Dotz Nano Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Dotz Nano Limited
ABN:	71 125 264 575
Reporting period:	For the period ended 30 June 2026
Previous period:	For the period ended 30 June 2025

2. Results for announcement to the market

		%		30 June 2026 US$
Revenues from ordinary activities	down	100%	to	-
Loss from ordinary activities after tax	down	13.52%	to	(1,928,357)
Loss for the period	down	13.52%	to	(1,928,357)

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

Comments
The loss for the Group after providing for income tax amounted to US$1,928,357 (30 June 2025: loss of US$2,229,885).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.42)	(0.50)

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

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

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities

No changes from 31 December 2025.

9. Information on audit or review

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

10. Attachments

Details of attachments (if any):

The Interim Report of Dotz Nano Limited for the period ended 30 June 2026 is attached.

11. Signed

Signed ___________________________ Date: 24 August 2026

Dotz Nano Limited

ABN 71 125 264 575

Interim Report - 30 June 2026

The Directors of Dotz Nano Limited ("the Company") and controlled entities ("the Group") submit the following report for the half year ended 30 June 2026.

Directors
The following persons were directors of Dotz Nano Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Mr Bernie Brookes AM
Mr Doron Eldar
Mr Sharon Malka
Mr Glenn Kelly
Ms Kerry Harpaz (resigned 31 May 2026)
Mr Mitchell Board (resigned 31 May 2026)

CEO
Mr Sharon Malka (resigned 31 May 2026)
Mr Nati Harpaz (appointed 31 May 2026)

Company Secretary
Mr Bernie Brookes AM

Principal activities
The principal continuing activity of the Group during the half year is developing, manufacturing and commercialising innovate solutions addressing global environmental and industrial challenges, utilising its carbon-based nano technologies.

The Group's three main areas of focus are:

- In-product tagging technology, with the first commercial solution for corrosion inhibitors monitoring for the oil & gas industry;
- Carbon dioxide (CO_2) management technologies, for both Direct Air Capture (DAC) and Point Source Capture (PSC) applications, leading towards a carbon-neutral future.
- Energy efficiency and decarbonisation technologies, using engineering, science, software and AI solutions to reduce energy consumption and thereby reduce associated CO_2 emissions.

Financial review
Dotz Nano Limited had a loss for the period of $1,928,357 (30 June 2025: $2,229,885). This included a non-cash amount of $185,024 share-based payments (30 June 2025 share based-based expense: $306,641).

The Group had a net liability position of $3,198,706 at 30 June 2026 (31 December 2025: net liabilities of $3,433,239)

As at 30 June 2026, the Group's cash and cash equivalents balance was $1,194,987 (31 December 2025: $1,096,689).

The Directors are satisfied that the Group will have access to sufficient cash to fund its forecast expenditure for a period of at least twelve months from the date of signing this report, as detailed in Note 2. Accordingly, the Directors consider the going concern basis of preparation to be appropriate.

Unless otherwise stated all figures in this report are in the Company's presentation currency US$.

Review of operations
During the half year ended 30 June 2026, the following activities occurred:

Dotz Earth

- Production scale-up and manufacturing readiness. During the half year, Dotz completed a production scale-up of its proprietary CO2 sorbent materials to dozens of kilograms per batch, establishing annual production capacity of hundreds of kilograms. The scale-up supports larger laboratory and pilot-system evaluations, demonstrated the robustness and scalability of the manufacturing process and delivered a significant reduction in production costs. The Company continues to target ton-scale annual production capacity by early 2027.

- Customer validation and commercial traction. Dotz shipped multiple evaluation samples to leading Direct Air Capture (DAC) technology developers and contactor designers and received purchase orders for sorbent evaluation trials. Independent end-user evaluations continued to build the performance and durability data set for the Company's sorbents. Following a successful initial evaluation, a DAC developer issued an LOI and purchase order and confirmed a strong technical fit between Dotz's sorbent and its process and hardware.

- Strategic development partnerships. The Company signed an MOU with Hengst SE, a global filtration and fluid-management company, to co-develop and test structured DAC adsorbers incorporating Dotz's proprietary sorbents. The program is intended to enable fixed-bed DAC developers to evaluate Dotz materials in structured, low-pressure-drop contactors. Dotz is also conducting similar joint-development programs with several additional partners under confidentiality arrangements.

- Next-generation sorbent development. Dotz commenced an R&D program for its Gen-3 sorbents, designed specifically for steam-stripping DAC process designs, extending the Company's development roadmap for next-generation carbon capture materials.

