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## 1 Company Information

| | |
|---|---|
| Name of entity: | HYDRIX LIMITED |
| ABN: | 84 060 369 048 |
| Reporting period: | For the year ended 30 June 2026 |
| Previous period: | For the year ended 30 June 2025 |

## 2 Results for announcement to the market

| | 2026 | 2025 | % Change |
|---|---|---|---|
| Revenues from contracts with customers | $ 9,741,433 | $10,092,472 | -3% |
| Loss from ordinary activities after tax attributable to the owners of Hydrix | $ (6,718,322) | $ (3,654,226) | 84% |
| Loss for the year attributable to the owners of Hydrix Limited | $ (6,741,243) | $ (3,690,497) | 83% |

*Dividends*
The consolidated entity does not propose to pay a dividend.

No dividend or distribution plans are in operation.

*Comments*
Revenues from contract with customers fell by 3% to $9,741,433 (2025: $10,092,472), as a result of changes in client funding situations resulting in slippage in delivery of contracted revenue. The loss for the consolidated entity, after excluding non-cash fair value losses on financial instruments, was $3,964,997 (2025: $3,192,316).

## 3 Net tangible assets

| | Reporting period Cents | Previous period Cents |
|---|---|---|
| Net tangible assets per ordinary security (including right-of-use assets) | (0.56) | (2.55) |

## 4 Control gained over entities

During the financial year, Hydrix Limited established a new wholly owned subsidiary, Hydrix Defence Pty Ltd

## 5 Loss of control over entities

Not applicable.

## 6 Details of associates and joint venture entities

Not applicable.

## 7 Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements are in the process of being audited. Similar to prior year financial accounts, it is anticipated that the audit opinion will contain an Emphasis of Matter paragraph in relation to Going Concern.

## 8 Other information required by Listing Rule 4.3A

Other information requiring disclosure to comply with Listing Rule 4.3A is contained in the unaudited FY2026 Financial Report which accompanies this Appendix 4E.

## 9 Attachments

*Details of attachments (if any):*
The unaudited Preliminary Financial Report of Hydrix Limited for the year ended 30 June 2026 is attached.

## 10 Signed

Date: 28-August-2026

Mr Gavin Coote
**Executive Chairman**
Melbourne

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**Principal activities**

The principal activities of the consolidated entity during the year were providing product design and development consulting services to clients in the medical and defence technology sectors, marketing remote cardiac monitoring technologies and managing a portfolio of venture investments in early-stage medtech companies.

Hydrix Limited's purpose is to enhance people's health, safety, and well-being. It does this by leveraging its powerful product innovation capability across four business segments. The consolidated entity operates four wholly owned subsidiary entities:

Hydrix Services delivers world first products and innovation across the medtech, cardiac health, defence and industrial market sectors. It offers end-to-end multi-discipline product design and development consulting services including safety critical control systems engineering, software, electronics, mechanical, human factors and industrial design. Its product consulting services range from applied research through all stages of engineering design, development, prototyping, manufacturer management, and certification process management.

Hydrix Defence is actively evaluating investments, acquisitions and intellectual property (IP) licensing arrangements with a mandate to own technologies that will deliver higher-value, diversified and longer duration revenue streams. Key areas of interest include embedded intelligence and autonomy-enabling technologies. These areas align to Australian Defence Force (ADF) requirements to support development of disruptive, field ready, sovereign assets that fill specific capability needs of the war fighter in contested environments, and to Australian border security and protecting critical infrastructure.

Hydrix Medical distributes a cloud-based AI-driven remote cardiac patient monitoring and data management solution. This product from Implicity is being distributed by Hydrix under a license agreement across Australia and Southeast Asia.

Hydrix Ventures selectively invests in Hydrix Services medtech clients to generate equity capital gains. Current portfolio companies include Gyder Surgical Pty Ltd (orthopaedic surgical tool used in hip replacement surgeries), and Wavewise Pty Ltd (non-invasive brain trauma injury monitoring device). Hydrix Services provides arm's-length product design and development consulting services.

The consolidated entity has approximately 50 employees and its headquarters are located in Mulgrave, Victoria Australia.

**Dividends**

No dividends have been paid or declared since the start of the period and the directors do not recommend the payment of a dividend in respect of the period.

**Review of operations**

The majority of revenue and operating costs of the consolidated entity for the year were derived by Hydrix Services.

Hydrix Limited, the ASX listed entity, is not a revenue generating unit. It's operating costs for the financial year marginally increased compared to prior year by $0.1 million (9%) due to higher corporate advisory costs in relation to strategic initiatives.

The majority of revenue and operating costs of the consolidated entity for the year were derived by Hydrix Services.

**Hydrix Services**

Hydrix Services revenues were $9.7 million, slightly down from $10.1 million in the prior year.

Strong sales during the second half of the financial year resulted in $11.7 million signed contract value, an 18% increase of $1.8 million from prior year (2025: $9.9 million). This takes active client programs to more than 15 with estimated future program value in excess of $37 million.

Revenue and receipts from customers were negatively impacted in the June quarter. This was primarily attributable to a temporary pause in SynCardia's Emperor program due to a change in their funding situation.

Hydrix continues to support SynCardia and anticipates the Emperor program recommencing as and when they secure their funding. New client projects from sales late in the second half began commencing in the September quarter of the new fiscal year replacing the SynCardia program.

The business continues to sustain a strong international MedTech presence recording revenues of 73% from outside Australia (2025: 63%). Pursuit of larger international medtech opportunities remains a core growth strategy. In Australia, a core focus on new sovereign defence technology opportunities is providing growth. Australian Defence contract wins contributed $2.9 million in sales for the year (70% of Australian revenues).

**Review of operations (continued)**

**Hydrix Defence**
Hydrix Defence was established as a wholly owned subsidiary of Hydrix Limited in May 2026.

Minimal direct operating costs were incurred by the entity during the year. