

Entropy Neurodynamics Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Entropy Neurodynamics Limited
ABN:	78 163 765 991
Reporting period:	For the 12 month year ended 30 June 2026
Previous period:	For the 12 month year ended 30 June 2025

2. Results for announcement to the market

			\$
Income from ordinary activities	up	30.0% to	2,064,422
Loss from ordinary activities after tax attributable to the owners of Entropy Neurodynamics Limited	down	8.7% to	(4,869,067)
Loss for the year attributable to the owners of Entropy Neurodynamics Limited	down	8.7% to	(4,869,067)

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

Comments
The loss for the year for the consolidated entity after providing for income tax amounted to \$4,869,067 (30 June 2025: \$5,332,421).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.43	0.40

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

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. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Tryp Therapeutics Inc is a company incorporated in Canada and applied International Financial Reporting Accounting Standards ("IFRS Accounting Standards").

Tryp Therapeutics (USA) Inc is a company incorporated in the USA and applied International Financial Reporting Accounting Standards ("IFRS Accounting Standards").

10. Audit qualification

Details of audit dispute or qualification (if any):

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

11. Attachments

Details of attachments (if any):

The Annual Financial Report of Entropy Neurodynamics Limited for the year ended 30 June 2026 is attached.

12. Signed


Signed _____
Herwig Janssen
Non-Executive Chairman

Date: 28 August 2026

Entropy Neurodynamics Limited

(Formerly known as Tryptamine Therapeutics Limited)

ABN 78 163 765 991

Annual Report - 30 June 2026

Entropy Neurodynamics Limited**Contents****30 June 2026**

Corporate directory	2
Chairman's Letter	3
CEO Report	5
Directors' report	7
Auditor's independence declaration	29
Consolidated statement of profit or loss and other comprehensive income	30
Consolidated statement of financial position	31
Consolidated statement of changes in equity	32
Consolidated statement of cash flows	33
Notes to the consolidated financial statements	34
Consolidated entity disclosure statement	51
Directors' declaration	52
Independent auditor's report to the members of Entropy Neurodynamics Limited	53
Shareholder information	57

Entropy Neurodynamics Limited
Corporate directory
30 June 2026

Directors	Mr Herwig Janssen Mr Jason Carroll Mr Gage Jull Mr Chris Ntoumenopoulos Dr Daniel Tillett
Registered office	C/o Bio101 Financial Advisory Pty Ltd Suite 1, 117 Camberwell Road Hawthorn East VIC 3123
Principal place of business	C/o Bio101 Financial Advisory Pty Ltd Suite 1, 117 Camberwell Road Hawthorn East VIC 3123
Share register	Automatic Registry Services Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000 Telephone: 1300 288 664 Email: hello@automatic.com.au
Auditor	BDO Audit Pty Ltd Level 25/ 35 Collins St Melbourne VIC 3000
Solicitors	Thomsons Lawyers Level 29, Central Park Tower 152-158 St Georges Terrace Perth WA 6000
Stock exchange listing	Entropy Neurodynamics Limited shares are listed on the Australian Securities Exchange (ASX code: ENP)

Entropy Neurodynamics Limited
Chairman's Letter
30 June 2026

Dear Shareholders,

FY2026 was an important period, as the Company moved its lead program from healthy volunteers into patients and began generating the clinical evidence required to assess its potential as a differentiated approach to psychedelic-assisted therapy.

The progress achieved reflects the strategy we have pursued over several years: to develop a treatment platform that addresses the practical limitations associated with conventional oral psilocybin and, in doing so, has the potential to support a more predictable, controllable, safer and commercially scalable treatment model.

Central to this strategy is TRP-8803, our proprietary IV-infused psilocin formulation. The Phase 1b study established our ability to directly control psilocin exposure and demonstrated the safety, pharmacokinetic and treatment characteristics required to progress into patient studies. During FY26, our focus shifted to replicating these characteristics in a patient population while pursuing meaningful clinical outcomes.

The commencement of our Phase 2 trial in treatment-resistant Binge Eating Disorder (BED) was therefore a significant milestone. The first patient was dosed in December 2025, with Cohort 1 completed by the end of FY26 and the independent Data and Safety Monitoring Board subsequently endorsing progression to Cohort 2.

Shortly after year end, first efficacy results from the six patients in Cohort 1 were reported. All six achieved a clinically meaningful response and three achieved complete clinical remission during the four weeks following treatment. We also observed substantial improvements across binge eating, anxiety, depression and life satisfaction measures.

These are early results from a small patient cohort and we recognise the importance of confirming them through the remainder of the study and subsequent clinical development. Nevertheless, they represent a significant first efficacy dataset for TRP-8803 and support for the underlying premise on which the platform has been developed.

Importantly, the clinical response was accompanied by the treatment characteristics we have sought to achieve through IV delivery. TRP-8803 demonstrated rapid onset, predictable treatment intensity and controlled offset, while the independent DSMB endorsed progression using the 60-minute infusion protocol without modification. These characteristics are important because the potential value of TRP-8803 extends beyond the therapeutic properties of psilocin itself. We believe greater control over how treatment is administered may ultimately be important to how psychedelic-assisted therapies can be delivered safely, consistently and at scale.

Our clinical strategy also broadened. TRP-8802, our oral psilocybin formulation, continued to provide useful pathfinder data in BED and Irritable Bowel Syndrome (IBS). These programs are helping us identify indications where there is evidence of a clinical response to psychedelic-assisted treatment and can therefore inform where we deploy TRP-8803.

That approach has now developed into a broader clinical strategy. Following year end, Entropy received ethics approval for a 72-patient multi-indication basket study of TRP-8803 across eight disorders. The study provides a structured and capital-efficient opportunity to evaluate the platform across multiple areas of unmet medical need and generate the data required to determine which indications warrant further investment.

This is an important evolution for Entropy. Rather than being dependent on the outcome of a single indication, we are building a platform around a common treatment technology and using clinical evidence to determine where it may have the greatest therapeutic and commercial relevance. BED remains our most advanced program, but the basket study provides a pathway to assess whether this translates into other patient populations.

We are also continuing to build the assets around the core clinical platform. During FY26, the Company entered into an exclusive agreement to develop an EEG-based brain entropy biomarker platform. While this work remains at an early stage, its objective is complementary to TRP-8803 - combining controlled drug delivery with quantitative measures that assist clinicians in understanding and optimising treatment.

Our IP position also continued to develop during and following the financial year, with patent protection secured across elements of the TRP-8803 platform, proprietary crystalline forms of psilocin and selected therapeutic applications. Building defensible IP alongside proprietary clinical data will remain an important part of establishing the long-term value of the platform.

During the year, shareholders approved the change of the Company's name from Tryptamine Therapeutics to Entropy Neurodynamics. This was more than a change in corporate identity. It better reflects the Company we are building, which is one focused not simply on psychedelic compounds, but on developing a more precise and measurable approach to their therapeutic use.

Entropy Neurodynamics Limited
Chairman's Letter
30 June 2026

We also strengthened the Company's financial position through a \$6.1m placement, R&D financing and ~\$2.6m received through the Australian Government's R&D Tax Incentive. As we broaden our clinical activities, disciplined capital allocation remains important. Our objective is to direct capital towards programs capable of generating meaningful data and creating clear decision points for subsequent development.

Looking ahead, our immediate focus is the completion of the Phase 2 BED study and reporting of the full dataset during the fourth quarter of CY2026. In parallel, we intend to commence the multi-indication basket study to build a broader body of evidence around TRP-8803.

The progress achieved to date is encouraging, but we remain conscious that drug development is a staged process and that substantially more clinical evidence will be required. Our task is to continue generating that evidence methodically, allocate capital carefully and build on the differentiated characteristics we have observed with TRP-8803.

On behalf of the Board, I would like to thank Jason and the Entropy team for their commitment and execution throughout the year. I would also like to acknowledge our clinical investigators, research collaborators and advisers, whose expertise continues to be important to the development of our programs.

Finally, I thank our shareholders for their continued support. FY26 saw Entropy achieve a number of important clinical milestones and enter FY27 with a broader development platform and a growing body of evidence around TRP-8803. We look forward to building on that progress in the year ahead.

A handwritten signature in black ink, reading 'H Janssen'. The 'H' is stylized with a long vertical stroke, and 'Janssen' is written in a cursive script.

Herwig Janssen
Non-executive Chairman

Dear shareholders,

The past 12 months have been an important period of clinical progress for Entropy Neurodynamics, with our lead program, TRP-8803, progressing from healthy volunteer studies into its first patient population and generating encouraging initial clinical results in treatment-resistant Binge Eating Disorder (BED).

At the beginning of FY26, our principal objective was to translate the safety, pharmacokinetic and controllability demonstrated with TRP-8803 in our Phase 1b study into patients. We achieved that milestone in December 2025 when the first participant was successfully dosed in our Phase 2 BED study with Swinburne University, marking the first administration of our proprietary IV-infused psilocin formulation in a patient population.

This was an important step for the program. TRP-8803 has been designed to address the key limitations associated with oral psilocybin administration by providing clinicians with greater control over the onset, intensity and duration of the psychedelic experience. Rather than relying on variable absorption and metabolism, our IV approach allows psilocin exposure to be directly controlled throughout treatment, with the objective of providing a more predictable, safer and scalable treatment model.

Encouragingly, the initial clinical experience supported this profile. The first patient completed two TRP-8803 treatments and demonstrated a repeatable, high-intensity response across both dosing sessions. This was followed by completion of dosing across all six participants in Cohort 1 and, shortly before year end, endorsement from the independent Data and Safety Monitoring Board to progress the study to Cohort 2.

Following the end FY26, we were able to report the first efficacy dataset from TRP-8803 in patients. All six Cohort 1 participants achieved a clinically meaningful response and three achieved complete clinical remission during the four-week period following treatment. Weekly binge-eating episodes reduced by 74%, alongside improvements across binge-eating severity, anxiety, depression and life satisfaction measures.

While these are early results, they are highly encouraging. Importantly, they were accompanied by the treatment characteristics we have sought to establish with TRP-8803, including an onset of ~20 minutes, predictable treatment intensity and controlled offset. The independent DSMB endorsed progression to Cohort 2 using the 60 minute infusion regimen without modification.

Our TRP-8802 oral psilocybin programs also continued to play an important role during the year as clinical pathfinders for TRP-8803. In BED, follow-up data from our University of Florida Phase 2a study continued to demonstrate the durability of the clinical response previously observed. In May, we also reported encouraging findings from our Phase 2a Irritable Bowel Syndrome study with Massachusetts General Hospital, where 75% of treatment-resistant patients achieved a clinically meaningful response.

These studies are valuable because they allow us to identify indications where TRP-8803 may have therapeutic potential before committing more substantial resources to development. The objective is to combine that indication-specific clinical evidence with the differentiated delivery characteristics of TRP-8803 to determine where our platform may ultimately have the greatest clinical and commercial opportunity.

This strategy has expanded considerably following year end. In August, we received Human Research Ethics Committee approval for a 72-patient Phase 1b/2a basket study of TRP-8803 with Swinburne University. The study will evaluate TRP-8803 across eight disorders in nine cohorts, including anorexia nervosa, body dysmorphic disorder, fibromyalgia, generalised anxiety disorder, IBS, post-traumatic stress disorder, obsessive compulsive disorder and treatment-resistant major depressive disorder.

The basket study represents an important next step in platform evolution. Rather than progressing indications sequentially through separate early-stage studies, it provides us with a structured and capital-efficient way to generate safety and preliminary clinical data across multiple areas of unmet need. This should allow us to make increasingly evidence-based decisions about where to concentrate future clinical investment.

Alongside clinical development, we continued to strengthen the broader platform around TRP-8803. During the year, we entered into an exclusive biomarker development agreement with Professor Robin Carhart-Harris and Professor Pedro Mediano to advance an EEG-based brain entropy biomarker platform. Our longer-term objective is to combine the controllability of IV-infused psilocin with quantitative measures that help clinicians better understand and ultimately optimise the treatment experience before, during and after dosing.

We also continued to build our IP portfolio. During FY26, Entropy was granted an Australian patent covering aspects of the TRP-8803 platform and filed a new US patent application relating to IBS. Following year end, further patents were granted in Australia covering proprietary crystalline forms of psilocin and in South Africa covering methods of treating fibromyalgia.

Entropy Neurodynamics Limited
CEO Report
30 June 2026

Together, these initiatives are intended to establish multiple layers of protection around the delivery platform, pharmaceutical composition and potential therapeutic applications.

Looking ahead, FY27 is focused firmly on execution. Our immediate priority is to complete Cohort 2 of the Phase 2 BED study and report the full study results during the fourth quarter of CY2026. In parallel, we intend to commence the multi-indication basket study and begin generating clinical data across a broader range of disorders.

The objective across both programs is clear: continue building the clinical evidence around TRP-8803, better define the indications where the platform may provide the greatest benefit and progressively establish the data required to support future regulatory, partnering and commercialisation pathways.

We have moved TRP-8803 from healthy volunteers into patients, generated our first encouraging efficacy data and established a broader clinical pathway through which we can evaluate its potential across multiple areas of unmet medical need. There remains considerable work ahead, but the progress achieved during FY26 has put us in a materially stronger position from which to undertake that work.

In closing, I would like to thank our shareholders for their continued support, our clinical and research partners for their contribution to our programs, and the Entropy team and Board for their commitment throughout the year. I look forward to reporting on our progress as we continue to advance TRP-8803 and build the clinical evidence supporting its potential.



Mr Jason Carroll
Chief Executive Officer & Managing Director

Entropy Neurodynamics Limited
Directors' report
30 June 2026

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

Directors

The names of the directors and officers who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Director	Position
Mr Herwig Janssen	Non-Executive Chairman
Mr Jason Carroll	CEO and Managing Director
Mr Chris Ntoumoenopoulos	Executive Director
Mr Gage Jull	Non-Executive Director
Dr Daniel Tillett	Non-Executive Director

Names, qualifications, experience and special responsibilities of Directors in office during the year.

Mr Herwig Janssen - Non-Executive Chairman

Mr Janssen is an internationally renowned healthcare and pharmaceutical executive. Most recently, he served as Vice President for Licensing & Acquisitions (Emerging Markets) at J&J Innovative Medicine (formerly Janssen Pharmaceuticals), a subsidiary of multinational conglomerate Johnson & Johnson for nearly three decades.

Mr Janssen brings more than 40 years of sector experience, where he has led business development activities for J&J across global emerging markets with a demonstrated track record in licensing, technology transfers and M&A. As a member of the Janssen family, he has a long association with J&J in connection with the strategic acquisition of Janssen Pharmaceuticals. His other roles within the group include VP of Business Development in the US. Mr Janssen undertook multiple senior positions in R&D, international marketing, sales and business development across J&J's consumer and pharmaceutical businesses.

No directorship in other ASX listed companies in the last 3 years.

Mr Jason Carroll - CEO and Managing Director

MBA, B. Sc.

Jason brings a wealth of experience as a highly regarded life sciences executive, with an impressive 33-year career in the industry. In addition to his previous as Managing Director of iNova Pharmaceuticals Philippines, his extensive background includes leadership roles at industry giants Johnson & Johnson, Janssen Pharmaceutica, and Bristol-Myers Squibb.

Jason received his B.Sc. in Organic Chemistry from Flinders University of South Australia and completed his Master of Business Administration in Technology Management from Deakin University. Jason has managed roles of increasing responsibility in operations (Pharmaceutical Production Management), sales & marketing (Specialist Medical Representative, Product Management, Sales & Marketing Management & Business Unit Director) and business development (Early Product Development Lead, Associate Director of Market Access, Associate Director of Asia Regional Business Development and Business Licensing & Acquisition). His first country leadership role was as General Manager of Janssen Pharmaceutica Philippines, followed by Managing Director of One J&J Vietnam (including additional responsibilities as SEA Board representative of Janssen Pharmaceuticals Asia-Pacific and SEA Marketing Director of Immunology & Oncology and Global Board membership of the J&J Sustainability Council).

He has expertise across pharmaceuticals, biologics, medical devices, OTC & consumer medicines and is considered to be a turnaround specialist and outstanding people leader. Within his most recent role, Jason built a strong leadership team that increased iNova Pharmaceuticals Philippines sales 3 fold during his 5 year tenure.

Directorships of other ASX Listed companies in the last 3 years: Island Pharmaceuticals Limited (ASX:ILA) appointed 2 July 2025.

Entropy Neurodynamics Limited
Directors' report
30 June 2026

Mr Chris Ntoumenopoulos - Non-Executive Director

B. Comm

Chris is the Managing Director at Twenty 1 Corporate, an Australian-based corporate advisory firm. He has extensive experience in financial markets, with over 20 years of raising capital and providing corporate advisory services. Additionally, he has served as a director of ASX listed companies for more than 7 years. Chris was a founding director of both ResApp Health Ltd (ASX:RAP), which was acquired by Pfizer, and Race Oncology (ASX:RAC).

Directorships of other ASX Listed companies in the last 3 years: TrivarX Limited (ASX:TRI) appointed 15 February 2023; Island Pharmaceuticals Limited (ASX:ILA) appointed 19 September 2024; Neuroscientific Biopharmaceuticals Limited (ASX:NSB) appointed 17 November 2023 - resigned 26 June 2025.

Mr Gage Jull - Non-Executive Director

B. Sc, MBA, PEng, CFA

Gage is Executive Chairman of Arrow Exploration, a TSX-V and London AIM listed oil and gas exploration and production Company (TSX-V; AIM: AXL). Arrow has grown production, cleaned up its balance sheet and is growing its cashflow. Prior to Arrow, Gage was a Co-Founder and Chairman of Bordeaux Capital Inc., a Toronto-based mergers & acquisitions advisory firm focused on emerging companies in the natural resources and other sectors. Gage is also a Director of Rize Oncology (formerly GeneTether Therapeutics), a cancer drug development company. Before Bordeaux Capital, Mr. Jull was a Managing Director, Corporate Finance at Mackie Research Capital Corp., an investment banking and securities brokerage firm. Mr Jull has acted as lead underwriter on numerous cross-border equity and debt offerings involving energy assets around the world, with capital sourced in Canada, the U.S. and the U.K. At Prudential Bache, Mr Jull was the lead banker on the \$40 million cross-border IPO of Quadra Logic Technologies, a Vancouver-based pharmaceutical company. He has completed over 200 financings and M&A transactions in the course of his career. Gage is Executive Chairman and CEO of Euromax Resources Limited a TSX-V listed mining company in North Macedonia with a Copper Gold deposit.

No directorship in other ASX listed companies in the last 3 years.

Dr Daniel Tillett - Non-Executive Director

BS Hons, PhD (Molecular Genetics & Biochemistry)

Dr Tillett is the CEO and founder of Nucleics Pty Ltd, a private Australian biotechnology company producing and selling world-leading DNA sequencing software to the genomics industry. Nucleics SAAS (software as a service) genomics tools are used in more than 30 countries and at over 250 companies and research institutions. Dr Tillett was a Senior Lecturer within the School of Pharmacy at La Trobe University where he taught and researched in the areas of pharmacy, phage therapy, virology, microbiology, bioinformatics and cancer. Dr Tillett's PhD on the molecular genetics and biochemistry of microcystin toxin production was awarded by the University of New South Wales in 2000. He has more than 40 scientific publications and granted patents in molecular biology, virology, microbiology, genetics and biochemistry.

Directorships of other ASX Listed companies in the last 3 years: Simble Solutions Ltd (ASX:SIS) appointed 16 February 2022 - resigned 3 July 2023; Racura Oncology (ASX:RAC) appointed 1 September 2024.

Meetings of directors

The number of meetings of the Group's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Attended	Held
Mr Jason Carroll	8	8
Mr Chris Ntoumenopoulos	8	8
Mr Gage Jull	8	8
Dr Daniel Tillett	5	8
Mr Herwig Janssen	8	8

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

Entropy Neurodynamics Limited
Directors' report
30 June 2026

The Board has not established a separate audit committee. The full Board carries out the duties that would ordinarily be assigned to the audit committee in accordance with the Audit and Risk Committee Charter. A copy of the Audit and Risk Committee Charter is available on the Company's website. The Board considers that the Company is not currently of a size, nor are its affairs of such complexity to justify having a separate audit committee.

Directors' shareholdings

The following relevant interests in shares and options of the Group or a related body corporate were held by the directors as at the date of this report:

Directors	Fully paid ordinary shares Number	Share options Number
Mr Chris Ntoumenopoulos	19,191,176	49,046,580
Mr Gage Jull	1,677,205	20,124,800
Mr Jason Carroll	62,500,000	81,142,190
Dr Daniel Tillett	67,000,000	47,250,000
Mr Herwig Janssen	37,913,795	24,375,000
	<u>188,282,176</u>	<u>221,938,570</u>

As at balance date, the Group had 1,681,699,875 fully paid ordinary shares and 703,194,528 share options.

Review of operations and significant changes in state of affairs

Entropy Neurodynamics Limited (ASX: ENP) ("Entropy" or "the Company"), formerly Tryptamine Therapeutics Limited (ASX: TYP), is a clinical-stage biotechnology company focused on developing novel treatments for the administration of psilocin in combination with psychotherapy to address diseases with unmet medical need.

The Company's lead program, TRP-8803, is a proprietary formulation of intravenously infused psilocin (IV-infused psilocin), the active metabolite of psilocybin. The platform is intended to address the significant limitations associated with oral psilocybin by enabling a faster onset, precise control over the depth and duration of the psychedelic experience, full reversibility and a shorter overall treatment period.

During FY26, the Company's principal operational focus was the translation of the safety and pharmacokinetic data generated in its Phase 1b study into a world-first patient study investigating the use of TRP-8803 as a treatment for Binge Eating Disorder (BED), while continuing to use TRP-8802, its oral synthetic psilocybin formulation, as a pathfinder program in selected indications.

Over the 12-month period to 30 June 2026, Entropy progressed the first patient trial of TRP-8803, reported further clinical findings from its TRP-8802 BED and Irritable Bowel syndrome (IBS) programs, expanded its intellectual property position, and strengthened its financial capacity. The Company also implemented a new name and ASX code to reflect its broader strategy in biomarker-guided neuropsychiatry.

TRP-8803 (IV-infused psilocin) clinical development:

Phase 2 Binge Eating Disorder trial commences with first patient dosing:

Following ethics approval and patient recruitment activities completed in late FY25, Entropy advanced its Phase 2 clinical study of TRP-8803 in treatment-resistant BED in collaboration with Swinburne University. Enrolment accelerated during the December 2025 quarter, with the first patient successfully dosed in December 2025, marking the first administration of the Company's proprietary IV-infused psilocin formulation in a patient population.

The study is designed to assess the safety, tolerability and therapeutic potential of two TRP-8803 infusions delivered alongside psychotherapy. The protocol builds on the controllability demonstrated in the Phase 1b healthy volunteer study, using IV infusion to directly control psilocin delivery and target a defined treatment experience rather than relying on the variable absorption and metabolism associated with oral psilocybin.

TRP-8803 has been designed to address several limitations associated with conventional oral psilocybin administration, including variability in onset, intensity and duration. Through precision-controlled IV delivery, Entropy is seeking to establish a more predictable, controllable and potentially scalable model for psychedelic-assisted therapy.

Repeat dosing demonstrates controlled and reproducible treatment profile:

The first patient completed a second TRP-8803 infusion in December 2025. In January 2026, the Company reported broad clinical improvement following treatment, providing an encouraging early signal and supporting continued progression of the study.

In April 2026, Entropy reported that TRP-8803 had produced a repeatable, high-intensity psychedelic experience across the participant's two dosing sessions. The reproducibility of the treatment experience provided further clinical evidence supporting a key objective of TRP-8803, which is enabling clinicians to more precisely control the onset, intensity and duration of psilocin exposure.

While these observations related to a single participant and preceded completion of the broader Cohort 1 dataset, they provided early validation of the treatment protocol in the target patient population.

Cohort 1 completed and DSMB endorses progression:

Cohort 1 enrolment was completed in March 2026, with all six participants completing dosing by June 2026. This enabled the independent Data and Safety Monitoring Board (DSMB) to review the available safety data before progression to the next stage of the study.

On 15 June 2026, Entropy advised that the DSMB had endorsed progression to Cohort 2, representing an important clinical and safety milestone for TRP-8803. At 30 June 2026, the Company was progressing Cohort 2 while completing follow up and analysis of Cohort 1.

TRP-8802 (oral psilocybin) clinical pathfinder programs:

Sustained Phase 2a BED results support TRP-8803 development:

In January 2026, Entropy reported sustained outcomes from its Phase 2a study of TRP-8802 in BED, undertaken at the University of Florida. The study, completed in FY22, demonstrated an average reduction in binge-eating episodes of greater than 80%, with follow-up data reported during FY26 providing further evidence of the durability of the clinical response.

The findings continued to provide an important clinical foundation for advancing BED as the lead indication for TRP-8803.

The TRP-8802 BED program is intended to serve as a clinical pathfinder, using evidence of response to orally administered psilocybin to guide indication selection and future study design. TRP-8803 is being developed to build on these findings through greater control and consistency of psilocin exposure, with the potential to improve safety, treatment delivery and the commercial scalability of psychedelic-assisted therapy.

Encouraging Phase 2a results support IBS development opportunity:

The Company's Phase 2a study of TRP-8802 in patients with Irritable Bowel Syndrome (IBS) was conducted in collaboration with Massachusetts General Hospital. In May 2026, Entropy reported that 75% of treatment-resistant IBS patients achieved a clinically meaningful response, including improvements in abdominal pain and anxiety.

The findings extended encouraging interim observations reported in the prior year and provided further clinical support for IBS as a potential future indication for TRP-8803.

The exploratory study involved a limited patient population and was designed to inform subsequent development rather than establish efficacy for regulatory approval. Entropy intends to use the clinical data, together with its developing intellectual property position, to inform the design and prioritisation of future clinical development using TRP-8803.

Biomarker and intellectual property development:

EEG-based brain entropy biomarker platform:

In August 2025, Entropy entered into an exclusive biomarker development agreement with Professor Robin Carhart-Harris, Chair of the Company's Scientific Advisory Board, and Professor Pedro Mediano of Imperial College London to develop a proprietary electroencephalogram (EEG)-based biomarker platform.

The program builds on the Entropic Brain Hypothesis and is intended to use measures of cortical entropy to help predict and optimise therapeutic outcomes before, during and after TRP-8803 administration. The longer-term objective is to integrate machine-learning methods with closed-loop EEG monitoring to provide quantitative information that could assist patient selection, treatment monitoring and potentially real-time optimisation of dosing towards a targeted neuroplasticity window.

The program complements Entropy's precision-controlled IV delivery platform and forms part of its broader strategy to develop a more measurable, predictable and personalised approach to psychedelic-assisted therapy. Further technical, clinical and regulatory validation is required.

Intellectual property portfolio strengthened:

In February 2026, the Company was granted an Australian patent covering aspects of the TRP-8803 platform, with protection extending to 2042. The patent strengthened Entropy's IP position around its IV dosing approach and complemented the proprietary clinical and pharmacokinetic data generated through the Phase 1b program.

In May 2026, Entropy filed a new United States patent application relating to its IBS program, seeking protection around aspects of the use of the Company's technology in IBS. The application followed the encouraging clinical signal generated through the TRP-8802 Phase 2a study and forms part of Entropy's strategy to build indication-specific intellectual property around potential future applications of TRP-8803.

Patent applications remain subject to examination and there can be no assurance that patents will be granted with the scope sought.

Corporate and funding activities:

Corporate identity:

Shareholders approved the change of the Company's name from Tryptamine Therapeutics Limited to Entropy Neurodynamics Limited at the 2025 Annual General Meeting. The change took effect in November 2025, with the Company's ASX code changing from TYP to ENP.

The new identity reflects the evolution of the Company's strategy beyond conventional psychedelic drug development towards a precision-controlled therapeutic platform combining IV psilocin delivery with biomarker-guided approaches to neuropsychiatric treatment.

Funding:

During FY26, Entropy strengthened its funding position to support continued clinical development and manufacturing of TRP-8803.

In August 2025, the Company entered into an R&D loan facility with Rockford Equity Pty Ltd for up to \$2.6m, secured against projected FY26 research and development activities.

During the December 2025 quarter, Entropy completed a placement raising approximately \$6.1m. The Company also received \$846,693 under the Australian Government's R&D Tax Incentive in December 2025 and approximately \$1.75m in March 2026 in relation to its FY25 claim, providing additional non-dilutive funding.

In June 2026, the Company lodged a short-form prospectus and related securities notices, principally to facilitate the quotation and cleansing of securities.

Outlook

Entropy enters FY27 with its lead TRP-8803 program having generated encouraging initial safety and efficacy results in treatment-resistant BED and with a significantly expanded clinical development pathway now established.

The immediate priority is to progress Cohort 2 under the DSMB-endorsed 60-minute infusion protocol, complete participant follow-up and analysis and report final Phase 2 BED study results during the fourth quarter of CY2026. The complete dataset is expected to inform subsequent clinical development, regulatory engagement and potential partnering opportunities.

In parallel, the HREC-approved 72-patient basket study provides a capital-efficient framework to evaluate TRP-8803 across eight disorders within a single clinical program. Entropy intends to use the study to expand the TRP-8803 safety database, generate indication-specific clinical signals and identify areas where the platform may demonstrate the strongest clinical and commercial potential for further development.