Dotz Energy
During the half year, the Company progressed a third area of strategic focus centered on technologies that reduce energy consumption through engineering, science, software and AI solutions, thereby reducing associated CO2 emissions. This work formed the foundation of Dotz Energy, a technology-enabled energy services platform that was formally launched after the half-year end. Dotz Energy is designed to fund, deploy, optimise and manage energy-efficiency and decarbonisation infrastructure for commercial and industrial customers. Its initial focus is Heating-as-a-Service, bringing together project financing, system design, installation, operation, maintenance and long-term optimisation. The Company is also developing proprietary software, AI and energy-management capabilities intended to optimise equipment performance using customer demand, energy pricing, available renewable power, storage capacity and real-time operating conditions. Over time, Dotz Energy may expand into cooling and broader energy-efficiency services, subject to successful technology development, project financing, customer adoption and commercial execution.

Corporate update

During the half year, the Company completed a leadership transition and strengthened its funding position. Mr Nati Harpaz was appointed Chief Executive Officer effective 31 May 2026, succeeding Mr Sharon Malka, who subsequently joined the Board as a non-executive director. In May 2026, Dotz raised approximately A$3,301,720 (with A$200,000 received subsequent to balance date) through a private placement supported by existing and new institutional and sophisticated investors, with proceeds intended to support production scale-up, pilot deployments, customer engagement and working capital. In June 2026, the Company also amended its convertible securities arrangements with Mercer Street Capital Partners, extending the maturity of the remaining tranches to 31 March 2027 and fully repaying the balance of the first tranche convertible notes of A$552,730.

Significant Changes in the State of Affairs
There were no significant changes in the state of affairs of the Group during the financial period.

Subsequent events
Subsequent to 30 June 2026, part of the loan as disclosed at Note 7 (ii) being AU$200,000 (US$137,872) was repaid to Southern Israel Bridging Fund (SIBF). In In conjunction, subsequent to approval received at the EGM on 14/7/2026, SIBF invested AU$200,000 as part of the recent placement conducted in May 2026.

In July 2026 Dotz Energy Europe Ltd, a fully owned subsidiary of Dotz Nano Limited was established in Cyprus, providing energy-efficiency and decarbonisation solutions.

Subsequent events (continued)

On 2 August 2026, 19,660,000 options with exercise price of A$0.165 expired without exercise or conversion.

On 4 August 2026, the Company issued 7,500,000 ordinary shares and 7,500,000 options with exercise price of A$0.07 and expiry date of 4 August 2028. The securities were issued to related parties under the private placement and approved by shareholders on 14 July 2026. The issue of part of these shares, being 2,500,000 resulted in settlement of the liability disclosed in Note 9.

On 4 August 2026, the Company issued 7,142,151 ordinary shares to the CEO Mr Natanel Harpaz as non-cash consideration equity award in lieu of cash.

On 15 August 2026, 8,000,000 options with exercise price of A$0.90 expired without exercise or conversion.

On 15 August 2026, 9,000,000 options with exercise price of A$0.95 expired without exercise or conversion.

On 15 August 2026, 8,000,000 options with exercise price of A$0.80 expired without exercise or conversion.

On 15 August 2026, 9,000,000 options with exercise price of A$0.85 expired without exercise or conversion.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 for the period ended 30 June 2026 is set out immediately after this directors' report.

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

On behalf of the directors

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Bernie Brookes AM
Chairman

24 August 2026

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DECLARATION OF INDEPENDENCE BY JEREMY WATKINS TO THE DIRECTORS OF DOTZ NANO LIMITED

As lead auditor for the review of Dotz Nano Limited for the half-year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Dotz Nano Limited and the entity it controlled during the period.

Jeremy Watkins

Director

BDO Audit Pty Ltd

Perth

24 August 2026

General information

The financial statements cover Dotz Nano Limited as a Group consisting of Dotz Nano Limited and the entity it controlled at the end of, or during, the period. The financial statements are presented in USD, which is Dotz Nano Limited's presentation currency.

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

Registered office	**Principal place of business**
c/ Kardos Scanlan Lawyers Level 5, 44 Martin Place Sydney NSW 2000	1 Atir Yeda Kefar-Sava Kefar-Sava Israel, 4464301

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 August 2026.

