products built upon the Tetramatrix™ platform were designed for dental and orthopaedic applications where graft placement, retention and controlled structure matter. The intent is to provide practical, flowable bone extenders that transition to a matrix designed to support natural tissue response at the defect site. The derived products are tissue conductive and allow host cells to grow within the matrix naturally and therefore facilitate biological integration.



Tissue Healing

Tissue Healing products built upon the Tetramatrix™ platform were deliberately designed to physically and biologically integrate with surrounding soft tissue anywhere in the body. This provides a synthetic but biologically inert matrix that forms a bridge that channels new tissue into the existing environment. Already clinically explored for scar prevention in the world of surgical incisions, this technology has a plethora of clinical applications for healing tissues in other areas including the spine, cartilage and tendon.



Tissue Spacing

Tissue Spacing products built upon the Tetramatrix™ platform were developed to create and maintain surgical space in the body to support a range of surgeries or medical interventions. Delivered by simple injection, these products remain visible to clinicians under multiple conditions while their structural stability, resorption and modularity fulfil a range of clinical needs from the optimisation of radiation therapy to microscopic cataract surgeries.



Precision Medicine

Our initial Precision Medicine product (STEPP) is built upon the Tetramatrix™ platform creating a sprayable drug delivery system for intranasal delivery of active compounds to provide a clinically reproducible, minimally invasive and easy to use route of administration. The delivery system protects the active compound, creates a sticky cushion on the nasal canal and helps to efficiently transport the active compounds into the blood stream.

Tetramatrix™ Product Portfolio – Generation 1

Our Generation 1 products are the first commercial derivatives of the Tetramatrix™ platform, each engineered from the same core chemistry for a specific clinical need. They span all four franchises: Tegenix and TegenEOS for bone regeneration, Tutelix and Optimatrix for tissue spacing, TetraDerm for tissue healing, and STEPP for precision medicine. Together they show how a single platform technology can be programed into distinct, purpose-built products across a broad range of surgical and therapeutic settings.



Bone Regeneration



Tissue Spacing



Tissue Healing



Precision Medicine



Tegenix

A universal enabling solution to simplify complex oral & dental procedures. An innovative solution designed to be mixed with a broad array of bone graft materials or for dental and oral bone repair.



Tutelix

Tutelix is intended for use as a spacer to reduce side effects to surrounding tissue during radiation therapy to treat prostate cancer. It is easily injected and is gradually resorbed by the body and excreted over time (12 weeks) without harm to any internal organs



TetraDerm

A flowable intraoperative matrix that cushions tissues, reduces mechanical tension and dead space, and lowers scar formation across reconstructions, arthroplasty, caesarean sections, and other surgeries



STEPP

STEPP is an intranasal drug delivery system derived from our Tetramatrix platform. It is a mucoadhesive aerosol, engineered with controlled droplet size and plume shape to maximise nasal mucosal deposition and minimise nose and throat runoff. Its sticky formulation prolongs residence time, enhances transmucosal absorption, and delivers improved bioavailability with precise, reproducible dosing.



TegenEOS

TegenEOS mixes with human derived bone grafts to form flowable formulations with lower graft content; reducing the dependency on human donors while allowing novel minimally invasive applications in foot and ankle trauma and general orthopaedic surgeries.

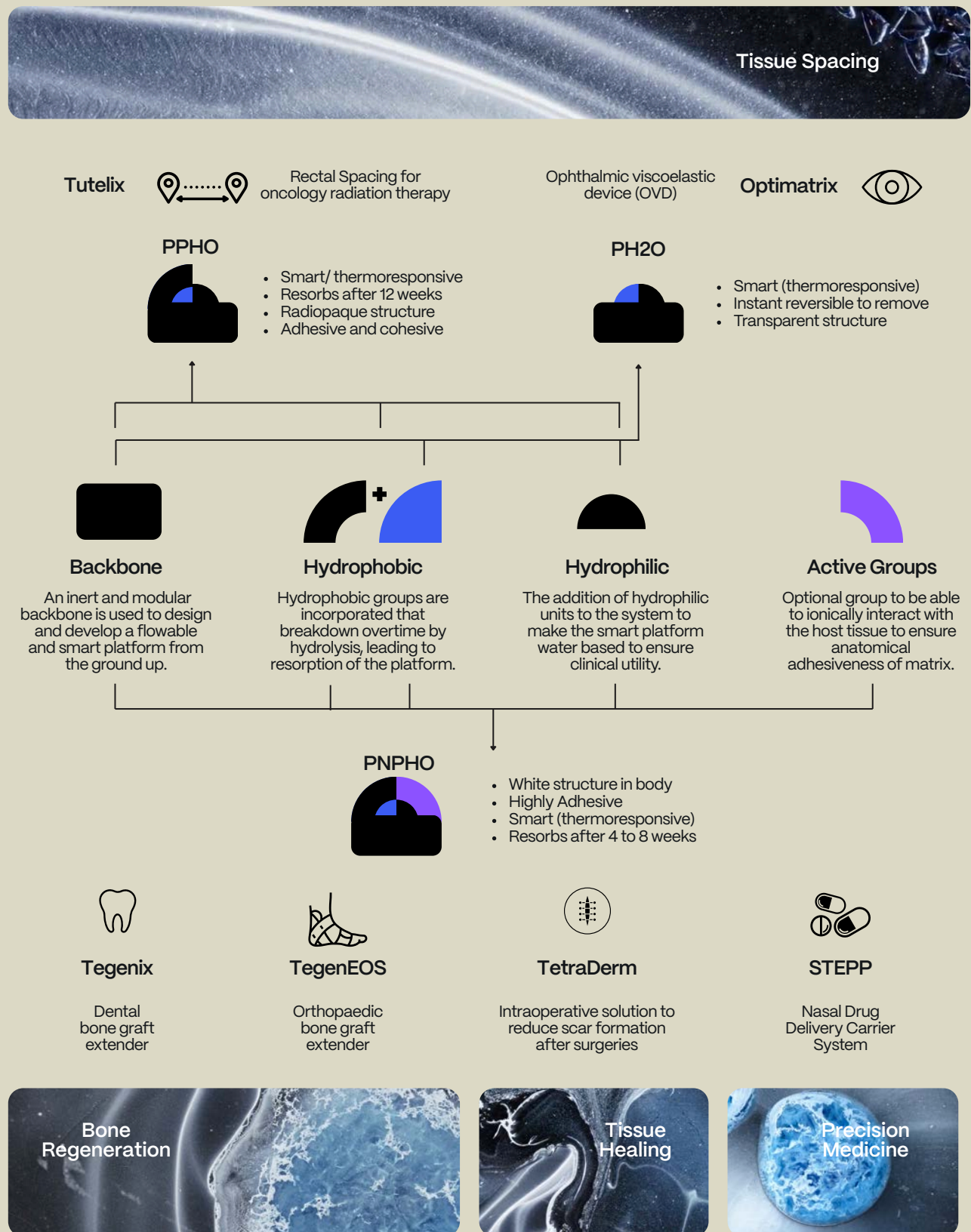


Optimatrix

Novel synthetic, reversible OVD for safe, simple application. Optimatrix is fully synthetic, preserves ocular volume and shape during surgery, and is removed easily with a cold saline wash. Cold-saline dissolution prevents residue-driven inflammation and cuts reliance on animal-derived materials.



The Tetramatrix™ Platform Technology



Bone Regeneration – Dental (Tegenix)



Tegenix targets the dental and oral bone-graft market, where graft substitutes represent an estimated US\$0.9–1.3 billion in 2025 and are growing at roughly 8% a year as clinicians move away from autograft harvesting toward synthetic, off-the-shelf solutions. As a universal carrier that mixes with allograft, autologous and synthetic grafts, Tegenix is graft-agnostic by design, which opens a clear path from routine socket preservation into higher-value adjacent procedures such as sinus augmentation, ridge preservation and guided bone regeneration without reformulation.

Results to date and why it matters:

In FY26 Tegenix reached commercial and regulatory readiness: the full FDA technical dossier was completed followed by a successful FDA submission, underpinned by the ISO 10993 safety package that also supports our TegenEOS, STEPP and partially our TetraDerm programs. The distribution agreement with Henry Schein pairs the product with one of the largest medical channels in the world. Together these milestones make Tegenix our most advanced route to first US revenue and a proof point that the Tetramatrix™ platform can move from bench to a partnered, market-ready and field-specific product.

FY26 Updates



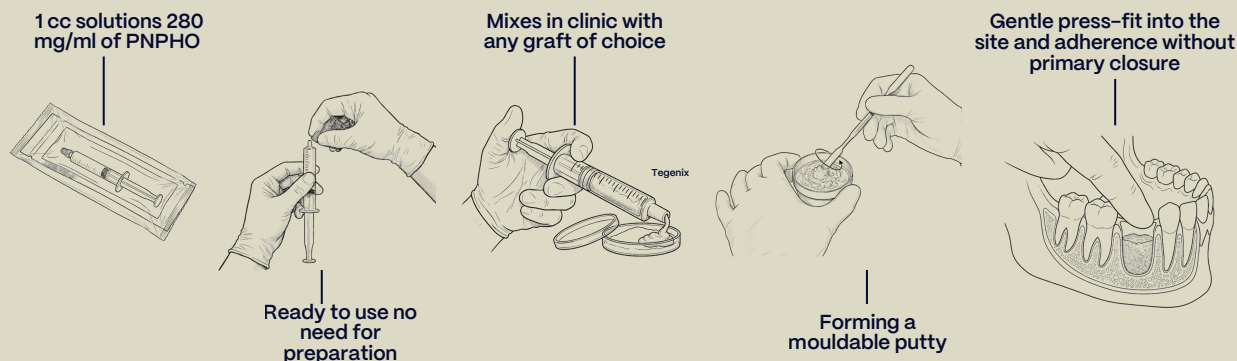
Henry Schein
Agreement

FDA Technical
Dossier Complete

FDA
Submission

July 2025

June 2026



A.

Mix and match carrier

A carrier system for bone graft materials, synthetic, allograft or autograft, to match the preference of the user clinician, while preserving the integrity of the host tissue for a better health outcome.

B.

Simplifying complex procedures

A carrier system for bone graft materials to form mouldable and shapeable composites for easy and gentle delivery, reducing the need for membranes and fixations for a simpler operation.

C.

Supports natural healing

The matrix maintains the graft in 3D geometry to allow cellular ingrowth and integration within the composite. The biocompatible nature of the hydrogel works synergistically with the graft, supporting natural healing.

Bone Regeneration – Ortho (TegenEOS)



TegenEOS addresses the broader orthopaedic bone-graft and substitutes market, estimated at around US\$3.4 billion in 2025 and forecast to approach US\$4.6 billion by 2030 at a CAGR of roughly 6–7%. Because TegenEOS shares an identical chemistry with Tegenix and differs only in fill volume, it inherits the same safety and manufacturing foundation while unlocking a much larger clinical field, with a natural expansion path from foot-and-ankle trauma into spinal fusion and general orthopaedic reconstruction as the flowable carrier format is validated across procedures.

Results to Date and Why it Matters:

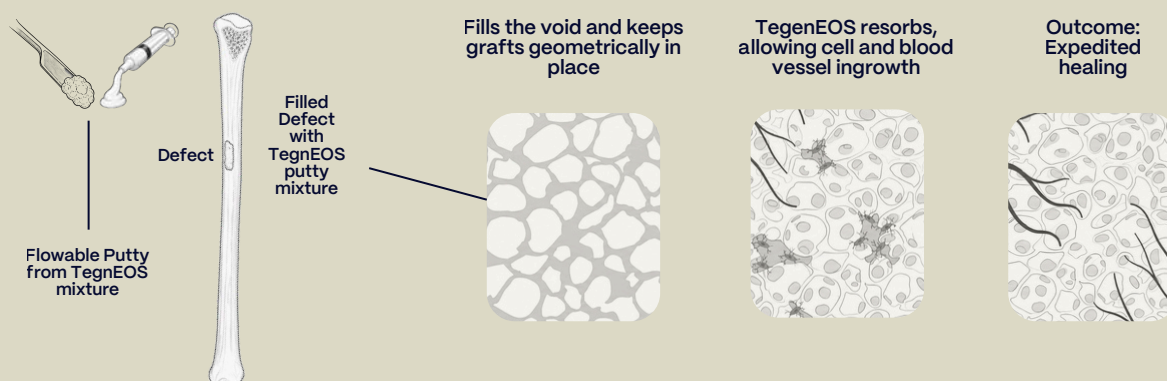
TegenEOS completed its FDA technical dossier for FDA submission with commercial partnership discussions advancing in parallel. In addition to bone grafting potentials, follow on applications of TegenEOS involve biologic and blood product deliveries for a different orthopaedic surgeries in outpatient settings. Delivering two bone-regeneration products from a single core chemistry demonstrates the capital efficiency of the platform-to-product model and materially widens our addressable market for minimal incremental development cost.

FY26 Updates



Commercial Partnership Discussions Progress

FDA Technical Dossier Complete



A. Flowable bone graft delivery

Once mixed with the biologics cargo or even bone grafts, the resulting mixture is flowable for ease of delivery for trauma surgeries and other orthopaedic procedures.

B. 3D graft stabilisation and activation

The hydrogel structure of the technology keeps the cargo in 3D manner at the intended sites, allowing cellular ingrowth for a more effective cell-activation, leading to faster healing.

C. Market expansion

Similar mode of action to be implemented to expand the application to delivery of platelet-rich plasma (PRP) so that the matrix keeps the autologous biologics in place to allow clinically reproducible health outcomes.

Tissue Spacing – Oncology (Tutelix)

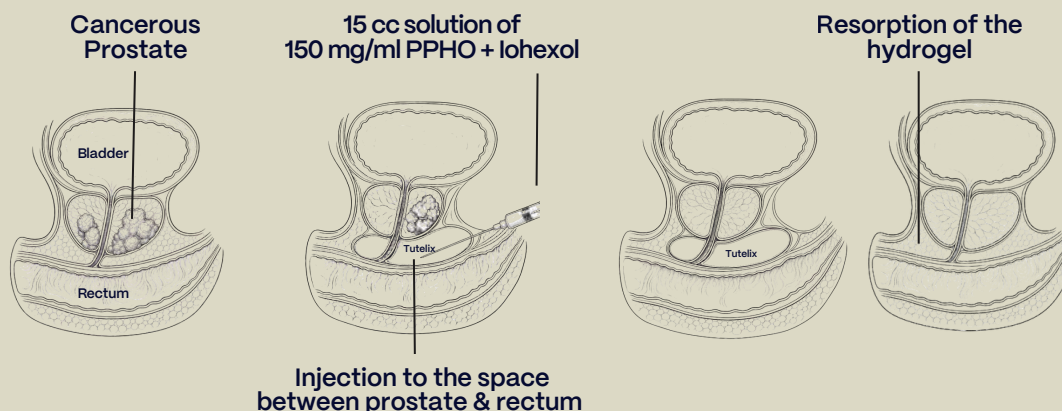
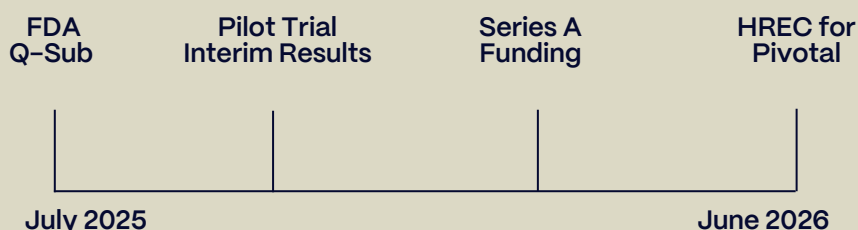


Tutelix competes in the absorbable tissue-spacer market for radiation oncology, valued at around US\$0.9 billion in 2025 and forecast to grow at a double-digit CAGR toward 2030 as hydrogel spacing becomes standard of care; confirming both clinical acceptance and scale. Tutelix begins in prostate cancer but the same injectable, radiopaque and reversible spacer has clear expansion potential into other radiotherapy settings such as gynaecological and head-and-neck cancers, and its underlying PPHO chemistry extends further into the wider tissue-spacing and tissue-healing franchise.

Results to Date and Why it Matters:

The FY26 pilot trial treated 15 patients with no adverse events and early indications of performance, with safety and injectability demonstrated at volumes up to 30 cc; our co-developer partner completed its Series A funding successfully by securing investment from Venture Funds and Key Opinion Leaders in the US. The Human Research Ethics Committee (HREC) approval was also granted for the Australian arm of the pivotal trial for FDA clearance of the product.

FY26 Updates



- Procedure optionality**
Clinicians can apply it at their pace, there is no chemical cure, no time pressure and one or multiple units may be used as needed.
- Stable and simple to adjust**
The hydrogel is smooth, flowable and can be immediately reversed with cold saline. The hydrogel is stable for 6 months and breaks down to nontoxic components and bioresorbs.
- Visibility drives precise radiotherapy**
The hydrogel is visible during the surgery under ultrasound so clinicians can see where they are deploying the product. It remains visible and stable for accurate radiation therapy.

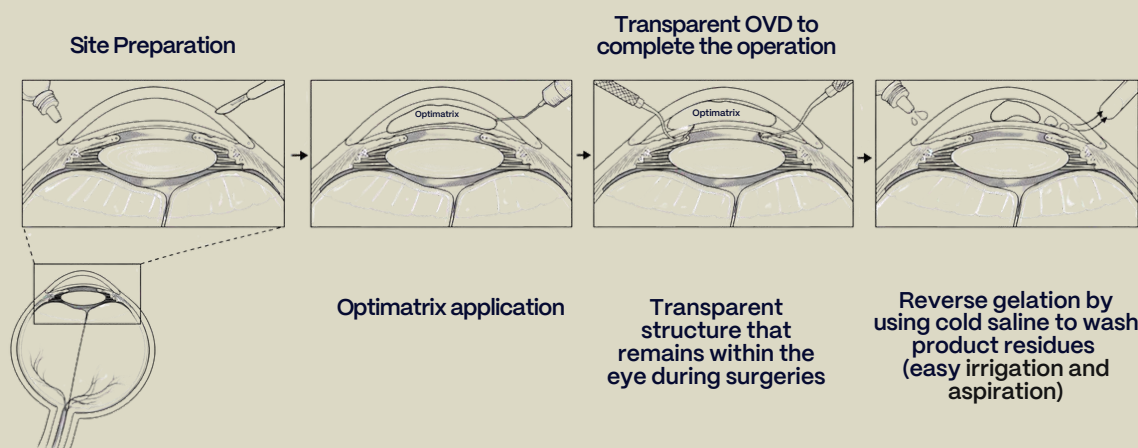
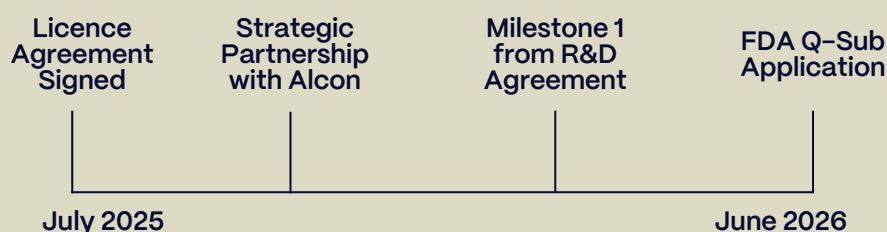
Tissue Spacing – Ophthalmic (Optimatrix*)

Optimatrix enters the ophthalmic viscoelastic device (OVD) market, worth roughly US\$3.0 billion in 2025 and growing at about 4–5% a year on the back of rising cataract volumes and an ageing population. As a fully synthetic, reversible OVD with no animal-derived components, Optimatrix is positioned against a market still largely dependent on animal-sourced materials, and its cold-saline reversibility and low cost of goods create a platform for expansion beyond cataract surgery into other anterior-segment and ocular procedures where controlled space and clean removal are valued.

Results to Date and Why it Matters:

Following proof-of-concept preclinical work under the BioOptix program, FY26 delivered a signed licence agreement, a strategic partnership with Alcon, the first milestone payment to our co-developer under the R&D agreement, and an FDA Q-Sub application; the product. The Alcon relationship validates the technology with a global leader in eye care and exemplifies the partner-led model, with Tetratherix generating milestone and licensing revenue while a major partner carries regulatory, reimbursement and market development.

FY26 Updates



- A. Ethical supply security**
Fully synthetic with zero animal-derived components, ensuring ethical sourcing and superior animal-welfare credentials. That guarantees supply-chain security for partners and removes ethical and regulatory exposure.
- B. Scale fast, cut costs**
Low COGS, scalable production and tight sterility/endotoxin control deliver commercially compelling unit economics with reliable margins and predictable supply at scale.
- C. Rapid removal via dissolvable nature**
Cold-saline instantly dissolves the product enabling fast, effortless removal right after surgery with no scraping, no residue and minimal OR time.

*BioOptix Board decision in 2026 to evolve the name of the BioOptix product to Optimatrix for marketing & commercialisation

Tissue Healing – Scar Reduction (TetraDerm)



TetraDerm addresses scar prevention across surgical procedures, part of a large and fast-growing scar-treatment market estimated at anywhere from US\$19 billion to over US\$30 billion in 2025 depending on scope and expanding at close to 9% a year. TetraDerm's distinct position is intraoperative prevention rather than post-hoc treatment: a flowable matrix that cushions tissue and eliminates dead space at the time of surgery. Demonstrated across reconstructions, arthroplasty and caesarean sections, the same soft-tissue integration mechanism extends naturally into other healing applications flagged for the franchise, including the spine, cartilage and tendon.

Results to Date and Why it Matters:

Clinical evidence is building steadily: cohort 2 enrolment was completed and cohort 3 initiated during FY26, while one-year follow-up data from cohort 1 showed strong indications of performance and efficacy, with a low inflammatory response and no foreign-body reaction. As the lead product in the Tissue Healing franchise, TetraDerm is generating the human safety and efficacy data that both de-risks this indication and reinforces the biocompatibility case for the wider Tetramatrix™ platform.

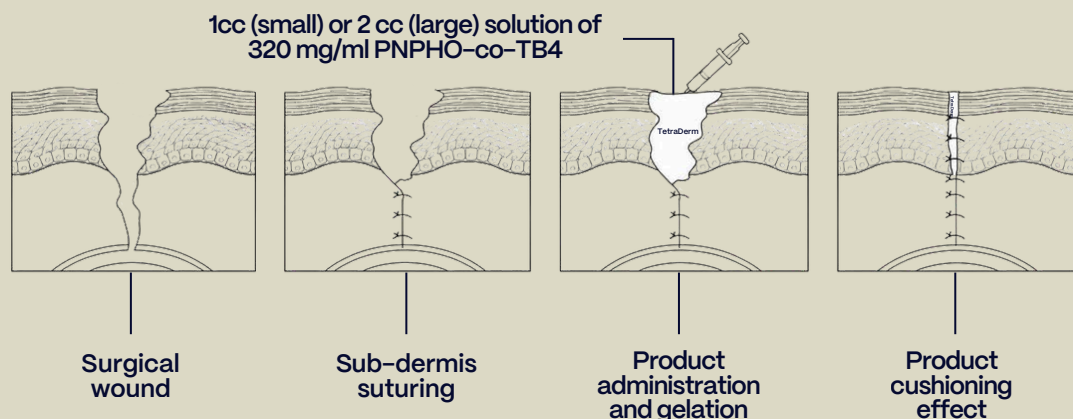
FY26 Updates



**Cohort 2
Commenced**

**Year 1 Follow
up for Cohort 1**

**TetraDerm
Cohort 3
Initiation**



A. Universal, thermo-triggered gelation

A flowable dermal matrix that gels at body temperature, no light, no chemicals are required making it universally deployable across clinical settings, safe and easy to use with no special equipment required.

B. Biomimetic scaffold for natural healing

The mimetic of the hydrogel allows biological integration of the hydrogel within the host tissue and provides a physical scaffold for cellular regeneration and skin remodelling.

C. Cushioning to minimise scarring

Mechanical tension fuels myofibroblast activation and scarring; our matrix cushions tissues and fills dead space to cut tension and prevent scar formation.

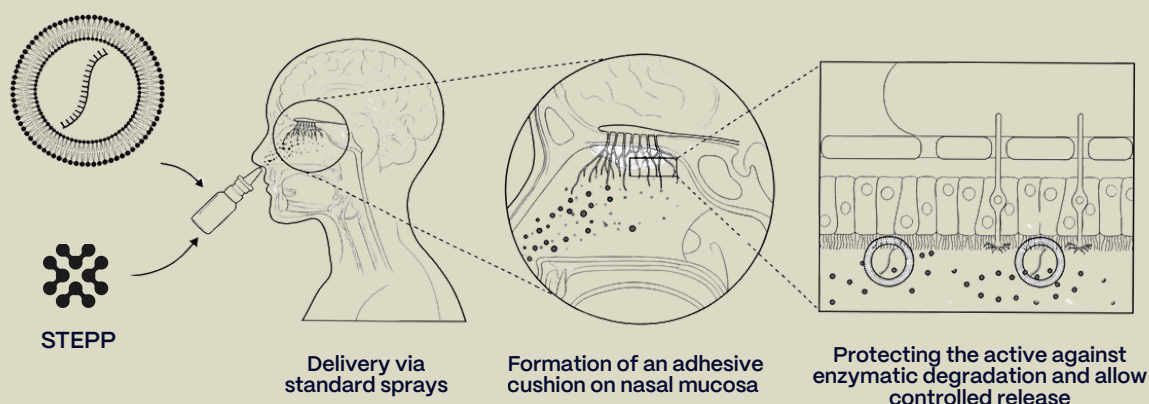
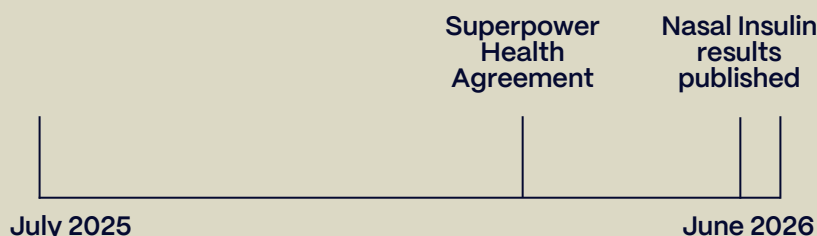
Precision Medicine – Drug Delivery (STEPP)

STEPP opens Tetratherix's Precision Medicine franchise in intranasal drug delivery, a field where the device segment alone is estimated at around US\$1.9 billion in 2025 and the broader nasal drug-delivery market at roughly US\$5 billion, both growing at high single-to-double-digit rates as needle-free administration of biologics gains ground. STEPP is a formulation platform rather than a single product: because it works by dissolving the Tetramatrix™ polymer at low concentration in different buffers, it can be tailored to a wide range of actives, giving a broad expansion runway across peptides, proteins, mRNA and metabolic-health compounds.

Results to Date and Why it Matters:

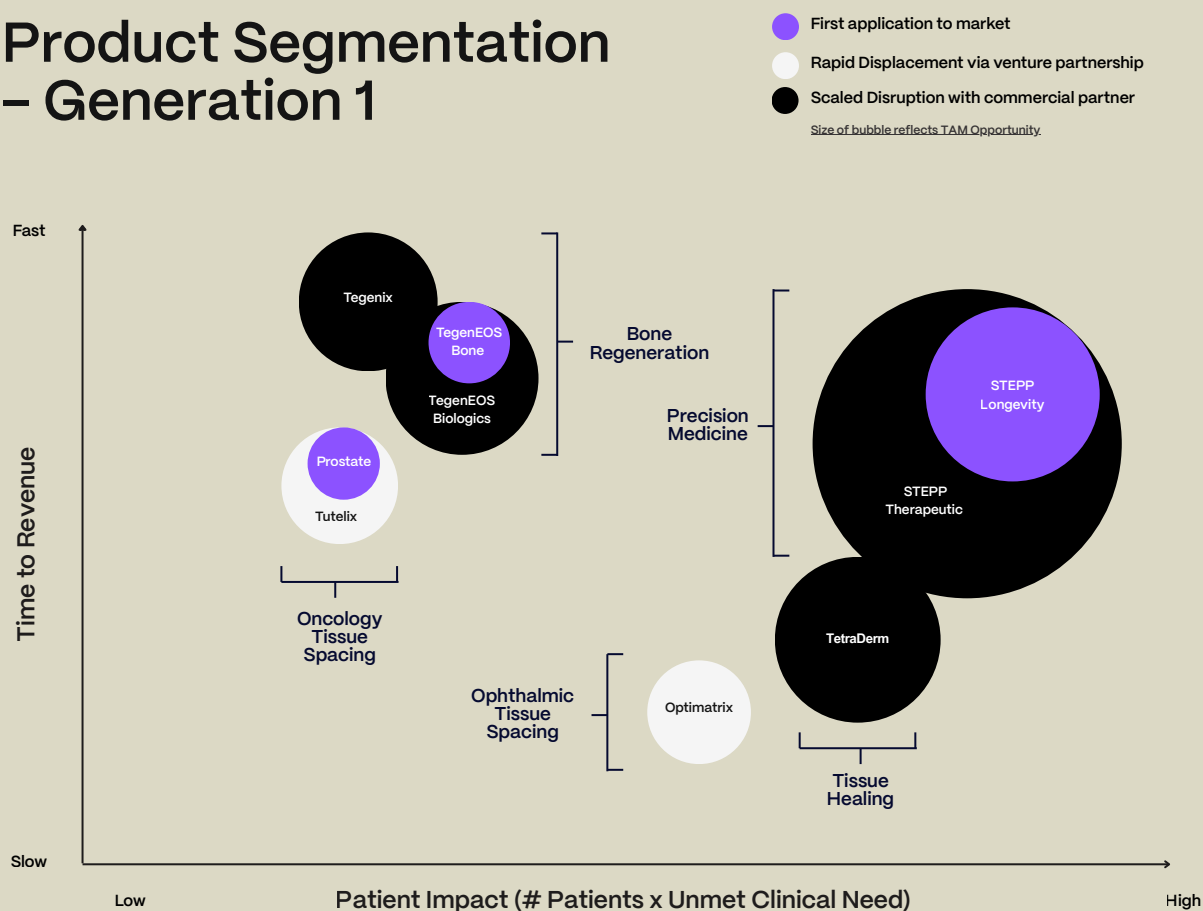
After more than five years in stealth development, including global R&D with several big-pharma partners, STEPP delivered two significant FY26 milestones: an agreement with Superpower Health and the publication of nasal insulin results validating transmucosal delivery of a therapeutic protein. STEPP extends the platform beyond implantable devices into pharmaceutical delivery, positioning Tetratherix at the intersection of consumer preventative medicine and metabolic health and materially broadening the long-term commercial optionality of the core technology.

FY26 Updates



- A. Improved stability**
Protects the loaded drug pre-dose, cutting denaturation risk and preserving potency through storage and delivery.
- B. Modular predictability**
Mucoadhesive deposition and extended residence time make it modular for a wide range of active compounds to drive higher systemic uptake and more predictable exposure.
- C. Commercial scalability**
Precise dosing, reduced variability, and robust stability de-risk clinical development and accelerate market adoption.

Product Segmentation – Generation 1



- **Tegenix** anchors the bone-regeneration franchise with our first FDA clearance will be for this product. The underlying bone-graft substitutes market is around US\$0.6 billion in 2025 giving Tegenix a substantial addressable opportunity as it scales through regulatory clearance into first commercial sales through our partner, Henry Schein.
- **TegenEOS** is a dual-application delivery matrix, which lifts both its patient impact and its TAM versus a bone-only view. The bone-graft TAM is around US\$ 0.8 billion in 2025, projected toward US\$1.8–2.0 billion by the early 2030s and supported by roughly 5 million implant procedures a year in the US alone. In a longer term, the strategy extends the same matrix into platelet-rich plasma (PRP) delivery an underserved market of about US\$1.0–1.7 billion in 2025 growing at 13–15% a year across orthopaedics, sports medicine, dental and aesthetics where localising and retaining PRP at the treatment site addresses a known limitation of free-injection PRP. TegenEOS is classed as Disrupt: an injectable, resorbable matrix changes the procedure versus traditional biologics delivery.
- **STEPP** is the portfolio's largest opportunity and clearest disruptor. It starts as a needle-free systemic delivery platform but will be expanded to other routes and a wide range of applications. It addresses a very large patient population across many drug classes, with high unmet needs. The horizon one to access the market and generate revenue is relatively soon in the US. This will follow with additional regulatory engagements and partnerships for longer term development activities. The published intranasal delivery market is roughly US\$63–93 billion today; STEPP's long-horizon, platform-level potential is far larger, and is best framed as a vision TAM rather than a served market.
- **Tutelix** is the clearest Displace case, entering an established hydrogel-spacer category (SpaceOAR, Barrigel) with a differentiated, safer to use and reversible product. An addressable opportunity of around US\$1 billion roughly 750,000 patients is consistent with global prostate radiotherapy volumes (about 350,000 procedures a year) plus expansion into other applications, including pelvic. Its mid-range time to revenue reflects an existing reimbursement and regulatory template to follow.
- **TetraDerm** is high impact and relatively mid-term to revenue. Scarring affects almost every surgical patient and there is no strong intraoperative incumbent, so TetraDerm reads as a category creator (Disrupt). The overall scar-treatment market is large around US\$19 billion in 2025, heading toward roughly US\$43 billion by 2035 and the intraoperative-matrix slice that TetraDerm serves is a fraction of that, giving an addressable opportunity in the order of US\$5 billion. Its regulatory and adoption pathways as a surgical adjunct are relatively mid-term.
- **Optimatrix** is positioned low-left to reflect an early, narrow initial indication despite a very large underlying population cataract surgery runs at around 28–30 million procedures a year, and ophthalmic drug delivery is a roughly US\$17 billion market. It is treated as Displace, entering an existing delivery category. The clear upside is indication breadth: as the addressable indication widens, both its patient impact and its TAM grow materially.

A Platform Anchored by Science

Bone Regeneration

- Clinical Studies: biopsies and histological evaluations of oral sites showed no sign of inflammatory response.
- Two pre-clinical large animal models confirmed the performance of Tegenix and TegenEOS to support bone healing for dental and orthopaedic applications.
- Tegenix/ TegenEOS safety was confirmed per ISO10993-1 independently via a globally recognised contract research organisation in the US.



Tissue Spacing (Oncology)

- 15 patients implanted with the Tutelix product and primary end point achieved in all patients. MRIs showed the product cohesive structure and its stability for at least 3 months.
- No product related adverse event in patients treated with up to 30 ml of the product.



Tissue Spacing (Ophthalmic)

- Preclinical proof of concept studies in rabbit confirmed the application of Optimatrix. Even with no wash, Optimatrix does not increase eye pressure.
- FDA engagement initiated, the product code is confirmed and studies are underway.

PLATFORM IMPACT



- **Growing Data:** Technology and platform de-risking and familiarising regulators with the core technology.



- **Engine in motion:** FDA regulatory pathway learning, establishing internal procedures and processes for future submissions with embedded AI



- **Advanced Manufacturing:** Validation the underlying manufacturing, Quality assurance and control measures to meet safety requirements.



- **Growing Data:** Technology and platform de-risking with more patients treated in a more complex sites (face and neck in cohort 2) and larger volume (full body contouring and breast augmentation)



- **Technological Advantage:** enabling tissue regeneration pathway with results interchangeable for other regenerative applications in pipeline or even with peptide delivery.



- **Growing patent stack:** Showing the safety and performance of a new polymer configuration suitable for cataract surgeries to strengthen our composition of matter and application patents.



- **Engine in motion:** Bringing two new polymer configurations to our production engine, only feasible due to our solid quality and manufacturing infrastructure.



- **Growing Data:** Showing the usability and safety of the platform with up to 30 ml product injection for prostate spacing which was ~15X larger volume compared to what previously tested in any clinical study.



- **Advanced Manufacturing:** building inventory for the US export with engineering a solution adoptable by compounders in the US with their US-pharmacopeia requirements.



- **Growing Data:** Allow access to real world data by utilising the partner's network and AI-health engine to further support future regulatory engagements.



- **Growing patent stack:** additional patents granted in multiple jurisdictions for our polymer-peptide family, illustrating our ability to obtain enforceable protection for peptide-polymer combinations.

Tissue Healing

- Clinical Studies: data read out from 1 year follow up time points in Cohort 1 with strong indications of product performance.
- No sign of inflammation and no sign of seroma (edema accumulation) at the surgery sites confirmed the product's natural healing capability.
- The trial has progressed as planned, 18 patients in the second cohort have been treated and the third cohort that involves major surgeries (up to 1.5m long wounds) have progressed with all patient expected to be treated by the end of CY26.



Precision Medicine

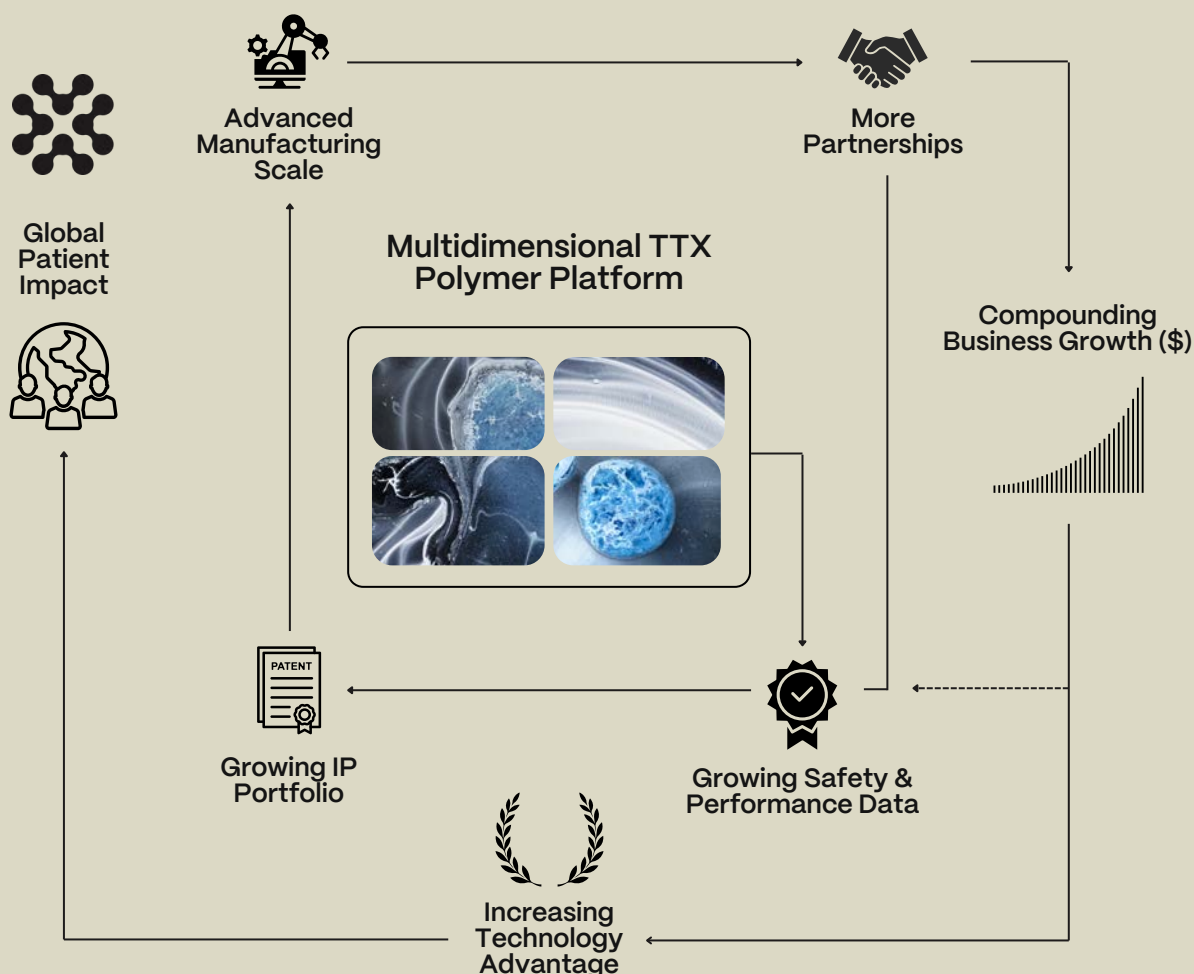
- Completion of independent studies and peer-reviewed publications, validating the platform as a carrier for a broad range of therapeutic compounds, including proteins, peptides, hormones, antibiotics and growth factors.
- Key results include greater than 99% compound encapsulation, full protection from enzymatic degradation, and statistically superior delivery into the bloodstream compared to the same compound delivered without the platform polymer.
- Patents granted in multiple jurisdiction to cover our polymer-peptide proposition.



The TTX Flywheel in Motion



Every project we run makes the next one more efficient and faster. As each development program progresses, it feeds more technical data back into the platform, strengthening a shared data package that shortens and de-risks the work that follows, these can be safety data as well as performance results that can be useful for future product development and accumulate knowledge. Each round in turn opens new development and advanced engineering projects, deepening our technological advantage and expanding production capacity and capability. This is the internal cycle at the heart of the flywheel: data compounds into IP, IP compounds into capability, and capability accelerates the next turn.



Each turn of that internal cycle drives external outcomes. A deeper data package and a broader IP portfolio make Tetratherix a more compelling partner, attracting more partnerships across more market segments; those partnerships compound business growth, which funds the next wave of development and manufacturing scale. The result is a widening technology advantage that we can convert into products faster, at lower cost and with greater agility than a single product developer and, ultimately, into global patient impact as more of our platform-derived products reach more patients in more markets.

03. Directors' Report

The directors present their report, together with the financial statements, on the Consolidated entity (referred to hereafter as the 'Consolidated entity' or the 'Group') consisting of Tetratherix Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

Strategic Framework and Operational Overview

Our Strategic Framework

Our corporate strategy is defined as a framework to focus our efforts on the strategic priorities and the relevant stakeholders who are at the epicentre of our mission. Our development activities are prioritised in three cohorts, "Immediate Impact", "Pave the Path" and "Chart the Course". This approach enables ongoing and continuous value generation to treat more patients faster, cheaper and safer. To realise this sustainably, our drivers are our people and infrastructure, "the TTX engine", supported for global impact with our "Govern and Grow" ethos.

	Strategic Priorities	Target Stakeholder
 Clinically Innovative Solutions Innovating to build products, addressing clinical unmet needs to improve patient outcomes.	Commercialise and Develop Innovations	Patients Developing new technologies to treat more patients, cheaper and faster
 Long lasting Partnerships Co-developing solutions with market leaders to access more patients at lower cost, allowing more efficient innovation.	Establishing partner connectivity	Customers Key opinion leader engagement and expanded market for corporate partners.
 Engaged & Valued People Mission driven & motivated team with systems in place for shared success, leveraging our values while supporting homegrown innovation.	Continue to build high performing teams	People Maintaining high retention, attracting talents while maintaining an organically driven diverse workforce
 Advanced Manufacturing Capability Manufacturing of the proprietary polymers and finished goods at scale and with commercially attractive unit economics.	High quality manufacturing at scale	Medtech Industry Addressing commercial and quality requirements of all segments of the industry, i.e. suppliers, hospitals & regulators.
 Global Value Creation Commitment to long-term value creation, safeguarding shareholder interests and optimising company performance	Sustainable long-term growth	Shareholders Responsible and sustainable governance and business practice while targeting growth.

FY26 Strategic Delivery

The TTX Engine

 Engaged & Valued People	 Advanced Manufacturing Capability
Team expansion progressed while maintaining the cohesive culture (investment in Digital science, R&D and production resource) Employee Incentive Program deployed to share success and foster talent Enhancing home-grown talent development and expanding our scientific advisor capability Zero regrettable losses has been maintained Organically diverse workforce with 64% of the workforce identifies themselves as female	Lease agreement executed for additional advanced manufacturing site and new company HQ at the Alexandria campus Fit out of new facility underway for relocation of HQ in H2 FY26 ISO quality certification maintained, external audit passed for the 8th consecutive year MDSAP auditor engaged, Stage 1 of the Medical Device Single Audit Program (MDSAP) accreditation completed Capital upgrade in our Research & Development laboratory confirming validation of our commercial deliverables

Govern and Grow

 Global Value Creation
Strategic investment allocation, with incremental funding post IPO from IGP and Superpower licence fees that accelerated investment in R&D, digital science and production resource Robust management of liquidity \$34.4 million cash and cash equivalents Net loss (\$9.3 million) with continued investment in R&D and advanced manufacturing, supported by our inaugural licence revenue, May 2026 capital raise and IGP funding. Appointment of independent non-executive directors Peter Gray and Maurizio Vecchione to the board and in-house General Counsel and Company Secretary Jacob Pfeffer.

Clinically Innovative Solutions & Long lasting Partnerships



* Incremental to prospectus milestones

 Tegenix	Henry Schein Supply & Licensing Agreement Execution			Data read-out from the pre-clinical study	FDA Submission Completion	
 TegenEOS	Strategic pivot in partner selection for long-term success					Data read-out from the pre-clinical study
 Tutelix	Tutelix First In Human Read-out		Exclusive licence Agreement executed	US/AU Capital Raise	Tutelix Primary End Point	Pivotal Clinical Trial Initiation
 Optimatrix	BioOptix Licensing Agreement	Strategic Global Partnership	Alcon non dilutive funding in BioOptix		Preclinical Data Read-out	FDA Pre-submission & Regulatory Pathway
 TetraDerm	Cohort 2 Commenced	Year 1 Follow up for Cohort 1 results published	TetraDerm Cohort 3 Initiation (Major Surgeries)			Primary End-point Cohort 2
 STEPP				Superpower R&D agreement execution *	Superpower licence revenue receipt \$USD3m *	
 Operations	IGP Grant awarded *	ISO13485 surveillance Audit	New Facility Signed and production begins	Board Restructure	Secondary raise *	MDSAP Stage 1 Audit
						ERP* Implementation

Our FY27 Strategic Framework

The TTX Engine



Engaged & Valued People

Digital Science Team Expansion: recruitment and onboarding of the digital science team, building native AI capabilities that compounds productivity across every programme

Customer Success Team Expansion: recruitment and onboarding of the customer success team giving partners a single responsive point of contact and freeing technical staff to focus on development throughput.

Zero lost time injury and zero regrettable losses: Cohesive and safe culture while moving from an R&D entity to a full advanced manufacturing engine

Patient impact: Meeting 100 patients, treated by our technology and fast tracking towards 1k.



Advanced Manufacturing Capability

HQ and manufacturing campus integration with all teams across R&D, manufacturing and administration work cohesively under a roof with a single mission to treat 10 million patients by 2035.

Completion of advanced manufacturing campus to 15X our production infrastructure to meet the demand in years to come.

New global accreditation of our Quality System with Medical Device Single Audit Program (MDSAP) to access US, Australia and other future markets.

Staged capacity expansion aligned to partner demand, with unit economics validated for commercial-scale supply.

Govern and Grow



Global Value Creation

Strategic investment allocation with incremental funding post IPO to continue to accelerate growth.

Sustainable R&D investment to pave the path and chart the course at ~30% cash outlay

Robust management of liquidity to maintain healthy going concern position with manufacturing and jurisdiction expansion to realise long-term profitability

Disciplined governance and transparent reporting to safeguard shareholder interests as the Company scales

Clinically Innovative Solutions & Long lasting Partnerships



Tegenix

FDA Clearance

First Final Product Dispatch to HS

US Market Seeding

Jurisdictional Market Expansion



TegenEOS

FDA Clearance

Supply and Licensing Agreement Execution

First Final Product Dispatch to US Partner

Jurisdictional Market Expansion



Tutelix

First patients in the Pivotal Trial

Indication Expansion - FDA pre-submission

IDE Approval from FDA for the US Arm of the Pivotal

Capital Raise



Optimatrix

Preclinical Data Read-out

Interim Technical Reporting with Alcon

FDA Pre-submission & Regulatory Pathway

US / AU Capital Raise

First-in-Human



TetraDerm

Cohort 3 Treatment Completion

FDA Engagement for Product Designation

Global Partnership Window Open

Indication Expansion



STEPP

First Polymer Dispatch (STEPP)

STEPP Sale Revenue

STEPP Clinical Trial

Metabolic Interim Data

Indication Expansion

Metabolic Data Read out



Operations

MDSAP Stage 2 Audit

Team expansion - Digital, Customer Success and Production

New Facility and HQ site opening

MDSAP Certification

Embed AI (Artificial Intelligence) into ways of working

Financial Overview

(1) Profit and Loss

The group has recorded a statutory loss of \$9.3 million

Expenditure is in line with IPO use of funds, with incremental funding over and above the prospectus assumptions from inaugural licence revenue and Industry Growth Program (IGP) delivering higher than expected revenue and grant income. The Company has continued to invest in R&D and production expansion as it focuses on commercial readiness in FY27.

\$AUD 000	#	FY26	FY25
Licence revenue		918	-
Grant income		2,944	1,053
Interest income		796	90
Total revenue and other income	2	4,658	1,143
Employee benefits expense	3	(7,766)	(3,109)
Depreciation and amortisation expense	4	(927)	(80)
Research and development project expense	5	(2,464)	(1,419)
Administration expense	6	(2,258)	(1,007)
Finance costs	7	(563)	(82)
Net fair value loss on financial instruments	8	-	(3,590)
IPO related costs not expensed to equity	8	-	(1,282)
Total operating expenses		(13,978)	(10,569)
Loss before income tax expense			(9,426)
Income tax expense		-	-
Loss after income tax expense		(9,321)	(9,426)
Non-operating items		-	4,872
Underlying loss after income tax*	1	(9,321)	(4,554)

* excludes non-recurring items in FY25 relating to non-cash adjustment for fair value on financial instruments (\$3.6m) and IPO costs (\$1.3m)

(2) Revenue and other income

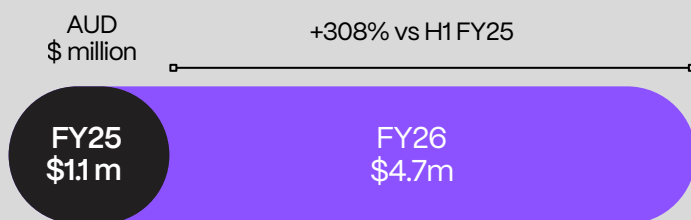
Licence revenue

Reflects the FY26 allocation of the Superpower annual licence fee. \$4.2 million licence revenue was received in April 2026 and is being recognised on a straight-line basis over the 12-month period from April 2026. Of this, \$0.9 million has been recognised in the FY26 P&L, with the remaining \$3.3 million to be recognised in FY27.

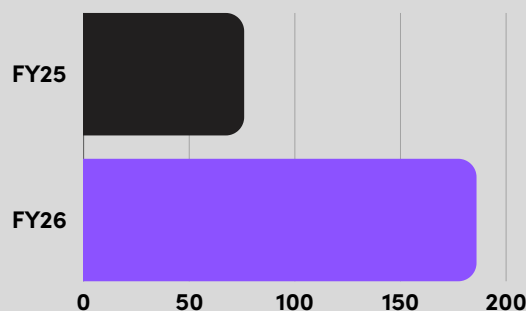
Grant income

Reflects the accrued income from the R&D tax rebate for FY26 activity (\$2.1m), cash receipt in H1 FY27 and recognition of IGP government grant in FY26 of (\$0.8m) based on milestone completion. Grant income recognised is net of amounts which have been deferred for recognition in future years to align with the capital costs attributed to the Grants received. The total unrecognised amount deferred to future years is \$1.4m.

Revenue and other income +308% vs FY25, driven by incremental Superpower licence revenue and IGP grant, in addition to higher R&D tax incentive



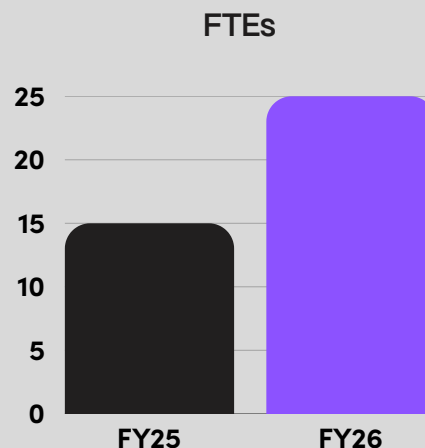
Revenue and other income per employee +145% vs FY25



(3) Employee benefits expense

Reflects 100% of staff costs including those employees working on Research and Development activities. In FY26, \$7.8 million (\$3.1 million in FY25) related to increase in total headcount (+10 vs FY25) for the company as the Company expands production headcount and focuses on commercial readiness, as well as the introduction of employee performance rights plan to attract and retain talent.

Employee benefits expense + 150% vs FY25. Headcount at 25 as at 30 June 2026 +10 vs FY25; hiring for growth and commercial readiness



(4) Depreciation and amortisation expense

Relates to depreciation of capital expenditure relating to the upgrade of R&D laboratory and right of use asset for the new advanced manufacturing lease agreement from December 2025.

+\$0.8 million vs FY25, driven by lease for the new advanced manufacturing campus

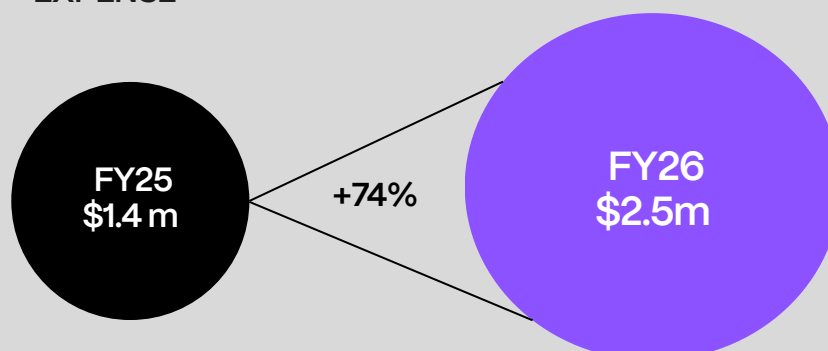


(5) Product and development expense

Refers to specific, directly attributable R&D project expenses (excluding staff and indirect costs). The company has continued to invest in product development; \$2.5 million in FY26 (\$1.4 million in FY25). This excludes capitalised costs of \$1.1 million relating to Bone Regeneration not reflected in the P&L.

Direct product and development expense at \$2.5 million +74% vs. FY25

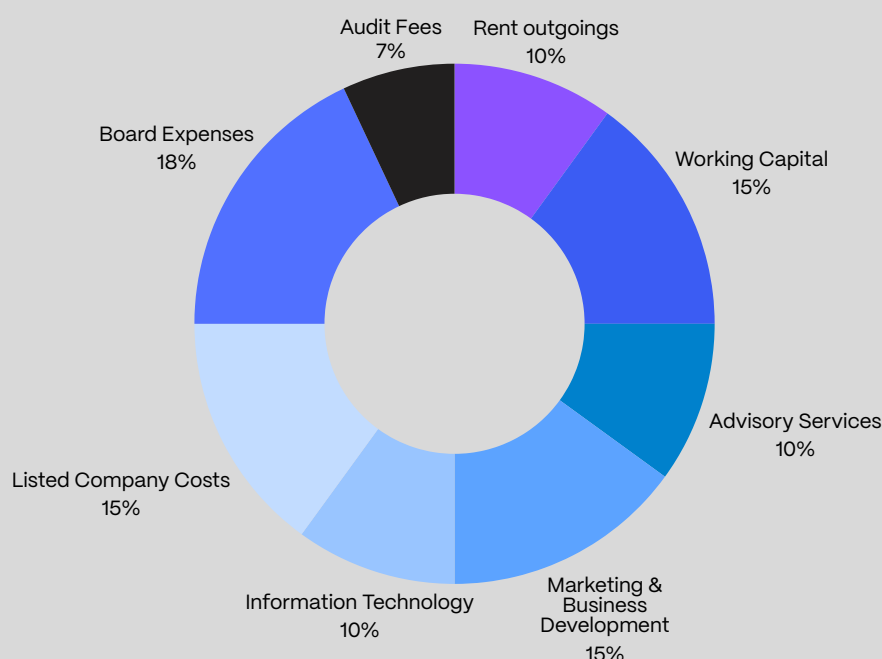
PRODUCT AND DEVELOPMENT EXPENSE



(6) Administration expense

Captures listed company costs and general working capital costs (excluding employee related costs) of \$2.3 million in FY26 (\$1.0 million in FY25).

Post 30 June 2025 IPO, FY26 reflects a full year of administration costs



(7) Finance costs

Includes accrued interest expense for the Medical Device Fund (MDF) loan payable to NSW Health repayable subject to successful commercialisation/ positive EBIT derivation from the Trimp Dent previously under development in our Bone Regeneration franchise.

(8) FY25 non-recurring items

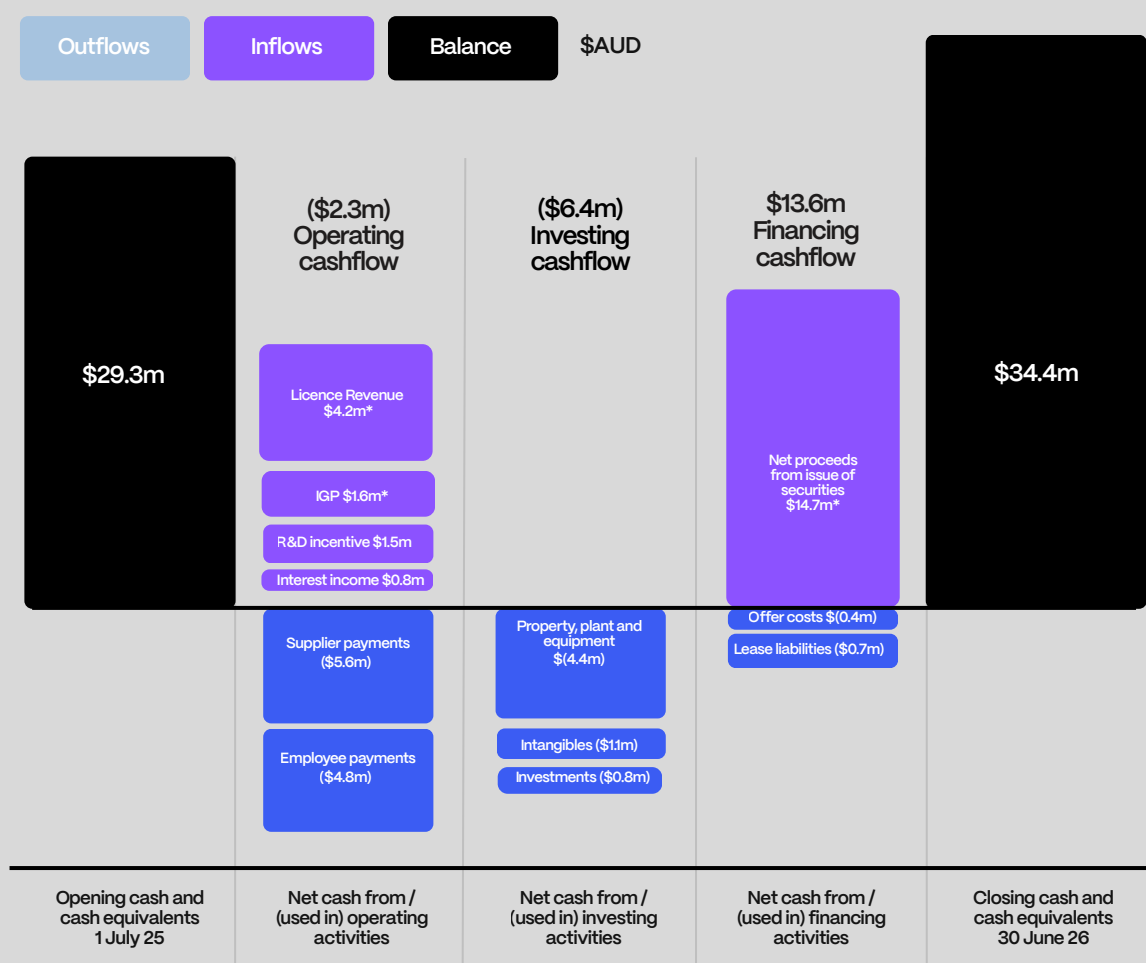
Net fair value loss on financial instruments: Reflects a non-cash accounting item for the conversion of SAFE and convertible notes to ordinary shares (equity) and related fair value adjustment following approval by the ASX for admission in FY25. Also included is a non-cash accrual of interest that resulted from the conversion of convertible notes to ordinary shares in FY25.

IPO related costs FY25 non recurring item: Captures items expensed to the P&L in FY25, not taken up in equity (note: \$2.3 million was offset against equity as they relate to the issue of new shares).

Cashflow

Cash and cash equivalents were \$34.4 million at 30 June 2026 (\$29.3 million in FY25). The proceeds from the issue of share capital, licence fee revenue, IGP and cash received through ongoing R&D tax incentive rebate provide a strong capital structure to support continued investment in our R&D program and upscale of our manufacturing capability.

Investment in R&D, digital systems and production capability, was supported by \$20.5 million in additional cash inflows versus Prospectus assumptions



Net cash used in operating activities (\$2.3) million

- Cash inflows of \$8.1 million
 - \$4.2 million Superpower licence revenue*
 - \$1.6m Industry Growth Program*
 - \$1.5m R&D tax incentive
 - \$0.8m interest received
- Cash outflows of (\$10.4 million) relate to funding for R&D activities, employment costs and administrative and corporate costs

Net cash used in investing activities(\$6.4) million

- Driven by capital expenditure for new advanced manufacturing campus

Net cash from financing activities \$13.6 million

- \$14.7 million net proceeds from issue of securities *
- (\$0.4m) offer costs from 30 June 2025 IPO
- (\$0.7m) repayment of lease liabilities for new facility

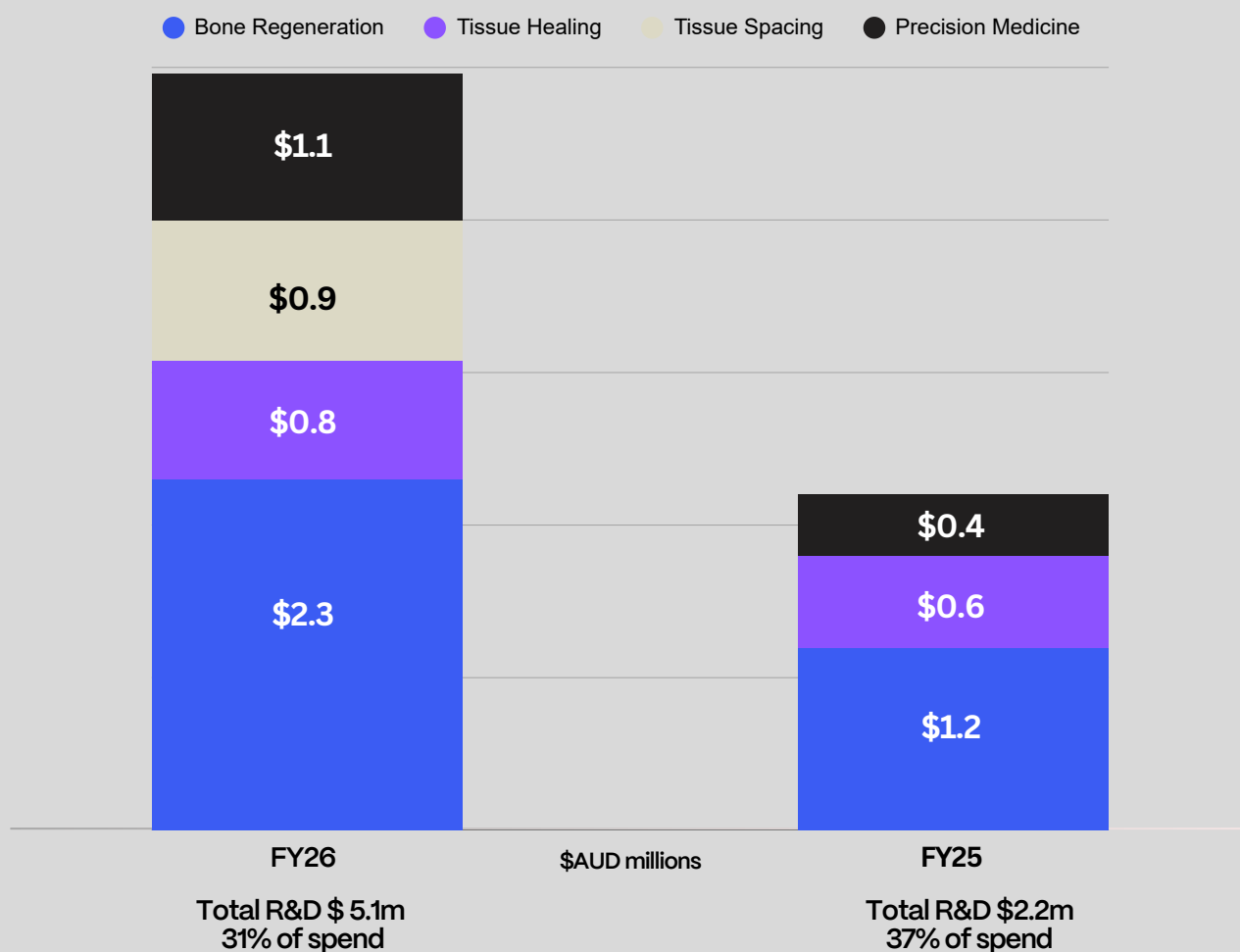
* \$20.5 million (87% of cash inflows) are incremental inflows to Prospectus assumptions. These additional inflows will fund incremental growth over and above the IPO strategic plan; used to accelerate the evolution of Tetratherix from an R&D to a commercial organisation.

Total Research and Development (R&D) Investment

Total Research & Development (R&D) include cash outlays for project specific activities, directly attributable staff, research and laboratory costs, trademarks, patent filing and upkeep.
In FY26, total R&D at \$5.1 million (\$2.2 million in FY25) – this equated to 31% of total cash expenditure for the Company

- Bone Regeneration franchise activity at \$2.3 million was focused on preparation for regulatory clearance for Tegenix and TegenEOS products.
- Tissue Healing R&D investment \$0.8 million related to clinical trials and pipeline development. Predominantly, this involved the operating cost of TetraDerm product clinical trial in Australia.
- Tissue Spacing pre-clinical trials \$0.9 million to develop products to generate space to support surgical access for ophthalmic applications (Optimatrix product)
- Precision Medicine project \$1.1 million relates programs for nasal drug delivery (STEPP product).

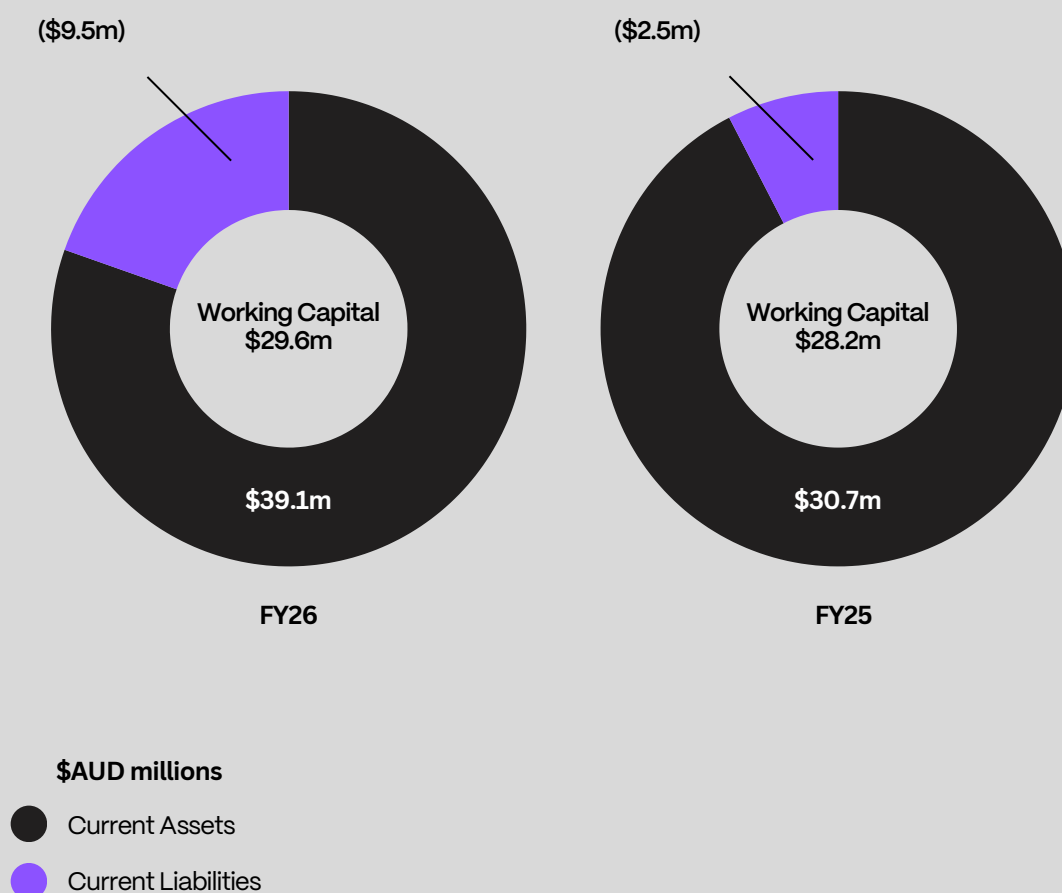
R&D investment \$5.1 million, 31% of total cash outflows, in line with IPO Use of Funds



Statement of Financial Position

Net asset position as at 30 June 2026 is \$32.7 million (FY25 \$27.2million) driven by proceeds from capital raising activities and the inaugural licence revenue.

Strong cash on hand ensures robust working capital position of \$29.6 million



Governance and Risk

Risks

Tetratherix is committed to proactively identifying and managing risks associated with the pursuit of its strategy and operations. It adopts the relevant industry standards, acts in accordance with legislative and regulatory obligations and reviews all activities against their risk appetite guardrails. This approach supports Tetratherix in efficiently, ethically and sustainably operating to achieve its strategic imperatives.

The table below outlines a summary of key risks and strategies that the Company has in place.

Risk Area	Risk Description	Key Mitigation Tactics and Strategies
1. Early Stage Risk	1.1. The Company is subject to risks common to early-stage companies, including increasing market share and brand recognition, competition risks, developing its product pipeline.	The Company's commercialisation model addresses a range of in-market risks, including market share, brand recognition and competition risks. The Company has a lean operational model and co-develops products with market leaders in different segments of the market by using the Company's Tetramatrix™. As such, the company navigates these risks in the global market by relying on its partners and diversification of its engagements with multiple market leaders in different segments of the market.
	1.2. The Company is subject to risks common to early-stage companies, particularly satisfying regulatory requirements critical for the Company and its products.	The company has formed an effective Board of Directors with a diverse range of experience and technical/commercial backgrounds with emerging experience in the listed environment. In relation to the risk associated with the regulatory requirements, please refer to Risk #6.
2. Future Revenue, Profitability and Going Concern	2.1. The Company does not have adequate cash flow to fund its growth plans to reach commercial and technical milestones.	The Company has an established and well-defined use of funds (UoF), including a robust going concern analysis. The Company's cash inflows include proceeds from the 30 June 2025 IPO as well as incremental funding post IPO from May 2026 placement, Industry growth program (IGP) funding, Advanced Overseas Finding eligibility from AusIndustry and licence fees from the Superpower R&D agreement. The cash outflows include the disclosed use of funds outlined in the Company's prospectus from May 2025 to June 2027 as well as acceleration of investment in R&D, advanced manufacturing, digital science and customer success to fuel growth and reach technical and clinical milestones. In addition, the financial modelling currently in place and verified based on historical records, allows for sensitivity analysis to account for macro-economic fluctuations.
	2.2 Future sales of products derived from Tetramatrix™ by the Company and the Company's profitability are contingent on, amongst other things, the Company's ability to enter into appropriate partner arrangements on favourable terms, that will see the Company generate revenue and subsequent profitability. This includes upstream (suppliers) and downstream (in-market) partner.	The Company is focused on long term partnership models and two staged partnership engagements. The Company enters into a long term, 15-20 years co-development agreement with partners, exclusive to their specific market segment. This exclusivity is only granted after the Company and the selected partner have aligned on regulatory timelines, product indication for use, the pricing and commercial terms. The Company has multiple near-term products under development in parallel by using its Tetramatrix™. This diversification approach minimises some of the risks associated with single-asset commercialisation approaches. Since the IPO, the Company has executed long term exclusive partnership agreements with Henry Schein (Dental), Superpower (Drug Delivery) and BioOptix (Ophthalmic).

Risk Area	Risk Description	Key Mitigation Tactics and Strategies
	2.3. In-market direct sales and distribution of medical technologies are usually associated with high costs and operational complexities, which are often hurdles to sustainable cashflow and profitability of medical devices and technologies.	The Company has a unique commercialisation model, using partners' scale and established in-market infrastructure. The Company's commercialisation model deliberately mitigates these challenges by focusing on co-developing and licensing products, derived from Tetramatrix™ to established partners who run and control their own distribution and sales infrastructure. This approach eliminates the need for a costly in-house sales force and significantly reduces and streamlines the Company's operational expenses.
3. Future Capital Requirement	3.1. The Company will require ongoing funding to fund operational costs and to achieve its stated growth plans.	The Company operates using a lean structure, efficient use of capital and effective budgeting processes. The Company's key management team has a complementary skill set and has established a robust budgeting process and financial control functions within the company. The use of funds is well-defined and will allow the Company to meet a diverse range of commercial, regulatory and technical milestones, which may provide additional sources of revenue opportunities and has an appetite for future capital raising. Post the IPO cash injection, the company has received incremental funding from May 2026 placement, Industry growth program (IGP) funding, Advanced Overseas Finding eligibility from AusIndustry and licence fees from the Superpower R&D agreement. For more detail, please see Risk #2.1.
4. Culture and Strategic Human Resources	4.1. The successful operation of the Company in part relies on its ability to attract and retain experienced and high performing key management personnel, in particular those with relevant scientific experience.	The Company's key management personnel have ownership in the business and an employee share plan has been introduced for attracting and retaining talent. The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. Their remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The founding executive team has more than 30% ownership in the Company and have been involved with the business from its inception for more than 10 years and are therefore incentivised to remain involved. The Company has deployed a flat and collaborative organisational structure that enables information and relationship sharing to ensure redundancy and to alleviate key personnel risk. The use of Artificial Intelligence (AI) is being deployed to automate key workflows and capture institutional knowledge, mitigating reliance on individual personnel. The Company invests in professional development of its employees. For retention and attraction of current and future key personnel, the Company has established a performance rights plan.
	4.2. The Company's operation involves advanced manufacturing that encompasses polymer chemistry, and other skill-driven processes. These may cause work and health safety issues.	The Company has in place an established Quality Management System (QMS) with embedded WHS procedures. The Company has an established organisation chart, Job descriptions and training matrix for all staff members. This includes an induction in safety matters and WHS requirements.
	4.3. As the Company grows and experiences a significant change in its operation and FTE#, the Company's culture does not provide a safe and diverse work force.	The Company has diversity and whistleblower policies to ensure a safe and diverse workforce. The Company has an experienced management team, with a diverse background and prior leadership experience to foster a strong employee value proposition that attracts, nurtures and retains talent. This offers an environment that values creativity, critical thinking and shared success. In addition, the company has in place and has trained employees on its Whistleblower, Code of Conduct and Diversity policies. Finally, a confidential third-party Employee Assistance Program (EAP) is in place for all employees to access.

Risk Area	Risk Description	Key Mitigation Tactics and Strategies
5. Adequate Manufacturing Capacity	5.1. The Company's growth plans are dependent on access to sufficient manufacturing capacity to meet the demand of future sales, and the costs of inputs and manufacturing operations being appropriate.	The Company has scalable and reproducible manufacturing processes using readily available materials. The manufacturing process uses self-contained operating units ('pods') for continuous workflow, allowing independent operation of production segments and mitigating assembly line disruption. All raw materials and unit operations used in the manufacturing of the products developed using the Tetramatrix™ platform technology are catalogue products, available from multiple suppliers within Australia. The company has a long-term lease in place for its R&D laboratory. The Company has rights to maintain occupancy in its current facility for the next 8 years. The capacity of the current facility will allow the Company to meet its expected volume to the end of 2027. The Company continues its construction of its new advanced manufacturing facility. The second campus facility is designed to further expand production of Tetratherix's synthetic polymer platform and finished goods inventory to meet anticipated global demand. The construction will meet regulatory and quality requirements and is expected to be certified and operational in CY26. The facility is designed for scalability, supporting near-term bone regeneration products and future expansion into additional clinical indications. The intent is to dually operate current and new site for business continuity.
6. Regulatory	6.1. The Company operates in regulated industries including medical devices in Australia and internationally (notably the United States). The Company must obtain approval from the regulatory bodies in the jurisdictions in which it intends to operate in order to legally supply its products.	The Company's close engagement with regulatory bodies including FDA and CE mark allows it to navigate regulatory requirements. The Company has established a robust Quality and Regulatory Management department with expertise in engaging and obtaining regulatory clearance from FDA and CE mark. The Company has completed multiple FDA pre-submission meetings to de-risk its regulatory clearance procedure for its first two products. Additionally, the Company's Quality Management System (QMS) has been ISO13485 certified by British Standards Institute (BSI) since 2017. The company is working through requirements for its Medical Device Single Audit Program (MDSAP) certification in FY27 to streamline the regulatory approval process. MDSAP is recognised Auditing Organization to conduct a single regulatory audit of a medical device manufacturer that satisfies the relevant requirements of the regulatory authorities participating in the program. Partners participating in MDSAP include: • U.S. Food and Drug Administration • Therapeutic Goods Administration of Australia • Brazil's Agência Nacional de Vigilância Sanitária • Health Canada • Japan's Ministry of Health, Labour and Welfare, and the Japanese Pharmaceuticals and Medical Devices Agency In June 2026, the Company successfully passed Stage 1 of the MDSAP with the final Stage 2 planned for Q2 FY27.
7. Intellectual Property	7.1. There is a risk that unauthorised use or copying of the secure documentation, business data or intellectual property will occur that may result in the need to commence legal actions, which could be costly and time consuming.	The Company has secure cloud-based data storage and backup systems with a multi-layered strategy to protect intellectual property. The Company utilises an industry leading software to securely store and maintain its records, data and unpublished IP. Please refer to 9.1. Cyber-security risks. In relation to the Company's intellectual property, a multi-layered process is in place to cover the relevant intellectual property of the Company. This involves technical knowledge, production records, quality system as well as composition of matter and application specific patents. Additionally, for the products in market, the Company's partners are incentivised to support the Company in defending patent infringements by third parties, if needed.

Risk Area	Risk Description	Key Mitigation Tactics and Strategies
8. Product Risk and Liability (Studies and Results)	8.1. As the Company develops and markets new products based on its Tetramatrix™ and obtains the relevant regulatory approvals, there is no assurance that unforeseen adverse events or manufacturing defects will not arise. Such events or defects could expose the Company to product liability claims, litigation or withdrawal of regulatory approvals. They could also result in damages being awarded against the Company, a requirement for further investment in improved manufacturing processes or withdrawal of products from market. In such event, the Company's liability may exceed its insurance coverage.	The Company has a systematic approach in product design and development with robust quality management system to ensure the integrity of preclinical and clinical results and the manufacturing process. All design and development activities related to the Tetramatrix™ have been governed by the company's certified ISO13485 quality management system. This process involves "phased" development activities which progresses from benchtop testing, preclinical small and large animal studies, followed by fully monitored human clinical studies. The company has followed this approach to ensure product safety and to date, no serious adverse events in any of the animal studies or any product related adverse events in any of the human clinical studies were reported or noticed. The company intends to continue this approach and will ensure that its quality management system remains ISO13485 certified by notified bodies i.e. BSI.
9. Cybersecurity and Data Breach	9.1. A cyber event disrupts operations, exposing commercially sensitive information and undermines data integrity of the Company.	The Company has established Information Technology (IT) policies in place. The Company uses a credentialed third-party cloud system for data storage, sharing and security. Employees are educated based on the IT policies and to minimise the risks associated with the data breach. The Company involves third party service providers to assess the cyber security risks and has a cyber and technology insurance policy.
10. Corporate Governance and Internal Controls	10.1. The Company fails to have adequate governance and internal controls.	The company has a diverse Board of Directors and Sub-Committees (ARC and Nom), a range of corporate and internal policies. The Company has developed a risk appetite statement, risk register with evaluation, mitigation and accountability matrices to monitor, navigate and mitigate risks. The Audit and Risk Committee (ARC) has the responsibility for oversight of the Company's risk mitigation strategy. The Company has introduced and implemented robust internal controls to ensure segregation of duties, independent approval and integrity of financial and accounting information. In addition, the Company has established corporate governance policies which have been rolled out internally and as a part of the investor relations portal.
11. Environment and Sustainability	11.1. The company fails to adhere to ethical and sustainable business practices.	The company's operations, environmental and operational sustainability encompasses smart engineering in the design & implementation of our production facility. This approach includes solar power supplementation at our new facility as well as our POD design concept. PODs allow us to maximise yield and space utilisation without compromising product quality or operator comfort. PODs can be thought of as self-contained, modular and smaller production environments, allowing us to optimise power consumption, water usage and human resource allocations. Using multiple PODs provides redundancy and does not force us to rely on a single production suite. Additional efficiency is achieved through a staged rollout of our POD system; when extra production capacity is required, another POD is built and commissioned in parallel, further reducing the material and power requirements. Artificial Intelligence (AI) enabled workflows and knowledge systems are being embedded to support consistent, scalable operations, reducing dependency on manual processes and strengthening long-term operational resilience.

Governance

The Board is committed to achieving and demonstrating standards of corporate governance appropriate to the size and operations of Tetratherix and its subsidiaries (Tetratherix Group). We continuously refine and improve Tetratherix's governance framework and practices to ensure the interests of shareholders and other key stakeholders are met.

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the Company's policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current Board balances cost whilst benefiting from the significant experience and networks of the Directors in directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's full Corporate Governance Statement is available in a dedicated corporate governance information section of the Company's website at <https://investors.tetratherix.com/corporate-governance>

2026 Corporate governance highlights

Diversity and Board composition

During FY26, the board composition was refreshed as follows:

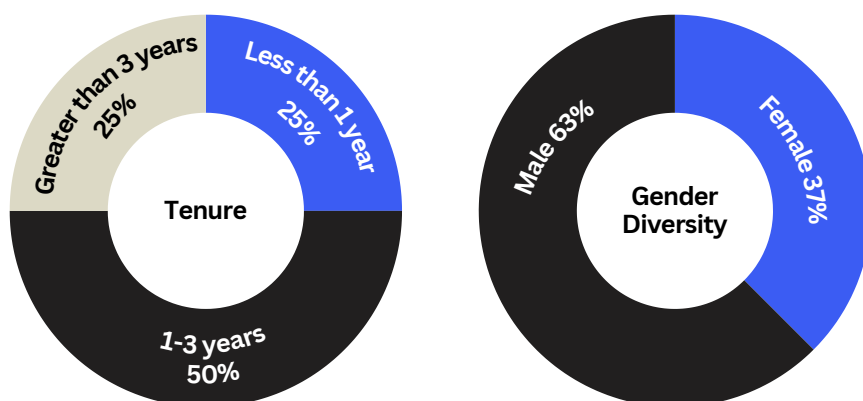
December 2025

- Mr. David Bottomley retired as a Independent Non-Executive Director
- Mr. Peter Gray was appointed as an Independent Non-Executive Director
- Mr. Jacob Pfeffer was appointed as Company Secretary

January 2026

- Mr. Maurizio Vecchione was formally appointed as a Independent Non-Executive Director following receipt of his director identification number.

The Board focuses on maintaining an appropriate mix of diversity and skills in its membership. This includes relevant industry experience, finance and risk, compliance and people management and international business and mergers and acquisition experience. There are 37.5% of directors identifying themselves as female and over 75% of the board have been in their role for < 3 years.



Charters and policies

In FY26 our corporate governance framework continued to evolve in line with ASX guidance and recommendations. All employees and Directors are required to review all corporate governance policies.

Risk management framework

The Audit and Risk Committee, supplemented as needed by the leadership team, have primary responsibility for the Tetratherix risk management framework. The approach is structured to consistently identify, evaluate and manage risks arising from our activities and decisions and operate within our agreed risk appetite. As part of Audit and Risk Committee governance a review of Tetratherix's risk register is performed twice each FY. The leadership team also incorporates the risk management framework into business decisions.

Board Skill Matrix Score

- Experienced
- Expert
- Limited Experience

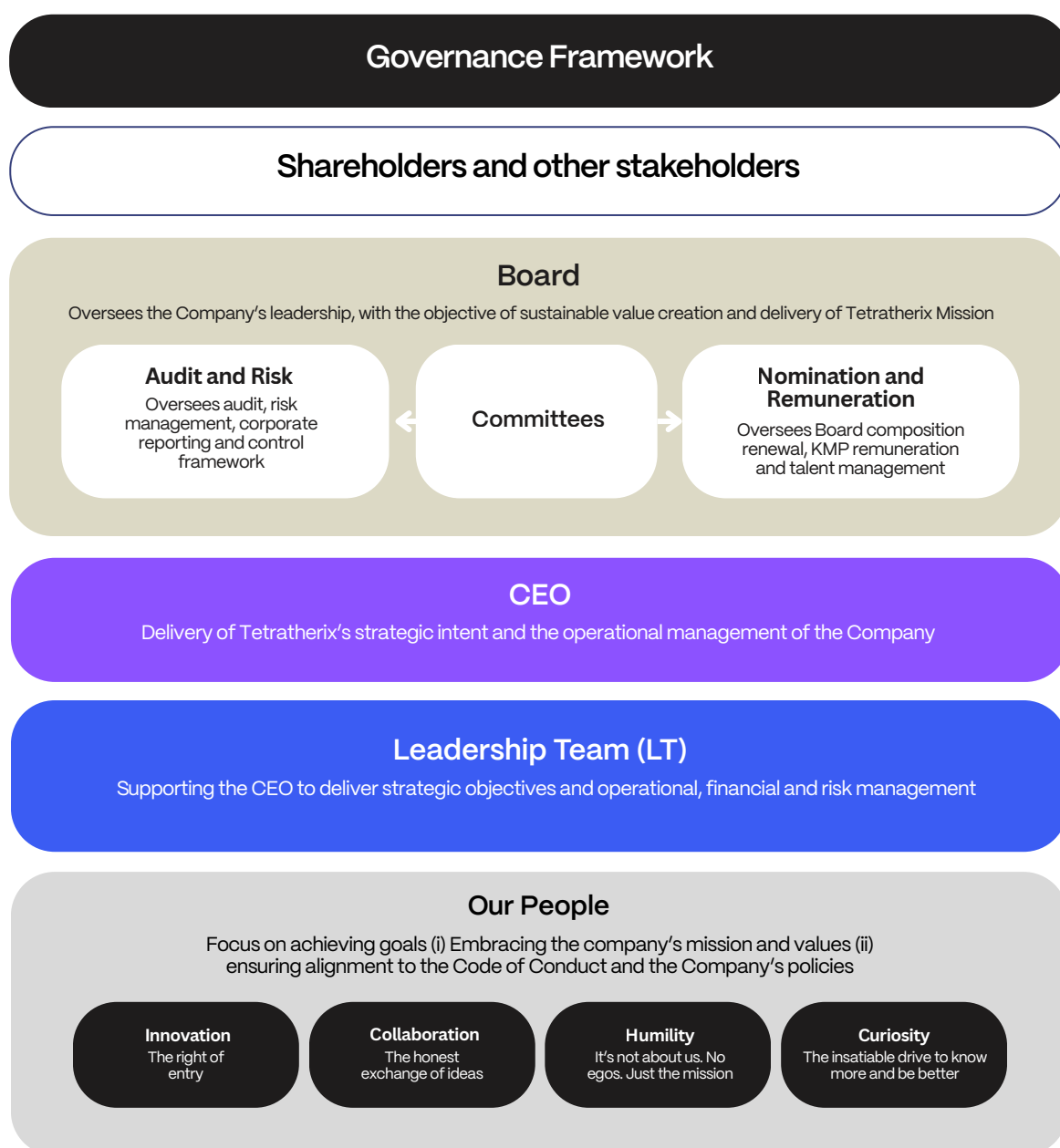
Skills	Description	Directors
 Industry Experience	Experience to oversee product commercialisation in the medical devices, with a deep understanding of patient impact.	● ● ● ● ● ● ● ●
 Strategic Thinking	Experience in developing and implementing successful strategies, effective capital management frameworks, including challenging management on the delivery of agreed strategic objectives.	● ● ● ● ● ● ● ●
 Research and Development	Experience in product innovation to drive sustainable growth through research and development programs.	● ● ● ● ● ● ● ●
 Public Policies and Regulatory	Experience in assessing and understanding implications of public and regulatory policy in technical and commercial development activities.	● ● ● ● ● ● ● ●
 Global Perspective	Global experience on board or management team of geographically diverse listed organisations, including a strong understanding of the US market.	● ● ● ● ● ● ● ●
 Commercial Partnering	Experience with advising, managing and directing mergers, acquisitions and resource optimisation. Experience in commercial partnering in large organisations.	● ● ● ● ● ● ● ●
 Financial Acumen	Experience in finance, accounting and external reporting, including an ability to assess the adequacies of internal finance controls.	● ● ● ● ● ● ● ●
 Risk and Compliance	Experience in risk management and compliance with an ability to assess the effectiveness of processes and procedures to manage risk.	● ● ● ● ● ● ● ●
 People and Culture	Experience in leading people, culture and organisation design. Understanding of remuneration frameworks to attract and retain a high performing individuals.	● ● ● ● ● ● ● ●

Corporate Governance Structure

Our corporate governance framework provides a structure for effective, objective and responsible decisions. The Board with assistance from the Audit and Risk and the Nomination and Remuneration Committee:

- approves Tetratherix's strategic objectives, budgets and statutory reporting;
- monitors operational and financial performance and people and culture strategy;
- defines the risk appetite for Tetratherix's executive team to operate and oversees the risk management framework, internal controls environment and compliance systems; and
- oversees Tetratherix's management, performance and corporate governance frameworks ensuring mechanisms are in place for timely and balanced disclosures to shareholders and the market.

Processes are in place to facilitate delegation flows through the Board and its committees to the CEO and leadership team. This framework also enables information flow and accountability from our people, to the leadership team and to the Board.



Directors Information

Directors

The following persons were directors of Tetratherix Limited (the Company or Consolidated entity) during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Emma Cleary – Chair and Non-Executive Director
- William Knox – Executive Director
- Dr Ali Fathi – Executive Director
- Peter Gray – Non-Executive Director (appointed 15 December 2025)
- John Kelly – Non-Executive Director
- Gillian Shea – Non-Executive Director
- Atlanta Daniel – Non-Executive Director
- Maurizio Vecchione – Non-Executive Director (appointed 21 January 2026)
- David Bottomley – Non-Executive Director (retired 15 December 2025)

Information about Director's qualifications, skills and experience, specific Tetratherix responsibilities and other external appointments are outlined in the governance section of this report.

Principal activities

Tetratherix is a biomedical company that has developed an advanced biomaterial platform called Tetramatrix™, a proprietary fluid matrix that induces minimal foreign body reaction. The principal activities include development programs in the areas of regenerative medicine and commercialising medical device technology across multiple applications including Bone Regeneration, Tissue Spacing, Tissue Healing and Precision Medicine.

Dividends

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

Review of operations

The loss for the Consolidated entity after providing for income tax amounted to a loss of \$9,320,535 (30 June 2025: loss of \$9,425,552)

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Consolidated entity during the financial year.

Likely developments and expected results

Likely developments and expected results of the Company are set out in the Strategic Framework and Operational Overview section on pages 44 to 47 of this Annual Report and are incorporated into, and form part of, this Directors' Report.

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 may be applicable for the Company in the future.

Matters subsequent to the end of the financial year

There are no matters subsequent to the end of the financial year that may significantly affect the consolidated entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

Meetings of Directors

The number of meetings of the Board held during FY2026 and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk committee	
	Attended	Held	Attended	Held	Attended	Held
Emma Cleary	7	7	3	4	5	5
William Knox	7	7	-	-	4*	5
Ali Fathi	7	7	-	-	5	5
Peter Gray (appointed 15 December 2025)	4	4	-	-	-	-
Gillian Shea	7	7	-	-	5	5
Atlanta Daniel	7	7	4	4	-	-
John Kelly	7	7	4	4	1*	5
Maurizio Vecchione (appointed 21 January 2026)	4	1*/1	-	1	-	-
David Bottomley (retired December 2025)	3	3	-	-	-	-

Held: represents the number of meetings held during the time the director held office.

* attendance as an observer.

Directors' interests in the securities of Tetratherix

Details with respect to shares are per below:

*Placement shares: Related Parties of Gillian Shea and Atlanta Daniel purchased additional shares during May 2026 placement, the shares are subject to shareholder approval at the FY26 AGM and are excluded in the above table.

	Ordinary Shares			
	Note 1	Note 2	Note 3	Total
Emma Cleary	218,815	25,683	43,402	287,900
William Knox	91	3,348,808	91	3,348,990
Ali Fathi	385	14,096,230	385	14,097,000
Peter Gray	28,500	-	-	28,500
Gillian Shea*	18,750	-	-	18,750
Atlanta Daniel*	3,645,941	1,482,668	1,562,608	6,691,217
John Kelly	12,013	-	-	12,013
Maurizio Vecchione	-	-	-	-

Note 1: Ordinary shares
Note 2: Escrowed shares 24 months from quotation
Note 3: Escrowed shares FY26 results

Directors Profiles

Other current directorships: are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Former directorships (last 3 years): are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

- Audit and Risk Committee**
- Nomination and Remuneration Committee**



Emma Cleary
Non-Executive
Chair

- Special responsibilities:**
Member of the Audit and Risk
Committee and Nomination
and Remuneration Committee

Emma was appointed to the Board in March 2025 and is Chair of the Board. She holds a Bachelor of Business, Accounting and Economics (Deakin University), is a member of Chartered Accountants Australia and New Zealand and a graduate of the Australia Institute of Company Directors.

Emma is currently a non-executive director of Device Technologies and has been with that company for nearly 20 years, previously holding the positions of executive director / Chief Operating Officer (2016 to 2020) and Chief Financial Officer (2005 to 2016). During this period Emma was also non-executive director and vice chair of the Medical Technology Association of Australia.

Current directorships: Chair Neo-Bionica, Non Executive Director of Device Technology and Non-Executive director of the Macular Disease Foundation of Australia.



William Knox
Executive Director
and CEO

William (Will) was appointed as Chief Executive Officer in September 2021. Will has over 20 years of leadership experience in the commercial development of medical technologies and healthcare innovations.

His previous role was Senior Business Manager for Device Technologies following their acquisition of uHealth in 2017 – a regenerative biologic company he established in 2013. Prior to founding uHealth, Will has held commercial leadership roles at Cochlear (ASX:COH), Medtronic (NYSE:MDT) and Life Healthcare.

Will holds a Bachelor of Medical Science (B.MedSc) from the University of Technology Sydney, graduated from the Wharton School's Executive development Program and is a member of the Australian Institute of Company Directors (MAICD). Will is a General Partner of Bioshore Ventures Pty Ltd. – an investor and operator of early stage medical and biotech companies.



Dr Ali Fathi
Executive Director,
Founder and CTO

- Special responsibilities:**
Member of the Audit
and Risk Committee

As a co-founder, Ali has been involved with the Company since its inception and has held the office of director since 20 August 2015 and was subsequently appointed as Chief Technical Officer (CTO) in September 2021.

Ali is an inventor and entrepreneur with a main passion for translational technologies in regenerative medicine. Prior to founding the Company, Ali held a number of positions with the University of Sydney through 2011 to 2016 initially as Researcher, then Industrial Research Manager and Lecturer Assistant. He was also engaged as a mechanical engineer at Dagenham Motors (London, United Kingdom) throughout 2008 and 2009.

Ali holds a PhD in Chemical and Biomolecular Engineering, Polymer and Bioengineering, and a Master of Professional Engineering, Chemical and Biomolecular Engineering. He was also awarded the University of Sydney's Young Alumni Award for Entrepreneurial and Leadership.

Directors Profiles



Audit and Risk Committee



Nomination and Remuneration Committee



Peter Gray
Non-Executive
Director

Peter is the Co-founder and Head of Strategic Growth, ANZ of Zip Co (ASX: ZIP) (Zip), a leading Australian fintech innovator providing fair, flexible, and seamless solutions that help people pay, manage their budgets, and live better. With a deep commitment to culture and customer experience, Mr. Gray has played a central role in shaping Zip's values and vision. Under his leadership, Zip has continually challenged the traditional financial services landscape, growing from a local startup into a global leader with millions of customers and a vast network of retail partners.

Drawing on more than 30 years of experience in the financial services industry, Mr. Gray brings extensive expertise in building and scaling innovative businesses within highly regulated environments. His career includes seven years as an ASX director, and he is recognised for his ability to balance entrepreneurial ambition with disciplined governance.

Mr. Gray remains passionate about challenging the status quo, fostering innovation, and supporting founders who are redefining industries and creating the next generation of game-changing businesses.



Gillian Shea
Non-Executive
Director

 **Special responsibilities:**
Chair of the Audit and
Risk Committee

Gillian was appointed as a Non-Executive Director in March 2025. She holds a Bachelor of Business, Accounting and Finance (University of Technology Sydney), is a member of Chartered Accountants Australia and New Zealand and a graduate of the Australian Institute of Company Directors.

Gillian has over 25 years of audit and financial reporting experience, and was a Registered Company Auditor. She was an audit partner at BDO where she had numerous ASX listed clients. Prior to BDO, Gillian was Director of EY in their Assurance practice.

Current directorships: Non-executive director of the Macular Disease Foundation of Australia, Non-executive director of Stone and Chalk Limited, and is also the Chair of the Audit and Risk Committee of the latter.



John Kelly
Non-Executive
Director

 **Special responsibilities:**
Member of the Nomination
and Remuneration
Committee

John was appointed as a Non-Executive Director in May 2025. John is a highly accomplished executive and company director with extensive experience in the medical device industry including from ideation to advance manufacturing and regulatory approval. John led Atomo (ASX:AT1) through the development of a novel rapid test platform, securing key regulatory approvals and its initial public offering on ASX.

Prior to that John was COO at ASX-listed Unilife where he led the creation of the 'Unifill' glass prefilled drug delivery device (licensed to Sanofi Aventis). He also spent five years at ResMed managing the New Product Implementation Group and helping develop the breakthrough Activa and Swift mask systems.

John has an Honours Degree in Mechanical Engineering from the University of Liverpool, a Master's Degree in Systems Engineering from Queen's University Belfast, and an Executive MBA from the University of Sydney, where he was awarded the Business School 'inaugural 'Excellence in Leadership' scholarship.

Current directorships: Executive Director Atomo (ASX:AT1)

Directors and Company Secretary Profiles



Maurizio Vecchione
Non-Executive
Director

Maurizio was appointed as a Non-Executive Director in January 2026. Maurizio Vecchione is the Chief Innovation Officer of the Terasaki Institute for Biomedical Innovation and General Partner at AdAstral Funds, he is also named on multiple patents filed in the United States.

Maurizio has spent the last 30 years at the forefront of biomedicine. He has helped build nine startups and launch more than 50 commercial products. His prior experience includes being CEO at Arrogene Nanotechnology, CompuMED, Trestle and multiple other science companies.

Between 2013 and 2020 Maurizio was the Executive Vice President for Global Good and Research at Intellectual Ventures Laboratory which he built and led, with funding from the Bill and Melinda Gates Foundation Trust. In collaboration with Bill Gates, he simultaneously managed the Global Good Fund, the research programs of the Intellectual Ventures Laboratory and the Institute for Disease Modelling. He serves on the Advisory Board of the UCLA Ronald Reagan Medical Centre. He was an invited panellist and speaker at many international conferences including at the Nobel Prize Summit 2021.

Maurizio holds a Master of Science from the University of Arizona and a Physics degree from the University of California, Berkeley.



Atlanta Daniel
Non-Executive
Director

● **Special responsibilities:**
Chair of the Nomination
and Remuneration
Committee

Atlanta was appointed as a Non-Executive Director in April 2025. Atlanta nurtures visionary founders who are redefining their industry. She is a General Partner and Managing Director at Radar Ventures, a significant investor in the Company.

A commercially minded venture capital investor, Atlanta co-founded Radar Ventures with Xero founder Rod Drury. Radar backs early-stage deep tech businesses across medical, sustainability and defence sectors.

With a career spanning venture investment, enterprise SaaS, consumer technology, and branding, Atlanta brings deep expertise in scaling innovative, IP-driven businesses. Previous advisory roles include engagements with AIM, a developer of advanced laser systems integrated with AI, and Airwallex, a global payments and financial platform.



Jacob Pfeffer
Company
Secretary

Jacob was appointed Company Secretary effective 19 December 2025.

Jacob has practised at leading Australian and English law firms and acted as legal advisor to Tetratherix and the Board on the IPO and ASX Listing in June 2025, he has held the position of General Counsel since October 2025. He was additionally appointed Chief of Staff in February 2026.

Jacob holds a Juris Doctor from the University of Sydney, a Masters in Applied Finance and Bachelor of Business from QUT.

Retired Directors Profiles



David Bottomley Non-Executive Director

David retired as a Non-Executive Director on 15 December 2025, after serving on the Board for a period of over five years.

David has over 25 years' experience in equity capital markets, corporate finance, M&A and venture capital. David has previously held investment banking roles at Kleinwort Benson, Merrill Lynch & Co and GCMG, LLC.

David is a General Partner of Bioshore Ventures Pty Ltd. David served as executive and portfolio manager of Ryder Capital Limited (ASX:RYD) from 2015 to March 2025.

David holds a Bachelor of Arts (Economic History) from the University of Sydney, Bachelor of Laws from Bond University and is a Fellow of the Financial Services Institute of Australasia.

Group Executive Team



William Knox
Executive
Director and CEO

William (Will) was appointed as Chief Executive Officer in September 2021. Will has over 20 years of leadership experience in the commercial development of medical technologies and healthcare innovations.