The Company will also continue development of its EEG-based brain entropy biomarker program alongside TRP-8803. The longer-term objective is to combine precision-controlled IV delivery of psilocin with quantitative biomarkers that may assist patient selection, dosing and treatment monitoring, although further technical, clinical and regulatory validation is required.

Following the Australian psilocin crystalline forms patent and South African fibromyalgia patent grants subsequent to year end, Entropy will continue to build its intellectual property portfolio across the TRP-8803 platform, pharmaceutical composition and selected indications.

Collectively, these activities are intended to advance TRP-8803 as a precision-controlled psychedelic therapy platform with the potential to provide a more predictable, controllable and commercially scalable treatment model across multiple areas of unmet medical need.

Events subsequent to the end of the period

Highly encouraging Phase 2 Cohort 1 BED results following use of TRP-8803:

On 7 July 2026, Entropy announced topline safety and efficacy results from the six patients in Cohort 1 of its Phase 2 study of TRP-8803 in treatment-resistant BED.

All six participants achieved a clinically meaningful response, defined as an improvement of at least 30% from baseline, while three achieved complete clinical remission, defined as no binge-eating episodes during the four weeks following treatment.

Across Cohort 1, weekly binge-eating episodes reduced by 74% and Binge Eating Scale scores reduced by 58%. Anxiety scores reduced by 58% and depression scores by 57%, while life-satisfaction scores improved by 63% and Clinical Global Impression scores improved by 33%.

Importantly, the results provided further evidence supporting the differentiated treatment profile of TRP-8803. Treatment demonstrated an onset of approximately 20 minutes, predictable intensity and controlled offset, reinforcing the potential benefits of precision-controlled IV delivery compared with conventional oral psilocybin administration.

TRP-8803 was generally well tolerated and the independent DSMB endorsed progression to Cohort 2 using the protocol-specified 60-minute infusion regimen without modification.

Cohort 2 was fully enrolled at the date of the announcement, with baseline measurement expected to commence in July 2026, dosing expected to begin in August 2026 and final Phase 2 BED study results targeted for the fourth quarter of CY2026.

The Cohort 1 findings represent encouraging early clinical results from a small patient cohort and will require confirmation through the remaining participants and subsequent clinical development.

Additional Australian and South African patents granted:

On 10 July 2026, the Australian Patent Office granted Australian Standard Patent No. 2023343417, *Psilocin Crystalline Forms*. The patent provides composition-of-matter protection over proprietary crystalline forms of psilocin, including salt and cocrystal forms intended to improve stability, solubility and other pharmaceutical properties. Claims also extend to manufacturing methods, pharmaceutical formulations and therapeutic use across a range of 5-HT_{2A} receptor-mediated disorders. Subject to payment of renewal fees, the patent is expected to remain in force until September 2043.

On 20 July 2026, Entropy announced the grant of South African Patent No. 2025/01722, *Methods of Treating Fibromyalgia with Compositions Comprising Psilocybin*. The patent covers methods of treating fibromyalgia using psilocybin and psilocin-based treatments, including dosing regimens, patient-selection criteria, clinical protocols, biomarkers, outcome measures, integration therapy and manufacture. Subject to annual renewal fees, protection extends to 11 September 2043.

Together, the grants broaden Entropy's intellectual property position across its underlying psilocin platform and potential indication-specific applications

Appointment of Joint Company Secretary:

On 24 July 2026, the Company appointed Ms Meghna Piplani as Joint Company Secretary alongside Mr Hamish George. Ms Piplani has more than 11 years of legal and governance experience with public and private companies in Australia and internationally. Mr George remains responsible for communications with ASX under Listing Rule 12.6.

HREC approval for 72-patient multi-indication TRP-8803 basket study:

On 4 August 2026, Entropy announced Human Research Ethics Committee (HREC) approval for a Phase 1b/2a multi-indication basket study of TRP-8803 and execution of a Clinical Trial Research Agreement with Swinburne University.

The study represents a significant expansion of the TRP-8803 clinical development program, providing a framework to evaluate the platform across multiple disorders with significant unmet treatment needs within a single clinical protocol.

The open-label study is expected to enrol 72 participants across nine cohorts and evaluate TRP-8803 across eight disorders: Anorexia Nervosa, Body Dysmorphic Disorder, Fibromyalgia, Generalised Anxiety Disorder, Irritable Bowel Syndrome, Post-Traumatic Stress Disorder, Obsessive Compulsive Disorder and Treatment-Resistant Major Depressive Disorder. Treatment-resistant depression will be assessed across two distinct cohorts comprising participants receiving stable antidepressant therapy and those not receiving antidepressant treatment.

The indications were selected based on existing scientific and clinical evidence supporting the potential therapeutic effects of psychedelic compounds, together with areas of significant unmet medical need and shared neurobiological mechanisms that may be amenable to precision-controlled psychedelic therapy.

Participants will receive two TRP-8803 doses approximately two weeks apart alongside structured psychedelic-assisted psychotherapy. The primary endpoint is safety, with secondary and exploratory endpoints assessing anxiety, quality of life, disease-specific symptoms and broader patient-reported outcomes. The protocol also incorporates MRI, functional MRI, EEG, speech analysis and qualitative interviews.

Recruitment was expected to commence following completion of remaining regulatory and site-governance requirements, with first dosing targeted for the September 2026 quarter and dosing in one or more initial cohorts anticipated before the end of CY2026.

Pre-Clinical Trial Agreement with the University of California, San Francisco (UCSF):

On 26 August 2026, the Company announced it had entered into a pre-Clinical Trial Agreement with the University of California, San Francisco (UCSF) to develop a proposed Phase 2 clinical trial evaluating TRP-8803 against escitalopram in patients with Major Depressive Disorder.

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

Entropy Neurodynamics Limited
Directors' report
30 June 2026

Finance and Accounting

Principal Activities

The principal activity of the Group during the year continued to be investment in biopharmaceutical drug development.

The loss for the year ended 30 June 2026 of the Group after providing for income tax amounted to \$4,869,067 (30 June 2025: \$5,332,421).

Dividends

No dividends have been paid or declared since the start of the financial year and the Board does not recommend the payment of a dividend in respect of the current financial year.

Likely developments and expected results

The information regarding likely developments in the operations of the Group in future financial years are disclosed to the extent that it is not likely to result in unreasonable prejudice to the Group in this report.

Environmental legislation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Indemnification and insurance of Directors, Officers and Auditor

During the financial year, the Group paid a premium in respect of a contract insuring the directors of the Group (as named above), the Group secretary and all executive officers of the Group and of any related body corporate against a liability incurred as such a director, secretary or executive officer 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.

The Group has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Group or of any related body corporate against a liability incurred as such an officer or auditor.

Company secretary

Mr Hamish George - BCom, CA, GIA(Cert)

Mr George is a Director at Bio101 Financial Advisory ('Bio101'), a financial services firm providing outsourced CFO, transaction advisory and company secretarial solutions to the biotechnology and healthcare sector. He has over 10 years of finance and company secretarial experience working with public and private companies in Australia and abroad. Mr George currently serves as CFO and Company Secretary for several ASX-listed, private companies and not-for-profits. He holds a Bachelor of Commerce from the University of Melbourne, a Masters Degree in Professional Accounting from RMIT, a Certificate in Governance Practice from the Governance Institute of Australia and is a qualified Chartered Accountant.

Ms Meghna Piplani FGIA, FCG (Appointed 24 July 2026)

Ms Piplani is employed at Bio101 Financial Advisory ('Bio101'), a financial services firm providing outsourced CFO, transaction advisory, and company secretarial solutions to the Healthcare sector. She is a Chartered Governance Professional with over 11 years of legal and governance experience with public and private companies in Australia and abroad. She holds a Bachelor of Law, a Masters Degree in Business Policy and Corporate Governance and a Graduate Diploma of Applied Corporate Governance and Risk Management. She is a Fellow of the Governance Institute of Australia and the Chartered Governance Institute.

Proceedings on behalf of the Group

There are no proceedings on behalf of the Group.

Auditor Independence

Section 307C of the Corporations Act 2001 requires our auditors, BDO Audit Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out following the Directors' report for the year ended 30 June 2026.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 11 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 11 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

Business Risks

The Group recognises the material business risks that are relevant to its activities and takes appropriate actions to manage those risks. The Board is responsible for overseeing and approving the Company's risk management framework (for both financial and non-financial risks) including its strategy, plans, policies, procedures and systems and adopting and approving a risk appetite statement within which the Board expects management to operate. The Group regularly reviews its risks and their mitigation strategies, so that it can support the delivery of its purpose and strategy and respond to challenges faced by the Group's businesses and the psychedelic industry.

Outlined below are the Group's material business risks:

(a) New Industry

The Group operates in the psychedelic industry and there is no assurance that the industry and market will continue to exist and grow as currently estimated or anticipated or function and evolve in the manner consistent with management's expectations and assumptions. Any event or circumstance that adversely affects the psychedelic industry and market could have a material adverse effect on the Group's business, financial condition and results of operations. The psychedelic market will face specific marketing challenges given the products' status as a controlled substance which resulted in past and current public perception that the products have negative health and lifestyle effects and have the potential to cause physical and social harm due to psychoactive and potentially addictive effects.

(b) Other clinical trials or studies

From time to time, studies or clinical trials on various aspects of biopharmaceutical products are conducted by academic researchers, competitors or others. The results of these studies or trials, when published, may have a significant effect on the market for the biopharmaceutical products that are the subject of the study. The publication of negative results of studies or clinical trials or adverse safety events related to the Group's drug candidates, or the therapeutic areas in which the Group's drug candidates compete, could adversely affect the Group's share price and ability to finance future development of the Group's drug candidates, and could materially and adversely affect the Group's business and financial results.

(c) Manufacturing risks

The Group's products may be subject to product quality risks. Risks are involved in the ability to translate the technology into a solution that provides the expected quality of product in a cost-effective manner to support the price needed to make an impact in the marketplace.

(d) Regulatory approval

All of the Group's target indications will require additional development, clinical trials, and regulatory clearances before they can be commercialised. Positive results obtained during early development do not necessarily mean later development will succeed or that regulatory clearances will be obtained. The Group's drug development efforts may not lead to commercial drugs, either because the Group's drug candidates are not deemed safe and effective, because of competitive or market forces, intellectual property issues or because the Group has inadequate financial or other resources to advance its drug candidates through the clinical development and approval processes. If any of the Group's drug candidates fail to demonstrate safety or efficacy at any time or during any phase of development, the Group would experience potentially significant delays in, or be required to abandon, development of the drug candidate.

The Group does not anticipate that any of its current drug candidates will be eligible to receive regulatory approval from the FDA, the EMA, the TGA or comparable foreign authorities and begin commercialisation for a number of years, if ever. Even if the Group ultimately receives regulatory approval for any of these drug candidates, the Group or its potential future partners, if any, may be unable to commercialise them successfully for a variety of reasons. These include, for example, the availability of alternative treatments, lack of cost-effectiveness, the cost of manufacturing the drug on a commercial scale and competition with other drugs. The success of the Group's drug candidates may also be limited by the prevalence and severity of any adverse side effects. If the Group fails to commercialise one or more of its current drug candidates, the Group may be unable to generate sufficient revenues to attain or maintain profitability, and its financial condition may decline. The Group has never commercialised a drug candidate before and may lack the necessary expertise, personnel and resources to successfully commercialise its therapies on its own or with suitable collaborators.

(e) Regulatory compliance

In the United States, psilocybin and its active metabolite, psilocin, are listed by the Drug enforcement Administration ("DEA") as "Controlled Substances" or scheduled substances, under the Comprehensive Drug Abuse Prevention and Control Act of 1970, also known as the Controlled Substances Act, or CSA, specifically as a Schedule I substance. The DEA regulates chemical compounds as Schedule I, II, III, IV or V substances. Schedule I substances by definition have a high potential for abuse, have no currently "accepted medical use" in the United States, lack accepted safety for use under medical supervision, and may not be prescribed, marketed or sold in the United States. Pharmaceutical products approved for use in the United States may be listed as Schedule II, III, IV or V, with Schedule II substances considered to present the highest potential for abuse or dependence and Schedule V substances the lowest relative risk of abuse among such substances. Schedule I and II drugs are subject to the strictest controls under the CSA, requiring manufacturing and procurement quotas, security requirements and criteria for importation. In addition, dispensing of Schedule II drugs is further restricted. For example, they may not be refilled without a new prescription and may have a black box warning. Further, most, if not all, state laws in the United States classify psilocybin and psilocin as Schedule I controlled substances. For any product containing psilocybin to be approved for commercialisation in the United States, psilocybin and psilocin must be rescheduled, or the product itself must be scheduled, by the DEA to Schedule II, III, IV or V. Commercial marketing in the United States will also require scheduling-related legislative or administrative action.

Scheduling determinations by the DEA are dependent on Food and Drug Administration ("FDA") approval of a substance or a specific formulation of a substance. Therefore, while psilocybin and psilocin are currently Schedule I controlled substances, products approved by the FDA for medical use in the United States that contain psilocybin or psilocin should be placed in Schedules II-V, since approval by the FDA satisfies the "accepted medical use" requirement. If and when drug candidates receive FDA approval, the Company anticipates that the DEA will make a scheduling determination and place it in a schedule other than Schedule I in order for it to be prescribed to patients in the United States. This scheduling determination will be dependent on FDA approval and the FDA's recommendation as to the appropriate schedule. During the review process, and prior to approval, the FDA may determine that it requires additional data, either from non-clinical or clinical studies, including with respect to whether, or to what extent, the substance has abuse potential. This may introduce a delay into the approval and any potential rescheduling process. That delay would be dependent on the quantity of additional data required by the FDA. This scheduling determination will require DEA to conduct notice and comment rule making including issuing an interim final rule. Such action will be subject to public comment and requests for hearing which could affect the scheduling of these substances. There can be no assurance that the DEA will make a favourable scheduling decision. Even assuming classification as a Schedule II or lower controlled substance (i.e., Schedule II, III, IV or V), at the federal level, such substances would also require scheduling determinations under state laws and regulations.

If approved by the FDA, and if the finished dosage form of any drugs that are based on the Company's PFN™ program are listed by the DEA as a Schedule II, III, or IV controlled substance, their manufacture, importation, exportation, domestic distribution, storage, sale and legitimate use will continue to be subject to a significant degree of regulation by the DEA. In addition, the scheduling process may take significantly longer than the 90-day deadline set forth in the CSA, thereby delaying the launch of the Group's PFN™ program drugs in the United States. Furthermore, the FDA, DEA, or any foreign regulatory authority could require the Company to generate more clinical or other data than the Company currently anticipates to establish whether or to what extent the substance has an abuse potential, which could increase the cost and/or delay the launch of drugs that are based on the Group's PFN™ program therapies. In addition, therapeutic candidates containing controlled substances are subject to DEA regulations relating to manufacturing, storage, distribution, and physician prescription procedures.