Dotz Nano Limited
Consolidated statement of profit or loss and other comprehensive income
For the period ended 30 June 2026

	Note	30 June 2026 US$	30 June 2025 US$
Revenue		-	226,982
Cost of revenue		-	(62,442)
Gross profit		-	164,540
Expenses			
Research and development expenses		(496,211)	(608,372)
General, administrative, selling and marketing expenses	4	(1,304,509)	(948,389)
Share based compensation expense	14	(185,024)	(306,641)
Operating loss		(1,985,744)	(1,698,862)
Finance benefits	5	296,150	381,861
Finance costs	5	(238,763)	(912,884)
Loss before income tax expense		(1,928,357)	(2,229,885)
Income tax expense		-	-
Loss after income tax expense for the period		(1,928,357)	(2,229,885)
Other comprehensive income loss			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(143,297)	(218,923)
Other comprehensive income loss for the period, net of tax		(143,297)	(218,923)
Total comprehensive income loss for the period		(2,071,654)	(2,448,808)
		Cents	**Cents**
Basic and diluted loss per share	13	(0.27)	(0.39)

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

Dotz Nano Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	30 June 2026 US$	31 December 2025 US$
Assets			
Current assets			
Cash and cash equivalents		1,194,987	1,096,689
Trade and other receivables		53,223	108,286
Other assets		8,333	46,567
Total current assets		1,256,543	1,251,542
Non-current assets			
Property, plant and equipment		179,173	206,688
Right-of-use assets		453,628	613,731
Total non-current assets		632,801	820,419
Total assets		1,889,344	2,071,961
Liabilities			
Current liabilities			
Trade and other payables	6	1,108,510	1,053,629
Lease liabilities		146,475	330,470
Provisions		103,415	112,265
Financial liability	7	3,102,587	2,985,889
Derivative financial instruments	8	196,802	402,396
Liability for unissued shares	9	68,936	-
Total current liabilities		4,726,725	4,884,649
Non-current liabilities			
Financial liability	7	-	323,977
Lease liabilities		361,325	296,574
Total non-current liabilities		361,325	620,551
Total liabilities		5,088,050	5,505,200
Net liabilities		(3,198,706)	(3,433,239)
Equity			
Issued capital	10	51,347,713	49,331,420
Reserves	11	9,482,499	9,335,902
Accumulated losses		(64,028,918)	(62,100,561)
Total deficiency in equity		(3,198,706)	(3,433,239)

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

	Issued capital US$	Performance rights reserve US$	Option reserve US$	Foreign currency reserve US$	Accumulated losses US$	Total deficiency in equity US$
Balance at 1 January 2025	43,702,146	15,289	9,672,786	(28,167)	(52,992,316)	369,738
Loss after income tax expense for the period	-	-	-	-	(2,229,885)	(2,229,885)
Other comprehensive income loss for the period, net of tax	-	-	-	(218,923)	-	(218,923)
Total comprehensive income loss for the period	-	-	-	(218,923)	(2,229,885)	(2,448,808)
Transactions with owners in their capacity as owners:						
Share-based payments	-	-	306,641	-	-	306,641
Issue of shares	1,862,922	-	(628,299)	-	-	1,234,623
Options to Mercer	-	-	31,336	-	-	31,336
Options issued to Lead Manager	-	-	118,184	-	-	118,184
Balance at 30 June 2025	**45,565,068**	**15,289**	**9,500,648**	**(247,090)**	**(55,222,201)**	**(388,286)**

	Issued capital US$	Performance rights reserve US$	Option reserve US$	Foreign currency reserve US$	Accumulated losses US$	Total deficiency in equity US$
Balance at 1 January 2026	49,331,420	15,289	9,653,078	(332,465)	(62,100,561)	(3,433,239)
Loss after income tax expense for the period	-	-	-	-	(1,928,357)	(1,928,357)
Other comprehensive income loss for the period, net of tax	-	-	-	(143,297)	-	(143,297)
Total comprehensive income loss for the period	-	-	-	(143,297)	(1,928,357)	(2,071,654)
Transactions with owners in their capacity as owners:						
Issue of shares (net of cost (note 8)	1,978,087	-	-	-	-	1,978,087
Share-based payments (note 14)	38,206	(15,289)	305,183	-	-	328,100
Balance at 30 June 2026	**51,347,713**	**-**	**9,958,261**	**(475,762)**	**(64,028,918)**	**(3,198,706)**

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

Dotz Nano Limited
Consolidated statement of cash flows
For the period ended 30 June 2026

	30 June 2026 US$	30 June 2025 US$
Cash flows from operating activities		
Receipts from customers	-	226,982
Payments to suppliers and employees, net	(1,507,729)	(1,554,966)
Interest received	1,759	1,398
Interest paid	(15,533)	(18,301)
Net cash used in operating activities	(1,521,503)	(1,344,887)
Cash flows from investing activities		
Purchase of plant and equipment	(4,992)	(39,435)
Net cash used in investing activities	(4,992)	(39,435)
Cash flows from financing activities		
Proceeds from issue of convertible loan	-	311,175
Proceeds from share issue	2,140,220	726,652
Repayment of borrowings	(405,185)	-
Repayment of lease liabilities	(119,247)	(96,125)
Net cash from financing activities	1,615,788	941,702
Net increase/(decrease) in cash and cash equivalents	89,293	(442,620)
Cash and cash equivalents at the beginning of the financial period	1,096,689	799,853
Effects of exchange rate changes on cash and cash equivalents	9,005	8,121
Cash and cash equivalents at the end of the financial period	**1,194,987**	**365,354**

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

Note 1. Reporting entity

The interim financial report of Dotz Nano Limited ("the Company") and its controlled entities ("the Group") for the half year ended 30 June 2026 was authorised for issue in accordance with a resolution of the Directors on 24 August 2026.