His previous role was Senior Business Manager for Device Technologies following their acquisition of uHealth in 2017 – a regenerative biologic company he established in 2013. Prior to founding uHealth, Will has held commercial leadership roles at Cochlear (ASX:COH), Medtronic (NYSE:MDT) and Life Healthcare.

Will holds a Bachelor of Medical Science (B.MedSc) from the University of Technology Sydney, graduated from the Wharton School's Executive development Program and is a member of the Australian Institute of Company Directors (MAICD). Will is a General Partner of Bioshore Ventures Pty Ltd. – an investor and operator of early stage medical and biotech companies.



Dr Ali Fathi
Executive Director,
Founder and CTO

As a co-founder, Ali has been involved with the Company since its inception and has held the office of director since 20 August 2015 and was subsequently appointed as Chief Technical Officer (CTO) in September 2021.

Ali is an inventor and entrepreneur with a main passion for translational technologies in regenerative medicine. Prior to founding the Company, Ali held a number of positions with the University of Sydney through 2011 to 2016 initially as Researcher, then Industrial Research Manager and Lecturer Assistant. He was also engaged as a mechanical engineer at Dagenham Motors (London, United Kingdom) throughout 2008 and 2009.

Ali holds a PhD in Chemical and Biomolecular Engineering, Polymer and Bioengineering, and a Master of Professional Engineering, Chemical and Biomolecular Engineering. He was also awarded the University of Sydney's Young Alumni Award for Entrepreneurial and Leadership.



Cherie Beach
Chief Financial
Officer (CFO)

Cherie Beach was appointed on 15 January 2025 as Chief Financial Officer. She is a senior executive, with a growth mindset and proven delivery capability in developing and executing long term strategy for sustainable growth.

With over 20 years of leadership experience, Cherie has previously held the roles of Vice President Global Finance, Strategic Planning and Partnering at Cochlear, Senior Director Finance and Strategy Asia Pacific Consumer Health and Interim CFO at Johnson and Johnson Asia Pacific Consumer Health, amongst other roles.

Cherie holds a Bachelor of Commerce (Western Sydney University), an MBA (Deakin University) and is a Chartered Accountant Australia New Zealand, a fellow of CPA Australia and a graduate of the Australian Institute of Company Directors.



Terence Abrams
Founder and
COO

As a co-founder, Terence Abrams has been involved with Tetratherix from its inception and has held the role of Chief Operating Officer since September 2015. He holds a Bachelor of Engineering (University of Sydney).

As an engineer, Terence's experience and his understanding of bespoke chemical manufacturing has made him instrumental in process design and optimisation to allow production of Tetramatrix™ at scale.

Terence has incorporated his Chemical Engineering background and experience in compounding pharmacy to design the required infrastructure and the chemical processing steps in the synthesis of the core polymers and subsequently in the manufacturing of the derived products from Tetramatrix™ platform technology.

Remuneration Report (Audited)

The remuneration report details the key management personnel remuneration arrangements for the Consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

From September 2025, the Nomination and Remuneration Committee (NRC) has been responsible in determining and reviewing remuneration arrangements for its directors and executives.

The performance of the Consolidated entity depends on the quality of its directors and executives. In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Remuneration Governance

The Nomination and Remuneration Committee (NRC), consisting of at least two independent non-executive directors, advises the Board on remuneration policies and practices generally, and makes recommendations on remuneration packages and other terms of employment for non-executive directors, KMP executives and other senior executives.

Where required, external remuneration advice may be sought by the NRC or the Board. The Board approves the remuneration arrangements of the CEO, including awards made under the STI and LTI plans, following recommendations from the NRC.

The Board approves, having regard to recommendations made by the CEO to the NRC, the level of remuneration, including STI and LTI awards, for other KMP executives. The Board also sets the aggregate fee pool for non-executive directors (which is subject to shareholder approval) and non-executive director fee levels.

The company's remuneration structure aims to:

- attract and retain exceptional people to lead and manage the group and to support the internal development of executive talent within the group, recognising that Tetratherix is operating in a competitive global industry environment;
- align KMP and executive remuneration structures to shareholder returns, as executives are set both short-term and long-term performance targets, which are linked to the core activities necessary to build competitive advantages and shareholder value;
- motivate and reward the executive team whilst aligning performance elements/KPIs to the interests of shareholders; and
- create a respectful culture based on performance and innovation through appropriately structured individual assessments.

Information on the NRC's role, responsibilities and membership is outlined in the charter available on the Company's website:

[Nomination and Remuneration Committee charter](#)

Non-Executive Directors' Remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are to be reviewed annually by the NRC. The NRC may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

The chair's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chair is not present at any discussions relating to the determination of her own remuneration.

Non-executive directors did not receive bonuses or forms of equity securities, or any performance-related remuneration during the financial year. Statutory superannuation contributions are required under the Australian superannuation guarantee legislation to be paid on any fees paid to Australian directors. There are no retirement allowances paid to non-executive directors. The non-executive directors' fees reported below include any statutory superannuation contributions.

In accordance with the ASX Listing Rules, the aggregate remuneration of Non-Executive Directors must be determined periodically by shareholders at an annual general meeting. The first Annual General Meeting of the Consolidated entity was held on 10 November 2025, at which shareholders resolved to adopt the Remuneration Report.

Executive Remuneration

(a) Approach to Setting and Reviewing Remuneration

The Consolidated entity aims to reward executives with a level and mix of remuneration appropriate to their position, skills, experience, and responsibilities whilst being market competitive and enabling the company to retain staff and, at the same time, structuring awards which conserve cash reserves.

The NRC, together with the Board, actively reviews the group's remuneration structure and benchmarks the overall package and proportion of fixed remuneration, short-term incentives and long-term incentives against relevant industry comparators to ensure the policy objectives are met and are in line with good corporate practice for Tetratherix's size, industry and stage of development.

Remuneration levels are considered annually through the remuneration review, which considers industry benchmarks and the performance of the group and the individual.

The Consolidated entity undertakes remuneration benchmarking each year with reference to multiple industry peers, together with, where appropriate, other benchmarking reports which apply to specific positions. A group of peer companies from within the medical device/biotechnology sector are included in the benchmarking exercise.

(b) Remuneration Principles and Strategy

The Consolidated entity's executive remuneration strategy is designed to attract, motivate and retain high-performing individuals and align the interests of executives with shareholders, recognising it is operating in the international medical device and biotechnology industries, and is summarised below.

Remuneration strategy linked to group objectives

Align the interests of executives with shareholders:

- The remuneration framework incorporates "at risk" components, which are determined by performance, through STI and LTI.
- Performance is assessed against a suite of measures relevant to the success of the group and generating growth and returns for shareholders.

Attract, motivate and retain high performing individuals:

- The remuneration offering is competitive based on an individual's experience and for companies of similar size and complexity within the industry through benchmarking.
- The mix of short and current TTX shareholdings encourages retention and performance across multiple years as appropriate for the lifecycle of the group.

Component	Vehicle	Purpose	Link to performance
Fixed remuneration	Base salary, superannuation contributions and other benefits. The mix of these components is determined at the executive's discretion.	To provide market-competitive fixed remuneration, set with reference to role, market and experience.	Group and individual performance are considered during the annual remuneration review.
Short term incentives (STI)	Cash based on a performance assessment, over a one-year performance period.	To reward executives for their contribution to business outcomes achieved during the financial year.	Cash bonuses are allocated against internal KPIs at both business unit and corporate level, over the short term.
Long term incentives (LTI)	Equity in the form performance rights.	To reward executives for their contribution to business outcomes over the longer term.	Equity allocations support executive retention and provides incentive for the executive to add value to the Company's operations.

Remuneration Review Process

New contracts for all executives in FY26 were signed following the inaugural meeting of the NRC in September 2025.

The NRC conducted a review of executive remuneration within a listed environment by benchmarking market data for comparable companies.

The NRC also established the annual targets and key performance indicators (both non-financial and financial), as appropriate to the size and state of the newly listed entity, to be used in measuring executive performance for the purposes of awarding STIs and LTIs.

The NRC also considered the target remuneration mix within the remuneration and reward framework.

Details of Remuneration

Amounts of Remuneration

Details of the remuneration of key management personnel of the Consolidated entity are set out in the following tables. The key management personnel of the Consolidated entity consisted of the following directors of Tetratherix Limited:

- Emma Cleary – Chair and Director
- William Knox – CEO, Director
- Ali Fathi – CTO, Director
- Gillian Shea – Director
- Atlanta Daniel – Director
- Peter Gray – Director
- John Kelly – Director
- Maurizio Vecchione – Director
- David Bottomley – Director (retired December 2025)

And the following persons:

- Cherie Beach – Chief Financial Officer
- Terence Abrams – Chief Operating Officer

Relationship Between Remuneration and Performance

In determining FY26 STI outcomes, the Board and the Nomination and Remuneration Committee assessed performance against a range of measures directly aligned to the Company's key business priorities for the year.

These include:

- Achievement of Research and Development milestones in accordance with defined program objectives,
- Successful execution of strategic partnership agreements supporting the Company's commercialisation strategy
- Commencement of the manufacturing upscale program together with Quality Management System (QMS) re-accreditation
- Delivery of financial results consistent with commitments made under the Company's Use of Funds (UOF) statement.
- Expansion of a high performing team with zero regrettable losses and reward via the Company's performance rights plan

Further details are outlined in the FY26 business highlights in the Directors' report section.

Having reviewed performance against each of these measures, the Board and Nomination and Remuneration Committee concluded that the FY26 STI awards were appropriately earned, reflecting the executive team's contribution in advancing Tetratherix's commercial, operational, and financial objectives during the year supporting the Company's transition toward sustainable manufacturing revenue.

The Board notes the following in relation to shareholder wealth: no dividends were paid or payable to shareholders during FY26; there was no return of capital involving a cancellation of shares during the year; and the price of the Company's shares increased from \$3.06 opening price on 1 July 2025 to \$6.00 closing price on 30 June 2026; a 96% increase over the period.

		Short term benefits			Post employment benefits	Long-term benefits	Share based payments	
		Cash salary and fees (\$)	Cash bonus (\$)	Non-monetary (\$)	Superannuation (\$)	Long service leave (\$)	Equity-settled (\$)	
Non Executive Directors	Emma Cleary	FY25	90,000	-	-	-	-	90,000
		FY26	180,000	-	-	-	-	180,000
	Peter Gray*	FY25	-	-	-	-	-	-
		FY26	38,690	-	-	4,643	-	43,333
	Gillian Shea	FY25	41,106	-	-	4,727	-	45,833
		FY26	89,286	-	-	10,714	-	100,000
	Atlanta Daniel	FY25	-	-	-	-	-	-
		FY26	-	-	-	-	-	-
	John Kelly	FY25	5,952	-	-	714	-	6,666
		FY26	71,429	-	-	8,571	-	80,000
	David Bottomley**	FY25	-	-	-	-	-	-
		FY26	-	-	-	-	-	-
Executive Directors	Maurizio Vecchione	FY25	-	-	-	-	-	-
		FY26	-	-	-	-	-	-
	Ali Fathi	FY25	223,910	200,000	38,796	24,552	30,441	517,699
		FY26	388,846	200,000	26,075	30,000	30,249	675,170
	William Knox	FY25	320,962	250,000	22,855	30,004	8,617	1,046,129
		FY26	480,769	250,000	38,575	30,000	11,730	811,074
Other KMP	Cherie Beach	FY25	136,615	50,000	10,509	15,711	171	213,006
		FY26	360,385	160,000	5,911	62,446	502	2,214,131
	Terence Abrams	FY25	223,910	50,000	16,918	24,552	25,668	341,048
		FY26	324,231	140,000	14,088	30,000	23,096	531,415
	Total	FY25	1,042,455	550,000	89,078	100,260	64,897	2,260,381
	Total	FY26	1,933,636	750,000	84,649	176,374	65,577	4,635,123

* represents remuneration from 12 December 2025

** retired from the Board in December 2025

Note Atlanta Daniel, David Bottomley and Maurizio Vecchione were offered board remuneration in FY26, however they declined this benefit.

The maximum and actual annual directors' fees payable to each non-executive director (NED), as currently approved by the Board/Nom Committee per annum inclusive of superannuation is as follows:

- \$180,000 for the Chair of Board;
- \$80,000 for NEDs
- \$20,000 additional for NEDs who chair the Audit & Risk or Nomination and Remuneration Committees

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed Remuneration 2026	At risk - STI 2026	At risk LTI 2026
Non Executive Directors	Emma Cleary	100%	-
	Peter Gray	100%	-
	Gillian Shea	100%	-
	David Bottomley	100%	-
	Atlanta Daniel	100%	-
	John Kelly	100%	-
Other KMP Exec Directors	Maurizio Vecchione	100%	-
	Ali Fathi	70%	30%
	William Knox	69%	31%
	Cherie Beach	19%	8%
	Terence Abrams	74%	26%

The proportion of cash bonus paid/payable or forfeited is as follows:

	Name	Cash bonus paid/ payable 2026	Cash bonus forfeited 2026
Other KMP Exec Directors	Ali Fathi	100%	-
	William Knox	100%	-
	Cherie Beach	100%	-
	Terence Abrams	100%	-

Service Agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these current agreements are as follows:

Name	William Knox
Title	Managing Director (and Chief Executive Officer)
Agreement Commenced	1 September 2025
Notice Period	12 Weeks
Details	

- Base salary for the year ending 30 June 2026 of \$500,000 (excluding statutory superannuation).
- William is entitled to a short-term incentive of \$250,000 (excluding statutory superannuation), subject to board approval and payable subject to completion of KPIs to deliver strategic priorities.
- An annual merit review will be conducted by the NRC assessing external benchmarks, macro economic factors including Australian inflation trends and a pay for performance practice.

Name	Dr Ali Fathi
Title	Executive Director (and Chief Technology Officer)
Agreement Commenced	1 September 2025
Notice Period	12 Weeks
Details	

- Base salary for the year ending 30 June 2026 of \$410,000 (excluding statutory superannuation).
- Ali is entitled to a short-term incentive of \$200,000 (excluding statutory superannuation), subject to board approval and payable subject to completion of KPIs to deliver strategic priorities.
- An annual merit review will be conducted by the NRC assessing external benchmarks, macro economic factors including Australian inflation trends and a pay for performance practice.

Name	Cherie Beach
Title	Chief Financial Officer
Agreement Commenced	15 January 2025
Notice Period	12 Weeks
Details	

- Base salary for the year ending 30 June 2026 of \$370,000 (excluding statutory superannuation).
- Cherie is entitled to a short-term incentive of \$160,000 (excluding statutory superannuation), subject to board approval and payable subject to completion of KPIs to deliver strategic priorities.
- An annual merit review will be conducted by the NRC assessing external benchmarks, macro economic factors including Australian inflation trends and a pay for performance practice.

Service Agreements (continued)

Name	Terence Abrams
Title	Chief Operating Officer
Agreement Commenced	1 September 2025
Notice Period	12 Weeks
Details	

- Base salary for the year ending 30 June 2026 of \$330,000 (excluding statutory superannuation).
- Terence is entitled to a short-term incentive of \$140,000 of base salary (excluding statutory superannuation), subject to board approval and payable subject to completion of KPIs to deliver strategic priorities.
- An annual merit review will be conducted by the NRC assessing external benchmarks, macro economic factors including Australian inflation trends and a pay for performance practice.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-Based Compensation

Performance rights

Details of performance rights issued to directors and other key management personnel as part of remuneration during the year ended 30 June 2026 are set out below. Shares issued for vested performance rights rank equally with existing fully paid ordinary shares.

	Number of performance rights	Grant date	Vesting date	Fair Value per Right at Grant Date (\$)	Number vested in FY26	Total Fair Value (\$)	Vesting conditions
Cherie Beach* Tranche 1	434,028	Jul 1, 2025	Jan 4, 2026	\$3.39	434,028	\$1,471,355	Continued Employment
Cherie Beach* Tranche 2	86,805	Jul 1, 2025	Jun 4, 2027	\$3.39	-	\$294,269	Continued Employment

* Cherie Beach's performance rights are held by CB & MS Holdings Pty Limited, an entity associated with Cherie Beach.

The performance rights are equity-settled share-based payments. Shares issued on vesting of performance rights are issued for nil cash consideration. The fair value of the rights granted during the year was determined at the grant date. As the vesting condition comprises continued service only, the fair value of each performance right is equal to the market price of the Company's ordinary shares at grant date. A valuation was also performed using the Black-Scholes option pricing model and no material difference was identified compared to the fair value determined as the market price of the Company's ordinary shares at grant date.

Additional Disclosures Relating to Key Management Personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Emma Cleary	287,900	-	-	-	287,900
Peter Gray	-	-	28,500	-	28,500
Gillian Shea*	18,750	-	-	-	18,750
Atlanta Daniel*	6,691,217	-	-	-	6,691,217
David Bottomley**	5,791,454	-	-	(8,056)	5,783,398
John Kelly	8,680	-	3,333	-	12,013
Maurizio Vecchione	-	-	-	-	-
Ali Fathi	14,097,000	-	-	-	14,097,000
William Knox	3,348,990	-	-	-	3,348,990
Cherie Beach	1,736	434,028	-	-	435,764
Terence Abrams	2,095,500	-	-	-	2,095,500
Total	32,341,227	434,028	31,833	(8,056)	32,799,032

*Placement shares

Related parties of Gillian Shea and Atlanta Daniel purchased additional shares as part of the placement. The shares are subject to shareholder approval at the FY26 AGM and are excluded from the above table.

** David Bottomley held shares during the FY26 year. He retired as a director in December 2025.

Additional Disclosures Relating to Key Management Personnel (continued)

Performance rights

The number of performance rights in the Company held during the financial year by each director and other members of key management personnel of the Consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/forfeited/ other	Balance at the end of the year
Cherie Beach	0	520,833	434,028	-	86,805

Other transactions with key management personnel and the related parties

The Company pays directors fees of \$180,000 (plus GST) per annum, monthly in arrears to Rothay Advisory, an entity controlled by Emma Cleary, a non-executive director.

This concludes the remuneration report, which has been audited.

Shares under performance rights

Unissued ordinary shares of Tetratherix Limited issued under the performance rights plan at the date of this report are as follows:

Granted date	Vesting date	Exercise price	Number under rights
Jul 1, 2025	June 4, 2027	\$0.00	86,805
Jul 31, 2025	The day following the release of FY27 results in August 2027	\$0.00	3,739
Aug 4, 2025	The day following the release of FY27 results in August 2027	\$0.00	75,313
Oct 9, 2025	The day following the release of FY27 results in August 2027	\$0.00	53,333
Nov 13, 2025	The day following the release of FY26 results in August 2026	\$0.00	22,222
Nov 13, 2025	The day following the release of FY27 results in August 2027	\$0.00	22,222
Nov 13, 2025	The day following the release of FY28 results in August 2028	\$0.00	22,222
Nov 13, 2025	The day following the release of FY29 results in August 2029	\$0.00	22,222
Nov 24, 2025	The day following the release of FY27 results in August 2027	\$0.00	3,000
Jan 19, 2026	The day following the release of FY27 results in August 2027	\$0.00	18,584
Feb 2, 2026	The day following the release of FY27 results in August 2027	\$0.00	50,000
Feb 5, 2026	The day following the release of FY27 results in August 2027	\$0.00	6,456
Mar 16, 2026	The day following the release of FY27 results in August 2027	\$0.00	2,461
Mar 16, 2026	Sep 16, 2026	\$0.00	8,125
Mar 16, 2026	Mar 16, 2027	\$0.00	8,125
Mar 17, 2026	The day following the release of FY27 results in August 2027	\$0.00	1,692
Mar 19, 2026	The day following the release of FY27 results in August 2027	\$0.00	1,677
May 15, 2026	The day following the release of FY27 results in August 2027	\$0.00	5,020
			413,218

No person entitled to exercise the performance rights had or has any right by virtue of the performance rights to participate in any share issue of the Company or of any other body corporate.

Shares issued on the vesting of performance rights

The following ordinary shares of Tetratherix Limited were issued during the year ended 30 June 2026 and up to the date of this report on the vesting of performance rights:

Vesting date	Exercise price	Number of shares issued
Jan 4, 2026	\$0.00	434,028

Shares issued on vesting of performance rights were issued for nil consideration and rank equally with existing fully paid ordinary shares of the Company.

Indemnity and Insurance of officers

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Non-audit services

The non-audit services disclosed in Note 31 were provided in connection with matters undertaken prior to the Company's admission to the ASX. No non-audit services were provided by the auditor following listing.

The directors are satisfied that the provision of these services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Rounding of amounts

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 applies, and accordingly, amounts in this Directors' Report have been rounded to the nearest thousand dollars, and the nearest whole dollar in the financial statements unless otherwise stated

Auditors 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 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



William Anthony Knox
Director

20 August 2026
Sydney

04. Auditor's Independence Declaration

**Nexia Sydney Audit Pty Ltd**

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Sydney NSW 2000

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QVB NSW 1230

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F: +61 2 9251 7138

To the Board of Directors of Tetratherix Limited

nexia.com.au**Auditor's Independence Declaration under section 307C of the *Corporations Act 2001***

As lead auditor for the audit of the financial statements of Tetratherix Limited for the financial year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours sincerely

**Nexia Sydney Audit Pty Ltd****Erin Tanyag**

Director

Dated: 20 August 2026

0.5 Financial Report

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Tetratherix Limited
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 June 2026

		Consolidated	
	Note	2026	2025
		\$	\$
Revenue and Other Income			
Revenue	5	918,151	-
Other income	5	2,943,577	1,052,616
Interest Revenue		795,825	90,030
Total Revenue and Other Income		4,657,553	1,142,646
Expenses			
Net Fair Value Loss on Financial Liabilities	6	-	(3,589,550)
Administration Expenses	7	(2,257,967)	(1,007,333)
Employee Benefits Expense	7	(7,765,941)	(3,108,684)
Depreciation and Amortisation Expense	7	(926,615)	(79,923)
Research and Development Project Expenses		(2,464,170)	(1,418,723)
IPO Costs		-	(1,282,341)
Finance Costs	7	(563,395)	(81,644)
Total Expenses		(13,978,088)	(10,568,198)
Loss Before Income Tax Expense		(9,320,535)	(9,425,552)
Income Tax Expense	8	-	-
Loss After Income Tax Expense for the Year Attributable to the Owners of Tetratherix Limited		(9,320,535)	(9,425,552)
Other Comprehensive Income for the Year, Net of Tax		-	-
Total Comprehensive Loss for the Year Attributable to the Owners of Tetratherix Limited		(9,320,535)	(9,425,552)
		Cents	Cents
Basic Earnings per Share	40	(18.38)	(36.46)
Diluted Earnings per Share	40	(18.38)	(36.46)

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

Tetratherix Limited
Consolidated Statement of Financial Position
As at 30 June 2026

		Consolidated	
	Note	2026	2025
		\$	\$
Assets			
Current Assets			
Cash and Cash Equivalents	9	34,364,884	29,336,526
Other Receivables	10	2,938,800	1,228,115
Inventories	11	252,121	-
Prepayments	12	591,574	202,526
Total Current Assets		38,147,379	30,767,167
Non-Current Assets			
Property, Plant and Equipment	13	4,624,505	750,290
Right-of-Use Assets	14	8,300,051	135,621
Other Financial Assets	15	819,985	-
Prepayments	12	115,801	139,302
Intangibles	16	1,159,562	41,036
Total Non-Current Assets		15,019,904	1,066,249
Total Assets		53,167,283	31,833,416
Liabilities			
Current Liabilities			
Trade and Other Payables	17	1,747,132	2,199,236
Share Application Monies	18	2,017,092	-
Contract Liabilities	19	3,456,570	-
Deferred Income	20	84,701	-
Borrowings	21	4,950	4,950
Lease Liabilities	22	609,151	41,548
Employee Benefits	23	564,995	280,111
Total Current Liabilities		8,484,591	2,525,845
Non-Current Liabilities			
Borrowings	21	1,899,883	1,831,644
Lease Liabilities	22	8,453,590	163,228
Deferred Income	20	1,264,905	-
Provisions	24	284,581	-
Employee Benefits	23	52,971	65,834
Total Non-Current Liabilities		11,955,930	2,060,706
Total Liabilities		20,440,521	4,586,551
Net Assets		32,726,762	27,246,865
Equity			
Issued Capital		61,339,796	47,204,956
Reserves		665,592	-
Accumulated Losses		(29,278,626)	(19,958,091)
Total Equity		32,726,762	27,246,865

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

Tetratherix Limited
Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2026

Consolidated	Issued Capital \$	Share-Based Payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2024	2,610,970	1,144,550	(10,532,539)	(6,777,019)
Loss After Income tax Expense for the Year	-	-	(9,425,552)	(9,425,552)
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-
Total Comprehensive Loss for the Year	-	-	(9,425,552)	(9,425,552)
<i>Transactions with Owners in Their Capacity as Owners:</i>				
Contributions of Equity, Net of Transaction Costs (note 25)	22,698,859	-	-	22,698,859
Share-Based Payments (note 39)	-	464,632	-	464,632
Issue of Shares on Exercise of Options	1,609,936	(1,609,182)	-	754
Conversion of Preference Shares (note 25)	5,709,203	-	-	5,709,203
Conversion of SAFE Notes (note 25)	3,611,050	-	-	3,611,050
Conversion of Convertible Notes (note 25)	10,964,938	-	-	10,964,938
Balance at 30 June 2025	47,204,956	-	(19,958,091)	27,246,865
Consolidated	Issued Capital \$	Share-based payments Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2025	47,204,956	-	(19,958,091)	27,246,865
Loss After Income Tax Expense for the Year	-	-	(9,320,535)	(9,320,535)
Other Comprehensive Income for the Year, Net of Tax	-	-	-	-
Total Comprehensive Loss for the Year	-	-	(9,320,535)	(9,320,535)
<i>Transactions with Owners in their Capacity as Owners:</i>				
Contributions of Equity, Net of Transaction Costs (note 25)	12,663,485	-	-	12,663,485
Share-Based Payments (note 39)	-	2,136,947	-	2,136,947
Issue of Shares on Exercise of Performance Rights (note 26)	1,471,355	(1,471,355)	-	-
Balance at 30 June 2026	61,339,796	665,592	(29,278,626)	32,726,762

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

Tetratherix Limited
Consolidated Statement of Cash Flows
For the Year Ended 30 June 2026

		Consolidated	
	Note	2026	2025
		\$	\$
Cash Flows from Operating Activities			
Receipts from Customers (inclusive of GST)		4,200,700	-
Payments to Suppliers (inclusive of GST)		(10,423,126)	(3,589,318)
Government Grants Received		3,066,031	829,695
Net Cash Used in Operations Before Interest		(3,156,395)	(2,759,623)
Interest Received		794,910	90,030
Interest and Other Finance Costs Paid		(15,129)	(1,778)
Net Cash Used in Operating Activities	38	(2,376,614)	(2,671,371)
Cash flows from Investing Activities			
Payments for Property, Plant and Equipment	13	(4,428,240)	(566,825)
Payments for Investments		(819,985)	-
Payments for Intangibles	16	(1,125,730)	(28,000)
Net Cash Used in Investing Activities		(6,373,955)	(594,825)
Cash Flows from Financing Activities			
Proceeds from Issue of Ordinary Shares		13,622,552	24,998,400
Proceeds from Issue of SAFE Notes		-	2,570,215
Proceeds from Issue of Convertible Notes		-	8,445,000
Payments for Transaction Costs Relating to the Issue of Shares		(356,624)	(2,299,635)
Payments for Capital Raise Costs		(915,529)	(1,168,928)
Proceeds from Shares Not Yet Issued		2,017,092	-
Repayment of Lease Liabilities		(744,607)	(72,167)
Net Cash from Financing Activities		13,622,884	32,472,885
Net Increase in Cash and Cash Equivalents		4,872,315	29,206,689
Cash and Cash Equivalents at the Beginning of the Financial Year		29,336,526	126,946
Effects of Exchange Rate Changes on Cash and Cash Equivalents		156,043	2,891
Cash and Cash Equivalents at the End of the Financial Year	9	34,364,884	29,336,526

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

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 1. General Information

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

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

Unit 29 34–36 Ralph Street
Alexandria, NSW 2015

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 28 August 2026. The directors have the power to amend and reissue the financial statements.