(f) Contractual risk

Any dispute or breakdown in the relationship between the Group and counterparties to its contract could adversely impact the business. Due to the nature of the Group's business and the fact that the Group's contracts involve psilocybin, the Group may face difficulties in enforcing its contracts. The inability to enforce any of the Group's contracts could have a material adverse effect on the Group's business, operating results, financial condition or prospects.

(g) Sponsor obligation and review of clinical studies

The Group is required to ensure that the investigators engaged to conduct a clinical study are appropriately qualified and must provide them with the information they need to conduct and monitor the study properly. The Group is required to notify the FDA and all investigators to whom the Group is providing investigational drug under its IND of potential serious risks from clinical trials or any other source. Such information is notified to FDA in an IND safety report, which must be submitted no later than 15 calendar days after it is determined that the information qualifies for reporting. There is a risk that such reports may contain adverse findings which may negatively affect the Group's ability to continue to develop and eventually commercialise its products.

A sponsor of a clinical study may not initiate such a study until the institutional review board (IRB) attached to the study site has reviewed and approved the study. There is a risk that the IRB may reject the Group's applications for future clinical studies.

(h) Development and commercialisation

To receive regulatory approval for the commercialisation of any drug candidates that the Group may develop, adequate and well-controlled clinical trials must be conducted to demonstrate safety and efficacy in humans to the satisfaction of the FDA, the EMA, the Therapeutics Goods Administration ("TGA") and comparable foreign authorities. In order to support marketing approval, these agencies typically require successful results in one or more Phase 3 clinical trials, which the Group's current drug candidates have not yet reached and may never reach. The development process is expensive, can take many years and has an uncertain outcome. Failure can occur at any stage of the process. The Group may experience numerous unforeseen events during, or as a result of, the development process that could delay or prevent approval and commercialisation of the Group's current or future drug candidates.

(i) Development pipeline

A key element of the Group's strategy is to build a pipeline of novel indications for the treatment of rare diseases and diseases with high unmet medical needs, including through the use of the Group's PFN™ program, and progress those drug candidates through clinical development. Even if the Group is successful in building a drug candidate pipeline, the potential drug candidates that the Group identifies may not be suitable for clinical development for a number of reasons, including causing harmful side effects or demonstrating other characteristics that indicate a low likelihood of receiving marketing approval or achieving market acceptance. If the Group's methods of identifying potential drug candidates fails to produce a pipeline of potentially viable indications, then the Group's success as a business will be dependent on the success of fewer potential drug candidates, which introduces risks to the Group's business model and potential limitations to any success the Group may achieve.

(j) Risks associated with psilocin and psilocybin

All medicines carry risks and specialist prescribers, such as registered psychiatrists are best placed to assess the suitability of a new medication against a patient's individual circumstances and medical history before proceeding. Adverse effects of psilocybin can include temporary increase in blood pressure and a raised heart rate. There may be some risk of psychosis in predisposed individuals. These effects of psilocybin are unlikely at low doses and in the treatment regimens used in psychedelic-assisted psychotherapy and appropriately managed in a controlled environment with direct medical supervision.

(k) Key personnel risk

The Group depends on certain key personnel and the departure of any of them may lead to disruptions of customer relationships or delays in the manufacturing and product development efforts in respect to the Group's intellectual property.

(l) Intellectual property risk

The Group undertakes measures to protect its patents, know how commercially sensitive information and intellectual property, however, no assurance can be given that employees or third parties will not breach confidentiality agreements or infringe or misappropriate the Group's patents, know how or commercially sensitive information.

(m) Technology risk

The Group's market involves rapidly evolving products and technological change. To succeed, the Group will need to research, develop, design, manufacture, assemble, test, market and support substantial enhancements to its existing products, new products and technology, on a timely and cost-effective basis. The Group cannot guarantee that it will be able to engage in research and development at the requisite levels. The Group cannot assure investors that it will successfully identify new technological opportunities and continue to have the needed financial resources to develop new products in a timely or cost-effective manner. At the same time, products and technologies developed by others may render the Group's products and systems obsolete or non-competitive.

(n) Foreign exchange risk

Foreign exchange risks arise from the Group entering into commercial transactions that are denominated in currencies other than Australian dollars. The Group will be exposed to foreign currency risk through its international operations where it receives a significant portion of its revenue from customers in foreign currency, primarily being in Canadian dollars. Foreign exchange movements may decrease the Australian dollar returns of such operations.

(o) Future capital requirements

The Group is generally loss making and the Group will require substantial additional financing in the future to sufficiently fund its operations, research and development, manufacturing and clinical trials. Any additional equity financing may be dilutive to shareholders (who may not have the opportunity to participate in that raising) and may be undertaken at lower prices than any prior offer prices.

Should the Group require additional funding, there can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to obtain additional financing, if required, would have a material adverse effect on the Group's business, financial condition and results of operations. The Group's actual cash requirements may vary from those now planned and will depend upon many factors, including the continued progress of its research and development programs, the timing, costs and results of clinical trials, the cost timing and outcome of submissions for regulatory approval and the status and timing of competitive developments.

(p) General economic conditions

The operating and financial performance of the Group is influenced by a variety of general economic and business conditions, including levels of consumer spending, commodity prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on the Group's operating and financial performance and financial position. The Group's future possible revenues and share prices may be affected by these factors, which are beyond the control of the Group.

(q) Changes in government policies and legislation

Any material adverse changes in government policies or legislation of Australia or any other country that the Group may acquire economic interests in may affect the viability and profitability of the Group.

(r) Litigation risk

The Group is exposed to possible litigation risks including regulatory, intellectual property and employee claims. Further, the Group may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Group's operations, financial performance and financial position.

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Group is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Group.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 relating to the 'rounding off' of amounts in the Directors' Report and, in accordance with that instrument, amounts in the Directors' Report have been rounded off to the nearest dollar.

Entropy Neurodynamics Limited
Directors' report
30 June 2026

Remuneration report (audited)

Introduction

This remuneration report, which forms part of the Directors' report, sets out information about the remuneration of Entropy Neurodynamics Limited's key management personnel ('KMP') for the financial year ended 30 June 2026. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act of 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group, which incorporates both the accounting entity and legal entity for the full period.

Key Management Personnel (KMP)

Entropy Neurodynamics Limited's KMP include all Non-executive Directors as listed below and those executives who are deemed to have authority and responsibility for planning, directing and controlling the major activities of Entropy. The table below outlines the KMP of Entropy and their movements during the year:

Directors	Position	Term as KMP
Mr Jason Carroll	CEO and Managing Director	Full Financial Year
Mr Chris Ntoumenopoulos	Executive Director	Full Financial Year
Mr Gage Jull	Non-Executive Director	Full Financial Year
Dr Daniel Tillett	Non-Executive Director	Full Financial Year
Mr Herwig Janssen	Non-Executive Chairman	Full Financial Year

Executives	Position	Term as KMP
Jim Gilligan	President and Chief Scientific Officer	Full Financial Year

Remuneration Policy

The Board of Directors is committed to transparent disclosure of its remuneration strategy and this report details the Group's remuneration objectives, practices and outcomes for KMP, which includes Directors and senior executives, for the year ended 30 June 2026. Any reference to "Executives" in this report refers to KMPs who are not Non-Executive Directors.

Remuneration Policy Framework

The Group's remuneration policy is to assist the Group to attract and retain key people to assist the development of its products and entering into partnership transactions. It has been designed to reward key management and employees fairly and responsibly in accordance with the market in which the Group operates, and to ensure that the Group:

- Provides competitive remuneration that attracts, retains and motivates executives and employees;
- Benchmarks remuneration against appropriate peer groups;
- Provides a level of remuneration structure to reflect each executive's respective duties and responsibilities;
- Aligns executive incentive rewards with the creation of value for shareholders; and
- Complies with legal requirements and appropriate standards of governance.

Remuneration Committee

The Board has not implemented a separate Remuneration Committee during the year. Due to the size of the Group and the fact there are only five directors on the board, this has been the responsibility of the whole Board.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive Director and executive remuneration is separate and distinct.

Policy for Executive Remuneration

The Group maintains its existing performance management procedures for key management personnel by having each key manager undertake an annual performance appraisal with the Chief Executive Officer based on individual and business performance expectations and other circumstances. The Chief Executive Officer's performance is in turn reviewed by the Board of Directors.

The Group's remuneration policy is to provide a fixed remuneration component and a short-term and variable long-term performance-based component. The Board believes that this remuneration policy is appropriate in aligning executives' objectives with shareholder and business objectives. Executive Remuneration consisted of only Fixed and Variable Remuneration during the year.

Remuneration Components

Fixed Remuneration

Fixed remuneration consists of based salaries, as well as employer contributions to superannuation funds and other non-cash benefits. Fixed remuneration was reviewed by Board of Directors having regard to remuneration paid to executives of relevant comparable peer group of companies taking into account Group and individual performance. The Group sought to position its fixed remuneration in line with comparably sized ASX listed companies within the same sector. Size is determined by market capitalisation at the time of comparison. Executives receive an employer superannuation contribution made into a complying superannuation fund at the required Superannuation Guarantee rate of base salary.

Variable Remuneration

Short term incentives are payable to Executives based upon the attainment of agreed corporate and individual milestones and are reviewed and approved by the Board of Directors. During the year ended 30 June 2026, a bonus of \$62,500 was approved and accrued (30 June 2025: \$62,500).

Executives are issued with equity instruments as Long Term Incentives (LTI) in a manner that aligns this element of remuneration with the creation of shareholder wealth. LTI grants are made to Executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the creation of shareholder wealth.

In considering the Group's performance and benefits for shareholder wealth, the Board have regard to the achievement of corporate and clinical milestones, including indices such as:

- Change in share price: the Company's change in share price from 30 June 2025 to 30 June 2026 was an increase of 0.2 cents.

Given the current stage of development of the Group's intellectual property, performance factors such as dividends, income growth and return of capital have not been formally considered.

Policy for and Components of Non-Executive Remuneration During the Reporting Period

Remuneration Policy

Non-Executive Director Fees

The overall level of annual Non-Executive Director fees was approved by shareholders in accordance with the requirements of the Group's Constitution and the Corporations Act. The maximum aggregate pool of Directors' fees payable to all of the Group's Non-Executive Directors is \$500,000 per annum. This aggregate amount was approved by shareholders at a General Meeting of Shareholders 25 November 2021.

Remuneration Structure

Non-Executive Directors receive a fixed remuneration of base fees plus statutory superannuation. The Chairman receives \$100,000 per annum and the non-executive Directors receives \$72,000 per annum, aside from Gage Jull who receives \$48,000 per annum, which includes statutory superannuation. These fees cover main board activities only.

Non-Executive Directors may receive additional remuneration for other services provided to the Group. Non-Executive Directors are issued with equity instruments as Long Term Incentives (LTI) in a manner that aligns this element of remuneration with the creation of shareholder wealth. LTI grants are made to Non-Executive Directors who are able to influence the generation of shareholder wealth and thus have a direct impact on the creation of shareholder wealth.

In addition to these fees, Non-Executive Directors are entitled to reimbursement of reasonable travel, accommodation and other expenses incurred in attending meetings of the Board, committee or shareholder meetings whilst engaged by Entropy. Non-Executive Directors do not earn retirement benefits other than superannuation and are not entitled to any compensation on termination of their directorships.

Remuneration Governance Including Use of Remuneration Consultants

The Board is responsible for ensuring Entropy's remuneration strategy is aligned with Group's performance and shareholder interests and is equitable for participants. The Board is responsible for reviewing and making decisions on remuneration matters. The Board may, from time to time, review advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

Remuneration of KMP

Details of the nature and amount of each element of the emoluments received by or payable to each of the KMP of Entropy Neurodynamics Limited for the financial years specified are as follows:

	Short-term benefits	Short-term benefits	Short-term benefits	Post employment benefits	Other benefits	Long-term benefits	Share based payment s	Share based payments	Proportion of remunerat ion	
	Salary & Fees	Bonus Payments	Other Monetar y	Superan nuation	Annual Leave	Long Service Leave	Shares in Lieu of Fees	Equity- settled options	performan ce related	Total
2026	\$	\$	\$	\$	\$	\$	\$	\$	%	\$
Directors										
Mr Jason Carroll	250,000	62,500	30,406	30,000	18,413	2,500	-	52,997	25.85%	446,816
Mr Gage Jull	42,857	-	-	5,143	-	-	-	26,366	35.45%	74,366
Mr Chris Ntoumenopoulos	125,000	-	-	15,000	10,828	400	-	47,079	23.74%	198,307
Dr Daniel Tillett	64,286	-	-	7,714	-	-	-	49,619	40.80%	121,619
Mr Herwig Janssen	-	-	-	-	-	-	100,000	26,366	20.86%	126,366
Other KMP										
Mr Jim Gilligan	300,818	-	-	-	1,601	-	-	-	-	302,419
	<u>782,961</u>	<u>62,500</u>	<u>30,406</u>	<u>57,857</u>	<u>30,842</u>	<u>2,900</u>	<u>100,000</u>	<u>202,427</u>		<u>1,269,893</u>

Entropy Neurodynamics Limited
Directors' report
30 June 2026

	Short-term benefits	Short-term benefits	Short-term benefits	Post employ- ment benefits	Other benefits	Long- term benefits	Share based payment s	Proportion of remuneratio n performance related %	Total \$
	Salary & Fees ⁶ \$	Bonus Payments ⁶ \$	Non- monetary \$	Superan- nuation \$	Annual Leave \$	Long Service Leave \$	Equity- settled \$		
2025									
Directors									
Mr Jason Carroll	250,000	62,500	32,219	29,932	10,821	398	17,073	19.75%	402,943
Mr Gage Jull	43,049	-	-	4,951	-	-	-	-	48,000
Mr Chris Ntoumenopoulos ⁵	92,628	-	-	2,027	1,526	13	13,279	12.13%	109,473
Dr Daniel Tillett ⁶	41,614	-	-	4,786	-	-	6,498	12.28%	52,898
Mr Herwig Janssen ⁷	12,286	-	-	1,413	-	-	-	-	13,699
Mr Clarke Barlow ³	26,906	-	-	3,094	-	-	-	-	30,000
Mr Mark Davies ¹	70,628	-	-	8,122	-	-	-	-	78,750
Mr Peter Molloy ⁴	62,645	-	-	7,205	-	-	-	-	69,850
Other KMP									
Mr Jim Gilligan	360,981	-	-	-	14,559	-	-	-	375,540
Mr Jim O'Neill ²	32,617	-	-	-	-	-	-	-	32,617
	<u>993,354</u>	<u>62,500</u>	<u>32,219</u>	<u>61,530</u>	<u>26,906</u>	<u>411</u>	<u>36,850</u>		<u>1,213,770</u>

¹ Resigned 12 May 2025.