Dotz Nano Limited is a listed public company, trading on the Australia Securities Exchange, limited by shares, incorporated and domiciled in Australia. The Company is also listed on the OTC.QB.

The Group's principal place of business is at 1 Atir Yeda Kefar-Sava, Israel, 4464301 and the registered office is located Level 5, 44 Martin Place, Sydney, New South Wales, 2000, Australia.

Note 2. Material accounting policy information

These general-purpose financial statements for the interim half-year reporting period ended 30 June 2026 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New or amended Accounting Standards and Interpretations adopted
The Group has reviewed all the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 January 2026. It has been determined by the Group that there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to Group accounting policies. No retrospective change in accounting policy of material reclassification has occurred during the half year.

Going concern
The interim financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. The Group incurred a loss for the half year ended 30 June 2026 of $1,928,357 (30 June 2025: $2,229,885) and net cash outflows from operating activities of $1,521,503 (30 June 2025: $1,344,887). At 30 June 2026 the Group has a deficiency of Total Assets to Total Liabilities of $3,198,706 (31 December 2025: $3,433,239), and a deficiency in working capital (Total Current Assets to Total Current Liabilities) of $3,470,182 (31 December 2025: $3,633,107).

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group has prepared a cash flow forecast, which indicates that the entity will be required to raise funds to provide additional working capital and to continue to fund its business activities. The ability of the Group to continue as a going concern is dependent on securing additional funding by capital raise or other means.

The Board of Directors of Dotz Nano Limited (BoD) have assessed the likely cash flow for the 12-month period from the date of signing this financial report and its impact on the Group. The BoD believes that there will be sufficient funds available to continue to meet the Group's working capital requirements for the following reasons:

Note 2. Material accounting policy information (continued)

- The Company amended its convertible securities arrangements with Mercer Street Capital Partners, extending the maturity of the remaining tranches to 31 March 2027.
- The Group has the ability to reduce its expenditure to conserve cash.
- The Group has historically demonstrated its ability to raise funds to satisfy its immediate cash requirements and the Company plans to raise $2-3 million by year-end 2026.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements or raise additional capital through equity or debts raisings. The interim financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern and meet its debts as and when they become due and payable. The directors plan to continue the Group's operations on the basis as outlined above and believe there will be sufficient funds for the Group to meet its obligations and liabilities for at least twelve months from the date of this report.

Note 3. Segment information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The Group's sole operating segment is consistent with the presentation of these consolidated financial statements.

Note 4. General, administrative, selling and marketing expenses

	30 June 2026 US$	30 June 2025 US$
Wages and benefits	594,155	356,399
Consulting fees	176,367	201,658
Sales and marketing expenses	132,487	145,524
Director fees	117,932	114,808
Other expenses	283,568	130,000
	1,304,509	948,389

Note 5. Finance benefits/costs

	30 June 2026 US$	30 June 2025 US$
Finance benefits		
Interest received	(1,759)	(731)
Gain on modification of convertible loan (a)	(109,866)	-
Fair value movement on embedded derivative	(184,525)	(381,130)
	(296,150)	(381,861)

(a) The Mercer convertible loan notes have been substantially modified in respect of second, third and subsequent convertible loans. The modification has exceeded 10% of the original carrying value of the convertible notes and thus resulted in derecognition of the original financial liability carrying value. The difference between the modified financial liability's present value and the extinguished financial liability's carrying amount, including any associated unamortised transactional costs has been expensed in profit and loss in this reporting period. Refer to note 7 Financial liabilities for the modified financial liability.