Note 2. Material Accounting Policy Information

The accounting policies that are material to the Consolidated Entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

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

Going Concern

The Group has prepared the financial statements for year ended 30 June 2026 on the going concern basis which assumes normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2026, the Group incurred a loss of \$9,320,535 (2025: \$9,425,552) and incurred operating cash outflows of \$2,376,614 (2025: \$2,671,371). As at 30 June 2026, the Group had cash and cash equivalents of \$34,364,884 (2025: \$29,336,526), and net assets surplus of \$32,726,762 (2025: \$27,246,865).

The directors believe that:

- As at 30 June 2026, the Group has \$34,364,884 in cash and cash equivalents to ensure sufficient cash inflows to meet its obligations as they fall due over the next 12 months after signing date of these financial statements.
- Management has prepared a cash flow forecast for the next 12 months, considering expected operational inflows and outflows. Based on these forecasts, the Group expects to have adequate resources to continue in operational existence for beyond the next 12 months.
- As part of the IPO process, the company's prospectus outlines a detailed use of Funds from May 2025–June 2027 which demonstrates adequate funding over this period. This will continue to be reported on each quarter as part of the Company's Appendix 4C requirements. This has been supplemented by receipt of Superpower licence revenue, Industry Growth Program (IGP) grant income and May 2026 capital injection.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical Cost Convention

The financial statements have been prepared under the historical cost convention, except for right of use assets and lease liabilities, and financial liabilities at fair value through profit or loss.

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent Entity Information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated entity only. Supplementary information about the parent entity is disclosed in note 35.

Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Tetratherix Limited ('Company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Tetratherix Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated Entity'.

Subsidiaries are all those entities over which the Consolidated Entity has control. The Consolidated Entity controls an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated Entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Revenue recognition

The Consolidated Entity recognises revenue as follows:

Government Grants

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Refundable tax offsets received from the Australian Taxation Office (ATO), such as those under the Research and Development Tax Incentive program, are accounted for as government grants in accordance with AASB 120.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other Income

Other revenue is recognised when it is received or when the right to receive payment is established.

Licence Fee Revenue

The Company is entitled to receive licence fee payments under a research and development agreement with an external party. The Company retains ownership of the intellectual property (IP) and supports to the product development process.

The annual exclusivity arrangement comprises a combined performance obligation consisting of a right-to-access intellectual property licence together with related stand-ready obligations (including maintenance of exclusivity, regulatory support, and continued availability of technical platform support), which are not separately identifiable in the context of the contract.

Under AASB 15 Revenue from Contracts with Customers, this combined performance obligation is satisfied over time, as the customer simultaneously receives and consumes the benefits of the licence and stand-ready obligations as the Company performs. Revenue from licence fee payments is therefore recognised over the period of the licence.

Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Current and Non-Current Classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment purposes.

Trade and Other Receivables

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value using the standard cost method. Standard cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials and work in progress may have dual use, being available for consumption in either the Group's research and development activities or its manufacturing activities for commercial supply. Where inventory is identified as consumed for research and development purposes, the related cost is reclassified out of inventory and expensed to profit or loss as incurred.

Prepayments

Prepayments comprise of amounts paid in advance for goods and services to be received in future periods and are initially recognised at the amount paid. Prepayments are not subsequently remeasured other than for impairment, and are reviewed for recoverability where there is an indication that the related goods or services will not be received.

Prepayments made in respect of property, plant and equipment represent deposits or instalments paid to suppliers prior to delivery, installation or completion of the asset, and are carried at cost until the risks and rewards of ownership transfer to the Group, at which point the amount is reclassified to the relevant class of property, plant and equipment.

Prepaid insurance premiums are recognised as an asset and expensed on a straight-line basis over the period of insurance cover to which they relate, and are classified as current or non-current based on whether the related cover period falls within twelve months of the reporting date.

Other prepayments are similarly recognised at cost and released to profit or loss as the associated goods or services are consumed or the underlying benefit expires.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method. Under the equity method, the share of the profits or losses of the joint venture is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in joint ventures are carried in the statement of financial position at cost plus post-acquisition changes in the Consolidated Entity's share of net assets of the joint venture. Goodwill relating to the joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Income earned from joint venture entities reduce the carrying amount of the investment.

Property, Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	10 years
Plant and equipment	5–25 years
Fixtures and fittings	25 years
Motor vehicles	8 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-Use Assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Intangible Assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and Development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Consolidated entity is able to use or sell the asset; the Consolidated Entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Trademarks and Patents

Significant costs associated with trademarks and patents are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years. The carrying amount of trademarks is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Impairment of Non-Financial Assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract Liabilities

Contract liabilities represent the Consolidated Entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Consolidated Entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Consolidated Entity has transferred the goods or services to the customer.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Lease Liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated Entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down. Both the principal and interest components of lease repayments are classified as financing activities in the Statement of Cash Flows.

Finance Costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Preference Shares

Preference shares are initially recognised at fair value, net of any transaction costs directly attributable to their issuance. They are classified as financial liabilities at fair value through profit or loss in accordance with AASB 9 Financial Instruments due to the antidilution clause resulting in the conversion rate to ordinary shares not being fixed.

Financial Liabilities

Financial liabilities in the form of convertible instruments are initially recognised at fair value, net of directly attributable transaction costs. Financial liabilities that convert into a variable number of the Company's shares are designated at fair value through profit or loss.

Employee Benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other Long-Term Employee Benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued Capital

Ordinary shares are classified as equity.

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.

Goods and Services Tax ('GST') and other Similar Taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations Not Yet Mandatory or Early Adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2026. The Consolidated Entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 replaces AASB 101 and applies from 1 January 2027, with early adoption permitted; the Consolidated Entity has not early adopted. The standard changes presentation and disclosure only, with no material impact expected on the recognition or measurement of assets, liabilities, income or expenses. Key changes include five new categories in the statement of profit or loss (operating, investing, financing, income taxes and discontinued operations), two mandatory subtotals ('operating profit' and 'profit before financing and income taxes'), new disclosures for management-defined performance measures such as EBITDA, and enhanced guidance on aggregation and disaggregation of information.

The Consolidated Entity will adopt AASB 18 from 1 July 2027 and is assessing its impact on the structure of the statement of profit or loss and cash flows, management defined performance measures (MPM) disclosures, and the grouping of items currently labelled 'other'.

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 Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The CODM have been identified as the parent entity's Board of Directors.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 2. Material Accounting Policy Information (continued)

Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Tetratherix Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted Earnings Per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Comparative Figures

Comparatives have been realigned where necessary, to be consistent with current year presentation. There was no effect on profit, net assets, or equity.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 3. Critical Accounting Judgements, Estimates and Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-Based Payment Transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Estimation of Useful Lives of Assets

The Consolidated Entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Lease Term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Consolidated Entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Consolidated Entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 3. Critical Accounting Judgements, Estimates and Assumptions (continued)

Incremental Borrowing Rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Consolidated Entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Employee Benefits Provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Income Tax

The Group receives government grant income under programs such as the Australian Government's Industry Growth Program (IGP), and certain related expenditure may also qualify as eligible research and development (R&D) expenditure. Management exercises judgement in estimating any R&D clawback adjustment arising from the interaction between grant funding and the Group's R&D tax incentive claim, which is finalised following lodgement of the claim for the relevant financial year and may differ from amounts estimated during the year.

Management also assesses the Group's base rate entity status for each financial year based on its income composition, in order to determine the applicable corporate tax rate for measuring the Group's income tax position. This assessment is monitored throughout the year, and the Group's eligibility for base rate entity status may change if the composition of its income changes.

Utilisation and recognition of carried-forward tax losses

The Group has carried-forward tax losses available for offset against future taxable income. Utilisation of these losses in any given year is contingent on satisfying the continuity of ownership test in Division 165 of the Income Tax Assessment Act 1997, or, where this test is not met, the same business test. Judgement is required in assessing whether these tests have been satisfied in respect of losses utilised in the period, and in assessing whether it is probable that sufficient future taxable profits will be available to utilise the Group's remaining unrecognised tax losses. Where it is not considered probable that future taxable profits will be sufficient, no deferred tax asset is recognised in respect of these losses.

Deferred Income

The recognition of deferred income requires judgement in determining the extent to which eligible expenditure is capitalised and the appropriate timing of income recognition in accordance with AASB 120. The majority of the deferred income is expected to be recognised beyond 12 months.

Capitalisation of Development Costs

The Consolidated Entity capitalises development expenditure only where it satisfies the recognition criteria set out in AASB 138.57. Management exercises judgement in determining when a project moves from the research phase into the development phase and meets these criteria, having considered the technical feasibility of completing the intangible asset such that it will be available for use or sale, the Consolidated Entity's intention and ability to complete the asset and use or sell it, the availability of adequate technical, financial and other resources to complete development, the manner in which the asset is expected to generate probable future economic benefits, and the ability to reliably measure the expenditure attributable to the asset during its development.

This assessment requires significant judgement, particularly given the early commercial stage of the Consolidated Entity and the inherent uncertainty in medical device and biomedical development programs. Should management's assessment of any of these criteria change in future periods, this may impact the amount of development expenditure capitalised or expensed as incurred.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 3. Critical Accounting Judgements, Estimates and Assumptions (continued)

Recognition of Raw Materials and Work in Progress as Inventory

Management exercises judgement in determining that raw materials and work in progress held by the Group meet the recognition criteria for inventory under AASB 102, on the basis that these items have dual use and may be consumed either in the Group's research and development activities or in the Group's manufacturing activities for commercial supply. Where inventory is identified as having been consumed for research and development purposes, the related cost is reclassified out of inventory and expensed to profit or loss as R&D expenditure at the point of identification or consumption. This assessment of dual use, and the point at which inventory is identified as consumed for R&D rather than retained for commercial production, requires judgement and is reassessed on an ongoing basis as manufacturing activity scales.

Impairment Assessment of Capitalised Development Costs

Capitalised development costs relating to the Group's Tegenix and TegenEOS (Bone Franchise) intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication of impairment, in accordance with AASB 136. This assessment requires management to estimate the recoverable amount of the asset, having regard to the expected future economic benefits to be derived once the related product reaches commercial availability, including the timing and probability of achieving regulatory approval and commercial launch, expected market demand, and the continued technical and commercial viability of the project. This assessment involves significant estimation uncertainty given the early commercial stage of the Consolidated Entity and the inherent risks associated with medical device development, regulatory approval and market adoption. Changes in these assumptions in future periods could result in the recognition of an impairment loss or derecognition of asset.

Classification of Cash and Cash equivalents

Management exercises judgement in determining whether dollar balances held in the Company's USD yield account meet the definition of cash and cash equivalents in AASB 107, rather than being classified as a separate financial asset. In reaching its conclusion, management considered the absence of any lock-up period, allowing funds to be accessed on demand; the balance's function in facilitating the Company's multi-currency operating and foreign exchange; the Company's practice of drawing down the balance against near-term commitments rather than holding it for investment purposes; and the short-duration, capital-stability objective of the underlying funds.

Contract Liabilities

The Group recognises licence fees received under its technology licensing arrangements as a contract liability to the extent that performance obligations under the licence have not yet been satisfied. Management exercises judgement in determining the timing of revenue recognition for these arrangements, including: whether the licence and other promised deliverables (such as manufacturing supply or technical support) represent separate or combined performance obligations; whether the licence provides a right to access the Group's intellectual property over time or a right to use it at a point in time, which determines whether revenue is recognised over the licence term or upon transfer; and the extent to which milestone or variable consideration is included in the transaction price, applying the constraint under AASB 15. Changes in these judgements could materially affect the timing of revenue recognition and the carrying value of contract liabilities in future periods.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 4. Operating Segments

The Group operates as a single operating segment, and its activities are not subdivided into different operating segments for internal management purposes. Accordingly, the Group does not prepare segmental financial information, as directors monitor the Group as a whole.

The operating segment information is the same information as provided throughout the financial statements and therefore not duplicated.

Major Customers

During the year, the Group derived \$918,151 (2025: \$nil) of revenue from a single external customer under a licensing arrangement, representing approximately 24% of the Group's revenue and other income for the year. Government grant income and interest revenue are excluded from this analysis, as they do not arise from contracts with customers. As the Group operates as a single operating segment, this revenue is reported within that segment. No other external customer contributed 10% or more of the Group's revenue during the current or prior financial year.

Geographical Information

All of the Group's revenue from contracts with customers (\$918,151; 2025: \$nil) relates to a customer domiciled in the United States. Government grant income and interest revenue, which are Australian-sourced but do not arise from contracts with customers, are excluded from this analysis, consistent with the major customers disclosure above.

Note 5. Revenue and Other Income

	Consolidated	
	2026	2025
	\$	\$
Revenue		
Licence Fee Revenue	918,151	-
Total Revenue	918,151	
Other Income		
Industry Growth Program Grant Income	766,439	-
Research and Development Grant Income	2,140,538	1,050,116
Export Market Development Research Grant Income	36,600	-
Other Income	-	2,500
Total Other Income	2,943,577	1,052,616
Total Revenue and Other Income	3,861,728	1,052,616

Government grant income and interest revenue are recognised at a point in time. Licence fee revenue is recognised over time, over the term of the licence agreement (refer to note 19 Contract Liabilities).

Note 6. Net Fair Value Loss on Financial Liabilities

	Consolidated	
	2026	2025
	\$	\$
Net Fair Value Loss on Financial Liabilities	-	3,589,550

The FY25 loss related to the conversion of SAFE notes and convertible notes to equity prior to the Group's IPO. Refer to note 29 for fair value measurement.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 7. Expenses

	Consolidated	
	2026	2025
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and Equipment	124,214	36,983
Fixtures and Fittings	11,410	6,722
Buildings Right-of-Use Assets	783,787	33,214
Total Depreciation	919,411	76,919
<i>Amortisation</i>		
Other Intangible Assets	7,204	3,004
Total Depreciation and Amortisation	926,615	79,923
<i>Finance Costs</i>		
Interest and Finance Charges Paid/Payable on Borrowings	69,603	68,153
Interest and Finance Charges Paid/Payable on Lease Liabilities	464,817	13,491
Unwinding of the Discount	13,846	-
Other Finance Costs	15,129	-
Finance Costs Expensed	563,395	81,644
<i>Employee Benefits Expense</i>		
Superannuation Expense	429,214	185,750
Share-Based Payments Expense	2,136,947	464,632
Salaries and Leave Entitlements	5,199,780	2,458,302
Total Employee Benefits Expense	7,765,941	3,108,684
<i>Write Off of Assets</i>		
Plant and Equipment	-	9,464
<i>Foreign Exchange</i>		
Realised Foreign Exchange Loss/(Gain)	190,560	(751)
Unrealised Foreign Exchange Loss/(Gain)	153,807	(2,166)
Total Foreign Exchange Loss/(Gain)	344,367	(2,917)

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 8. Income Tax

	Consolidated	
	2026	2025
	\$	\$
<i>Income Tax Expense</i>		
Current Tax	-	-
Deferred Tax - Origination and Reversal of Temporary Differences	-	-
Adjustment Recognised for Prior Periods	-	-
Aggregate Income Tax Expense	-	-
<i>Numerical Reconciliation of Income tax Expense and Tax at the Statutory Rate</i>		
Loss Before Income Tax Expense	(9,320,535)	(9,425,552)
Tax at the Statutory Tax Rate of 25% (2025: 30%)	(2,330,134)	(2,827,666)
Tax Effect Amounts Which are Not Deductible/(Taxable) in Calculating Taxable Income:		
Non Deductible Items:		
• Entertainment Expenses	12,940	5,208
• Donations	37,500	-
• FV Loss on Financial Instrument	-	974,715
• Share-Based Payments	534,237	139,390
• IPO Costs - Capital in Nature	-	384,702
• IGP grant income - assessable portion	183,487	-
• Trademark and Patent Expense	-	49,337
• Research and Development Expense	1,027,867	649,556
Non-Assessable Income:		
• Research and Development Grant Income	(535,135)	(315,035)
• Sundry Items	-	(173)
	(1,069,238)	(939,966)
Current Year Tax Losses Not Recognised	-	1,123,632
Tax Losses Utilised Against Current Year Taxable Income of \$83,348	(20,837)	
Movement in Deferred Tax Assets Temporary Differences Not Recognised	1,090,075	(183,666)
Income Tax Expense	-	-

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 8. Income Tax (continued)

	Consolidated	
	2026	2025
	\$	\$
<i>Tax Losses Not Recognised</i>		
Unused Tax Losses for Which No Deferred Tax Asset Has Been Recognised	5,236,935	5,849,117
Potential Tax Benefit @ 25% (2025: 30%)	1,309,234	1,754,735

The above potential tax benefit for tax losses has not been recognised in the statement of financial position as the recovery of this benefit is uncertain. In addition, these tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Consolidated	
	2026	2025
	\$	\$
<i>Deferred Tax Not Recognised</i>		
Deferred Tax Assets Not Recognised Comprises temporary Differences Attributable To:		
• Employee Benefits	167,803	109,522
• Leases	190,673	20,747
• Blackhole Expenditure (s40-880)	879,597	866,240
• Accrued Expenses	106,349	139,063
• Prepayments	(25,561)	(53,193)
• Plant and Equipment	802	481
• Capitalised development costs	(281,432)	-
• Deferred revenue	978,326	-
• Make Good provision	71,145	-
• Others	(38,452)	(650)
Total Deferred Tax Assets Not Recognised	2,049,250	1,082,210

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Key income tax judgements and positions adopted

During the half-year, the Group received government grant income under the Australian Government's Industry Growth Program (IGP). Certain expenditure incurred in relation to the grant is also expected to qualify as eligible research and development (R&D) expenditure. Management has estimated a R&D clawback adjustment of \$733,947 for the year, which may change following finalisation of the Group's R&D tax incentive claim for the full financial year.

Management has also assessed the Group's base rate entity status for the year ending 30 June 2026 and concluded that the Group qualifies as a base rate entity. Accordingly, a corporate tax rate of 25% has been applied in assessing the Group's income tax position for the year.

During the year, the Group generated taxable income of \$83,348, which was offset in full by tax losses carried forward from prior years, resulting in no income tax payable for the year ended 30 June 2026. Utilisation of these losses requires the Group to satisfy the continuity of ownership test in Division 165 of the Income Tax Assessment Act 1997, or, where this is not satisfied, the same business test. Management has assessed and concluded that the continuity of ownership test is satisfied, and accordingly the Group is entitled to utilise these losses against current year taxable income.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 9. Cash and Cash Equivalents

	Consolidated	
	2026	2025
	\$	\$
<i>Current Assets</i>		
Cash at Bank	30,340,611	29,336,526
USD Yield account	4,024,273	-
Total cash and cash equivalents	<u>34,364,884</u>	<u>29,336,526</u>

As at 30 June 2026, the Company held USD\$2,770,853 (A\$4,024,273 equivalent) in the USD Yield account. No amounts of cash and cash equivalents, including the USD Yield account, are subject to restrictions on use as at the reporting date.

Redemption proceeds from the USD Yield account are ordinarily received within 1–2 business days of a withdrawal request. This timing is consistent with the Company's classification of the balance as a cash equivalent on the basis described in Note 2.

Note 10. Other Receivables

	Consolidated	
	2026	2025
	\$	\$
<i>Current Assets</i>		
Other Receivables	401,859	2,500
Government Grant (R&D) Receivable	2,278,182	1,050,116
GST Receivable	258,759	175,499
	<u>2,938,800</u>	<u>1,228,115</u>

Allowance for expected credit losses

The Consolidated Entity has recognised a loss of \$nil (2025: \$nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2026.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 11. Inventories

	Consolidated	
	2026	2025
	\$	\$
<i>Current Assets</i>		
Raw Materials - At Cost	231,961	-
Work in Progress - At Cost	20,160	-
	<u>252,121</u>	<u>-</u>

The accounting policy applied in respect of inventories is set out in Note 2.

Raw materials and work in progress held by the Group have dual use, being available for consumption in either the Group's research and development activities or its manufacturing activities for commercial supply. Inventory held at reporting date relates to both research and development activity and inventory held for commercial sale, and has not yet been differentiated between the two uses. Inventory identified as consumed for research and development purposes is reclassified out of inventory and expensed to profit or loss as incurred. No such amounts were expensed during the year (2025: \$nil).

No write-down of inventories to net realisable value was required during the year (2025: \$nil), and no inventories are pledged as security for any liabilities of the Group (2025: nil).

Note 12. Prepayments

	Consolidated	
	2026	2025
	\$	\$
<i>Current Assets</i>		
Prepayments for Property, Plant and Equipment (i)	418,401	-
Prepaid Insurance (ii)	125,747	150,385
Other Prepayments	47,426	52,141
	<u>591,574</u>	<u>202,526</u>
<i>Non-Current Assets</i>		
Prepaid Insurance (ii)	115,801	139,302
	<u>707,375</u>	<u>341,828</u>

(i) Prepayments for property, plant and equipment are advance payments for property, plant and equipment, which represent a new balance recognised during the year and had not met the criteria for recognition as property, plant and equipment at the reporting date.

(ii) Prepaid insurance relates to insurance costs incurred in connection with the Group's initial public offering (IPO), which are expensed over the period of coverage. Insurance prepayments are classified as current or non-current based on the expected timing of utilisation.

In the comparative year, the Group reclassified \$139,302 of prepaid insurance from current assets to non-current assets to reflect the timing of the expected economic benefits. The reclassification had no impact on the profit or loss.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 13. Property, Plant and Equipment

	Consolidated	
	2026	2025
	\$	\$
<i>Non-Current Assets</i>		
Leasehold Improvements	3,721,497	-
Less: Accumulated Depreciation	-	-
	<u>3,721,497</u>	<u>-</u>
Plant and Equipment - At Cost	1,006,786	726,299
Less: Accumulated Depreciation	(346,197)	(221,983)
	<u>660,589</u>	<u>504,316</u>
Fixture and Fittings - At Cost	289,712	284,129
Less: Accumulated Depreciation	(47,293)	(38,155)
	<u>242,419</u>	<u>245,974</u>
Motor Vehicles - At Cost	19,991	19,991
Less: Accumulated Depreciation	(19,991)	(19,991)
	<u>-</u>	<u>-</u>
	<u><u>4,624,505</u></u>	<u><u>750,290</u></u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold Improvements \$	Plant and Equipment \$	Fixtures and Fittings \$	Motor Vehicles \$	Total \$
Balance at 1 July 2024	-	105,838	130,796	-	236,634
Additions	-	444,925	121,900	-	566,825
Disposals	-	(9,464)	-	-	(9,464)
Depreciation Expense	-	(36,983)	(6,722)	-	(43,705)
Balance at 30 June 2025	-	504,316	245,974	-	750,290
Additions	3,721,497	280,487	7,855	-	4,009,839
Disposals	-	-	-	-	-
Depreciation Expense	-	(124,214)	(11,410)	-	(135,624)
Balance at 30 June 2026	<u>3,721,497</u>	<u>660,589</u>	<u>242,419</u>	<u>-</u>	<u>4,624,505</u>

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 14. Right-of-Use Assets

	Consolidated	
	2026	2025
	\$	\$
<i>Non-Current Assets</i>		
Buildings - Right-of-Use	9,280,351	332,134
Less: Accumulated Depreciation	(980,300)	(196,513)
	<u>8,300,051</u>	<u>135,621</u>

The Consolidated Entity leases the following premises:

Premises	Location	Lease Term
Office and R & D Lab	Alexandria, NSW	5 years, expiring July 2029
Advanced Manufacturing Facility	Alexandria, NSW	10 years, expiring November 2035

During the year, the Consolidated Entity recognised an increase in right-of-use assets arising from a modification of the existing office lease, which resulted in a remeasurement of the lease liability and a corresponding uplift to the right-of-use asset.