² Resigned 1 September 2024.

³ Resigned 8 November 2024.

⁴ Transitioned to Non-Executive Director on 23 September 2024. Resigned 8 November 2024.

⁵ Transitioned to Executive Director on 12 May 2025.

⁶ Appointed 8 November 2024.

⁷ Appointed 12 May 2025.

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

Name	Fixed remuneration 2026	Fixed remuneration 2025	Performance related remuneration 2026	Performance related remuneration 2025
Directors:				
Mr Jason Carroll	74%	80%	26%	20%
Mr Gage Jull	64%	100%	36%	-
Mr Chris Ntoumenopoulos	76%	88%	24%	12%
Dr Daniel Tillett	59%	88%	41%	12%
Mr Herwig Janssen	79%	100%	21%	-
Other KMP:				
Mr Jim Gilligan	100%	100%	-	-

Key terms of employment contracts

Mr Chris Ntoumenopoulos

On 12 May 2025, Chris Ntoumenopoulos was appointed as Executive Director and has continued in this role with the following key terms and conditions:

- Remuneration of \$125,000 per annum exclusive of superannuation for his role as Executive Director.
- Term of agreement – employment may be terminated by either party giving one month's notice.

Entropy Neurodynamics Limited
Directors' report
30 June 2026

Mr Gage Jull

On 1 May 2024, Gage Jull was appointed as Non-Executive Director and has continued in this role with the following key terms and conditions:

- Term of agreement – monthly until termination by the Company or until the next AGM.
- No entitlement to any compensation or damage or payment of any further director's fees for any period after termination.
- Remuneration of \$48,000 per annum (inclusive of superannuation).

Mr Jason Carroll

On 1 May 2024, Jason Carroll was appointed as Chief Executive Officer and has continued in this role with the following key terms and conditions:

- Remuneration of \$250,000 per annum exclusive of superannuation and short-term incentives of up to 25% base salary subject to any necessary Shareholder approval and Board's discretion.
- Term of agreement – employment may be terminated by either party giving three month's notice.

Dr Daniel Tillett

On 8 November 2024, Daniel Tillett was appointed as Non-Executive Director and has continued in this role with the following key terms and conditions:

- Term of agreement - monthly until termination by the Company or until the next AGM.
- No entitlement to any compensation or damage or payment of any further director's fees for any period after termination.
- Remuneration of \$72,000 per annum (inclusive of superannuation).

Mr Herwig Jasson

On 12 May 2025, Herwig Jasson was appointed as Non-Executive Chair and has continued in this role with the following key terms and conditions:

- Term of agreement - monthly until termination by the Company or until the next AGM.
- No entitlement to any compensation or damage or payment of any further director's fees for any period after termination.
- Remuneration of \$100,000 per annum (inclusive of superannuation).

Mr Jim Gilligan

On 1 May 2024, Jim Gilligan was appointed Chief Scientific Officer with the following key terms and conditions:

- Remuneration of US\$225,000 per annum inclusive of superannuation.
- Term of agreement – employment may be terminated by either party giving one month's notice.

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 beginning of year	Shares purchased	Shares sold	Cessation as Director/ KMP	Balance at end of year
30 June 2026					
Directors					
Mr Chris Ntoumenopoulos	16,250,000	2,941,176	-	-	19,191,176
Mr Gage Jull	1,677,205	-	-	-	1,677,205
Mr Jason Carroll	52,300,000	10,200,000	-	-	62,500,000
Dr Daniel Tillett	62,000,000	5,000,000	-	-	67,000,000
Mr Herwig Janssen	33,750,000	4,163,795	-	-	37,913,795
					-
Other KMP					-
Mr Jim Gilligan	-	-	-	-	-
	<u>165,977,205</u>	<u>22,304,971</u>	<u>-</u>	<u>-</u>	<u>188,282,176</u>

Entropy Neurodynamics Limited
Directors' report
30 June 2026

Option holding

The number of options over ordinary 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:

30 June 2026	Balance at beginning of year	Granted as compensation	Forfeited during the year	Lapsed during the year	Balance at end of year
Directors					
Mr Chris Ntoumenopoulos	39,046,580	10,000,000	-	-	49,046,580
Mr Gage Jull	10,124,800	10,000,000	-	-	20,124,800
Mr Jason Carroll	71,142,190	10,000,000	-	-	81,142,190
Dr Daniel Tillett	37,250,000	10,000,000	-	-	47,250,000
Mr Herwig Janssen	14,375,000	10,000,000	-	-	24,375,000
Other KMP					
Mr Jim Gilligan	20,863,178	-	-	-	20,863,178
	<u>192,801,748</u>	<u>50,000,000</u>	<u>-</u>	<u>-</u>	<u>242,801,748</u>

This concludes the remuneration report, which has been audited.

Entropy Neurodynamics Limited
Directors' report
30 June 2026

Unissued ordinary shares under option
2026

Options type	Grant date	Vesting date	Expiry date	Exercise price	Balance at start of the year	Granted	Exercised	Cancelled / Expired	Balance at end of year
	29/10/2020	09/11/2020	09/11/2025	\$1.0000	600,000	-	-	(600,000)	-
	29/10/2020	09/11/2020	09/11/2025	\$1.5000	600,000	-	-	(600,000)	-
	29/10/2020	09/11/2020	09/11/2025	\$2.2500	600,000	-	-	(600,000)	-
	12/05/2023	12/05/2023	12/05/2026	\$0.0250	1,200,000	-	(600,000)	(600,000)	-
	23/11/2023	01/12/2023	01/12/2027	\$0.0375	4,000,000	-	-	-	4,000,000
	23/11/2023	01/12/2023	01/12/2027	\$0.0500	2,000,000	-	-	-	2,000,000
	23/11/2023	01/12/2023	01/12/2027	\$0.0750	2,000,000	-	-	-	2,000,000
Class B	01/05/2024	01/05/2024	20/09/2025	\$0.0531	2,892,800	-	-	(2,892,800)	-
Class C	01/05/2024	01/05/2024	29/05/2029	\$0.0469	15,439,178	-	-	-	15,439,178
Class D	01/05/2024	01/05/2024	29/05/2029	\$0.2125	361,600	-	-	-	361,600
Class E	01/05/2024	01/05/2024	29/05/2029	\$0.0531	8,316,800	-	-	-	8,316,800
Class F	01/05/2024	01/05/2024	30/10/2028	\$0.0338	27,892,190	-	-	-	27,892,190
Class G	01/05/2024	01/05/2024	30/10/2028	\$0.0338	2,712,000	-	-	-	2,712,000
Founder	01/05/2024	01/05/2024	24/04/2027	\$0.0312	36,160,000	-	-	-	36,160,000
Unquoted Tryp Broker Options	01/05/2024	01/05/2024	07/08/2027	\$0.0625	1,808,000	-	-	-	1,808,000
Listed	01/05/2024	01/05/2024	29/05/2027	\$0.0270	118,683,780	-	-	-	118,683,780
Listed	01/05/2024	01/05/2024	29/05/2027	\$0.0270	191,735,780	-	(10,200,000)	-	181,535,780
Class G	01/05/2024	01/05/2024	30/10/2028	\$0.0338	7,232,000	-	-	-	7,232,000
Class E	01/05/2024	01/05/2024	29/05/2029	\$0.0531	18,803,200	-	-	-	18,803,200
Director Options - Tanche 2 ¹	08/11/2024	30/06/2026	30/06/2029	\$0.0400	10,000,000	-	-	-	10,000,000
Director Options - Tanche 3 ²	08/11/2024	31/12/2027	31/12/2030	\$0.0500	20,000,000	-	-	-	20,000,000
Director Options - Tanche 2 ¹	20/03/2025	31/12/2026	31/12/2029	\$0.0400	3,500,000	-	-	-	3,500,000
Director Options - Tanche 3 ²	20/03/2025	31/12/2027	31/12/2030	\$0.0500	8,750,000	-	-	-	8,750,000
Unquoted Tryp Broker Options	20/03/2025	20/03/2025	31/03/2027	\$0.0400	12,000,000	-	-	-	12,000,000
Unquoted Tryp Options	20/03/2025	20/03/2025	31/03/2027	\$0.0400	150,000,000	-	-	-	150,000,000
Director Options ³	13/12/2025	19/12/2030	19/12/2030	\$0.0500	-	50,000,000	-	-	50,000,000
Unquoted Consultant Options	19/12/2025	19/12/2025	19/12/2027	\$0.0800	-	2,000,000	-	-	2,000,000
Unquoted Broker Options	19/03/2026	19/03/2026	30/03/2029	\$0.0450	-	20,000,000	-	-	20,000,000
					<u>647,287,328</u>	<u>72,000,000</u>	<u>(10,800,000)</u>	<u>(5,292,800)</u>	<u>703,194,528</u>

¹ Director Options - Tranche 2 - the Options shall vest as follows:

- The successful Completion of two Phase 2a OR 2b clinical studies with TRP-8803 in Australia in at least 1 clinical indication; and
- Above clause has occurred on or before 31 December 2026.

² Director Options - Tranche 3 - the Options shall vest as follows:

- The successful TGA registration or approval for use of TRP-8803 in any clinical indication in Australia (Trigger Event 1); or
- An acquisition event closes that values the organisation greater than AU\$100,000,000 (Trigger Event 2); or
- A licensing event(s) occur that values (in total upfronts and milestones) an amount greater than AU\$100,000,000 (Trigger Event 3); and the director who, or who's nominee, were issued the Option must remain and be fully employed at the time either Trigger Event 1, Trigger Event 2 or Trigger Event 3 occurred. If the Director is no longer employed with the Company at the time either Trigger Event 1, Trigger Event 2 or Trigger Event 3 occurred, the Options will be forfeited without consideration payable to the Director; and
- Above clause has occurred and remains employed on or before 31 December 2027.

Entropy Neurodynamics Limited
Directors' report
30 June 2026

³ Director Options shall vest as follows:

- The market capitalisation of the company exceeding \$100,000,000, as calculated over a continuous 30 day period, at any time following the issue of the options.

For the options granted during the current and prior financial years, the Black-Scholes or Monte-Carlo valuation model inputs used to determine the fair value at the grant date, are as follows:

2026

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
29/10/2020	09/11/2025	\$0.0200	\$1.0000	78.27%	-	4.35%	\$0.0000
29/10/2020	09/11/2025	\$0.0200	\$1.5000	78.27%	-	4.35%	\$0.0000
29/10/2020	09/11/2025	\$0.0200	\$2.2500	78.27%	-	4.35%	\$0.0000
23/11/2023	01/12/2027	\$0.0200	\$0.0375	78.27%	-	4.35%	\$0.0085
23/11/2023	01/12/2027	\$0.0200	\$0.0500	78.27%	-	4.35%	\$0.0072
23/11/2023	01/12/2027	\$0.0200	\$0.0750	78.27%	-	4.35%	\$0.0055
01/05/2024	22/07/2024	\$0.0275	\$0.0531	78.27%	-	4.35%	\$0.0002
01/05/2024	20/09/2025	\$0.0275	\$0.0469	78.27%	-	4.35%	\$0.0059
01/05/2024	29/05/2029	\$0.0275	\$0.0469	78.27%	-	4.35%	\$0.0059
01/05/2024	29/05/2029	\$0.0275	\$0.2125	78.27%	-	4.35%	\$0.0074
01/05/2024	29/05/2029	\$0.0275	\$0.0531	78.27%	-	4.35%	\$0.0148
01/05/2024	24/04/2027	\$0.0275	\$0.0312	78.27%	-	4.35%	\$0.0138
01/05/2024	07/08/2027	\$0.0275	\$0.0625	78.27%	-	4.35%	\$0.0099
01/05/2024 ³	29/05/2027	\$0.0275	\$0.0270	78.27%	-	4.35%	\$0.0150
01/05/2024 ³	29/05/2027	\$0.0275	\$0.0270	78.27%	-	4.35%	\$0.0150
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0098
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0085
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0073
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0064
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0098
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0085
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0073
01/05/2024	30/10/2028	\$0.0200	\$0.0338	78.27%	-	3.82%	\$0.0064
08/11/2024	31/12/2027	\$0.0410	\$0.0300	66.64%	-	4.35%	\$0.0233
08/11/2024	30/06/2029	\$0.0410	\$0.0400	66.64%	-	4.35%	\$0.0238
08/11/2024	31/12/2030	\$0.0410	\$0.0500	66.64%	-	4.35%	\$0.0248
20/03/2025	31/12/2029	\$0.0360	\$0.0400	85.96%	-	4.10%	\$0.0241
20/03/2025	31/12/2030	\$0.0360	\$0.0500	85.96%	-	4.10%	\$0.0247
20/03/2025 ²	31/03/2027	\$0.0360	\$0.0400	85.96%	-	4.10%	\$0.0163
19/12/2025	19/12/2030	\$0.0360	\$0.0500	87.14%	-	3.60%	\$0.0214
19/12/2025	19/12/2027	\$0.0360	\$0.0800	80.02%	-	3.60%	\$0.0089
19/03/2026 ²	30/03/2026	\$0.0320	\$0.0450	71.85%	-	4.10%	\$0.0132

¹ Options were valued using the Monte Carlo valuation method.

² Options were valued using Black-Scholes model and were fully vested as at date of issue.

³ Options were listed on 26 June 2026.

The holders of these options do not have the right to participate in any share issue or interest issue of the Company or of any other body corporate or registered scheme.

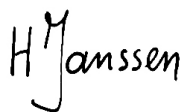
Auditor's independence declaration

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

Entropy Neurodynamics Limited
Directors' report
30 June 2026

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

A handwritten signature in black ink, appearing to read 'H Janssen', with a stylized 'H' and 'J'.

Mr Herwig Janssen
Non-Executive Chairman

28 August 2026

**DECLARATION OF INDEPENDENCE BY ZARYAB HYDER TO THE DIRECTORS OF ENTROPY
NEURODYNAMICS LIMITED**

As lead auditor of Entropy Neurodynamics Limited for the 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Entropy Neurodynamics Limited and the entities it controlled during the period.