Note 5. Finance benefits/costs (continued)

	30 June 2026 US$	30 June 2025 US$
Finance costs		
Interest expense	12,456	7,992
Finance expense – accretion of debt	179,749	872,682
Finance expense - FX	46,558	31,210
	238,763	912,884

Note 6. Trade and other payables

	30 June 2026 US$	31 December 2025 US$
Current liabilities		
Trade payables	380,523	494,408
Other payables	727,987	559,221
	1,108,510	1,053,629

Note 7. Financial liability

	30 June 2026 US$	31 December 2025 US$
Current liabilities		
Financial liability - Mercer (i)	2,760,382	2,985,889
Financial liability - Other (ii)	342,205	-
	3,102,587	2,985,889
Non-current liabilities		
Financial liability (ii)	-	323,977
Net carrying amount of financial instruments	3,102,587	3,309,866

Note 7. Financial liability (continued)

	30 June 2026 US$	31 December 2025 US$
Reconciliation – Mercer (i)	-	-
Opening balance	2,985,889	2,938,239
Financial liability at inception	-	312,432
Less: transaction costs	-	(44,755)
Gain on modification of convertible loan	(109,866)	-
Finance cost (accretion of debt)	171,665	598,351
Partial settlement of financial liability	(393,383)	(1,135,191)
Foreign exchange impact	106,077	316,813
Financial liability at closing date	2,760,382	2,985,889

	30 June 2026 US$	31 December 2025 US$
Reconciliation – Other (ii)		
Opening balance	323,977	-
Financial liability at inception	-	710,593
Finance cost (accretion of debt)	8,084	2,104
Partial settlement of financial liability	-	(398,559)
Foreign exchange impact	10,144	9,839
Financial liability at closing date	342,205	323,977

(i) Financial Liability - Mercer

On 5 February 2024, the Company and Mercer Street Global Opportunity Fund, LLC (Mercer) entered into a convertible securities agreement (Convertible Securities Agreement). Under the Convertible Securities Agreement the Company will issue to Mercer (or its nominees) up to 13,200,000 convertible notes with a face value of A$1 (Convertible Notes) in consideration for investment of up to A$12,000,000. Upon issuance of convertible notes, the Company will issue to Mercer Initial Commencement Shares, options at $0.35 per share with a 36-month maturity pro-rata with each investment amount.

The key terms of the Convertible Securities Agreement are detailed below:

Note 7. Financial liability (continued)

- The initial maturity date of Convertible Notes was 18 months from date of issuance. During the current reporting period the Company entered into a Deed of Variation to provide for the repayment of the First Tranche Convertible Note and to extend maturity dates of Second, Third and Subsequent Tranches of Convertible Notes to 31 March 2027.

- Under the Deed of Variation, Mercer may only issue a Conversion Notice in respect of any Convertible Securities during the period between 28 May 2026 and prior to 1 October 2026 if, at any time after 28 May 2026 and prior to the giving of the Conversion Notice, the VWAP has been greater than $0.07 for 5 consecutive Trading Days on which Shares were traded in the ordinary course of business on the ASX. This clause does not amend the Floor Price or impact the issue of a Conversion Notice either before 28 May 2026 or on or after 1 October 2026.

- Conversion price: if the conversion notice is given on or before the date that is three months after the first closing, conversion price will be 120% of the VWAP during the preceding ten (10) trading days if the conversion notice is given after the date that is three months following the first closing, conversion price will be the lesser of 90% of the two lowest daily VWAPs during the preceding twenty (20) trading days on which shares were traded in the ordinary course of business or a minimum conversion price of A$0.09.

- The Company may elect in writing to repurchase all of the Convertible Notes on issue at a 1.03 times premium, subject to compliance with the law and ASX Listing Rule.

The funding facility provided by Mercer is a hybrid instrument which includes a combination of 'debt' financial liability that represents the contractual cashflows and a derivative financial liability that represents the conversion feature. The conversion feature is an embedded derivative liability which is required to be recognised at fair value through profit or loss.

Investment by Mercer:

On 5 February 2024, the Company issued Mercer 2,200,000 Convertible Notes, 2,857,143 Options and 475,889 Initial Commencement Shares, in consideration for A$2 million investment;

On 19 March 2024, the Company issued Mercer 3,300,000 Convertible Notes, 4,285,714 Options and 475,889 Initial Commencement Shares, in consideration for A$2 million investment;

On 27 November 2024, the Company and Mercer executed a deed of variation in respect to the Convertible Securities Agreement, for which the Company obtained shareholders' approval on 9 January 2025. According to the variation deed Mercer invested additional A$2 million in consideration for convertible notes, options at $0.175 per share with a 36-month maturity and commencement shares for nil consideration as follow:

- On 27 November 2024, the Company issued Mercer 1,650,000 Convertible Notes, 4,285,714 Option and 666,244 Initial Commencement Shares in consideration for A$1.5 million investment;

- On 5 February 2025, the Company issued Mercer 550,000 Convertible Notes and 1,428,571 Options in consideration for A$0.5 million investment (See note 11).

