Elixinol Wellness Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Elixinol Wellness Limited
ABN:	34 621 479 794
Reporting period:	For the half-year ended 30 June 2026
Previous period:	For the half-year ended 30 June 2025

2. Results for announcement to the market

The Directors present this Appendix 4D on the consolidated entity (referred to as the 'Group') consisting of Elixinol Wellness Limited (referred to as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2026.

				$'000
Revenues from ordinary activities	up	2.2%	to	7,813
Loss from ordinary activities after tax attributable to the owners of Elixinol Wellness Limited	down	65.4%	to	(1,071)
Loss for the half-year attributable to the owners of Elixinol Wellness Limited	down	65.4%	to	(1,071)

	30 Jun 2026 Cents	30 Jun 2025 Cents
Basic loss per share	(0.26)	(1.39)
Diluted loss per share	(0.26)	(1.39)

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

Comments
The loss for the Group after providing for income tax amounted to $1,071,000 (30 June 2025: $3,093,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.54)	(1.12)

Calculated as follows:

	30 Jun 2026 $'000	Group 30 Jun 2025 $'000
Net assets	6,364	6,965
Less: Right-of-use assets	(256)	(216)
Less: Intangibles	(4,845)	(5,950)
Less: Deferred tax assets	(3,794)	(3,591)
Add: Lease liabilities	278	220
Net tangible assets	(2,253)	(2,572)
Total shares issued (no.)	413,987,731	230,191,421

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:
Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):
The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report. The review report contains a paragraph addressing material uncertainty related to going concern.

11. Attachments

Details of attachments (if any):
The Interim Report of Elixinol Wellness Limited for the half-year ended 30 June 2026 is attached.

12. Signed

Authorised for release by the Board of Directors

Signed ____________________________ Date: 31 August 2026

Gavin Evans
Independent Non-Executive Director and Chair

Elixinol Wellness Limited

ABN 34 621 479 794

Interim Report - 30 June 2026

The Directors of Elixinol Wellness Limited ('**Elixinol Wellness**' or the '**Company**') present this report, together with the financial statements of the Company and its controlled entities ('**Consolidated Entity**' or '**Group**') for the half-year ended 30 June 2026 ('**H1 FY26**').

Directors

The Directors of the Company in office during the financial half-year and up to the date of this report are as follows:

Gavin Evans	Independent Non-Executive Chair
Pauline Gately	Independent Non-Executive Director
Natalie Butler	Executive Director and Chief Executive Officer

The Directors were in office for the entire period unless otherwise stated.

Principal activities

The principal activities of the Company during the half-year comprised the development, sourcing, manufacture and supply of a range of complementary products for health-conscious consumers across three verticals: human nutrition, human wellness and superfood ingredients.

The principal activities of the Group are:

Australia

Elixinol's Australian operations encompass a vertically integrated business that produces, manufactures, and distributes a range of highly complementary products for health-conscious consumers across three verticals – human nutrition, human wellness and superfood ingredients. These products are sold under a portfolio of brands led by The Healthy Chef and Hemp Foods Australia — the Group's two largest revenue contributors in H1 FY26.

Elixinol Americas

Established in 2014, Elixinol Americas is based in the United States and specialises in marketing and distributing products made from premium quality, predominantly 'whole plant' full spectrum CBD. During H1 FY26, the Company operated exclusively as an e-commerce business.

Operating and financial review

Revenue performance and operating expenses trend

Revenue from continuing operations increased 5.8% to $7,197,000 (H1 FY25: $6,801,000), driven by strong performances from the Group's key brands. The Healthy Chef delivered revenue growth of 22%, supported by its retail expansion into Priceline Pharmacy, while Hemp Foods Australia grew revenue by +14%, with gross margin improving to 48%. The Group’s bulk hemp business, operating under the Australian Primary Hemp brand, also grew 16% compared with H1 FY25, driven by growth in hemp grocery contracts that remain in place into 2027. This brand-led growth, combined with an improved product mix, lifted Group gross margin to 43% (H1 FY25: 33%).

Operating expenses reduced by 25% to $3,325,000 (H1 FY25: $4,403,000), reflecting disciplined cost management and a streamlined cost base following the Group's operational rationalisation.

Statutory loss

The loss for the Group after providing for income tax amounted to $1,071,000 (30 June 2025: $3,093,000), comprising a loss from continuing operations of $973,000 (H1 FY25: $2,941,000 loss) and a $98,000 loss (H1 FY25: $152,000 loss) from the discontinued US business.

Underlying earnings (Adjusted EBITDA)

The Group’s earnings before interest, tax, depreciation and amortisation ('EBITDA') including share of associates’ net loss and excluding impairments and share-based payments for the period ended 30 June 2026 was an Adjusted EBITDA loss of $134,000 (30 June 2025: Adjusted EBITDA loss of $2,094,000) reflecting stronger revenue, higher gross margins and the reduction in the Group's operating cost base.

Reconciliation of Adjusted EBITDA from continuing operations to statutory loss

	Group	
	30 Jun 2026	30 Jun 2025
	$'000	$'000
Loss after income tax	**(973)**	**(2,941)**
Add back/(deduct):		
Finance costs	223	279
Interest income	(4)	(4)
Depreciation and amortisation	374	511
EBITDA	**(380)**	**(2,155)**
Add back/(deduct):		
Impairment and write-off of other assets	123	262
Share-based payments	20	(101)
Non-operating transactions*	103	(100)
Adjusted EBITDA	**(134)**	**(2,094)**

* Non-operating transactions comprise non-recurring restructuring, business integration and other one-time expenses that are not considered reflective of the underlying operating performance of the business.

EBITDA and Adjusted EBITDA are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represent the statutory result under AAS, adjusted for certain items. The Directors consider EBITDA and Adjusted EBITDA to reflect the core earnings of the Group.

Operating cash flow and balance sheet position

Net operating cash outflow for H1 FY26 was $712,000, compared with $1,383,000 in H1 FY25. The improvement reflects the Group's higher gross margin and reduced cost base, with payments to suppliers and employees falling to $8,042,000 (H1 FY25: $9,631,000) and interest and other finance costs paid reducing to $122,000 (H1 FY25: $207,000), notwithstanding the absence of the $481,000 insurance recovery received in the prior corresponding period.

Impairment charges

Impairment charges were $123,000 in H1 FY26, compared with impairment and other asset write-off charges of $288,000 in H1 FY25. The H1 FY26 charge relates entirely to the intangible assets of the Ananda Brands cash-generating unit and comprises $41,000 against goodwill, $43,000 against the brand name and $39,000 against the patent.

Significant changes in the state of affairs

Change in share registry

On 30 March 2026, the Company announced it changed its share registry to Boardroom Pty Limited from Automic Pty Ltd. The change became effective on 7 April 2026.

Change in Company Secretary

On 14 April 2026, the Company appointed Ms Mariia Skorikova and Mr Tony Di Pietro as joint Company Secretaries, replacing Ms Melanie Leydin who resigned on this date.

Small parcel sale facility

On 20 April 2026, the Company established a Small Parcel Sale Facility ('SPSF') for shareholders holding less than a marketable parcel of ordinary shares, being a holding valued at less than $500 based on the ASX closing share price. The facility enables eligible shareholders to sell their shares without incurring brokerage or other transaction costs, which will be borne by the Company (excluding any tax consequences arising from the sale). The SPSF is expected to reduce the administrative costs associated with maintaining a large number of small shareholdings. Based on the closing share price on 17 April 2026, the aggregate value of shares eligible under the facility was estimated at approximately $177,802.

On 18 June 2026, the Company announced the completion of the SPSF with 7,387 shareholders holding an aggregate of 18,788,535 shares selling with a sale price of $0.006 per share generating sale proceeds of $112,731. Settlement occurred on 26 June 2026.

There were no other significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year
Subsequent to 30 June 2026, the Company received a letter of offer to divest the assets of its US business. The parties have progressed negotiations towards the execution of definitive transaction documentation.

The proposed transaction is consistent with the Board’s commitment to the divestment of the US business and the Group’s strategic focus on its Australian operations. The US business has been classified as a discontinued operation and the related assets have been classified as held for sale in these financial statements in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations'.

Completion of the transaction remains subject to the execution of definitive agreements and the satisfaction of customary conditions precedent. The transaction is expected to generate cash proceeds for the Group and, upon completion, strengthen the Group’s liquidity position.

Following the Annual General Meeting (AGM) held on 27 May 2026, at which shareholders approved a resolution to undertake a capital raising, the Group has continued to assess its funding requirements and the appropriate structure and timing of any capital raising. No equity capital raising has been implemented as at the date of this report.

The Group has closed a Convertible Note offer, as approved at the AGM, to provide additional working capital and support the Group’s liquidity requirements. As at the date of this report, subscriptions totalling $1,055,000 have been received. The Directors continue to closely monitor the Group’s liquidity position and financing requirements and are progressing funding initiatives to support the Group’s ongoing working capital requirements.