The Consolidated Entity also entered into a new lease arrangement during the year for its advanced manufacturing facility, resulting in the recognition of additional right-of-use assets and a corresponding lease liability (refer to note 22 Lease Liabilities). In connection with the new lease, the Consolidated Entity also recognised a make-good provision in respect of its obligation to restore the leased premises at the end of the lease term, with a corresponding adjustment to the right-of-use asset (refer to note 24 Provisions).

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Buildings
	\$
Balance at 1 July 2024	168,835
Depreciation Expense	(33,214)
	<u>135,621</u>
Balance at 30 June 2025	135,621
Additions	8,792,143
Lease Modifications	156,074
Depreciation Expense	(783,787)
Balance at 30 June 2026	<u>8,300,051</u>

For other AASB 16 lease disclosures refer to:

- note 14 for depreciation on right-of-use assets, interest on lease liabilities and other lease expenses;
- note 22 for lease liabilities at the reporting date;
- note 28 for undiscounted future lease commitments; and
- consolidated statement of cash flows for repayment of lease liabilities.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 15. Other Financial Assets

	Consolidated	
	2026	2025
	\$	\$
<i>Non-Current Assets</i>		
Restricted Cash - Bank Guarantee for Leased Premises	819,985	-

Other financial assets include restricted deposits of \$819,985 (30 June 2025: \$nil) held as security in relation to lease arrangements. Refer to note 32 for further details.

Note 16. Intangibles

	Consolidated	
	2026	2025
	\$	\$
<i>Non-Current Assets</i>		
Capitalised Development - At Cost	1,125,730	-
Less: Accumulated Amortisation	-	-
	<u>1,125,730</u>	<u>-</u>
Website - At Cost	39,520	39,520
Less: Accumulated Amortisation	(18,520)	(12,920)
	<u>21,000</u>	<u>26,600</u>
Other Intangible Assets - At Cost	16,040	16,040
Less: Accumulated Amortisation	(3,208)	(1,604)
	<u>12,832</u>	<u>14,436</u>
	<u>1,159,562</u>	<u>41,036</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	Capitalised Development \$	Website \$	Other Intangible Assets \$	Total \$
Consolidated				
Balance at 1 July 2024	-	-	16,040	16,040
Additions	-	28,000	-	28,000
Amortisation Expense	-	(1,400)	(1,604)	(3,004)
Balance at 30 June 2025	<u>-</u>	<u>26,600</u>	<u>14,436</u>	<u>41,036</u>
Additions	1,125,730	-	-	1,125,730
Disposals	-	-	-	-
Amortisation Expense	-	(5,600)	(1,604)	(7,204)
Balance at 30 June 2026	<u>1,125,730</u>	<u>21,000</u>	<u>12,832</u>	<u>1,159,562</u>

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 16. Intangibles (continued)

Capitalised development costs relate to the Group's Tegenix and TegenEOS bone regeneration products (Bone Franchise). The carrying amount of capitalised development costs at 30 June 2026 was \$1,125,730 (2025: \$nil), comprising additions of \$1,125,730 recognised during the year (2025: \$nil). No amortisation has been recognised in respect of capitalised development costs (2025: \$nil), as the Tegenix and TegenEOS assets had not reached commercial availability at reporting date. R&D costs that were not eligible for capitalisation have been expensed as incurred.

Total Research & Development of \$5,062,926 (2025: \$3,078,307) includes cash outlay for project specific activities, directly attributable staff, research and laboratory costs, trademarks, patent filing and upkeep. This included \$2,464,170 (\$1,418,723) recognised as research and development expense, \$2,598,756 (\$1,659,584) of employee benefits and R&D administration costs.

As these assets are not yet available for use, they are required to be tested for impairment annually in accordance with AASB 136, irrespective of whether there is any indication of impairment. No impairment loss was recognised during the year (2025: nil). Key estimates and assumptions applied in this assessment are set out in Note 3.

Note 17. Trade and Other Payables

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Trade Payables	-	1,128,724
Accrued Expenses	365,733	226,155
Accrued Wages	1,215,807	623,003
Other Payables	165,592	221,354
	<u>1,747,132</u>	<u>2,199,236</u>

Refer to note 28 for further information on financial instruments.

Note 18. Share Application Monies

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Share Application Monies	<u>2,017,092</u>	<u>-</u>

During the period, Tetratherix received cash proceeds of \$2,017,092 from directors or their related parties under the capital raise, representing subscription monies for 336,182 shares at an issue price of \$6.00 per share. As at the date of this report, these shares had not yet been issued, with formal allotment subject to approval by the Board at its AGM scheduled meeting on 12 November 2026. The subscription monies received have been recorded as share application monies pending issuance, in accordance with the Company's accounting policy, and will be reclassified to issued capital upon Board approval and allotment. The Company expects to issue the shares and lodge the relevant Appendix 2A with the ASX within the timeframe required under the ASX Listing Rules following Board approval.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 19. Contract Liabilities

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Deferred Licence Revenue	3,456,570	-

Reconciliation

Reconciliation of the movement in carrying amount at the beginning and end of the current and previous financial year are set out below:

Consolidated	Total
	\$
Balance at 30 June 2025	-
Payments received in advance	3,456,570
Balance at 30 June 2026	3,456,570

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$3,456,570 as at 30 June 2026 (30 June 2025: \$nil)

	Consolidated	
	2026	2025
	\$	\$
Estimated completion of performance obligations are:		
Within 6 Months	2,439,932	-
Within 6 to 12 Months	1,016,638	-

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 20. Deferred Income

During the year, the Group recognised deferred income in relation to government grants received under the Industry Growth Program (IGP) and the Research and Development Tax Incentive (R&D Tax Incentive).

Deferred income arises in respect of government grants received for eligible expenditure relating to capitalised development costs, property, plant and equipment, and leasehold improvements. In accordance with AASB 120 Accounting for Government Grants and Disclosure of Government Assistance, grant income relating to these assets is deferred and recognised in profit or loss on a systematic basis over the useful lives of the respective assets. Grant income associated with capitalised development costs is recognised over the useful life of the related asset, consistent with the recognition of the associated amortisation expense.

At the reporting date, the underlying capitalised costs had not yet been amortised, and accordingly the related grant income has not been recognised

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Industry Growth Program	51,390	-
R&D Tax Incentive	33,311	-
	<u>84,701</u>	<u>-</u>
<i>Non-Current Liabilities</i>		
Industry Growth Program	808,523	-
R&D Tax Incentive	456,382	-
	<u>1,264,905</u>	<u>-</u>
	<u>1,349,606</u>	<u>-</u>

Reconciliation

Reconciliation of the movements in carrying amount at the beginning and end of the current and previous financial year are set out below:

Consolidated	Total
	\$
Balance at 30 June 2025	-
Deferred Grant Income	1,349,606
Balance at 30 June 2026	<u>1,349,606</u>

Significant Accounting Judgement

The recognition of deferred income requires judgement in determining the extent to which eligible expenditure is capitalised and the appropriate timing of income recognition in accordance with AASB 120. The majority of the deferred income is expected to be recognised beyond 12 months.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 21. Borrowings

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Loan-Related Parties	4,950	4,950
<i>Non-Current Liabilities</i>		
Loan - NSW Medical Fund Device	1,899,883	1,831,644
	<u>1,904,833</u>	<u>1,836,594</u>

Refer to note 28 for information on financial instruments and note 34 for related party information.

NSW Medical Device Fund

The Consolidated Entity entered into a funding agreement with NSW Health Administration Corporation in October 2018. The funding is to be used for the commercialisation of TrimphDent Medical Device (Dental Bone Regeneration application).

The Consolidated Entity is not required to make any repayment of the loan until the specific project has achieved commercial success, and positive EBIT is derived from Tegenix (Dental Bone Regeneration) product sales. The loan is unsecured and the applicable interest rate is calculated using the annual Consumer Price Index (CPI).

Note 22. Lease Liabilities

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Lease Liability	609,151	41,548
<i>Non-Current Liabilities</i>		
Lease Liability	8,453,590	163,228
	<u>9,062,741</u>	<u>204,776</u>

Refer to note 28 for undiscounted future lease commitments.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 23. Employee Benefits

	Consolidated	
	2026	2025
	\$	\$
<i>Current Liabilities</i>		
Annual Leave	416,006	227,812
Long Service Leave	148,989	52,299
	<u>564,995</u>	<u>280,111</u>
<i>Non-Current Liabilities</i>		
Long Service Leave	52,971	65,834
	<u>617,966</u>	<u>345,945</u>

Note 24. Provisions

	Consolidated	
	2026	2025
	\$	\$
<i>Non-Current liabilities</i>		
Lease Make Good	284,581	-

Lease Make Good

The provision represents the present value of the estimated costs to make good the premises leased by the Consolidated Entity at the end of the respective lease terms.

	Lease Make Good \$
Consolidated - 2026	
Carrying amount at the start of the year	-
Additional provisions recognised	<u>284,581</u>
Carrying amount at the end of the year	<u>284,581</u>

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 25. Issued Capital

	Consolidated			
	2026 Shares	2025 Shares	2026 \$	2025 \$
Ordinary Shares - Fully Paid	53,036,089	50,331,637	61,339,796	47,204,956

Movements in Ordinary Share Capital

Details	Date	Shares ⁽⁴⁾	Issue Price	\$
Balance	1 July 2024	23,817,580		2,610,970
Issue of Shares on Exercise of Options	13 December 2024	2,813,685	\$0.0008	2,215
Share Premium on Exercise of Share Options	13 December 2024	-	\$0.4900	1,370,675
Issue of Shares on Exercise of Options	28 May 2025	478,790	\$0.0016	754
Share Premium on Exercise of Share Options	28 May 2025	-	\$0.4900	236,292
Issue of Shares on Conversion of Preference Shares ⁽¹⁾	20 June 2025	9,480,550	\$0.6000	5,709,203
Issue of Shares on Conversion of SAFE Notes ⁽²⁾	20 June 2025	1,253,762	\$2.0500	3,611,050
Issue of Shares on Conversion of Convertible Notes ⁽³⁾	20 June 2025	3,807,270	\$2.3000	10,964,938
Issue of Shares on Initial Public Offering (IPO)	30 June 2025	8,680,000	\$2.8800	22,698,859
Balance	30 June 2025	50,331,637		47,204,956
Issue of Shares on Conversion of Performance Rights	6 January 2026	434,028	\$3.3900	1,471,355
Issue of Shares - Placement	4 June 2026	2,163,818	\$6.0000	12,042,383
Issue of shares - Share Purchase Plan	25 June 2026	106,606	\$6.0000	621,102
Balance		53,036,089		61,339,796

(1) Preference Shares

At IPO, on 30 June 2025, the preference shares were converted to ordinary shares and reclassified to equity. The preference Shares were converted into ordinary shares on a 1:1 basis at an effective average conversion price of \$0.60 per share. In accordance with the terms of issue, the conversion price equalled the initial issue price of each preference share. No adjustments were made to the conversion price, as the anti-dilution provisions were not triggered as no additional shares were issued during the relevant period.

(2) SAFE notes

In July 2024, the Company issued Simple Agreements for Future Equity (SAFE) notes with a principal amount of \$2,570,000. The SAFE notes provided holders the right to convert into a variable number of senior shares upon a qualifying equity financing or designated liquidity event. The conversion price was based on a 20% discount to the IPO price or the valuation cap of \$75 million, whichever resulted in a lower price per share. For the SAFE notes, the discounted valuation cap price of \$2.05 per share was applied, resulting in the issuance of 1,253,762 ordinary shares on conversion.

The conversion occurred on 20 June 2025, the day conditional approval for ASX admission was received ahead of the IPO. Upon conversion into ordinary shares of the Company, the SAFE notes were extinguished, and equity was recognised.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 25. Issued Capital (continued)

(3) Convertible Subscription Notes

In December 2024, the Company issued convertible subscription notes with a principal amount of \$8,445,000. The notes accrued interest at 8.00% per annum, capitalised until conversion.

Interest accrued to 20 June 2025 was \$311,723. Holders were entitled to convert the notes into a variable number of senior shares upon the IPO or redeem for cash upon maturity or default. All note holders elected to convert to equity. The conversion price was based on a 20% discount to the IPO price or the valuation cap of \$100 million, whichever resulted in a lower price per share. For the convertible notes, the discounted IPO price of \$2.30 per share was applied, resulting in the issuance of 3,807,270 ordinary shares on conversion.

The conversion occurred on 20 June 2025, the day conditional approval for ASX admission was received ahead of the IPO. Upon conversion into ordinary shares of the Company, the convertible notes and accrued interest were extinguished and equity was recognised.

(4) Share Split

On 1 May 2025, the shareholders approved the subdivision (share split) of each ordinary share, option, preference share, SAFE note and Convertible note of the Company on a 1-for-635 basis. All disclosed share numbers, movements and issue prices have been retrospectively adjusted to reflect the share split, presenting all figures prior to the share split as if the subdivision had occurred prior to the start of the comparative reporting period.

Shares Under Escrow

The Company's restricted and voluntary shares under escrow as at 30 June 2026 are as follows:

Class of Shares	Escrow Release Date	Number of Shares
Restricted⁽¹⁾		
Ordinary Shares	30 June 2027	23,570,766
Voluntary⁽²⁾		
Ordinary Shares	4:15pm on the trading day after the date on which the Company releases to the ASX its financial results for the year ended June 2026	5,950,629
		<u>29,521,395</u>

(1) The ASX imposes mandatory escrow on specific shareholders as part of its listing rules, particularly for companies admitted under the "assets test".

(2) At the Consolidated Entity's request, the Holders have agreed to the restrictions set out above in relation to the Restricted Securities issued. The escrow period for the Restricted Securities commenced at listing on 30 June 2025.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 25. Issued Capital (continued)

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.

Capital Risk Management

The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Note 26. Reserves

	Consolidated	
	2026	2025
	\$	\$
Share-Based Payments Reserve	665,592	-

Share-Based Payments Reserve

The reserve is used to recognise the value of equity benefits provided to employees, directors and contractors as part of their remuneration, and other parties as part of their compensation for services. Refer to note 39 for movement in share-based payments reserve.

During the year ended 30 June 2026, the Company recognised a share-based payments reserve of \$665,592 (2025: \$nil), representing the fair value of performance rights granted to employees, directors and contractors that remained unvested at reporting date. \$1.471 million of performance rights vested or were exercised during FY26. Refer share capital movements table in Note 25.

In the prior year ended 30 June 2025, all outstanding share options under the legacy employee share option plan were exercised by eligible employees, and the share-based payments reserve balance was transferred to issued capital upon exercise. The Company has retired this legacy plan and no further options will be issued under it.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 26. Reserves (continued)

Movements in Reserves

Movements in the share-based payments reserve during the current year relate to the recognition of share-based payments expense of \$2,136,947 in respect of performance rights granted to employees, directors and contractors during the year, which remain partially unvested at 30 June 2026. In the prior year, the movement related to the transfer of the reserve balance to issued capital upon exercise of options under the legacy employee share option plan, which has since been retired.

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Share-based payments \$
Balance at 1 July 2024	1,144,550
Share-Based Payments During the Year	464,632
Issue of Shares on Exercise of Options	(1,609,182)
Balance at 30 June 2025	-
Share-Based Payments During the Year	2,136,947
Issue of Shares on Vesting of Performance Rights	(1,471,355)
Balance at 30 June 2026	665,592

Note 27. Dividends

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

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 28. Financial Instruments

Financial Risk Management Objectives

The Consolidated entity's activities expose it to a variety of financial risks: market risk (including interest rate risk), and liquidity risk. The Consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Consolidated entity. The Consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Consolidated entity and appropriate procedures, controls and risk limits. Finance identifies and evaluates financial risks within the Consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Price Risk

The Consolidated entity is not exposed to any significant price risk.

Interest Rate Risk

The Consolidated entity's main interest rate risk arises from long-term borrowings.

The loans outstanding with NSW Health Administration Corporation, totalling \$1,899,883 (2025: \$1,831,644), are principal and interest. The repayment of the loan is only contingent on the commercial success of the project.

Separately, the return earned on the Yield USD account moves with short-term USD money market rates. As at 30 June 2026 the Consolidated entity held AUD\$4,024,273 (2025: nil) equivalent in the USD Yield account.

The sensitivity to a reasonably possible 1% change in the interest rates, with all other variables held constant would have impacted the profit/loss before tax as follows:

	+1%	-1%
NSW Health Administration Corporation loan	(\$18,999)	\$18,999
Yield USD account	\$40,243	(\$40,243)
Total	\$21,244	(\$21,244)

Foreign Currency Risk

The Consolidated entity is exposed to foreign currency risk arising from transactions denominated in United States dollars (USD), principally in relation to payments to overseas suppliers and receipts from overseas customers. The Consolidated entity does not enter into forward foreign exchange contracts or other hedging arrangements to manage this exposure. At 30 June 2026 and 30 June 2025, the Consolidated entity had no foreign currency denominated trade payables or trade receivables outstanding. The Consolidated entity's exposure to foreign currency risk at reporting date relates to cash and cash equivalents held in USD operating and Yield accounts, with an AUD equivalent value of \$4,156,648 (2025: \$nil).

The sensitivity to a reasonably possible 10% movement in the AUD/USD exchange rate, with all other variables held constant, would have impacted profit/(loss) before tax as follows:

	2026	2025
	\$	\$
AUD strengthens 10% against USD	(415,665)	-
AUD weakens 10% against USD	415,665	-

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 28. Financial Instruments (continued)

Credit risk

The Consolidated entity's maximum exposure to credit risk at reporting date is the carrying amount of its financial assets, being cash and cash equivalents and trade receivables.

Liquidity risk

Vigilant liquidity risk management requires the Consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Redemption proceeds from the Yield USD account are ordinarily received within 1–2 business days of a withdrawal request. The Consolidated entity manages liquidity risk on this balance by monitoring it monthly against upcoming committed foreign-currency and operating outflows in accordance with its Foreign Exchange Trading Policy, and by maintaining a threshold above which balances are reviewed for drawdown by the Chief Financial Officer.

The following tables detail the Consolidated entity's remaining contractual maturity for its financial instrument liabilities.

	Weighted Average Interest Rate %	1 Year or Less \$	Between 1 and 2 Years \$	Between 2 and 5 Years \$	Over 5 Years \$	Remaining Contractual Maturities \$
Consolidated - 2026						
Non-Derivatives						
<i>Non-Interest Bearing</i>		-	-	-	-	-
<i>Trade Payables</i>		-	-	-	-	-
<i>Other Payables</i>		165,595	-	-	-	165,595
<i>Loan-Related Parties</i>		4,950	-	-	-	4,950
<i>Interest Bearing</i>						
Loan	2.10	-	-	1,899,883	-	1,899,883
Lease Liability - Building (Incl. Interest)	6.00	1,136,671	1,182,199	3,643,963	6,076,856	12,039,690
Total Non-Derivatives		1,307,216	1,182,199	5,543,846	6,076,856	14,110,118

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 28. Financial Instruments (continued)

	Weighted Average Interest Rate %	1 Year or Less \$	Between 1 and 2 Years \$	Between 2 and 5 Years \$	Over 5 Years \$	Remaining Contractual Maturities \$
Consolidated - 2025						
Non-Derivatives						
<i>Non-Interest Bearing</i>	-	-	-	-	-	-
<i>Trade Payables</i>	-	1,128,724	-	-	-	1,128,724
<i>Other Payables</i>	-	287,032	-	-	-	287,032
<i>Loan-Related Parties</i>	-	4,950	-	-	-	4,950
<i>Interest Bearing</i>						
Loan	2.10	-	-	1,831,644	-	1,831,644
Lease Liability - Building (Incl. Interest)	6.00	52,710	55,346	124,236	-	232,292
Total Non-Derivatives		1,473,416	55,346	1,955,880	-	3,484,642

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

The repayment of the loan in relation to the medical funds is contingent upon the commercial success of the project. This loan is unsecured.

Note 29. Fair Value Measurement

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

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Note 30. Key Management Personnel Disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Consolidated entity is set out below:

	Consolidated	
	2026	2025
	\$	\$
Short-Term Employee Benefits	2,768,285	1,681,533
Post-Employment Benefits	176,374	100,260
Long-Term Benefits	1,690,464	478,588
	<u>4,635,123</u>	<u>2,260,381</u>

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 31. Remuneration of Auditors

	Consolidated	
	2026	2025
	\$	\$
<i>Audit Services - Nexia Sydney Audit Pty Ltd</i>		
Audit or Review of the Financial Statements	150,547	157,700
<i>Other Services - Nexia Sydney Audit Pty Ltd or Associated Entities</i>		
Corporate Advisory Services - Nexia Sydney Corporate Advisory Pty Ltd	-	161,000
Assistance with Preparation of the Financial Statements	-	6,000
	-	167,000
Total Fees	150,547	324,700

All non-audit services disclosed above relate to services performed prior to the Group admission to the ASX on 30 June 2025. No non-audit services were provided by the external auditor following listing.

Note 32. Contingent Liabilities

The Consolidated entity has given the following bank guarantees held as security in relation to lease and credit card facilities:

	Consolidated	
	2026	2025
	\$	\$
<i>Bank guarantees:</i>		
Credit card facility	50,000	25,000
Lease of new manufacturing facility *	819,985	-
	869,985	25,000

*The bank guarantee has been provided to the lessor of the Group's new advanced manufacturing facility as security for the performance of lease obligations. The guarantee may be called upon in the event of non-performance under the lease.

Note 33. Commitments

Capital Commitments – Advanced Manufacturing Facility

The Group has entered into contractual arrangements relating to the construction and fit-out of its new advanced manufacturing facility. These commitments are not recognised as liabilities in the financial statements but represent future obligations under contractual arrangements. Payment of all commitments is expected upon completion of the facility which is scheduled for Q2 FY27.

Award Solutions – Construction and Fit-out

As at 30 June 2026, the Group had outstanding commitments of approximately \$3,575,750 (30 June 2025: \$nil) in respect of construction works for the facility.

Kaizen Airconditioning – Mechanical Installation Works

As at 30 June 2026, the Group had outstanding commitments of approximately \$200,000 (30 June 2025: \$nil) in respect of construction works for the facility.

Innavate Integrated Solutions – Workplace Technology Design Services

As at 30 June 2026, the Group had outstanding commitments of approximately \$264,681 (30 June 2025: \$nil) in respect of construction works for the facility.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 33. Commitments (continued)

Allied Scientific Products Pty Ltd – Laboratory equipment

As at 30 June 2026, the Group had outstanding commitments of approximately \$976,978 (30 June 2025: \$nil) in respect of construction works for the facility.

Service Commitments – Research and Development Projects

The Group has entered into contractual arrangements for the provision of services relating to research and development projects. These commitments are not recognised as liabilities in the financial statements but represent future obligations under contractual arrangements

Ab Initio Pharma – R&D Project

As at 30 June 2026, the Group had outstanding commitments of approximately \$250,000 (30 June 2025: \$nil) in respect of services to be provided by Ab Initio Pharma under an R & D services agreement.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 34. Related Party Transactions

Parent Entity

Tetratherix Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 36.

Key Management Personnel

Disclosures relating to key management personnel are set out in note 30.

Transactions with Related Parties

Transactions with related parties during the current and previous financial year are set out below:

	Consolidated	
	2026	2025
	\$	\$
Other Transactions With Key Management Personnel		
Directors' Fees*	180,000	90,000
Executive Management IPO Success Fee**	-	250,000

*The Company pays directors' fees of \$180,000 (plus GST) per annum, monthly in arrears, to Rothay Advisory, an entity controlled by Emma Cleary, a non-executive director. Directors' fees paid during the year related to the full year ended 30 June 2026 (30 June 2025: six months, reflecting the appointment date).

**The Company paid an IPO success fee of \$250,000 (plus GST) to Stapleton Ventures, an entity controlled by William Knox, Executive Director, in recognition of executive management's role in completing the Company's IPO. The fee was expensed in the year ended 30 June 2025. The related payable was settled in full during the year ended 30 June 2026 (refer to Payable to related parties below).

Payable to Related Parties

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

	Consolidated	
	2026	2025
	\$	\$
Other Payables to Related Party		
Rothay Advisory	15,000	15,000
Stapleton Ventures Pty Ltd	-	250,000

Performance Rights Vesting

During the year, 434,028 performance rights held by Cherie Beach, Chief Financial Officer, vested and were issued as ordinary shares to CB & MS Holdings, an entity associated with Cherie Beach, for nil cash consideration. The shares were issued at a fair value of \$1,410,591, determined as the market price of the Company's ordinary shares at the vesting date. Refer to Note 25 for issued capital and Note 39 for further information on performance rights.

Application for Shares by Related Parties

During the year, related parties applied for shares in the Company, subject to shareholder approval at the Annual General Meeting. Gillian Shea, Director, applied for 6,667 shares at an issue price of \$6.00 per share, for total consideration of \$40,002. Atlanta Daniel, Director, applied for 329,515 shares at an issue price of \$6.00 per share, for total consideration of \$1,977,090, via Radar Ventures General Partnership, an entity associated with Atlanta Daniel. As at reporting date, these shares had not been issued pending shareholder approval, and the application monies received are included within share application monies (refer to Note 18).