Convertible Notes Conversions:

As of 30 June 2026, the following convertible notes had been converted:

Note 7. Financial liability (continued)

- On 6 January 2025, the Company converted AU$259,422 into 3,496,259 ordinary shares at a price of $0.074 per share, as per the Convertible Securities Agreement.
- On 31 January 2025, the Company converted AU$172,270 into 2,300,000 ordinary shares at a price of $0.075 per shares, as per the Convertible Securities Agreement.
- On 29 April 2025, the Company converted AU$250,000 into 4,570,384 ordinary shares at a price of $0.055 per share, as per the Convertible Securities Agreement.
- On 8 August 2025, the Company converted AU$200,000 into 5,000,000 ordinary shares at a price of $0.04 per share, as per the Convertible Securities Agreement.
- On 3 September 2025, the Company converted AU$500,000 into 12,500,000 ordinary shares at a price of $0.04 per share, as per the Convertible Securities Agreement.
- On 23 September 2025, the Company converted AU$700,000 into 17,500,000 ordinary shares at a price of $0.04 per share, as per the Convertible Securities Agreement.
- On 30 October 2025, the Company converted AU$300,000 into 6,535,948 ordinary shares at a price of $0.0459 per share, as per the Convertible Securities Agreement.

Modification of Convertible Loan

During the current reporting period the company entered into a Deed of Variation with Mercer to provide for the repayment of the first tranche convertible loan and to extend the maturity dates on all remaining convertible loans to 31 March 2027.

Under the Deed of Variation the Mercer convertible loan notes have been substantially modified in respect of second, third and subsequent convertible loans. The modification has exceeded 10% of the original carrying value of the convertible notes and thus resulted in derecognition of the original financial liability carrying value. The difference between the modified financial liability's present value and the extinguished financial liability's carrying amount, including any associated unamortised transactional costs has been expensed in profit and loss in this reporting period.

Repayment of First Convertible Note

On 2 June 2026, the Company fully repaid the balance of the First Convertible Note of AU$552,730 (US$405,185).

Note 7. Financial liability (continued)

(ii) Financial Liability – Other

During the second half of 2025, the Company entered into short term loan agreements with various parties totalling to AU$1,200,000 (US$783,820). The loan term is for 24 months with an annual interest rate of 12% of the principal loan amount to be paid on quarterly basis. The Company issued 8.5 options for every A$1 advanced under each loan, with exercise price of A$0.055, expiring on the second anniversary on which they were issued. The loans are unsecured and the lenders have a right to convert into securities of the Company at any time prior to or on the maturity date at a fixed conversion price of A$0.04. On 8 October 2025, 16,811,950 ordinary shares were issued to settle A$672,478 unsecured loans conversion.

Following 30 June 2026, the Company repaid AU$200,000 to a related party. The related party invested the same amount in the company as part of the recent placement reported in May 2026 (refer to Note 17).

Note 8. Derivative financial instruments

	30 June 2026 US$	31 December 2025 US$
Current liabilities		
Embedded derivative - financial liability at fair value through P&L	196,802	402,396

	30 June 2026 US$	31 December 2025 US$
Reconciliation:		
Opening balance	402,396	900,653
Embedded derivate liability at inception	-	134,023
Partial settlement of embedded derivative	(38,289)	(409,788)
Fair value movement on embedded derivative	(184,525)	(335,470)
Foreign exchange impact	17,220	112,978
Closing balance	**196,802**	**402,396**

Refer to note 6 for further information.

Note 9. Liability for unissued shares

The liability for unissued shares relates to funds received from Marzameno Ltd for 2,500,000 Placement Shares @ $0.04 which were not issued prior to balance date as they were subject to shareholder approval. The shares were issued subsequently in July 2026 following the approval of shareholders.

Note 10. Issued capital

	30 June 2026 Shares	31 December 2025 Shares	30 June 2026 US$	31 December 2025 US$
(a) Ordinary shares - fully paid	769,792,090	693,099,090	51,347,713	49,331,420

(b) Reconciliation of share capital	**No**	**US$**
Opening balance as at 1 January 2025	547,340,977	43,702,146
Shares issued under the placement	63,118,572	2,033,805
Shares issued on convertible loans	51,902,591	2,254,597
Shares issued to H2 Blue Tech Limited	11,500,000	628,299
Shares issued on unsecured loans	16,811,950	928,384
Shares issued under the option plan	425,000	23,272
Shares issued to lead manager	2,000,000	54,434
Capital raising costs	-	(293,517)
Closing balance at 31 December 2025	**693,099,090**	**49,331,420**
Opening balance at 1 January 2026	**693,099,090**	**49,331,420**
Issue of shares to KMP (refer Note 14)	1,650,000	38,206
Issue of share under Placement	75,043,000	2,144,955
Capital raising costs	-	(166,868)
Closing balance at 30 June 2026	**769,792,090**	**51,347,713**