Other than the matters described above, there have been no other matters or circumstances that have arisen since 30 June 2026 that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

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

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

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

On behalf of the Directors

Gavin Evans
Independent Non-Executive Director and Chair

31 August 2026

RSM Australia Partners

Level 27, 120 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Elixinol Wellness Limited and its controlled entities for the half-year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

RSM AUSTRALIA PARTNERS

B Y CHAN
Partner

Melbourne, Victoria
Dated: 31 August 2026

Elixinol Wellness Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2026

	Note	Group 30 Jun 2026 $'000	Group 30 Jun 2025 $'000
Revenue from continuing operations	5	7,197	6,801
Other income	6	79	698
Interest income calculated using the effective interest method		4	4
Expenses			
Raw materials and consumables used and processing expenses		(4,085)	(4,525)
Employee benefits expenses and Directors' fees		(1,509)	(1,988)
Share-based payments		(20)	101
Depreciation and amortisation expense		(374)	(511)
Impairment of intangibles	10	(123)	(25)
Write off of machinery		-	(37)
Recovery/(write off) of inventory		-	(213)
Professional services expenses		(300)	(445)
Sales and marketing expenses		(554)	(781)
Administrative expenses		(519)	(604)
Distribution costs		(443)	(585)
Other expenses		(103)	(552)
Finance costs		(223)	(279)
Loss before income tax expense from continuing operations		(973)	(2,941)
Income tax expense		-	-
Loss after income tax expense from continuing operations		(973)	(2,941)
Loss after income tax expense from discontinued operations	7	(98)	(152)
Loss after income tax expense for the half-year attributable to the owners of Elixinol Wellness Limited		(1,071)	(3,093)
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		10	(4)
Other comprehensive income/(loss) for the half-year, net of tax		10	(4)
Total comprehensive loss for the half-year attributable to the owners of Elixinol Wellness Limited		(1,061)	(3,097)
Total comprehensive loss for the half-year is attributable to:			
Continuing operations		(973)	(2,941)
Discontinued operations		(88)	(156)
		(1,061)	(3,097)

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

		30 Jun 2026 Cents	30 Jun 2025 Cents
Earnings per share for loss from continuing operations attributable to the owners of Elixinol Wellness Limited			
Basic loss per share	16	(0.24)	(1.32)
Diluted loss per share	16	(0.24)	(1.32)
Earnings per share for loss from discontinued operations attributable to the owners of Elixinol Wellness Limited			
Basic loss per share	16	(0.02)	(0.07)
Diluted loss per share	16	(0.02)	(0.07)
Earnings per share for loss attributable to the owners of Elixinol Wellness Limited			
Basic loss per share	16	(0.26)	(1.39)
Diluted loss per share	16	(0.26)	(1.39)

Elixinol Wellness Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	Group 30 Jun 2026 $'000	Group 31 Dec 2025 $'000
Assets			
Current assets			
Cash and cash equivalents	8	996	1,405
Trade and other receivables		1,599	1,191
Inventories		2,252	2,658
Prepayments and other assets		397	446
		5,244	5,700
Assets of disposal groups classified as held for sale	9	181	-
Total current assets		5,425	5,700
Non-current assets			
Property, plant and equipment		759	895
Right-of-use assets		256	348
Intangibles	10	4,845	5,150
Deferred tax		3,794	3,793
Prepayments and other assets		91	78
Total non-current assets		9,745	10,264
Total assets		15,170	15,964
Liabilities			
Current liabilities			
Trade and other payables		1,514	2,103
Contract liabilities		5	50
Borrowings	11	3,703	3,258
Lease liabilities		56	147
Employee benefits		230	158
Deferred consideration		267	-
Accrued expenses		843	926
		6,618	6,642
Liabilities directly associated with assets classified as held for sale	12	354	-
Total current liabilities		6,972	6,642
Non-current liabilities			
Borrowings	11	50	98
Lease liabilities		222	222
Employee benefits		41	29
Contingent consideration		1,521	1,521
Total non-current liabilities		1,834	1,870
Total liabilities		8,806	8,512
Net assets		6,364	7,452
Equity			
Issued capital	13	229,854	229,881
Reserves		10,876	10,866
Accumulated losses		(234,366)	(233,295)
Total equity		6,364	7,452

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

Elixinol Wellness Limited
Consolidated statement of changes in equity
For the half-year ended 30 June 2026

Group	Issued capital $'000	Foreign currency translation reserve $'000	Share-based payments reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2025	228,291	9,223	387	(227,875)	10,026
Loss after income tax expense for the half-year	-	-	-	(3,093)	(3,093)
Other comprehensive loss for the half-year, net of tax	-	(4)	-	-	(4)
Total comprehensive loss for the half-year	-	(4)	-	(3,093)	(3,097)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	137	-	-	-	137
Share-based payments (note 17)	-	-	(101)	-	(101)
Vesting of share-based payments	58	-	(58)	-	-
Transfer of historical expired rights	-	-	(80)	80	-
Balance at 30 June 2025	228,486	9,219	148	(230,888)	6,965

