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27 August 2026

CARETEQ'S FY26 FULL YEAR RESULTS

Balance sheet reset completed; debt free with $3.19m cash and HMR Referrals strategy underway

Careteq Limited (ASX: CTQ) ("Careteq" or "the Company"), a clinical healthtech company delivering innovative and AI-enabled healthcare solutions, is pleased to release its full year results for the period ended 30 June 2026 ("FY26").

FY26 was a significant transition year for Careteq, with the Company completing the divestment of Embedded Health Solutions ("EHS"), repaying all outstanding loans, completing a $2.2 million capital raising, converting all outstanding convertible notes and ending the year with a materially strengthened balance sheet.

Following these strategic actions, Careteq is now focused on executing its growth plans for HMR Referrals, the Company's marketplace platform that streamlines the process of completing Home Medicines Reviews ("HMRs").

Highlights

- FY26 represented a major strategic reset, with Careteq completing the sale of EHS, repaying outstanding borrowings and simplifying the Company's capital structure.
- EHS was sold for $5.0 million less purchase price adjustments of approximately $1.0 million, resulting in cash consideration of $4.0 million and a gain on disposal of $2.0 million.
- EHS operations up to the date of sale delivered underlying EBITDA of $1.45 million before corporate overheads.
- Proceeds from the EHS sale were used to repay vendor loans associated with the prior acquisition of the remaining 45% of EHS, including outstanding interest, amounting to approximately $2.47 million.
- The Company completed a $2.2 million capital raising and all outstanding convertible notes were converted into fully paid ordinary shares.
- Careteq ended FY26 debt free with $3.19 million cash at bank, compared with $1.05 million at 30 June 2025.
- Total revenue and other income from continuing operations was $6.90 million, compared with $8.32 million in FY25, with FY26 impacted by only nine months of EHS revenue recognition and the write-back of previously accrued R&D claim income.
- EBITDA from continuing operations was positive at $0.02 million, compared with $0.27 million in FY25.
- Net loss after tax from continuing operations was $0.40 million, compared with a net loss of $0.07 million in FY25.

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- Since completion of the EHS sale, Careteq has materially reduced its operating cost base, with underlying corporate costs reduced to approximately $1.0 million per annum.
- ASX has confirmed continued quotation following the divestment of EHS.
- Careteq is now focused on HMR Referrals, including GP clinic activation, pharmacist recruitment, AI capability scoping and build, strategic collaborations and scaling the platform to address unmet need in the home and aged care sector.

Executive Chairman, Mark Simari, said:

"FY26 was a decisive reset year for Careteq. We completed the sale of EHS, repaid outstanding borrowings, completed the capital raising, converted all outstanding convertible notes and finished the year debt free with $3.19 million cash at bank.

"The result is a much cleaner balance sheet, a simplified operating structure and a clear strategic focus on HMR Referrals.

"While the reported FY26 result was impacted by only nine months of EHS revenue recognition and the accounting write-back of previously accrued R&D claim income, the underlying strategic position of the Company has improved materially. We are now better placed to execute on the HMR Referrals opportunity, maintain disciplined cost control and continue defending our position in relation to the ATO R&D Tax Incentive matter.

"Our focus in FY27 is execution: activating GP clinics, recruiting pharmacists, progressing AI-enabled workflow improvements, pursuing strategic collaborations and scaling HMR Referrals as a focused marketplace platform in the home medication review sector."

FY26 Financial Summary

	FY26	FY25	Change
Revenue from contracts with customers	$6.08m	$7.62m	$(1.54)m
Total revenue and other income from continuing operations	$6.90m	$8.32m	$(1.42)m
EBITDA* from continuing operations	$0.02m	$0.27m	$(0.25)m
Net loss after tax from continuing operations	$(0.40)m	$(0.07)m	$(0.33)m
Cash at bank	$3.19m	$1.05m	+$2.14m
Borrowings	Nil	$2.25m	$(2.25)m
Net assets	$3.23m	$1.52m	+$1.71m

*EBITDA is calculated as Net Profit before tax add back Depreciation & Amortisation and Borrowing costs

Total revenue and other income from continuing operations was $6.90 million in FY26, compared with $8.32 million in FY25. The result was impacted by the sale of EHS, which resulted in only nine months of EHS revenue being recognised in FY26, and by the write-back of R&D claim income previously accrued for FY24, FY25 and HY26.

Revenue from contracts with customers was $6.08 million, compared with $7.62 million in FY25.

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EBITDA from continuing operations was positive at $0.02 million, compared with $0.27 million in FY25. The Company recorded a net loss after tax from continuing operations of $0.40 million, compared with a net loss after tax from continuing operations of $0.07 million in FY25.