Note 11. Reserves

	30 June 2026 US$	31 December 2025 US$
(a) Foreign currency translation reserve	(475,762)	(332,465)
(b) Options and equity reserve	9,958,259	9,668,367
	9,482,499	9,335,902

(a) Foreign currency translation reserve	**US$**	**US$**
Opening balance	**(332,465)**	**(28,167)**
Difference arising on translation	(143,297)	(304,298)
Closing balance	**(475,762)**	**(332,465)**

Note 11. Reserves (continued)

(b) Reconciliation of option and equity reserve	**No.**	**US$**
Opening balance at 1 January 2025	113,141,840	9,672,786
Options issued as attaching under Placement	53,535,258	-
Options issued to H2B Tech	2,500,000	47,079
Options issued as attaching to Unsecured Loan	7,246,063	-
Options issued to Mercer	1,428,571	31,336
Options issued to executive and employees	770,000	12,216
Options issued to Joint Lead Manager	12,000,000	118,184
Cancellation of options	(10,991,250)	-
Vesting of ESOP options	-	426,723
Conversion options	-	30,140
Movement on settlement of contingent options and shares	-	(685,386)
Closing balance at 31 December 2025	**179,630,482**	**9,653,078**
Opening balance at 1 January 2026	179,630,482	9,653,078
Issue of options to consultants	3,000,000	5,658
Issue of options to capital advisors	3,000,000	28,288
Issue of options to capital advisors	6,000,000	114,787
Issue of options on conversion of unsecured loan	2,975,000	-
Issue of options to CEO	1,523,060	7,858
Vesting of options to CEO	-	2,348
Issue of free attaching options	18,158,000	-
Vesting of ESOP options from prior periods	-	130,252
Vesting of unissued equity to incoming CEO	-	15,990
Closing balance on 30 June 2026	**214,286,542**	**9,958,259**

(c) Reconciliation of performance rights reserve	**No.**	**US$**
Opening balance 1 January 2025	2,000,000	15,289
Cancellation of performance rights	(2,000,000)	-
Closing balance 31 December 2025	**-**	**15,289**
Opening balance 1 January 2026	-	15,289
Reclass between option and rights reserve	-	(15,289)
Closing balance 30 June 2026	**-**	**-**

Note 12. Dividends

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

Note 13. Loss per share

	30 June 2026 US$	30 June 2025 US$
Loss per share for loss from continuing operations		
Loss after income tax	(1,928,357)	(2,229,885)
	Cents	**Cents**
Basic and diluted loss per share	(0.27)	(0.39)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	706,583,140	570,177,528
Weighted average number of ordinary shares used in calculating diluted earnings per share	706,583,140	570,177,528

Note 14. Share-based payments

The Company recognised the following share based payment arrangements in the period to 30 June 2026:

(a) The issue of 3,000,000 unlisted options to Consultants with exercise price of A$0.055 and expiry date of 4 February 2028. The options were valued using Black Scholes valuation model.

(b) The issue of 3,000,000 unlisted options to Capital Advisors with exercise price of A$0.055 and expiry date of 4 February 2028. The options were valued using Black Scholes valuation model.

(c) The issue of 6,000,000 listed options to Capital Advisors with exercise price of A$0.010 and expiry date of 28 October 2028. The options were valued using Black Scholes valuation model.

(d) The issue of 1,523,060 unlisted options with Nil exercise price and expiry date of 20 May 2023. The options issued to former CEO Mr Sharon Malka were valued at US$35,822,(A$50,261) using the closing share price of A$0.033 at grant date.

(e) The issue of 1,650,000 ordinary fully paid shares at nil consideration. The shares issued to former CEO Mr Sharon Malka were valued at US$38,206 (A$54,450) using the closing share price of A$0.033 at grant date.

(f) The Company granted 10,000,000 options to current CEO Mr Nati Harpaz (subject to shareholder approval) vesting over 12 months. The service commenced on 1 June 2026 and was approved by shareholder at the General Meeting held on 14 July 2026. The options were valued using Black Scholes valuation model.

(g) The Company granted 10,000,000 options to current CEO Mr Nati Harpaz (subject to shareholder approval) vesting over 24 months. The service commenced on 1 June 2026 and was approved by shareholder at the General Meeting held on 14 July 2026. The options were valued using Black Scholes valuation model.

(h) The Company granted 10,000,000 options to current CEO Mr Nati Harpaz (subject to shareholder approval) vesting over 36 months. The service commenced on 1 June 2026 and was approved by shareholder at the General Meeting held on 14 July 2026. The options were valued using Black Scholes valuation model.