Group	Issued capital $'000	Foreign currency translation reserve $'000	Share-based payments reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 January 2026	229,881	9,419	1,447	(233,295)	7,452
Loss after income tax expense for the half-year	-	-	-	(1,071)	(1,071)
Other comprehensive income for the half-year, net of tax	-	10	-	-	10
Total comprehensive income/(loss) for the half-year	-	10	-	(1,071)	(1,061)
Transactions with owners in their capacity as owners:					
Share issue transaction costs (note 13)	(27)	-	-	-	(27)
Balance at 30 June 2026	229,854	9,429	1,447	(234,366)	6,364

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

Elixinol Wellness Limited
Consolidated statement of cash flows
For the half-year ended 30 June 2026

	Group	
	30 Jun 2026 $'000	30 Jun 2025 $'000
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	7,428	7,947
Payments to suppliers and employees (inclusive of GST)	(8,042)	(9,631)
Government grants	20	23
Insurance claim received	-	481
Interest received	4	4
Interest and other finance costs paid	(122)	(207)
Net cash used in operating activities	(712)	(1,383)
Cash flows from investing activities		
Payments for property, plant and equipment	(21)	(13)
Payments for intangibles	-	(17)
Payments for security deposits	(13)	-
Proceeds from disposal of property, plant and equipment	47	-
Net cash from/(used in) investing activities	13	(30)
Cash flows from financing activities		
Proceeds from issue of shares	-	150
Share issue transaction costs	-	(12)
Proceeds from secured loan	-	1,325
Net proceeds from trade finance borrowings	397	73
Repayment of lease liabilities	(91)	(95)
Net cash provided from financing activities	306	1,441
Net (decrease)/increase in cash and cash equivalents	(393)	28
Cash and cash equivalents at the beginning of the financial half-year	1,405	1,078
Effects of exchange rate changes on cash and cash equivalents	(16)	(19)
Cash and cash equivalents at the end of the financial half-year	996	1,087

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

Note 1. General information

The financial statements cover Elixinol Wellness Limited as a group consisting of Elixinol Wellness Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ('Group'). The financial statements are presented in Australian dollars, which is Elixinol Wellness Limited's functional and presentation currency.

Elixinol Wellness Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office is:

Registered office	Principal place of business
Suite 2 Level 11 385 Bourke Street Melbourne VIC 3000	51 -53 Riversdale Road Newtown VIC 3220

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 31 August 2026. The Directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

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

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

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

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 30 June 2026 and are not expected to have a significant impact for the full financial year ending 31 December 2026.

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

Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a net loss before tax of $1,071,000 and had net cash outflows from operating activities of $712,000 for the half-year ended 30 June 2026. As at that date, the Group had net current liabilities of $1,547,000.

These factors indicate a material uncertainty that may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the half year financial report.

Note 2. Material accounting policy information (continued)

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group has prepared cash flow forecasts covering the period of at least 12 months from the date of approval of these financial statements, which indicate that the Group is expected to maintain sufficient liquidity to meet its obligations as they fall due. These forecasts include assumptions around a capital raising event;
- The Group is currently undertaking a capital raising and convertible note offer to provide additional working capital and support its liquidity requirements (refer note 18 Events after the reporting period). Based on the level of investor support received to date and the Group's demonstrated history of raising capital, the Directors are confident these initiatives will be completed successfully;
- The proposed divestment of the US business (refer note 7 Discontinued operations) is expected to generate cash proceeds and further strengthen the Group's liquidity upon completion; and
- The Group has demonstrated an ability to manage its operating cost base and, if required, has the capacity to further reduce discretionary expenditure and defer certain non-essential capital and operating commitments to preserve cash.

Accordingly, the Directors believe it is appropriate to prepare the financial statements on a going concern basis and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

In the event the Group is unsuccessful at capital raising or completing the convertible note offer, and alternative funding sources were not available to be obtained, the Group would not be a going concern and therefore will not be able to realise its assets and extinguish it’s liabilities in the normal course of business, at the amounts stated in the half-year financial report.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities, that may be necessary if the Group is unable to continue as a going concern.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are consistent with those of the latest Annual Report.

Note 4. Operating segments

Identification of reportable operating segments
The Group is organised into three operating segments: Australia, Americas and Rest of World. There is one single business segment, being the sale of nutraceutical and related hemp products. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation), adjusted for impairment. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services
The principal products and services of each of these operating segments are as follows:

Australia	This includes the results from operations of Elixinol Wellness (Byron Bay) Pty Ltd, The Sustainable Nutrition Group Pty Ltd and its subsidiaries ('TSN') and Ananda Food Pty Ltd.
Americas	This includes the trading results of Elixinol LLC ('Elixinol Americas') in the US through the manufacture and distribution of hemp-derived cannabidiol (‘CBD’) products.
Rest of World	This includes the results from the trading operations of Elixinol BV and Elixinol Ltd (together 'Elixinol Europe') and through the manufacture and distribution of hemp-derived CBD products, and licencing agreements in place across the rest of the world.

Note 4. Operating segments (continued)

'Unallocated' represents corporate, being Elixinol Wellness Limited (corporate).

Intersegment transactions
Intersegment transactions were made at market rates. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Operating segment information

	Continuing	Continuing	Continuing	Continuing	Discontinued	
Group - 30 Jun 2026	Australia $'000	Rest of World $'000	Unallocated $'000	Sub-total $'000	Americas $'000	Total $'000
Revenue						
Sales to external customers	7,186	-	-	7,186	616	7,802
Licence revenue	-	11	-	11	-	11
Total revenue	7,186	11	-	7,197	616	7,813
Adjusted EBITDA	274	11	(419)	(134)	(107)	(241)
Depreciation and amortisation	(184)	-	(190)	(374)	-	(374)
Interest income	3	-	1	4	-	4
Finance costs	(104)	-	(119)	(223)	-	(223)
Impairment of assets	-	-	(123)	(123)	9	(114)
Share-based payments	-	-	(20)	(20)	-	(20)
Non-operating transactions	-	-	(103)	(103)	-	(103)
(Loss)/profit before income tax expense	(11)	11	(973)	(973)	(98)	(1,071)
Income tax expense						-
Loss after income tax expense						(1,071)
Assets						
Segment assets	14,982	7	-	14,989	181	15,170
Total assets						15,170
Liabilities						
Segment liabilities	8,409	43	-	8,452	354	8,806
Total liabilities						8,806

Note 4. Operating segments (continued)

Group - 30 Jun 2025	Continuing Australia $'000	Continuing Rest of World $'000	Continuing Unallocated $'000	Continuing Sub-total $'000	Discontinued Americas $'000	Total $'000
Revenue						
Sales to external customers	6,795	-	-	6,795	841	7,636
Licence revenue	-	6	-	6	-	6
Total revenue	6,795	6	-	6,801	841	7,642
Adjusted EBITDA	(1,370)	4	(728)	(2,094)	(139)	(2,233)
Depreciation and amortisation	(266)	-	(245)	(511)	-	(511)
Interest income	2	-	2	4	-	4
Finance costs	(171)	-	(108)	(279)	-	(279)
Impairment and write-off of assets	(249)	-	(13)	(262)	(13)	(275)
Share-based payments	-	-	101	101	-	101
Termination and other one-off transactions	-	-	(75)	(75)	-	(75)
Deferred consideration adjustment	-	-	175	175	-	175
(Loss)/profit before income tax expense	(2,054)	4	(891)	(2,941)	(152)	(3,093)
Income tax expense						-
Loss after income tax expense						(3,093)

Group - 31 Dec 2025	Continuing Australia $'000	Continuing Rest of World $'000	Continuing Unallocated $'000	Continuing Sub-total $'000	Discontinued Americas $'000	Total $'000
Assets						
Segment assets	6,739	9	8,794	15,542	422	15,964
Total assets						15,964
Liabilities						
Segment liabilities	3,974	86	3,998	8,058	454	8,512
Total liabilities						8,512

Geographical information

	Sales to external customers 30 Jun 2026 $'000	Sales to external customers 30 Jun 2025 $'000	Geographical non-current assets 30 Jun 2026 $'000	Geographical non-current assets 31 Dec 2025 $'000
Australia	7,186	6,795	5,951	6,800
Americas	616	841	-	31
Rest of World	11	6	-	-
Unallocated	-	-	-	200
	7,813	7,642	5,951	7,031

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets and post-employment benefits assets.