BDO Audit Pty Ltd



Zaryab Hyder
Director

Melbourne, 28 August 2026

Entropy Neurodynamics Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	Consolidated 2026 \$	2025 \$
Income			
Interest income		157,999	5,788
Research and development tax incentives	4	1,906,423	1,581,674
Total income		<u>2,064,422</u>	<u>1,587,462</u>
Expenses			
Research and development expenses		(3,253,063)	(2,398,568)
Finance costs		(163,154)	(7,587)
Share based payment expenses	3	(334,292)	(36,851)
General and administration expenses		(1,682,382)	(2,550,432)
Directors' and employee expenses		(1,470,244)	(1,689,608)
Depreciation and amortisation expense		(27,335)	(54,344)
Impairment of intangible asset		-	(139,063)
Net foreign exchange loss		(3,019)	(43,430)
Total expenses		<u>(6,933,489)</u>	<u>(6,919,883)</u>
Loss before income tax expense		(4,869,067)	(5,332,421)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Entropy Neurodynamics Limited		(4,869,067)	(5,332,421)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(37,390)	42,901
Other comprehensive income/(loss) for the year, net of tax		(37,390)	42,901
Total comprehensive income/(loss) for the year attributable to the owners of Entropy Neurodynamics Limited		<u>(4,906,457)</u>	<u>(5,289,520)</u>
		Cents	Cents
Basic earnings/(losses) per share	17	(0.31)	(0.39)
Diluted earnings/(losses) per share	17	(0.31)	(0.39)

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

Entropy Neurodynamics Limited
Consolidated statement of financial position
As at 30 June 2026

		Consolidated	
	Note	30 June 2026	30 June 2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		5,576,105	3,026,247
Research and development tax credits receivable	4	1,921,325	2,594,326
Other tax receivables and deposits		165,065	167,577
Prepayments		443,747	562,583
Total current assets		<u>8,106,242</u>	<u>6,350,733</u>
Non-current assets			
Property, plant and equipment	5	92,752	114,659
Intangibles	6	183,042	195,492
Security deposit		2,200	2,200
Total non-current assets		<u>277,994</u>	<u>312,351</u>
Total assets		<u>8,384,236</u>	<u>6,663,084</u>
Liabilities			
Current liabilities			
Trade and other payables	7	886,025	590,908
Employee provisions		134,469	108,260
Total current liabilities		<u>1,020,494</u>	<u>699,168</u>
Total liabilities		<u>1,020,494</u>	<u>699,168</u>
Net assets		<u><u>7,363,742</u></u>	<u><u>5,963,916</u></u>
Equity			
Issued capital	8	41,111,753	35,313,703
Reserves	9	6,526,344	6,055,501
Accumulated losses		<u>(40,274,355)</u>	<u>(35,405,288)</u>
Total equity		<u><u>7,363,742</u></u>	<u><u>5,963,916</u></u>

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

Entropy Neurodynamics Limited
Consolidated statement of changes in equity
For the year ended 30 June 2026

Consolidated	Issued capital \$	Share based payment reserve \$	Foreign currency reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	29,913,285	5,821,075	(41,353)	(30,072,867)	5,620,140
Loss after income tax expense for the year	-	-	-	(5,332,421)	(5,332,421)
Other comprehensive income for the year, net of tax	-	-	42,901	-	42,901
Total comprehensive income/(loss) for the year	-	-	42,901	(5,332,421)	(5,289,520)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 8)	5,400,418	-	-	-	5,400,418
Share based payments (note 3)	-	232,878	-	-	232,878
Balance at 30 June 2025	<u>35,313,703</u>	<u>6,053,953</u>	<u>1,548</u>	<u>(35,405,288)</u>	<u>5,963,916</u>
Consolidated	Issued capital \$	Share based payment reserve \$	Foreign currency reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	35,313,703	6,053,953	1,548	(35,405,288)	5,963,916
Loss after income tax expense for the year	-	-	-	(4,869,067)	(4,869,067)
Other comprehensive income/(loss) for the year, net of tax	-	-	(37,390)	-	(37,390)
Total comprehensive income/(loss) for the year	-	-	(37,390)	(4,869,067)	(4,906,457)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 8)	5,418,540	-	-	-	5,418,540
Exercise of options	290,400	-	-	-	290,400
Share based payments (note 3)	89,110	508,233	-	-	597,343
Balance at 30 June 2026	<u>41,111,753</u>	<u>6,562,186</u>	<u>(35,842)</u>	<u>(40,274,355)</u>	<u>7,363,742</u>

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

Entropy Neurodynamics Limited
Consolidated statement of cash flows
For the year ended 30 June 2026

	Note	Consolidated 2026 \$	2025 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(5,980,258)	(7,861,587)
Research and development tax incentive		2,579,424	93,382
Interest received		157,999	5,788
Interest and other finance costs paid		<u>(162,424)</u>	<u>(7,587)</u>
Net cash used in operating activities	16	<u>(3,405,259)</u>	<u>(7,770,004)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	5	(5,575)	(129,281)
Payments for intangibles	6	<u>(4,836)</u>	<u>(4,119)</u>
Net cash used in investing activities		<u>(10,411)</u>	<u>(133,400)</u>
Cash flows from financing activities			
Proceeds from issue of shares	8	6,100,000	6,000,000
Proceeds from exercise of options	8	290,400	-
Share issue transaction costs	8	<u>(418,410)</u>	<u>(403,555)</u>
Net cash from financing activities		<u>5,971,990</u>	<u>5,596,445</u>
Net increase/(decrease) in cash and cash equivalents		2,556,320	(2,306,959)
Cash and cash equivalents at the beginning of the financial year		3,026,247	5,327,206
Effects of exchange rate changes on cash and cash equivalents		<u>(6,462)</u>	<u>6,000</u>
Cash and cash equivalents at the end of the financial year		<u><u>5,576,105</u></u>	<u><u>3,026,247</u></u>

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

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 1. General information

The financial statements cover Entropy Neurodynamics Limited as a consolidated entity consisting of Entropy Neurodynamics Limited and the entities it controlled (collectively referred to as the 'consolidated entity' or 'the Group') at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Entropy Neurodynamics Limited's functional and presentation currency.

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

Registered office

Suite 1, 117 Camberwell Road, Hawthorn East VIC 3123

Principal place of business

Suite 1, 117 Camberwell Road, Hawthorn East VIC 3123

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.

(a) 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') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Accounting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements comprise the financial statements of the Group. For the purposes of preparing the financial statements, the Group is a for-profit entity.

(b) Currency of presentation

The Group's presentation currency is Australian dollars ("AUD") in line with the legal parent Entropy Neurodynamics Limited's presentation currency (AUD).

The average rate used for the financial year was AUD/CAD 1:0.9383 (comparative period average: 1:0.9034) and the period-end exchange rate used was AUD/CAD 1:0.9817 (30 June 2025: 1:0.8949).

(c) Functional and presentation currency

The financial statements of each group entity are measured using its functional currency, which is the currency of the primary economic environment which that entity operates. These consolidated financial statements are presented in Australian dollars ("AUD"), which is the parent entity's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. The foreign currency differences of financial liabilities designated as a net investment in a foreign operation are recognised in other comprehensive income.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Note 2. Material accounting policy information (continued)

(d) Going concern

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

As disclosed in the financial statements, the Group incurred losses of \$4,869,067 for the year end 30 June 2026 (30 June 2025: \$5,332,421) and the Group had net cash outflows from operating activities of \$3,405,259 for the year ended 30 June 2026 (30 June 2025: \$7,770,004). As at balance date, the Group had net assets of \$7,363,742 (30 June 2025: \$5,963,916) including cash and cash equivalents of \$5,576,105 (30 June 2025: \$3,026,247).

During the year ended 30 June 2026, the Group raised \$6,100,000 via a Placement excluding capital raising costs.

The ability of the group to continue as a going concern is principally dependent upon the ability of the Group to meet its cash flow forecast for the 12 months up to 30 June 2026 ("the forecasts"). The forecasts indicate operating losses will continue as a result of ongoing funding of development activity and assume:

- the ability of the Group to execute its strategic objectives and raise further capital or similar such transactions to fund ongoing operations;
- receipt of Research and Development Tax Incentive program tax offsets for expenditure on eligible R&D activities. Under the program, the Group has recorded a total accrued R&D receivable of \$1,921,325 at 30 June 2026 (30 June 2025: \$2,594,326) based on eligible expenditures incurred in both the 2025 and 2026 financial years;
- on 12 August 2025, Entropy Neurodynamics Limited entered into a R&D loan facility agreement with Rockford Equity Pty Ltd ("Rockford"). The \$2,600,000 facility is secured against the Group's projected FY26 research and development activities and will be repaid from the cash collection of the Group's future R&D Tax Incentive. The Group can elect to drawdown on the facility in \$500,000 tranches which will accrue interest at 16% per annum on the outstanding balance; and
- the Group has the ability to defer or cancel discretionary and uncommitted R&D activity and operational expenditure to subsequent periods.

Whilst the Directors are confident in the Group's ability to continue as a going concern, in the event that cash flow forecasts are adversely impacted, and cash inflows described above do not eventuate as planned, there is a material uncertainty as to whether the Group will be able to execute alternative funding arrangements to enable it to continue as a going concern beyond the 12 months from the date the Directors approve the annual financial statements. Consequently, a material uncertainty exists as to whether the Group will continue as a going concern and it may therefore be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debt when they fall due.

Note 2. Material accounting policy information (continued)

(e) New and amended accounting policies adopted by the Group

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 new or amended Accounting Standards or Interpretations that are expected to have a material impact to the consolidated financial statements of the Group, which has been issued but not yet effective is shown below:

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 (AASB 107 in Australia) Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

AASB 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 July 2027 and will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. However, the new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(f) Financial Instruments

i. Recognition and measurement

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (except for a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Subsequent measurement

Financial assets are classified and subsequently measured at amortised cost. All other financial assets that are not measured at amortised cost (e.g. financial assets held for trading and those that are managed and whose performance is evaluated on a fair value basis) are measured at FVTPL.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Note 2. Material accounting policy information (continued)

(g) Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Intangible assets with infinite useful lives are tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

For intangible assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Critical accounting judgements and key sources of estimation uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Share-based payment transactions

The Group measures the cost of equity-settled share-based payment 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 Monte Carlo 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.

The cost is recognised as share-based payment expense, together with a corresponding increase in equity (share-based payment reserve) over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for the equity-settled share-based payments at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Research and development expenditure

The Group is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claims lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and clawback those prior claims, potentially with penalties. Such a finding may occur in the event that those expenditures do not appropriately qualify for the grant program. In their judgement, and based on advice received from independent external experts engaged to determine and claim these rebates, the directors of the Group consider that such an outcome has a remote likelihood of occurring.

Research and development rebates (credits) claimable from the tax authority of \$1,921,325 have been estimated and accrued as income in the 2026 financial year. The total amount of research and development tax credits recognised at balance date is set out in Note 4.

(i) Operating segments

For the year ended 30 June 2026, the Board considers that the Group has only operated in one Segment, being research and development of biopharmaceutical drugs. The financial information presented in the consolidated statement of financial profit or loss and other comprehensive income and consolidated statement of financial position represents the information for the business segment.

Note 2. Material accounting policy information (continued)

(j) Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values under the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Plant and equipment	2-5 years
---------------------	-----------

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

(k) 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.

i. Recognition and measurement

Research and development

Expenditure on research activities is recognised in profit or loss as incurred.

Other intangible assets

Other intangible assets comprise of intellectual property (IP) and patents. IP assets have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Patents are not being amortised on the basis that the technology relating to the patents are still in development and is not ready for use and is subject to impairment.

ii. Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values under the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. The estimated useful lives for current and comparative periods are as follows:

- Intellectual Property: 8 years

(l) Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Note 2. Material accounting policy information (continued)

Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

(m) Government grants

The Group recognises an unconditional government grant in profit or loss as other income when the grant on an accrued basis when there is reasonable grounds that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income on a systematic basis in the periods in which the expenses are recognised.

(n) Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183 relating to the 'rounding off' of amounts in the Financial Report and, in accordance with that instrument, amounts in the Financial Report have been rounded off to the nearest dollar.

Note 3. Share based payment expenses

	Consolidated	
	2026	2025
	\$	\$
Share based payments expense	<u>334,292</u>	<u>36,851</u>

During the year 50,000,000 unlisted options ('Options') were granted to Directors. The options have an exercise price of \$0.05 (5 cents) and vest upon the market capitalisation of the Company exceeding \$100,000,000 (as calculated over a continuous 30-day period) at any time following issue of the Director Options. These options were valued using Monte Carlo.

An additional 2,000,000 Consultant Options were also granted throughout the year, as a result of the successful placement facility. These options have an exercise price of \$0.036 (3.6 cents), and vest 19 December 2027.

During the year, 20,000,000 Broker Options were issued to Taurus Capital, following the successful completion of the two capital raise tranches executed within the year. These options have an exercise price of \$0.045 (4.5 cents) and vest immediately after issuance. Fair value of options (\$263,050) were treated as capital raising costs.

The total share-based payment expense for the year ended 30 June 2026 was \$334,292.

Set out below are summaries of options granted that are deemed share based payments:

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 3. Share based payment expenses (continued)

2026

Options type	Grant date	Vesting date	Expiry date	Exercise price	Balance at start of the year	Granted	Exercised	Expired / Lapsed	Balance at end of year
	29/10/2020	09/11/2020	09/11/2025	\$1.0000	600,000	-	-	(600,000)	-
	29/10/2020	09/11/2020	09/11/2025	\$1.5000	600,000	-	-	(600,000)	-
	29/10/2020	09/11/2020	09/11/2025	\$2.2500	600,000	-	-	(600,000)	-
	12/05/2023	12/05/2023	12/05/2026	\$0.0250	1,200,000	-	(600,000)	(600,000)	-
	23/11/2023	01/12/2023	01/12/2027	\$0.0375	4,000,000	-	-	-	4,000,000
	23/11/2023	01/12/2023	01/12/2027	\$0.0500	2,000,000	-	-	-	2,000,000
	23/11/2023	01/12/2023	01/12/2027	\$0.0750	2,000,000	-	-	-	2,000,000
Class B	01/05/2024	01/05/2024	20/09/2025	\$0.0469	2,892,800	-	-	(2,892,800)	-
Class C	01/05/2024	01/05/2024	29/05/2029	\$0.0469	15,439,178	-	-	-	15,439,178
Class D	01/05/2024	01/05/2024	29/05/2029	\$0.2125	361,600	-	-	-	361,600
Class E	01/05/2024	01/05/2024	29/05/2029	\$0.0531	8,316,800	-	-	-	8,316,800
Class F	01/05/2024	01/05/2024	30/10/2028	\$0.0338	27,892,190	-	-	-	27,892,190
Class G	01/05/2024	01/05/2024	30/10/2028	\$0.0338	2,712,000	-	-	-	2,712,000
Founder	01/05/2024	01/05/2024	24/04/2027	\$0.0312	36,160,000	-	-	-	36,160,000
Unquoted Tryp									
Broker Options	01/05/2024	01/05/2024	07/08/2027	\$0.0625	1,808,000	-	-	-	1,808,000
Listed	01/05/2024	01/05/2024	29/05/2027	\$0.0270	118,683,780	-	-	-	118,683,780
Listed	01/05/2024	01/05/2024	29/05/2027	\$0.0270	191,735,780	-	(10,200,000)	-	181,535,780
Class G	01/05/2024	01/05/2024	30/10/2028	\$0.0338	7,232,000	-	-	-	7,232,000
Class E	01/05/2024	01/05/2024	29/05/2029	\$0.0531	18,803,200	-	-	-	18,803,200
Director Options									
- Tranche 2 ¹	08/11/2024	30/06/2026	30/06/2029	\$0.0400	10,000,000	-	-	-	10,000,000
Director Options									
- Tranche 3 ²	08/11/2024	31/12/2027	31/12/2030	\$0.0500	20,000,000	-	-	-	20,000,000
Director Options									
- Tranche 2 ¹	20/03/2025	31/12/2026	31/12/2029	\$0.0400	3,500,000	-	-	-	3,500,000
Director Options									
- Tranche 3 ²	20/03/2025	31/12/2027	31/12/2030	\$0.0500	8,750,000	-	-	-	8,750,000
Unquoted Broker									
Options	20/03/2025	20/03/2025	31/03/2027	\$0.0400	12,000,000	-	-	-	12,000,000
Director Options ³	13/12/2025	19/12/2030	19/12/2030	\$0.0500	-	50,000,000	-	-	50,000,000
Unquoted Consultant									
Options	19/12/2025	19/12/2025	19/12/2027	\$0.0800	-	2,000,000	-	-	2,000,000
Unquoted Broker Options	19/03/2026	19/03/2026	30/03/2029	\$0.0450	-	20,000,000	-	-	20,000,000
					<u>497,287,328</u>	<u>72,000,000</u>	<u>(10,800,000)</u>	<u>(5,292,800)</u>	<u>553,194,528</u>

¹ Director Options - Tranche 2 - the Options shall vest as follows:

- The successful Completion of two Phase 2a OR 2b clinical studies with TRP-8803 in Australia in at least 1 clinical indication; and
- Above clause has occurred on or before 31 December 2026.

