ADHERIUM LIMITED

ABN 24 605 352 510
ASX: ADR

APPENDIX 4E

PRELIMINARY FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2026

Adherium Limited provides the following information under listing rule 4.3A:

Details of the reporting period and the previous corresponding period

- Reporting period 12 months ended 30 June 2026
- Previous corresponding period 12 months ended 30 June 2025

Results for announcement to the market

	12 months 30 June 2026 $	12 months 30 June 2025 $	Change $	Change %
Revenue from ordinary activities	2,100,479	817,237	1,283,242	157%
Profit (loss) from ordinary activities after tax attributable to members	(14,161,734)	(12,679,349)	(1,482,385)	(12%)
Net profit (loss) for the period attributable to members	(14,161,734)	(12,679,349)	(1,482,385)	(12%)
Dividends:				
Amount per Ordinary Share	Nil	Nil		
Franked amount per Ordinary Share	Nil	Nil		
Record date for determining entitlements to the dividends	N/A	N/A		
Net tangible asset backing per Ordinary Share	0.02 cents	0.9 cents		

Commentary on results

Revenue for 2026 was $2,100,479 compared with $817,237 in the prior year as we successfully launched the remote patient monitoring program in the United States.

The loss for the year after tax was $14,161,734 compared to $12,679,349 in 2025. Onboarding in the call centre and sales teams, expanding the engineer team to enhance the platform, investments in the quality assurance areas, and higher payroll and contractor costs were implemented to enable the commercial growth in the United States.

Research and development activities to 30 June 2026 amounted to $2,080,937 compared with $3,441,139 in the prior year. The decrease reflects the shift from clinical trials and product development to commercialisation of the devices and software.

Sales and Marketing costs were $1,804,218 for the year ended 30 June 2026, compared with $4,290,344 in the prior year.

Administrative expenses increased to $11,698,296 for the year ended 30 June 2026, compared with $5,485,800 in the prior year. The increase was primarily driven by higher payroll and related on-costs, contractor and consulting costs, costs incurred to raise capital and costs associated with executive recruitment and team management programs. The increase reflects the reclassification of certain employee costs to administrative expenses, as fewer employees are now engaged in R&D activities following the cessation of the NZ facility in March 2025.

Adherium ended the year to 30 June 2026 with cash of $1,424,058 compared to $43,255 in the prior year.

Dividends

The board has not declared dividends or made dividend payments in the periods ended 30 June 2026. The Company does not have any dividend or distribution reinvestment plans in operation.

Details of entities over which control has been gained or lost

There have been no changes in control over entities in the year ended 30 June 2026.

Details of associates and joint venture

Adherium does not have any associates or joint ventures.

Trends in Performance

Adherium has transitioned from a clinical trials company to a data-driven remote patient monitoring company, providing adherence and technique monitoring to customers for a monthly subscription fee. The Company recorded a net loss of $14,161,734 for the year, reflecting increased investment to commercialise the technology in the US market. Revenue growth was moderated by the timing of patient onboarding as the monitoring program was refined to meet the needs of customers and their patients. Strong month on month revenue growth in RPM subscription was achieved during F26 and setting Adherium up for further RPM subscription growth in F27.

Audit status

This Appendix 4E and the included financial information are based on financial statements which are in the process of being audited, and the audited financial statements will be published in September 2026. As in prior years, the independent auditor's report may contain an emphasis of matter reflecting a material uncertainty in respect of going concern related to the raising of additional capital or alternative funding until the group is supported by cash flows from operations. Despite this, the Directors are of the view that adoption of the going concern basis of preparation of the financial statements continues to be appropriate.

Financial report

The following financial report included in this Appendix 4E does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide a complete understanding of the financial performance, financial position and operating, financing and investing activities of the consolidated entity as the full financial report. The financial report should be read in conjunction with any public announcements made by Adherium Limited in accordance with the continuous disclosure obligations of the ASX Listing Rules. The accounting policies applied are the same as those noted in the most recent interim financial report and the previous annual report.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026