Note 5. Revenue

	Group	
	30 Jun 2026	**30 Jun 2025**
	$'000	**$'000**
From continuing operations		
Sale of goods	7,186	6,795
Licence revenue	11	6
Revenue from continuing operations	7,197	6,801

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

Group - 30 Jun 2026	eCommerce $'000	Retail $'000	Other * $'000	Total $'000
Geographical regions				
Australia	2,100	3,578	1,508	7,186
Rest of World	-	-	11	11
	2,100	3,578	1,519	7,197
Timing of revenue recognition				
Goods transferred at a point in time	2,100	3,578	1,403	7,081
Services transferred over time	-	-	116	116
	2,100	3,578	1,519	7,197

* *Other includes bulk and private label.*

Group - 30 Jun 2025	eCommerce $'000	Retail $'000	Other * $'000	Total $'000
Geographical regions				
Australia	2,182	3,505	1,108	6,795
Rest of World	-	-	6	6
	2,182	3,505	1,114	6,801
Timing of revenue recognition				
Goods transferred at a point in time	2,182	3,505	1,108	6,795
Services transferred over time	-	-	6	6
	2,182	3,505	1,114	6,801

* *Other includes bulk and private label.*

Note 6. Other income

	Group	
	30 Jun 2026	**30 Jun 2025**
	$'000	**$'000**
Net foreign exchange loss	(4)	(4)
Net (loss)/gain on disposal of property, plant and equipment	(1)	4
Grants	20	23
Insurance recoveries	-	481
Sub-lease income and other	64	194
Other income	79	698

Note 7. Discontinued operations

Elixinol LLC

During the period, the Group commenced a process to divest its US operations. The proposed transaction involves the sale of certain assets associated with the US business, primarily inventory, to a third party. The divestment forms part of the Group's strategy to streamline operations and focus on its core markets.

As at 30 June 2026, the transaction had not completed. Management is progressing the sale process and expects the Group's US operations to cease following completion of the divestment. The financial results of the US operations have been presented as a discontinued operation in the interim financial statements where required by AASB 5 'Non-current Assets Held for Sale and Discontinued Operations'.

Financial performance information

	Group	
	30 Jun 2026	**30 Jun 2025**
	$'000	**$'000**
Sale of goods	616	841
Raw materials and consumables used and processing expenses	(192)	(262)
Employee benefits expenses and Directors' fees	(137)	(157)
Recovery/write off of inventory	9	(13)
Professional services expenses	(73)	(88)
Sales and marketing expenses	(83)	(193)
Administrative expenses	(112)	(138)
Distribution costs	(105)	(141)
Net foreign exchange loss	(2)	(1)
Other expenses	(19)	-
Total expenses	(714)	(993)
Loss before income tax expense	(98)	(152)
Income tax expense	-	-
Loss after income tax expense from discontinued operations	(98)	(152)

Note 8. Cash and cash equivalents

	Group	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Current assets		
Cash at bank	996	1,405

Note 9. Assets of disposal groups classified as held for sale

	Group	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Current assets		
Trade and other receivables	2	-
Inventories	178	-
Other current assets	1	-
	181	-

Note 10. Intangibles

	Group	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Non-current assets		
Goodwill - at cost	3,348	3,348
Less: Impairment	(255)	(214)
	3,093	3,134
Brand name - at cost	1,693	1,693
Less: Accumulated amortisation	(513)	(401)
Less: Impairment	(51)	(8)
	1,129	1,284
Trademarks - at cost	269	269
Less: Accumulated amortisation	(46)	(39)
Less: Impairment	(49)	(10)
	174	220
Other intangible assets - at cost	657	657
Less: Accumulated amortisation	(208)	(145)
	449	512
	4,845	5,150

Note 10. Intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Group	Goodwill $'000	Brand name $'000	Patents and trademarks $'000	Other intangible assets $'000	Total $'000
Balance at 1 January 2026	3,134	1,284	220	512	5,150
Impairment of assets	(41)	(43)	(39)	-	(123)
Amortisation expense	-	(112)	(8)	(62)	(182)
Balance at 30 June 2026	3,093	1,129	173	450	4,845

Impairment
The recoverable amount of the Group's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 2 year projection period approved by management and extrapolated for a further 3 years using a steady rate, together with a terminal value. Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

Key assumptions
Management's cash flow projections assume short- to medium-term revenue growth driven by expanded product ranges, new product development, secured supply contracts, focused sales strategies, moderate e-commerce growth and increasing customer loyalty, supported by improved or stable gross margins as supply conditions normalise and product mix improves. Operating expenditure is expected to decline or remain stable as a percentage of revenue as working capital requirements reduce through lower inventory levels, and operational efficiencies lower ongoing cash burn, with only limited capital expenditure required due to outsourced or efficient production capabilities.

Cash flows are projected using a terminal growth rate of 2.0% beyond the explicit forecast period and discounted at a pre-tax rate of 23%, reflecting management's estimate of the weighted average cost of capital, incorporating both the time value of money and the risk profile of the underlying cash flows.

There were no other key assumptions.

Based on the above, total impairment charges of $123,000 have been recognised against Ananda Brands, comprising $41,000 against the goodwill, $43,000 against the brand name and $39,000 against the patent. The recoverable amounts of the remaining cash-generating units exceed their carrying values, providing headroom over the carrying value of associated intangible assets.