² Director Options - Tranche 3 - the Options shall vest as follows:

- The successful TGA registration or approval for use of TRP-8803 in any clinical indication in Australia (Trigger Event 1); or
- An acquisition event closes that values the organisation greater than AU\$100,000,000 (Trigger Event 2); or
- A licensing event(s) occur that values (in total upfronts and milestones) an amount greater than AU\$100,000,000 (Trigger Event 3); and the director who, or who's nominee, were issued the Option must remain and be fully employed at the time either Trigger Event 1, Trigger Event 2 or Trigger Event 3 occurred. If the Director is no longer employed with the Company at the time either Trigger Event 1, Trigger Event 2 or Trigger Event 3 occurred, the Options will be forfeited without consideration payable to the Director; and
- Above clause has occurred and remains employed on or before 31 December 2027.

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 3. Share based payment expenses (continued)

³ Director Options shall vest as follows:

- The market capitalisation of the company exceeding \$100,000,000, as calculated over a continuous 30 day period, at any time following the issue of the options.

Note 4. Research and development tax credits receivable

	Consolidated	
	2026	2025
	\$	\$
R&D tax incentive accrued receivable FY26	1,921,325	-
R&D tax incentive accrued receivable FY25	-	1,747,363
R&D tax incentive accrued receivable FY24	-	846,963
	<u>1,921,325</u>	<u>2,594,326</u>

The Research and Development Tax Incentive program provides tax offsets for expenditure on eligible R&D activities. Under the program, Entropy Neurodynamics Limited, having expected aggregated annual turnover of under \$20 million, is entitled to a refundable R&D credit of 48.5% on the eligible R&D expenditure incurred on eligible R&D activities.

R&D tax incentive income recorded in 2026 relates to the accrued FY2026 refund of \$1,921,325. This is offset within the profit and loss, as the FY2025 actual income received in the current financial year was \$14,902 less than estimated at 30 June 2025.

Note 5. Property, plant and equipment

	Consolidated	
	2026	2025
	\$	\$
Plant and equipment - at cost	134,655	129,305
Less: Accumulated depreciation	<u>(41,903)</u>	<u>(14,646)</u>
	<u>92,752</u>	<u>114,659</u>

	Consolidated	
	2026	2025
	\$	\$
Opening carrying amount	114,659	-
Additions	5,575	129,305
Depreciation expense	<u>(27,482)</u>	<u>(14,646)</u>
	<u>92,752</u>	<u>114,659</u>

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 6. Intangibles

	Consolidated	
	2026	2025
	\$	\$
Intellectual property - at cost	-	325,000
Less: Accumulated amortisation	-	(121,875)
Less: Accumulated impairment	-	(203,125)
	-	-
Patents - at cost	183,042	195,492
	183,042	195,492
	183,042	195,492
	Consolidated	
	2026	2025
	\$	\$
Opening carrying amount	195,492	367,245
Additions	4,836	4,119
Amortisation	-	(40,625)
Impairment	-	(139,063)
Impact of foreign exchange	(17,286)	3,816
	183,042	195,492
	183,042	195,492

The patents balance relates to patent applications relating to Tryp Therapeutics Inc. The intangible assets are not yet available for their intended use and no amortisation has been recorded for the period ended 30 June 2025 or for the year ended 30 June 2026. The Group is required to perform an impairment testing for intangible assets that are not amortised on an annual basis. No impairment was noted on the patent assets during the year ended 30 June 2026 (30 June 2025: Nil) based on the progress the Group is making towards the development and clinical trials of TRP-8802 and TRP-8803.

Note 7. Trade and other payables

	Consolidated	
	2026	2025
	\$	\$
Trade payables	216,613	220,588
Accrued expenses	659,631	360,797
Other payables	9,781	9,523
	886,025	590,908
	886,025	590,908

Refer to note 10 for further information on financial instruments.

Note 8. Issued capital

	Consolidated			
	2026	2025	2026	2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	1,681,699,875	1,438,921,585	41,111,753	35,313,703
	1,681,699,875	1,438,921,585	41,111,753	35,313,703

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 8. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	1,138,921,585		29,913,285
Issue of Ordinary Share - Placement	12 November 2024	137,500,000	\$0.02	2,750,000
Capital raising costs	12 November 2024			(200,349)
Issue of Ordinary Share - Placement	31 March 2025	162,500,000	\$0.02	3,250,000
Capital raising costs ¹	31 March 2025		\$0.00	(399,233)
Balance	30 June 2025	1,438,921,585		35,313,703
Exercise of options	Various	5,000,000	\$0.03	135,000
Issue of Ordinary Share - Placement	18 November 2025	165,588,237	\$0.03	5,630,000
Capital raising costs ²	18 November 2025		\$0.00	(681,460)
Issue of Shares in Lieu of Director Fees ³	16 January 2026	1,506,024	\$0.03	50,000
Issue of Shares in Lieu of Director Fees - FY25				
Accrued ³	16 January 2026	424,988	\$0.03	14,110
Exercise of options	Various	5,200,000	\$0.03	140,400
Exercise of options	13/03/2026	600,000	\$0.03	15,000
Issue of Ordinary Share - Placement	14 April 2026	13,823,528	\$0.03	470,000
Issue of Shares in Lieu of Director Fees ³	17 April 2026	762,195	\$0.03	25,000
Shares Release from Escrow	29 May 2026	49,873,318	\$0.00	-
Balance	30 June 2026	<u>1,681,699,875</u>		<u>41,111,753</u>

¹ \$196,027 of total capital raising costs was in relation to 12,000,000 lead manager options granted to Merchant Capital as a success fee for the completion of Tranche 1 and 2 placements, which were exercisable at \$0.04 (4 cents) on or before an expiry date 31 March 2027. This is a non-cash financing transaction.

² \$263,050 of total capital raising costs was in relation to 20,000,000 lead manager options granted to Taurus Capital as a success fee for the completion of the share placement, which were exercisable at \$0.045 (4.5 cents) on or before an expiry date 30 March 2029. This is a non-cash financing transaction.

³ Pursuant to shareholder approval obtained at the Annual General Meeting on 13 November 2025, issuance of ordinary shares in lieu of cash fees for Director services rendered. Shares issued to Mr Janssen reflect director services rendered from his appointment date of 12 May 2025.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Share buy-back

There is no current on-market share buy-back.

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 reduce uncommitted expenditure to preserve cash, return capital to shareholders, issue new shares or sell assets to reduce debt.

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 8. Issued capital (continued)

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 9. Reserves

	Consolidated	
	2026	2025
	\$	\$
Foreign currency reserve	(35,842)	1,548
Share-based payments reserve	6,562,186	6,053,953
	<u>6,526,344</u>	<u>6,055,501</u>

Foreign currency reserve

The reserve includes exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars, and also exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign subsidiary, which is initially recognised in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 10. Financial instruments

	30 June 2026	30 June 2025
	\$	\$
Financial Assets - at amortised cost		
Cash in bank	5,576,105	3,026,247
Other current assets	163,766	167,577
	<u>5,739,871</u>	<u>3,193,824</u>
	30 June 2026	30 June 2025
	\$	\$
Financial Liabilities - at amortised cost		
Accounts payable and other current liabilities	<u>886,025</u>	<u>590,908</u>

	Carrying amount	Less than 3 months	3 - 12 months	1 year to 5 years
	\$	\$	\$	\$
Contractual cash flows at 30 June:				
2026 - Trade and other payables	886,025	886,025	-	-
2025 - Trade and other payables	590,908	590,908	-	-

Note 10. Financial instruments (continued)

Financial risk management objectives

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of those risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note. The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The Group's risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the Group where such impacts may be material. The board receives monthly financial reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

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, evaluates and hedges financial risks within the consolidated entity. Finance reports to the Board on a monthly basis.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include the following:

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting. The Group closely monitors foreign exchange rate movements.

The Group undertakes transactions denominated in foreign currencies, mainly in Canadian Dollars (CAD) and United States Dollars (USD); consequently, exposures to exchange rate fluctuations arise.

Price risk

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

Interest rate risk

The consolidated entity is not exposed to any interest rate risk as at 30 June 2026.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents), available borrowing facilities and raise further capital to fund ongoing operations to be able to pay debts as and when they become due and payable.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 11. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd the auditor of the company:

	Consolidated	
	2026	2025
	\$	\$
<i>Audit services - BDO Audit Pty Ltd</i>		
Audit and review of the financial statements	101,604	108,550
<i>Other services -</i>		
Transfer pricing review	4,893	-
	<u>106,497</u>	<u>108,550</u>

Note 12. Commitments and Contingencies

The Group has entered into research and development contracts with various third parties in respect of services for studies and CMC batch manufacturing. Expenditure commitments are payable as follows:

	Consolidated	
	2026	2025
	\$	\$
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	1,362,383	-
Total commitment	1,362,383	-
Less: Future finance charges	-	-
Net commitment recognised as liabilities	<u>1,362,383</u>	<u>-</u>

Currently the largest contract has a 150-day termination clause and all commitments have been limited to a 12-month commitment.

Note 13. Related party transactions

Parent entity

Entropy Neurodynamics Limited is the ultimate parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 15.

Key management personnel

Disclosures relating to key management personnel are set out below and in the remuneration report included in the directors' report.

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 13. Related party transactions (continued)

	Consolidated	
	2026	2025
	\$	\$
Short-term benefits (excluding performance bonus)	782,961	993,354
Short-term benefits - performance bonus	62,500	62,500
Other monetary	30,406	32,219
Post-employment benefits	57,857	61,530
Other and long-term benefits	33,742	27,317
Share based payments	302,427	36,850
	<u>1,269,893</u>	<u>1,213,770</u>

Transactions with other related parties

The following transactions occurred with related parties:

	Consolidated	
	2026	2025
	\$	\$
Alto Capital ¹	-	42,250
Twenty 1 Corporate ²	81,000	157,500

¹ ACNC Capital Markets Pty Ltd T/A Alto Capital was paid \$42,250 as an advisor to the Company during the prior year. Former Director Mr Clarke Barlow (resigned 8 November 2024) is an employee of Alto Capital.

² Twenty 1 Corporate Pty Ltd was paid \$81,000 (2025: \$157,500) for services related to the Placement and as an advisor during the year. Mr Chris Ntoumenopoulos is the Managing Director at Twenty 1 Corporate.

Aside from the above transactions disclosed, there were no further transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

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

	Consolidated	
	2026	2025
	\$	\$
Current payables:		
Trade and other payables to key management personnel	106,000	86,856

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 14. Parent entity information

Set out below is the supplementary information about the parent entity, Entropy Neurodynamics Limited.

Statement of profit or loss and other comprehensive income

	Parent	
	2026	2025
	\$	\$
Loss after income tax	(2,006,996)	(7,362,803)
Total comprehensive loss	(2,006,996)	(7,362,803)
	Parent	
	2026	2025
	\$	\$
Total current assets	7,636,875	2,825,104
Total non-current assets	2,200	170,394
Total assets	7,639,075	2,995,498
Total current liabilities	490,922	146,633
Net assets	7,148,153	2,848,865
Equity		
Issued capital	53,655,575	47,857,525
Share-based payments reserve	3,675,636	3,167,402
Accumulated losses	(50,183,058)	(48,176,062)
Total equity	7,148,153	2,848,865

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 (30 June 2025: NIL).

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 (30 June 2025: NIL).

Capital commitments - Property, plant and equipment

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

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.

Entropy Neurodynamics Limited
Notes to the consolidated financial statements
30 June 2026

Note 15. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'):

Name	Principal place of business / Country of incorporation	Ownership interest	
		2026 %	2025 %
Tryp Therapeutics Inc	Canada	100.00%	100.00%
Tryp Therapeutics (USA) Inc	USA	100.00%	100.00%
Tryptamine Therapeutics Australia Pty Ltd	Australia	100.00%	100.00%
1469184 B.C. Ltd ¹	Canada	100.00%	100.00%
ExoSuisse GmbH ²	Switzerland	-	100.00%

¹ 1469184 B.C. Ltd was incorporated in Canada on 5 March 2024.

² ExoSuisse GmbH ceased to trade and was liquidated effective 13 April 2026.

Note 16. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2026 \$	2025 \$
Loss after income tax expense for the year	(4,869,067)	(5,332,421)
Adjustments for:		
Depreciation and amortisation	27,335	54,344
Impairment of intangibles	-	139,063
Share-based payments	334,293	36,851
Foreign exchange differences	(13,494)	33,991
Change in operating assets and liabilities:		
Decrease/(increase) in research and development tax credits receivable	673,001	(1,488,292)
Decrease/ (increase) in other assets	121,347	(80,095)
Increase/(decrease) in trade and other payables	295,117	(970,161)
Increase in employee benefits	26,209	35,896
Decrease in other liabilities	-	(199,180)
Net cash used in operating activities	<u>(3,405,259)</u>	<u>(7,770,004)</u>

Note 17. Earnings per share

	Consolidated	
	2026 \$	2025 \$
Loss after income tax attributable to the owners of Entropy Neurodynamics Limited	<u>(4,869,067)</u>	<u>(5,332,421)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,568,535,983</u>	<u>1,378,442,454</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,568,535,983</u>	<u>1,378,442,454</u>

Note 17. Earnings per share (continued)

	Cents	Cents
Basic earnings/(losses) per share	(0.31)	(0.39)
Diluted earnings/(losses) per share	(0.31)	(0.39)

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as the Group is in a loss-making position in both 30 June 2026 and 30 June 2025, and that the rights and options are anti-dilutive in accordance with AASB 133 *Earnings per Share*.