	Notes	June 2026	June 2025
Continuing Operations			
Sales	1	2,100,479	817,237
Cost of sales		(877,485)	(705,863)
Gross profit		1,222,994	111,374
Other Income - R&D tax credit		1,093,959	1,190,763
Other Income - Gov't grant		30,000	31,673
Manufacturing support		-	(655,379)
Research and development costs		(2,080,937)	(3,441,138)
Sales and marketing costs		(1,804,218)	(4,290,344)
Administrative expenses		(11,698,296)	(5,485,800)
Operating loss		(13,236,498)	(12,538,851)
Finance income		37,317	88,188
Finance expense		(962,553)	(228,686)
Finance income (cost) - net		(925,236)	(140,498)
Loss before income tax		**(14,161,734)**	**(12,679,349)**
Income tax expense			-
Loss for the period attributable to equity holders		(14,161,734)	(12,679,349)
Other comprehensive income			
Other comprehensive income for the period , net of tax		(250,520)	1,365
Total comprehensive loss for the period		(250,520)	1,365
Total comprehensive loss attributable to:		**(14,412,254)**	**(12,677,984)**
Equity holders of Adherium Limited		(14,412,254)	(12,677,984)
Basic and diluted loss per share	3	(0.3) cents	(1.4) cents

Consolidated Statement of Financial Position as at 30 June 2026

	Notes	June 2026	June 2025
ASSETS			
Current Assets			
Cash and cash equivalents	4	1,424,058	43,254
Trade and other receivables	5	1,739,417	1,078,776
Inventories	6	1,229,996	1,838,370
Prepayments		105,373	439,922
Total Current Assets		4,498,845	3,400,323
Non-Current Assets			
Property plant and equipment		65,226	69,781
Intangible assets		-	36
Right-of-use assets		-	45,292
Total Non-Current Assets		65,226	115,110
Total Assets		**4,564,071**	**3,515,433**
LIABILITIES			
Current Liabilities			
Trade and other payable		2,633,555	3,087,264
Borrowings	8	2,402,096	1,115,108
Convertible Notes	8	-	1,958,589
Employee benefits		304,729	1,220,243
Income received in advance		493,348	824,170
Lease liabilities		-	46,953
Total Current Liabilities		5,833,728	8,252,328
Non-Current Liabilities			
Employee benefits		20,417	26,356
Lease liabilities		-	-
Non-Current Liabilities		20,417	26,356
Total Liabilities		**5,854,144**	**8,278,684**
EQUITY			
Share capital	7	149,655,822	132,134,776
Accumulated deficit		(130,351,939)	(116,190,205)
Other reserves		(20,593,956)	(20,707,822)
Total equity		(1,290,073)	(4,763,251)
Total liabilities & equity		**4,564,071**	**3,515,433**

Consolidated Statement of Changes in Equity
for the year ended 30 June 2026

	Share capital	Accumulated deficit	Share & option compensation reserve	Foreign currency translation reserve	Merger Reserve	Convertible notes reserve	Total Equity
Equity as at 30 June 2025	**132,134,776**	**(116,190,205)**	**6,161,765**	**577,572**	**(27,534,799)**	**87,640**	**(4,763,251)**
Loss for the period	-	(14,161,734)	-	-	-	-	(14,161,734)
Other comprehensive income	-		-	(250,520)	-	-	(250,520)
Total comprehensive loss	-	(14,161,734)	-	(250,520)	-	-	(14,412,253)
Transactions with owners:							
Shares and options issued in placement	8,929,947						8,929,947
Conversion of Convertible notes to share capital and recognition of attahching options	3,954,411		452,024			(87,640)	4,318,795
Conversion of borrowing loan to share	1,655,184						1,655,184
Share isssued for exercise of options	3,650,798						3,650,798
Share and option issue costs	(744,293)						(744,293)
Share and option grants for services	75,000						75,000
Equity as at 30 June 2026	**149,655,822**	**(130,351,939)**	**6,613,789**	**327,052**	**(27,534,799)**	**-**	**(1,290,073)**

Consolidated Statement of Cash Flows
for the year ended 30 June 2026

	Notes	June 2026	June 2025
Cash flows from operating activities:			
Receipts from customers		1,290,863	1,186,756
Research and development tax incentive receipts		1,087,081	1,642,976
Interest received		37,289	88,188
Interest paid		(43,069)	(65,894)
Payments to employees		(7,766,533)	(6,886,457)
Payments to suppliers		(9,439,157)	(5,949,270)
Net cash provided from (used in) operating activities		**(14,833,526)**	**(9,983,702)**
Cash flows from investing activities:			
Purchase of property, plant and equipment		(39,000)	(48,189)
Net cash used in investing activities		**(39,000)**	**(48,189)**
Cash flows from financing activities:		-	
Proceeds from the issue of shares	7	14,952,316	305,500
Convertible Notes		-	2,600,015
Borrowing		2,202,096	1,100,000
Payment of capital raising costs		(833,356)	(139,902)
Net cash provided from financing activities		**16,321,056**	**3,865,613**
Net increase (decrease) in cash		1,448,530	(6,166,278)
Cash at the beginning of the year		43,254	6,197,538
Effect of exchange rate changes on cash balances		(67,726)	11,993
Cash at the end of the year	4	**1,424,058**	**43,254**

The accompanying notes form part of this financial report.