Note 11. Borrowings

	Group 30 Jun 2026 $'000	**31 Dec 2025 $'000**
Current liabilities		
Loans - Raw With Life	96	48
Insurance premium funding	37	188
Trade financing	2,052	1,579
Secured loan, including interest	1,518	1,443
	3,703	3,258
Non-current liabilities		
Loans - Raw With Life	50	98

Note 11. Borrowings (continued)

Assets pledged as security
The Company received $1,325,000 under a secured debt facility with an original maturity date of 31 May 2026 and an interest rate of 12% payable on maturity. The security was granted by the Company's wholly owned US subsidiary, Elixinol LLC, over Elixinol LLC's present and future inventory, property, equipment and bank accounts in the United States. There are no financial covenants associated with the secured loan.

Prior to 30 June 2026, the Company agreed with the loan note holders to extend the maturity date of the secured loan to 27 August 2026. Accordingly, the secured loan remained outstanding as at 30 June 2026 in accordance with the agreed extension.

Subsequent to 30 June 2026, the Company has progressed the divestment of its US business through an asset sale. The proceeds from the proposed sale are expected to be applied towards repayment of the secured loan and accrued interest.

The security interest was granted contractually under the loan documentation and has not been registered with an external security registry.

Note 12. Liabilities directly associated with assets classified as held for sale

	Group	
	30 Jun 2026 $'000	31 Dec 2025 $'000
Current liabilities		
Trade payables	106	-
Other payables	72	-
Accrued expenses	176	-
	354	-

Note 13. Issued capital

	Group		Group	
	30 Jun 2026 Shares	31 Dec 2025 Shares	30 Jun 2026 $'000	31 Dec 2025 $'000
Ordinary shares - fully paid	413,987,731	413,987,731	229,854	229,881

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 January 2026	413,987,731		229,881
Share issue transaction costs				(27)
Balance	30 June 2026	413,987,731		229,854

Note 14. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Group - 30 Jun 2026	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Liabilities				
Contingent consideration	-	-	1,521	1,521
Total liabilities	-	-	1,521	1,521

Group - 31 Dec 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Liabilities				
Contingent consideration	-	-	1,521	1,521
Total liabilities	-	-	1,521	1,521

There were no transfers between levels during the financial half-year.

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

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

Valuation techniques for fair value measurements categorised within level 2 and level 3

Due to the nature of contingent consideration, it has been categorised as Level 3.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current financial half-year are set out below:

Group	Contingent consideration $'000
Balance at 1 January 2026	1,521
Balance at 30 June 2026	1,521

Note 14. Fair value measurement (continued)

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range (weighted average)	Sensitivity
Contingent consideration	Risk adjusted discount rate	5.1%	A change in the discount rate by 1% would increase/decrease the fair value by $63,000.
	Probability - weighted estimated cash flows (future earnings)	Contingent consideration has been estimated using techniques by discounting the probability - weighted estimated cash flows.	A change in revenue delivered in FY27 by 10% would increase/decrease the fair value by $110,000

Note 15. Contingent liabilities

The Group had no contingent liabilities at 30 June 2026 or 31 December 2025.

Note 16. Earnings per share

	Group 30 Jun 2026 $'000	30 Jun 2025 $'000
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Elixinol Wellness Limited	(973)	(2,941)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	413,987,731	222,156,397
Weighted average number of ordinary shares used in calculating diluted earnings per share	413,987,731	222,156,397
	Cents	**Cents**
Basic loss per share	(0.24)	(1.32)
Diluted loss per share	(0.24)	(1.32)

	Group 30 Jun 2026 $'000	30 Jun 2025 $'000
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Elixinol Wellness Limited	(98)	(152)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	413,987,731	222,156,397
Weighted average number of ordinary shares used in calculating diluted earnings per share	413,987,731	222,156,397
	Cents	**Cents**
Basic loss per share	(0.02)	(0.07)
Diluted loss per share	(0.02)	(0.07)

Note 16. Earnings per share (continued)

	Group	
	30 Jun 2026 $'000	**30 Jun 2025 $'000**
Earnings per share for loss		
Loss after income tax attributable to the owners of Elixinol Wellness Limited	(1,071)	(3,093)

	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	413,987,731	222,156,397
Weighted average number of ordinary shares used in calculating diluted earnings per share	413,987,731	222,156,397

	Cents	**Cents**
Basic loss per share	(0.26)	(1.39)
Diluted loss per share	(0.26)	(1.39)

Options and performance rights (note 17) have not been included in the calculation of diluted earnings per share as their inclusion would be anti-dilutive to the Group at 30 June 2026 and 30 June 2025.