Note 18. Events after the reporting period

Highly encouraging Phase 2 Cohort 1 BED results following use of TRP-8803:

In July 2026, the Company announced world-first clinical efficacy results and topline safety results from Cohort 1 of its Phase 2 clinical trial evaluating TRP-8803 in patients with treatment-resistant Binge Eating Disorder (BED). The study reported complete clinical remission in 50% of participants and clinically meaningful improvement in 100% of participants.

Additional Australian and South African patents granted:

On 10 July 2026, the Australian Patent Office granted Australian Standard Patent No. 2023343417, *Psilocin Crystalline Forms*. On 20 July 2026, Entropy announced the grant of South African Patent No. 2025/01722, *Methods of Treating Fibromyalgia with Compositions Comprising Psilocybin*.

Appointment of Joint Company Secretary:

On 24 July 2026, the Company announced the appointment of Meghna Piplani as joint company secretary, effective immediately.

HREC approval for 72-patient multi-indication TRP-8803 basket study:

In August 2026, the Company announced that it has received Human Research Ethics Committee (HREC) approval for world-first phase 1b/2a 8-indication basket study in 72-patients of TRP-8803.

Pre-Clinical Trial Agreement with the University of California, San Francisco (UCSF):

On 26 August 2026, the Company announced it had entered into a pre-Clinical Trial Agreement with the University of California, San Francisco (UCSF) to develop a proposed Phase 2 clinical trial evaluating TRP-8803 against escitalopram in patients with Major Depressive Disorder.

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.

Entropy Neurodynamics Limited
Consolidated entity disclosure statement
As at 30 June 2026

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Australian resident	Foreign jurisdictions in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction)
Entropy Neurodynamics Limited	Body corporate	Australia	100.00%	Yes	Australia
Tryp Therapeutics Inc	Body corporate	Canada	100.00%	No	Canada
Tryp Therapeutics (USA) Inc	Body corporate	USA	100.00%	No	USA
Tryptamine Therapeutics Australia Pty Ltd	Body corporate	Australia	100.00%	Yes	Australia
1469184 B.C. Ltd	Body corporate	Canada	100.00%	No	Canada
ExoSuisse GmbH ¹	Body corporate	Switzerland	-	No	Switzerland

¹ ExoSuisse GmbH ceased to trade and was liquidated effective 13 April 2026.

Basis of preparation

This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with section 295(3A) the Corporations Act 2001 and includes information for each entity that was part of the Group as at the end of the financial year.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group.

Entropy Neurodynamics Limited
Directors' declaration
30 June 2026

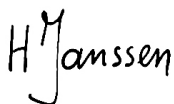
In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards and the Corporations Regulations 2001;
- the attached financial statements and notes comply with Australian Accounting Standards as issued by the Australian 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 Group will be able to pay its debts as and when they become due and payable; and
- the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001 for the financial year ended 30 June 2026.

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



Herwig Janssen
Non-Executive Chairman

28 August 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Entropy Neurodynamics Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Entropy Neurodynamics 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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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 ended on that date; 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 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 audits of the financial report of public interest entities 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.

Material uncertainty related 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 opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How the matter was addressed in our audit
<u>Research and development (R&D) tax incentive income and receivable</u> The Group recorded income and receivable asset relating to R&D tax incentives attributable to eligible expenditures incurred in the 2026 financial year. There is a risk that the R&D tax incentive income recognised is based on expenditure that is not eligible for incentives under Australian Taxation Office (“ATO”) legislative requirements and/or the income recognition requirements of the accounting standards are not met, which may result in the R&D tax incentive income being overstated and the receivable asset not being recoverable. This matter was considered as a Key Audit Matter due to the complexity and judgement involved in determining the eligibility of the R&D tax incentive income recognised and recoverability of the R&D receivable asset.	Our procedures included, but were not limited to: • Evaluated management’s processes and the design and implementation of controls in respect of the recognition of the R&D tax incentive income and receivable asset, • Assessed the appropriateness of the R&D tax incentive income recognised in the current period, including compliance with the ATO legislative criteria and the recognition requirements of the AASB 120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i> and the Group’s accounting policy, • Engaged our internal R&D experts to assess the reasonableness and eligibility of the R&D expenditures recorded for the year in accordance with the ATO legislative requirements, • For a sample of R&D eligible expenses: – agreed the transactions to underlying support, such as vendor invoices; – validated accuracy of the labour cost incurred and evaluated the reasonableness of the percentage of allocation of the labour cost attributable to the R&D activity; and – assessed the reasonableness of their treatment as R&D eligible expenditures, • Confirmed the integrity and mathematical accuracy of calculations for determining the R&D tax incentive income recognised in the 2026 financial year, • Assessed the appropriateness of the disclosures included in the financial statements with reference to the requirements of the Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group'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 this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

- a) the financial report 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 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 ability of the group 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 has no realistic alternative but to do so.

Auditor's responsibilities 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 Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in page 20 to 25 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Entropy Neurodynamics 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.

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Zaryab Hyder'.

Zaryab Hyder
Director

Melbourne, 28 August 2026

Entropy Neurodynamics Limited
Shareholder information
30 June 2026

The shareholder information set out below was applicable as at 19 August 2026.

There is one class of quoted securities, fully paid ordinary shares.

(a) Distribution of Security Number

	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	405	194,771	0.01%
above 1,000 up to and including 5,000	431	1,141,110	0.07%
above 5,000 up to and including 10,000	186	1,387,536	0.08%
above 10,000 up to and including 100,000	808	31,054,881	1.92%
above 100,000	837	1,598,815,451	97.91%
	<u>2,667</u>	<u>1,632,593,749</u>	

There are 2,667 holders of ordinary shares. Each shareholder is entitled to one vote per share held.

(b) Marketable Parcel

There are 1,097 shareholders with less than a marketable parcel (basis price \$0.037) as at 19 August 2026.

(c) On-Market Buy-Back

There is no on-market buy-back scheme in operation for the Company's quoted shares.

(d) AGM and Director Nomination

The Company advises that the Annual General Meeting (AGM) of the company is scheduled for Thursday, 12 November 2026. Details of the meeting will be provided at a later date.

Further to Listing Rule 3.13.1 and Listing Rule 14.3, nomination for election of directors at the AGM must be received not less than 35 business days before the meeting, being no later than Thursday, 23 September 2026.

(e) Stock Exchange on which the Company's Securities are Quoted

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

(f) Use of funds

Since reinstatement of the Company's securities to the ASX on 29 May 2024, the Company has used its cash in a way that is consistent with its business objective.

(g) Review of Operations

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

Entropy Neurodynamics Limited
Shareholder information
30 June 2026

(h) Top 20 Security Holders

The names of the twenty largest holders of quoted equity security, being fully paid ordinary shares, the number of equity security each holds and the percentage of capital each holds is as follows:

Holder Name	Holding	% IC
DR WILLIAM JAMES GARNER	222,454,729	13.63%
CITICORP NOMINEES PTY LIMITED	99,376,907	6.09%
DR DANIEL TILLET	67,000,000	4.10%
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	63,953,087	3.92%
JASON ALAN CARROLL	62,500,000	3.83%
NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C>	49,841,682	3.05%
HERWIG JANSSEN	38,680,666	2.37%
BNP PARIBAS NOMS PTY LTD	35,336,010	2.16%
MR PHILLIP RICHARD PERRY	26,841,176	1.64%
THE TRUST COMPANY (AUSTRALIA) LIMITED <SBF A/C>	24,532,993	1.50%
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	21,059,974	1.29%
LUDWIG CRIEL	16,750,000	1.03%
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	16,679,450	1.02%
KLI PTY LTD <THE T TEH'S FAMILY A/C>	15,000,000	0.92%
MR JAMES KUO	14,806,471	0.91%
NON CORRELATED CAPITAL PTY LTD <INVESTIUS PB MICRO CAP A/C>	14,111,765	0.86%
SOBOL CAPITAL PTY LTD <SOBOL CAPITAL A/C>	13,750,000	0.84%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,308,774	0.82%
BERNE NO 132 NOMINEES PTY LTD <791994 A/C>	12,294,118	0.75%
SOLEQUEST PTY LTD	12,000,000	0.74%
	<u>840,277,802</u>	

Other ASX Information

1. Corporate Governance

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

2. Stock Exchange on which the Company's Securities are Quoted

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

3. Review of Operations

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

4. Restricted Securities

Fully Paid Ordinary Shares

Of the 1,632,593,749 shares on issue, 49,873,318 shares were restricted securities. that were released from escrowed on 29 May 2026.

Unlisted Options

Of the 646,687,328 options on issue, the following options are restricted securities:

- 18,803,200 Employee Unlisted Options, expiring 29 May 2029, exercisable at \$0.0531. The options will be released from escrow on 29 May 2026.
- 30,604,190 Employee Unlisted Options, expiring 30 October 2028, exercisable at \$0.0338. The options will be released from escrow on 29 May 2026.
- 36,160,000 Unlisted Options, expiring 24 April 2027, exercisable at \$0.03125. The options will be released from escrow on 29 May 2026.
- 118,683,780 Unlisted Options, expiring 29 May 2027, exercisable at \$0.027. The options will be released from escrow on 29 May 2026.

TYPOPT19

- 13,500,000 Unlisted Dir AGM24 Options, expiring 31 December 2029, exercisable at \$0.04.
- 28,750,000 Unlisted Dir AGM24 Options, expiring 31 December 2030, exercisable at \$0.05.
- 162,000,000 Unlisted Options, expiring 31 March 2027, exercisable at \$0.04.

5. Unquoted equity securities

The Company has the following unquoted equity securities on issue:

6. Voting Rights

The voting rights attached to securities 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.

Unlisted Options

There are no voting rights attached to Unlisted Options. There are no other classes of equity securities.

Entropy Neurodynamics Limited
Shareholder information
30 June 2026

7. Holders with 20% or more of Unquoted Equity Securities

The following person holds 20% or more of unquoted equity securities:

	Total Units	% Issued Share Capital
Unlisted Options expiring 01/12/2027, exercisable at \$0.0375		
MR CLARKE COLIN BARLOW	2,000,000	50.00%
SEIVAD INVESTMENTS PTY LTD DAVIES FAMILY A/C	2,000,000	50.00%
Unlisted Options expiring 01/12/2027, exercisable at \$0.05		
MR CLARKE COLIN BARLOW	1,000,000	50.00%
SEIVAD INVESTMENTS PTY LTD DAVIES FAMILY A/C	1,000,000	50.00%
Unlisted Options expiring 01/12/2027, exercisable at \$0.075		
MR CLARKE COLIN BARLOW	1,000,000	50.00%
SEIVAD INVESTMENTS PTY LTD DAVIES FAMILY A/C	1,000,000	50.00%
Employee Unlisted Options expiring 20/09/2025, exercisable at \$0.0469		
DAREN GRAHAM	1,446,400	50.00%
PETER GUZZO	1,446,400	50.00%
Employee Unlisted Options expiring 29/05/2029, exercisable at \$0.0469		
JAMES GILLIGAN	10,015,178	64.87%
ROBIN CARHART-HARRIS	3,616,000	23.42%
DAREN GRAHAM	1,808,000	11.71%
Employee Unlisted Options expiring 29/05/2029, exercisable at \$0.2125		
PETER GUZZO	361,600	100.00%
Employee Unlisted Options expiring 29/05/2029, exercisable at \$0.0531 (TYPOPT12)		
JAMES GILLIGAN	3,616,000	43.48%
JAMES KUO	2,169,600	26.09%
JIM O'NEILL	1,808,000	21.74%
BEVERLEE LOESER	723,200	8.70%
Employee Unlisted Options expiring 29/05/2029, exercisable at \$0.0531 (TYPOPT13)		
GAGE JULL	10,124,800	53.85%
PETER MOLLOY	5,785,600	30.77%
SOBOL CAPITAL PTY LTD <SOBOL CAPITAL A/C>	2,892,800	15.38%
Employee Unlisted Options expiring 30/10/2028, exercisable at \$0.0338		
MR JASON ALAN CARROLL	27,892,190	73.72%
Unlisted Options expiring 24/04/2027, exercisable at \$0.03125		
WILLIAM GARNER	36,160,000	100.00%
Unlisted Options expiring 07/08/2027, exercisable at \$0.0625		
CHRIS BOGART	1,808,000	100.00%
Unlisted Dir AGM24 Options expiring 31/12/2029, exercisable at \$0.04		
MR JASON ALAN CARROLL	4,500,000	33.33%
SOBOL CAPITAL PTY LTD (SOBOL CAPITAL A/C)	3,500,000	25.93%
DR DANIEL TILLET	3,500,000	25.93%
Unlisted Dir AGM24 Options expiring 31/12/2030, exercisable at \$0.05		
MR JASON ALAN CARROLL	11,250,000	39.13%
SOBOL CAPITAL PTY LTD (SOBOL CAPITAL A/C)	8,750,000	30.43%
DR DANIEL TILLET	8,750,000	30.43%

Entropy Neurodynamics Limited
Shareholder information
30 June 2026

Unlisted Options expiring 19/12/2027, exercisable at \$0.05

PEDRO MEDIANO	1,000,000	50.00%
ROBIN CARHART-HARRIS	1,000,000	50.00%

Unlisted Options expiring 19/12/2030, exercisable at \$0.05

MR JASON ALAN CARROLL	10,000,000	20.00%
DR DANIEL TILLET	10,000,000	20.00%
HERWIG JANSSEN	10,000,000	20.00%
SOBOL CAPITAL PTY LTD SOBOL CAPITAL A/C	10,000,000	20.00%
GAGE JULL	10,000,000	20.00%

Unlisted Options expiring 30/03/2029, exercisable at \$0.045

TAURUS CAPITAL GROUP PTY LTD	18,000,000	90.00%
SABRE POWER SYSTEMS PTY LTD	2,000,000	10.00%

8. Substantial holders

Substantial holders in the company are set out below:

	Ordinary Shares	
	Number held	% of total shares issued
DR WILLIAM JAMES GARNER	222,454,729	13.63%
CITICORP NOMINEES PTY LIMITED	99,376,907	6.09%