Notes to the condensed consolidated financial statements
for the year ended 30 June 2026

1. Revenues and expenses

	June 2026	June 2025
(a) Income from continuing operations:		
Sensor sales and monitoring services	453,525	350,510
Engineering services and other services	1,646,954	466,727
	2,100,479	**817,237**
(b) Loss before income tax includes the following specific expenses:		
Depreciation of property, plant and equipment	49,574	54,582
Amortisation of intangible assets	91,665	48,748
Operating lease costs		76,155
Employee benefits expense		
- Wages and salaries	5,999,418	6,882,196
- Share, option and SARs compensation	452,024	215,129
Total employee benefits expense	**6,451,442**	**7,097,325**

2. Segment Information

The Group has considered the requirements for segmental reporting as set out in AASB 8: Operating Segments. The standard requires that operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker has been identified as the Chief Executive Officer. The Group has determined that one segment exists for the Group's Hailie® Smartinhaler®.

3. Earnings per share	**June 2026**	**June 2025**
Profit (loss) after income tax attributable to quity holders	(14,161,734)	(12,679,349)
Weighted average shares outstanding (basic)	5,488,728,788	899,798,730
Weighted average shares outstanding (diluted)	5,488,728,788	899,798,730
Basic and diluted loss per share	(0.3) cents	(1.4) cents

4. Cash and cash equivalents	June 2026	June 2025
Cash at bank and on hand	1,052,472	25,368
Deposits at call	371,586	17,887
	1,424,058	43,255

5. Trade and other receivables	June 2026	June 2025
Trade receivables and accruals	822,026	80,712
R&D tax credit receivable	779,358	858,168
GST and other taxes receivable	134,524	117,923
Security deposits	3,509	21,972
	1,739,417	1,078,775

6. Inventories	June 2026	June 2025
Raw materials and components	944,786	1,007,837
Provision for obsolscence	(466,735)	(377,043)
Finished goods	751,945	1,207,576
	1,229,996	1,838,370

7. Share capital

	Ordinary Shares	$
Share capital as at 30 June 2024	**730,079,962**	**131,003,209**
Cancellation of shares issued in employee share plans	(394,753)	-
Shares issued in placements	28,500,000	570,000
Shres issued on conversion of Con.Notes	140,293,872	701,469
Shares issue costs	-	(139,902)
Share capital as at 30 June 2025	**898,479,081**	**132,134,776**
Share and option grants for services	37,371,011	75,000
Shares and options issued in placement	2,679,615,468	8,929,946
Shares issued for exercise of	654,696,133	3,650,798
Conversion of Convertible notes to share capital and recognition of attaching options	666,839,071	3,954,411
Conversion of Loan to share	551,728,024	1,655,184
Share and option issue costs	0	-744,293
Share capital as at 30 June 2026	**5,488,728,788**	**149,655,822**

8. Borrowings

8(a) Loan

	June 2026	June 2025
Working capital facility	2,402,096	1,100,000
Interest on borrowings	16,886	15,108
	2,418,982	1,115,108

8(b) Convertible Notes

	June 2026	June 2025
Opening FY26 Balance	1,958,590	
Convertible notes issued		2,600,000
Con. Notes recognised as equity	-2,204,366	-87,640
Con. Notes conversion		-701,469
Interest on convertible notes	245,776	147,699
Closing Convertible note	0	1,958,590

Capital Facility Movement

During the quarter ended 31 March 2026, the entity fully extinguished its total financing facilities of $1,001,000 (comprising a $550k loan from Trudell Medical and a $451k convertible note from Phillip Asset Management). As of 31 March 2026, the entity's total financing facilities remain at Nil."

The settlement was completed via the following activities:

1. Note Conversion: The $451,000 convertible note (including accrued interest) with Phillip Asset Management was fully converted into ordinary shares.

2. Repayment of Trudell $1.3M and the $550,000 loans and interest settled in a non cash contra entry against ANREO payment.

Borrowings – Trudell Medical Loan

In June 2025, the Company entered into a short-term bridge loan agreement with Trudell Medical Limited for $1.65million.
The loan bore interest at 12% per annum, with a final repayment date 30 September 2026
The loan may be extended on a month to month basis upon the mutual agreement of the parties
Related-party disclosure has been made, as Trudell Medical Ltd is a related party of the Company.

9. Events occurring after balance date

- A $1M loan at 12% interest was accepted from Trudell across July and August 2026.
- Adherium completed a share consolidation at a 100:1 conversion.