Note 17. Share-based payments

The Group has established a long-term incentive share-based payment ('LTIP'). Under the LTIP, the Board at its absolute discretion can issue options and performance rights over ordinary shares in the Company to Directors, key management personnel and employees.

Performance rights are awarded based on the fixed amount to which the individual is entitled. Upon satisfaction of vesting and employment conditions, each performance right will, at the Company's election, convert to a share on a one-for-one basis or entitle the participant to receive in cash to the value of a share at the Board's discretion in lieu of an allocation of shares.

Details of the plans can be found in the latest 31 December 2025 Annual Report.

Grant dates and details
Set out below are summaries of options granted:

30 Jun 2026

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
25/11/2025	23/10/2027	$0.02000	218,796,310	-	-	-	218,796,310
28/11/2025	23/10/2027	$0.02000	50,000,000	-	-	-	50,000,000
			268,796,310	-	-	-	268,796,310

Set out below are summaries of performance rights granted:

30 Jun 2026

Grant date	Expiry date	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
27/05/2022	27/08/2027	58,220	-	-	(58,220)	-
03/10/2023	31/08/2028	36,416	-	-	-	36,416
		94,636	-	-	(58,220)	36,416

Note 18. Events after the reporting period

Subsequent to 30 June 2026, the Company received a letter of offer to divest the assets of its US business. The parties have progressed negotiations towards the execution of definitive transaction documentation.

The proposed transaction is consistent with the Board's commitment to the divestment of the US business and the Group's strategic focus on its Australian operations. The US business has been classified as a discontinued operation and the related assets have been classified as held for sale in these financial statements in accordance with AASB 5 'Non-current Assets Held for Sale and Discontinued Operations'.

Completion of the transaction remains subject to the execution of definitive agreements and the satisfaction of customary conditions precedent. The transaction is expected to generate cash proceeds for the Group and, upon completion, strengthen the Group's liquidity position.

Following the Annual General Meeting (AGM) held on 27 May 2026, at which shareholders approved a resolution to undertake a capital raising, the Group has continued to assess its funding requirements and the appropriate structure and timing of any capital raising. No equity capital raising has been implemented as at the date of this report.

The Group has closed a Convertible Note offer, as approved at the AGM, to provide additional working capital and support the Group's liquidity requirements. As at the date of this report, subscriptions totalling $1,055,000 have been received. The Directors continue to closely monitor the Group's liquidity position and financing requirements and are progressing funding initiatives to support the Group's ongoing working capital requirements.

Other than the matters described above, there have been no other matters or circumstances that have arisen since 30 June 2026 that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements

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

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

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

On behalf of the Directors

Gavin Evans
Independent Non-Executive Director and Chair

31 August 2026

RSM Australia Partners

Level 27, 120 Collins Street Melbourne VIC 3000
PO Box 248 Collins Street West VIC 8007

T +61 (0) 3 9286 8000
F +61 (0) 3 9286 8199

www.rsm.com.au

INDEPENDENT AUDITOR'S REVIEW REPORT
To the Members of Elixinol Wellness Limited

REPORT ON THE HALF-YEAR FINANCIAL REPORT

Conclusion

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

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and
(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

Basis for Conclusion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the half-year financial report, which indicates that the Group incurred a loss after tax of $1,071,000 and had net cash outflows from operating activities of $712,000 during the half year ended 30 June 2026. As of that date, the Group's current liabilities exceeded its current assets by $1,547,000. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

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

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

RSM AUSTRALIA PARTNERS

B Y CHAN
Partner

Melbourne, Victoria
Dated: 31 August 2026

Directors	Gavin Evans - Independent Non-Executive Director and Chair Pauline Gately - Independent Non-Executive Director Natalie Butler - Executive Director and Chief Executive Officer
Group Chief Financial Officer	Adam Dimitropoulos
Joint Company Secretaries	Mariia Skorikova Tony Di Pietro
Registered office	Suite 2 Level 11 385 Bourke Street Melbourne VIC 3000 Tel: (02) 4044 4585 (within Australia) Tel: +61 (0) 2 4044 4585 (outside Australia)
Principal place of business	51 - 53 Riversdale Road Newtown VIC 3220
Share register	Boardroom Pty Limited Level 8 210 George Street Sydney NSW 2000 Tel: 1300 737 760 (within Australia) Tel: +61 (0) 2 9290 9600 (outside Australia)
Auditor	RSM Australia 120 Collins Street Melbourne VIC 3000
Stock exchange listing	Elixinol Wellness Limited shares are listed on the Australian Securities Exchange (ASX code: EXL)
Website	www.elixinolwellness.com
X (formerly known as Twitter)	EXLWellness