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 34. Related Party Transactions (continued)

Loans to/from related parties

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

	Consolidated	
	2026	2025
	\$	\$
Current Borrowings:		
Loans From Other Related Parties - Tutelix Pty Ltd (Refer to note 37)	4,950	4,950
Terms and conditions		
All transactions were made on normal commercial terms and conditions and at market rates.		

Note 35. Parent Entity Information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2026	2025
	\$	\$
Loss After Income	(1,337,351)	(3,965,084)
Total Comprehensive Loss	(1,337,351)	(3,965,084)

Statement of Financial Position

	Parent	
	2026	2025
	\$	\$
Total Current Assets	61,196,634	46,510,973
Total Assets	61,196,634	46,510,973
Total Current Liabilities	-	(794,851)
Total Liabilities	-	(794,851)
Net Assets	61,196,634	45,716,122
Equity		
Issued Capital	63,356,887	47,204,956
Share-Based Payments Reserve	665,592	-
Accumulated Losses	(2,825,844)	(1,488,834)
Total Equity	61,196,635	45,716,122

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 35. Parent Entity Information (continued)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity has given bank guarantees as at 30 June 2026 of \$50,000 (30 June 2025: \$25,000) as security against its corporate credit card facility.

Contingent Liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital Commitments – Property, Plant and Equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2026 and 30 June 2025.

Material Accounting Policy Information

The accounting policies of the parent entity are consistent with those of the Consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 36. Interests in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principle Place of Business / Country of Incorporation	Ownership Interest	
		2026 %	2025 %
Tetratherix Technology Pty Limited	Australia	100%	100%
Tetratherix Industries Pty Limited	Australia	100%	100%
Trimph IP Pty Limited	Australia	100%	100%
Tetratherix TLX Pty Limited	Australia	100%	100%
Tetratherix BTX Pty Ltd	Australia	100%	100%

Note 37. Interests in Joint Ventures

Interests in joint ventures are accounted for using the equity method of accounting. The joint venture is not considered material to the Group. Information relating to joint venture is set out below:

Name	Principle Place of Business / Country of Incorporation	Ownership Interest	
		2026 %	2025 %
Tutelix Pty Ltd	Australia	38.92	50.00

In January 2024, the Group entered into a Joint Venture (JV) with Koda Ventures Pty Ltd, each with 50% equity in the company, Tutelix Pty Ltd (Tutelix). Tutelix is a start-up company developing a novel technology that is using a bio stealth hydrogel material, to make radiotherapy treatment safer and more effective. They are currently awaiting TGA approval for distribution.

The interest in joint venture is accounted for using the equity accounting method and had a nil carrying value as at 30 June 2026 (30 June 2025: nil). The Group's share of loss from its JV was not recognised in the current year as the investment has been reduced to nil and the Group has no obligation to fund further losses.

The unrecognised share of losses of the JV for the reporting year was \$2,108,754 (2025:\$282,329). The cumulative share of losses for the JV for the reporting period was \$2,510,142 (2025: \$401,387).

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 37. Interests in Joint Ventures (continued)

Dilution of Interest in Tutelix Pty Ltd

During FY26, Tutelix completed a Series A1 capital raise comprising the issue of 900 new ordinary shares and the conversion of Tutelix's outstanding SAFE notes into 1,049 ordinary shares on completion of the round (refer below). The Consolidated entity did not participate in the round and as a result, the Group's fully diluted ownership interest in Tutelix reduced from 50.00% to 38.92%.

The Group has assessed that it continues to have joint control of Tutelix notwithstanding the reduction in its ownership interest. The shareholders' agreement between the Group and Koda Ventures was not amended by the capital raise, and Tutelix therefore continues to be classified as a joint venture and is equity accounted accordingly. This is a significant judgement, as the Group's ownership interest is below 50%.

The carrying amount of the Group's investment in Tutelix remains nil (2025: nil), as the Group's cumulative share of Tutelix's losses exceeds the carrying amount of its investment.

Carrying Amount and Share of Results

	Consolidated	
	2026	2025
	\$	\$
Carrying Amount of Investment in Tutelix Pty Ltd	-	-
Ownership interest (1)	38.92% share	50.00% share
The Group's unrecognised share of:		
• Loss From Continuing Operations	(2,108,754)	(282,329)
• Other Comprehensive Income	-	-
• Total Comprehensive Loss	(2,108,754)	(282,329)

(1) The Group held a 50.00% interest in Tutelix from 1 July 2025 to 10 May 2026, and a 38.92% interest from 11 May 2026 to 30 June 2026, following dilution on completion of the Series A1 capital raise. The Group's share of Tutelix's results for the year has been determined by applying the respective ownership percentage for each period.

SAFE Note Conversion

Tutelix's SAFE (Simple Agreement for Future Equity) notes were classified by Tutelix as financial liabilities measured at fair value through profit or loss under AASB 9. Immediately prior to their conversion into ordinary shares on completion of the Series A1 round, the SAFE notes were remeasured to fair value. This remeasurement gave rise to a loss which was recognised in Tutelix's profit or loss for the period. On conversion, the SAFE liability was derecognised and ordinary share capital was recognised at the same fair value; no further gain or loss arose on conversion.

This remeasurement loss forms part of Tutelix's total comprehensive loss for the period and is reflected, to the extent of the Group's ownership interest, within the Group's share of results disclosed above.

Restrictions, Commitments and Contingent Liabilities

The Group has no commitments relating to its interest in Tutelix, and no significant contingent liabilities relating to this investment, as at 30 June 2026 and 30 June 2025.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 38. Cash Flow Information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2026	2025
	\$	\$
Loss After Income Tax Expense For The Year	(9,320,535)	(9,425,552)
Adjustments for:		
Depreciation and Amortisation	926,615	79,923
Net Loss on Disposal of Property, Plant and Equipment	-	9,464
Net Fair Value Loss on Financial Liabilities	-	3,589,550
Share-Based Payments	2,136,946	464,632
IPO Expenses (Reclassified to Financing Activities)	-	1,282,341
Interest and Other Financing costs	563,395	81,644
Change In Operating Assets and Liabilities:		
Increase in Other Receivables	(1,310,685)	(377,161)
Increase in Inventories	(252,121)	-
Decrease/(Increase) in Prepayments	52,855	(335,632)
Increase in Contract Liabilities	3,456,570	-
(Decrease)/Increase in Trade and Other Payables	(251,281)	1,784,887
Increase in Deferred Income	1,349,606	
Increase in Employee Benefits	272,021	174,533
Net Cash Used in Operating Activities	(2,376,614)	(2,671,371)

Non-Cash Investing and Financing Activities

	Consolidated	
	2026	2025
	\$	\$
Shares Issued on Conversion of SAFE Notes	-	3,611,050
Shares Issued on Conversion of Convertible Notes	-	10,964,938
Shares Issued on Conversion of Preference Shares	-	5,709,203
	-	20,285,191

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 38. Cash Flow Information (continued)

Changes in liabilities arising from financing activities

Consolidated	Borrowings \$	Lease liabilities \$	SAFE Notes \$	Convertible Notes \$	Preference Shares \$	Share application monies \$	Total \$
Balance at 1 July 2024	1,774,698	260,736	-	-	5,709,203	-	7,744,637
Net Cash From/(Used in) Financing Activities	-	(72,167)	2,570,215	8,445,000	-	-	10,943,048
Shares issues on conversion	-	-	(3,611,050)	(10,964,938)	(5,709,203)	-	(20,285,191)
Interest Accrued	61,896	-	-	-	-	-	61,896
Loss on Conversion	-	-	1,040,835	2,548,715	-	-	3,589,550
Other Changes	-	16,208	-	(28,777)	-	-	(12,569)
Balance at 30 June 2025	1,836,594	204,777	-	-	-	-	2,041,371
Net Cash From/(Used in) Financing Activities	-	(744,607)	-	-	-	2,017,092	1,272,485
Interest Accrued	68,239	-	-	-	-	-	68,239
Leases recognised or remeasured	-	9,602,571	-	-	-	-	9,602,571
Balance at 30 June 2026	1,904,833	9,062,741	-	-	-	2,017,092	12,984,666

Note 39. Share-Based Payments

Employee Incentive Program

Tetratherix has a Employee Incentive Program (EIP) to provide long-term incentives to employees, including Key Management Personnel (KMP), in the form of performance rights. The EIP is designed to align employee interests with those of shareholders and to support staff retention.

The number of performance rights granted to participants is determined with reference to performance or service criteria. Once granted, the rights are subject to a vesting condition requiring the participant to remain continuously employed by the Group until the relevant vesting date.

Each vested performance right entitles the holder to one ordinary share in the Company. The rights do not carry voting or dividend rights prior to vesting and automatically convert to ordinary shares upon vesting. The rights have no exercise price and no expiry date.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 39. Share-Based Payments (continued)

Details of the performance rights granted under the EIP during the year are set out in the table below:

Grant Date	Vesting Date	Fair Value *	Balance at the Start of the Year	Granted	Vested	Expired/ Forfeited /Other	Balance at the End of the Year
1/7/2025	4/1/2026	\$3.39	-	434,028	(434,028)	-	-
1/7/2025	4/6/2027	\$3.39	-	86,805	-	-	86,805
31/07/2025	31/08/2027	\$5.02	-	3,739	-	-	3,739
4/8/2025	31/08/2027	\$4.95	-	75,313	-	-	75,313
9/10/2025	31/08/2027	\$4.10	-	53,333	-	-	53,333
13/11/2025	31/08/2026	\$4.00	-	22,222	-	-	22,222
13/11/2025	31/08/2027	\$4.00	-	22,222	-	-	22,222
13/11/2025	31/08/2028	\$4.00	-	22,222	-	-	22,222
13/11/2025	31/08/2029	\$4.00	-	22,222	-	-	22,222
24/11/2025	31/08/2027	\$3.99	-	3,000	-	-	3,000
2/2/2026	31/08/2027	\$3.98	-	50,000	-	-	50,000
5/2/2026	31/08/2027	\$3.80	-	6,456	-	-	6,456
16/03/2026	31/08/2027	\$5.09	-	2,461	-	-	2,461
17/03/2026	31/08/2027	\$5.60	-	1,692	-	-	1,692
19/03/2026	31/08/2027	\$4.68	-	1,677	-	-	1,677
15/05/2026	31/08/2027	\$5.00	-	5,020	-	-	5,020
Total			-	812,412	(434,028)	-	378,384

*The fair value of each performance right is equal to the market price of the Company's ordinary shares at the grant date.

Measurement and Expenses Recognition

The performance rights are equity-settled share-based payments. The fair value of the rights granted during the year was determined at the respective grant dates. As the vesting condition comprises continued service only, the fair value of each performance right is equal to the market price of the Company's ordinary shares at grant date. A valuation was also performed using the Black-Scholes option pricing model and no material difference was identified compared to the fair value determined as the market price of the Company's ordinary shares at grant date.

Share-based payment expense is recognised over the vesting period, being the period from the grant date to the vesting date, based on grant date fair value of the rights and number expected to vest. Share based-payment expense recognised for the year ended 30 June 2026 in respect of performance rights issued under the EIP was \$2,093,672 (30 June 2025: \$464,632). The comparative expense related to the Company's legacy Employee Share Option Plan (ESOP), under which no options remained outstanding as at 30 June 2025.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 39. Share-Based Payments (continued)

Key Management Personnel (KMP) Participation

Included in the above grants are 520,833 performance rights issued to KMP during the period. These rights are granted under the same EIP as other employees, however may include terms, including vesting periods, specific to individual employees. Refer to note 34 Related Party Transactions.

Equity Issued For Services

During the year, the Company issued equity instruments to third-party service providers in satisfaction of services rendered to the Group. These instruments are issued under the Company's performance right plan for contractors whose services add to shareholder value.

As the fair value of the services received is reliably measurable, these transactions are measured directly at the fair value of the services received, in accordance with AASB 2 Share-based Payment, rather than by reference to the grant-date fair value of the equity instruments issued.

Of the total \$126,000 value of services attaching to these arrangements, \$43,275 was recognised as an expense for the year ended 30 June 2026 (30 June 2025: \$nil), reflecting the proportion of the service period elapsed at reporting date. The remaining \$82,725 will be recognised in future periods as the balance of the service period elapses.

Grant Date	Vesting Date	Fair Value per Tranche *	Balance at the Start of the Year	Granted	Vested	Expired/ Forfeited /Other	Balance at the End of the Year
19/01/2026	31/08/2027	\$63,000.00	-	18,584	-	-	18,584
16/03/2026	16/09/2026	\$31,500.00	-	8,125	-	-	8,125
16/03/2026	16/03/2027	\$31,500.00	-	8,125	-	-	8,125
Total			-	34,834	-	-	34,834

*The fair value of each tranche of performances rights is equal to the value of the services that the equity was issued for, rather than grant date market price of the Company's shares.

Note 40. Earnings Per Share

	Consolidated	
	2026	2025
	\$	\$
Loss After Income Tax Attributable to the Owners of Tetratherix Limited	(9,320,535)	(9,425,552)
	Number	Number
Weighted Average Number of Ordinary Shares Used in Calculating Basic Earnings Per Share	50,702,737	25,850,529
Weighted Average Number of Ordinary Shares Used in Calculating Diluted Earnings Per Share	50,702,737	25,850,529
	Cents	Cents
Basic Earnings Per Share	(18.38)	(36.46)
Diluted Earnings Per Share*	(18.38)	(36.46)

*As the Group incurred a net loss for the period, potential ordinary shares (including options and performance rights on issue) are anti-dilutive at the balance date, as their inclusion would decrease the loss per share. Accordingly, diluted loss per share is equal to basic loss per share, and potential ordinary shares have been excluded from the calculation of diluted earnings per share in accordance with AASB 133 Earnings per Share.

Tetratherix Limited
Notes to the Consolidated Financial Statements
For the Year Ended 30 June 2026

Note 41. Events After The Reporting Period

There are no matters subsequent to the end of the financial year that may significantly affect the consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

Tetratherix Limited
Consolidated Entity Disclosure Statement
As at 30 June 2026

Entity Name	Entity Type	Place Formed / Country of Incorporation	Ownership interest	Tax Residency
Tetratherix Limited	Body Corporate	Australia	n/a	Australia
Tetratherix Technology Pty Limited	Body Corporate	Australia	100%	Australia
Tetratherix Industries Pty Limited	Body Corporate	Australia	100%	Australia
Trimph IP Pty Limited	Body Corporate	Australia	100%	Australia
Tetratherix TLX Pty Limited	Body Corporate	Australia	100%	Australia
Tetratherix BTX Pty Limited	Body Corporate	Australia	100%	Australia

Tetratherix Limited
Directors' Declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



William Knox
Director

DATE 20 August 2026
Sydney



Dr Ali Fathi
Director

Tetratherix Limited
Independent Auditor's Report
30 June 2026



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Independent Auditor's Report to the Members of Tetratherix Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Tetratherix Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2026, 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 year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the Corporations Act 2001, including:

- i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Tetratherix Limited
Independent Auditor's Report
30 June 2026



Key audit matter	How our audit addressed the key audit matter
Licence fee revenue Refer to notes 5 and 19 of the financial report. During the financial year, the Group entered into a significant licence agreement resulting in the recognition of licence fee revenue of \$918,151 during the financial year and contract liabilities of \$3,456,570 at 30 June 2026. The accounting for the arrangement was considered a key audit matter due to: - the complexity in determining the appropriate timing of revenue recognition under AASB 15 <i>Revenue from Contracts with Customers</i>; - the judgement involved in identifying performance obligations and assessing when the criteria for revenue recognition had been satisfied under the Superpower licence agreement; - the significance of licence revenue recognised during the year and deferred revenue balances recognised at year end; and - the significance of the arrangement to the Group's financial performance and financial position.	Our procedures included, amongst others: - Obtained and reviewed the licence agreement and assessed management's application of AASB 15 <i>Revenue from Contracts with Customers</i>. - Evaluated the identification of performance obligations and the timing of satisfaction of those obligations. - Assessed management's recognition of licence revenue and deferred revenue balances against the contractual terms. - Tested revenue recognised during the year and agreed key inputs to supporting documentation and cash receipts. - Assessed the adequacy of the related financial statement disclosures.
Grant income – Industry Growth Program and R&D Tax Incentive Refer to notes 5 and 20 of the financial report. The Group recognised grant income totalling \$2,906,977 during the financial year and deferred income totalling \$1,349,606 at 30 June 2026 from the above programs. The accounting for these arrangements was considered a key audit matter due to: - the judgement involved in determining the appropriate accounting treatment under AASB 120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>; - the assessment of whether amounts should be recognised as grant income, deferred	Our procedures included, amongst others: - Obtained and reviewed grant agreements and criteria and assessed management's application of AASB 120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i>. - Evaluated whether elements of grant funding had been appropriately recognised as income, deferred income, or offset against capitalised development expenditure in accordance with AASB 120 and the Group's accounting policy. - Tested grant income recognised during the year and agreed key amounts to supporting documentation and cash receipts.

Tetratherix Limited
Independent Auditor's Report
30 June 2026



Key audit matter	How our audit addressed the key audit matter
income, or offsets against capitalised development expenditure; - the significance of grant income recognised during the year and deferred grant balances recognised at year end; and - the significance of these arrangements to the Group's financial performance and financial position.	- Assessed the appropriateness of deferred grant income recognised at year end. - Assessed the adequacy of the related financial statement disclosures.
Capitalisation and recoverability of development costs Refer to note 16 of the financial report. As at 30 June 2026, the Group recognised capitalised development costs of \$1,125,730 relating to the development of new products. The capitalisation and recoverability of these development assets was considered a key audit matter due to: - the judgement involved in determining whether the recognition criteria under AASB 138 <i>Intangible Assets</i> had been satisfied; - the estimation uncertainty associated with assessing the technical feasibility, commercial viability and future economic benefits of the underlying development projects; - the complexity of management's assessment of whether indicators of impairment existed and whether the carrying value of the development assets remained recoverable; - the significance of assumptions used in assessing the expected commercialisation of the products, including regulatory progress, market opportunities and future funding requirements; and - the significance of the development assets to the Group's financial position.	Our audit procedures included, amongst others: - Assessed management's application of AASB 138 <i>Intangible Assets</i> in determining whether development expenditure met the criteria for capitalisation. - Evaluated the technical feasibility of the underlying products through consideration of development milestones, regulatory progress and supporting technical documentation. - Assessed management's evaluation of the expected future economic benefits of the projects, including consideration of commercialisation plans, market opportunities and available supporting evidence. - Tested a sample of capitalised development expenditure to supporting documentation and assessed whether the nature of the expenditure met the requirements for capitalisation. - Evaluated management's assessment of impairment indicators and considered whether the carrying value of the development assets remained recoverable. - Assessed the adequacy of the related financial statement disclosures. - Held discussions with management regarding ongoing commercialisation activities, including negotiations with a preferred commercial partner.

Tetratherix Limited
Independent Auditor's Report
30 June 2026



Other information

The Directors are responsible for the other information. The other information comprises the information in Tetratherix Limited's annual report for the year ended 30 June 2026, but does not include the financial report and the auditor's report thereon. Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of:

- a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the Directors determine is necessary to enable the preparation of:

- i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Tetratherix Limited
Independent Auditor's Report
30 June 2026



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 72 to 82 of the Directors' Report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Tetratherix Limited for the year ended 30 June 2026, complies with section 300A of the Corporations Act 2001.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Nexia

Nexia Sydney Audit Pty Ltd

A handwritten signature in black ink, appearing to read "Erin Tanyag".

Erin Tanyag
Director

6. Additional Information

Tetratherix Limited
Shareholder Information
30 June 2026

The shareholder information set out below was applicable as at 23 July 2026.

Distribution Ordinary Shares

Analysis of number of ordinary share holders by size of holding:

	Number of Holders	Aggregate # Shares	Total Ordinary Shares Issued %
1 to 1,000	640	261,925	0.49
1,001 to 5,000	358	876,904	1.65
5,001 to 10,000	119	886,245	1.67
10,001 to 100,000	131	4,489,712	8.47
100,000 and Over	34	46,521,303	87.72
	1,282	53,036,089	100.00

Marketable Parcel

Based on the price per security of \$7.10 as at the close of trade on 23 July 2026, the number of holders with an unmarketable parcel holding is 31, holding an aggregate 656 shares amounting to 0.00% of issued capital.

Unquoted Equity Securities – Performance Rights

	Number of Holders	% of Total Performance Rights
1 to 1,000	1	0.15
1,001 to 5,000	10	7.40
5,001 to 10,000	4	6.50
10,001 to 100,000	13	85.95
100,000 and Over	-	-
	28	100.00

Tetratherix Limited
Shareholder Information
30 June 2026

Equity security holders

The names of the twenty largest security holders of quoted equity securities* are listed below:

Position	Holder Name	Ordinary Shares (Quoted)	Ordinary Shares (Quoted)
		Number Held	% of Total Issued
1	RYDER GP PTY LTD	4,069,920	17.31
2	RADAR VENTURES LIMITED PARTNERSHIP	3,645,941	15.50
3	MARDEN PTY LTD	2,491,740	10.60
4	ARGO INVESTMENTS LIMITED	1,041,667	4.43
5	TERASAKI INSTITUTE FOR BIOMEDICAL INNOVATION	676,910	2.88
6	HSBC CUSTODY NOMINEES (AUSTRALIA LIMITED)	663,001	2.82
7	POSSIBLE VENTURES III	575,628	2.45
8	CITICORP NOMINEES PTY LIMITED	557,690	2.37
9	CB & MS HOLDINGS PTY LTD	434,028	1.85
10	MR JEFF REID	352,425	1.50
11	BIZCAPITAL PTY LIMITED	338,646	1.44
12	SJB INVESTMENT FUND PTY LTD	306,059	1.30
13	J P MORGAN NOMINEES AUSTRALIA	299,235	1.27
14	DEMPSEY CAPITAL PTY LTD	243,054	1.03
15	ROTHAY HOLDINGS PTY LTD	218,815	0.93
16	OVERTLY COVERT PTY LTD	208,827	0.89
17	MR DAX MARCUS CALDER	206,693	0.88
18	MRS JANE SARGISON GEORGE	173,611	0.74
19	REIDSDALE INVESTMENTS PTY LTD - REIDSDALE FAMILY A/C	173,611	0.74
20	SISTARO PTY LTD	166,667	0.71
		16,844,168	71.64

* Top 20 shareholders as per ASX Listing rule is for quoted securities only. Securities subject to mandatory escrow are not quoted on ASX.

Tetratherix Substantial Holders

Holder Name	Ordinary Shares	
	Number Held	% of Total Shares Issued
AFTIBIO NOMINEES PTY LIMITED	14,097,000	26.58
RYDER GP PTY LTD	5,569,920	10.50
RADAR VENTURES LIMITED PARTNERSHIP	4,607,884	8.69
MR WILLIAM KNOX	3,348,990	6.31

Tetratherix Limited
Shareholder Information
30 June 2026

Unquoted Equity Securities – Performance Rights

Holders of more than 20% of unlisted securities

Holder Name	Number Held	% of Total Unquoted Performance Rights Issued
CB & MS HOLDINGS PTY LTD	86,805	20.76

Unquoted Equity Securities – Restricted and Voluntary Escrow Shares

Holders of more than 20% of unlisted securities

Holder Name	Number Held	% of Total Unquoted Restricted and Voluntary Escrow Shares Issued
AFTIBIO NOMINEES PTY LIMITED	14,097,000	26.58

Partly Paid Shares

The Company does not have any partly paid shares on issue

Voting Rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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.

There are no voting rights attached to any other securities on issue

Tetratherix Limited
Shareholder Information
30 June 2026

Restricted securities & securities subject to voluntary escrow

Class	Escrow Release Date	Number of Shares
Restricted		
Ordinary Shares	30 June 2027	23,570,766
Ordinary Shares	4:15pm on the trading day after the date on which the Company releases to the ASX its financial results for the year ended June 2026	5,950,629
Total		29,521,395

Other ASX information

On-market buy-back

The Company is not currently conducting an on-market buy-back.

Corporate Governance

The Company's Corporate Governance Statement as at 30 June 2026 as approved by the Board can be viewed at <https://tetratherix.com>

Stock Exchange on which the Company's Securities are Quoted

The Company's listed equity securities are quoted on the Australian Securities Exchange.

Review of Operations

A review of operations is contained in the Directors' Report.

Annual General Meeting

The Company advises that the Annual General Meeting (AGM) of the Company is scheduled for 12 November 2026.

Further to Listing Rule 3.13.1, Listing Rule 14.3 and clause 20.5 of the Company's Constitution, nominations for the election of directors at the AGM must be received not less than 35 Business days before the AGM, being no later than 24 September 2026.

Tetratherix Limited
Corporate Directory
30 June 2026

Directors	Ali Fathi William Knox Gillian Shea Emma Cleary Atlanta Daniel John Kelly Maurizio Vecchione Peter Gray
Company Secretary	Jacob Pfeffer
Registered office and Principal place of business	Unit 29 34-36 Ralph Street Alexandria NSW 2015
Share register	Automic Level 5 126 Phillip Street Sydney NSW 2000
Auditor	Nexia Sydney Level 22 2 Market St Sydney NSW 2000
Solicitors	Thomsons Sixty Martin Place Level 14, 60 Martin Place Sydney NSW 2000
Stock exchange listing	Tetratherix Limited shares are listed on the Australian Securities Exchange (ASX code: TTX)
Website	www.tetratherix.com
Business objectives	In accordance with Listing Rule 4.10.19, the Company confirms that the Consolidated Entity has been utilising the cash and assets in a form readily convertible to cash that it held at the time of its admission to the Official List of the Australian Securities Exchange (ASX) for the whole of the reporting period (being 30 June 2026) in a way that is consistent with its business objectives.