(i) The Company granted the incoming CEO Mr Nati Harpaz shares to the value of NIS600,000 (US$197,140) (subject to shareholder approval) vesting over 12 month period from commencement date. The service commenced on 1 June 2026 and was approved by shareholder at the General Meeting held on 14 July 2026.

Note 14. Share-based payments (continued)

For the options and rights granted during the current reporting period, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Ref	Grant date	Expiry date	Share price at grant date	Exercise price	Expected Volatility	Dividend yield	Risk-free rate	Fair value at grant date (AU$)	Fair value at grant date (US$)
(a)	04/02/2026	04/02/2028	AU$0.040	AU$0.055	100%	N/A	4.287%	AU$55,723	US$39,078
(b)	04/02/2026	04/02/2028	AU$0.040	AU$0.055	100%	N/A	4.287%	AU$55,723	US$39,078
(c)	01/04/2026	28/10/2028	AU$0.035	AU$0.010	100%	N/A	4.287%	AU$177,800	US$120,482
(d)	30/03/2026	20/05/2031	AU$0.033	Nil	N/A	N/A	N/A	AU$50,261	US$35,822
(f)	01/06/2026	01/06/2031	AU$0.023	AU$0.052	100%	N/A	3.571%	AU$148,575	US$106,520
(g)	01/06/2026	01/06/2031	AU$0.023	AU$0.069	100%	N/A	3.571%	AU$138,306	US$99,158
(h)	01/06/2026	01/06/2031	AU$0.023	AU$0.069	100%	N/A	3.571%	AU$138,306	US$99,158

For the half year ended 30 June 2026 a share based expense of $185,024 (30 June 2025: $306,641) was recognised in profit and loss in line and $143,076 (30 June 2025: $118,184) being recognised as capital raising costs in equity.

	30 June 2026 US$	30 June 2025 US$
SBP expense for options under the employee share option plan issued in prior periods	114,969	274,821
SBP issued to external advisors and consultants	148,731	132,038
SBP issued to former CEO	46,065	-
SBP expense for unissued options and rights to current CEO	18,335	17,966
Total	328,100	424,825

Note 15. Contingent asset and liabilities

There has been no change to contingent assets and liabilities to 30 June 2026.

Note 16. Related party transactions

Transactions with related parties
During the reporting period, the Company issued shares and options to former and current CEO, details are included in Note 14.

All other related party transactions remained consistent with 31 December 2025.

Receivable from and payable to related parties
As at 30 June 2026, the company had a liability to a related party, refer to Note 9. There were no other trade receivables from or trade payables to related parties at the current and previous reporting date.

Note 17. Matters subsequent to the end of the financial period

Subsequent to 30 June 2026, part of the loan as disclosed at Note 7 (ii) being AU$200,000 (US$137,872) was repaid to Southern Israel Bridging Fund (SIBF). In In conjunction, subsequent to approval received at the EGM on 14/7/2026, SIBF invested AU$200,000 as part of the recent placement conducted in May 2026.

In July 2026 Dotz Energy Europe Ltd, a fully owned subsidiary of Dotz Nano Limited was established in Cyprus, providing energy-efficiency and decarbonisation solutions.

On 2 August 2026, 19,660,000 options with exercise price of A$0.165 expired without exercise or conversion.

Note 17. Matters subsequent to the end of the financial period (continued)

On 4 August 2026, the Company issued 7,500,000 ordinary shares and 7,500,000 options with exercise price of A$0.07 and expiry date of 4 August 2028. The securities were issued to related parties under the private placement and approved by shareholders on 14 July 2026. The issue of part of these shares, being 2,500,000 resulted in settlement of the liability disclosed in Note 9.

On 4 August 2026, the Company issued 7,142,151 ordinary shares to the CEO Mr Natanel Harpaz as non-cash consideration equity award in lieu of cash.

On 15 August 2026, 8,000,000 options with exercise price of A$0.90 expired without exercise or conversion.

On 15 August 2026, 9,000,000 options with exercise price of A$0.95 expired without exercise or conversion.

On 15 August 2026, 8,000,000 options with exercise price of A$0.80 expired without exercise or conversion.

On 15 August 2026, 9,000,000 options with exercise price of A$0.85 expired without exercise or conversion.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

The Directors of Dotz Nano Limited declare that:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial period ended on that date; and

- subject to matters noted in Note 2 ‘Going Concern’, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

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Bernie Brookes AM
Chairman

24 August 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Dotz Nano Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Dotz Nano Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

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 half-year ended on that date; and

ii. Complying with Accounting Standard AASB *134 Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

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

Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO

Jeremy Watkins

Director

Perth, 24 August 2026