The reported FY26 result includes a $2.02 million gain on sale of EHS, partly offset by the $1.21 million write-back of previously accrued R&D claim income due to the continued delay in resolving the ATO dispute around FY21, FY22 and FY23 R&D claims.

Strategic reset completed

During FY26, Careteq completed the divestment of EHS to Nationwide Investments Holdings Pty Ltd. The EHS business and assets were sold for a purchase price of $5.0 million, less purchase price adjustments of approximately $1.0 million, resulting in cash consideration received of approximately $4.0 million.

The EHS sale resulted in a gain on disposal of $2.02 million.

The proceeds from the sale were used to fully repay the vendor loans entered into in August 2024 for the acquisition of the remaining 45% of EHS from its minority shareholders. The vendor loans, including outstanding interest, amounted to approximately $2.47 million.

The divestment of EHS, together with the recent capital raising and conversion of all outstanding convertible notes, has materially simplified Careteq's balance sheet and capital structure.

Balance sheet strengthened

Careteq ended FY26 with $3.19 million cash at bank and no borrowings.

During FY26, the Company completed a $2.2 million capital raising. In addition, all outstanding convertible notes were converted into fully paid ordinary shares in Careteq at $0.01 per share.

As a result, Careteq's capital structure has been materially simplified, with the Company having no convertible notes on issue and no drawn debt facilities as at 30 June 2026.

The Company's net assets increased to $3.23 million at 30 June 2026, compared with $1.52 million at 30 June 2025.

Operating cost base materially reduced

Following the sale of EHS, Careteq has continued to focus on reducing its running costs and aligning its cost base with its streamlined operating structure.

The EHS management team transferred with the sale of EHS and, together with other cost-saving initiatives, this has resulted in the Company reducing its annualised underlying corporate cost base to approximately $1.0 million per annum.

This leaner structure provides Careteq with greater flexibility to deploy capital toward the HMR Referrals strategic plan, while preserving balance sheet strength.

HMR Referrals strategic reset underway

Following completion of the EHS divestment, Careteq's operating focus is now centred on HMR Referrals.

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HMR Referrals is Careteq's marketplace platform that streamlines the process of completing Home Medicines Reviews by connecting referral sources, general practitioners and accredited pharmacists.

The Board and management have commenced implementing the HMR Referrals strategic plan. The revised plan will focus on:

- GP clinic activation;
- pharmacist recruitment;
- AI capability scoping and build, focused on process improvements;
- strategic collaborations with complementary industry partners; and
- scaling the platform to address unmet need in the home and aged care sector.

The Company's objective is to position HMR Referrals as a focused, scalable and progressively technology-enabled platform in the home medication review sector while maintaining disciplined overhead management and preserving balance sheet flexibility.

Continued ASX quotation

As announced on 23 July 2026, ASX has confirmed that Careteq will continue quotation on the ASX following the divestment of EHS.

ATO position update

Careteq continues to engage constructively with the Australian Taxation Office ("ATO") in relation to the ATO's amended assessments concerning historical R&D Tax Incentive claims for FY21, FY22 and FY23.

Outlook

Following completion of the EHS divestment, capital raising, debt repayment and convertible note conversion, Careteq enters FY27 with a materially strengthened balance sheet and a simplified operating structure.

The Company's near-term priorities are to:

- execute the HMR Referrals strategic plan;
- activate GP clinics and expand referral pathways;
- recruit and engage accredited pharmacists;
- progress AI-enabled workflow improvements to improve platform scalability and efficiency;
- pursue strategic collaborations with complementary industry participants;
- maintain disciplined cost control;
- assess complementary acquisition opportunities where strategically aligned; and
- continue to progress the ATO formal objection process.

Careteq's objective is to build HMR Referrals as a focused, scalable and progressively technology-enabled marketplace platform in the home medication review sector.

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This ASX announcement has been authorised by the Board of Careteq Limited (ASX: CTQ).

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About Careteq Limited (ASX: CTQ)

Careteq Limited (ASX: CTQ) is an Australian healthtech company focused on innovative solutions for the home care and disability sector. The Company is dedicated to improving healthcare outcomes through its fully owned marketplace platform, HMR Referrals, which streamlines the process of completing Home Medicines Reviews (HMRs).

To learn more, please visit: www.careteq.com.au/

Forward-looking statements

This announcement contains or may contain forward-looking statements that are based on Careteq's beliefs, assumptions, and expectations and on information currently available to Careteq. All statements that address operating performance, events or developments that Careteq or its directors expect or anticipate will occur in the future are forward-looking statements, including, without limitation, statements as to the expectations of Careteq or the market it operates in.

Careteq believes that these forward-looking statements are reasonable as and when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Careteq does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No assurance or guarantee is, or should be taken to be, given in relation to, and no reliance should be placed on, the future business performance or results of Careteq or the likelihood that the current assumptions, estimates or outcomes will be achieved. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

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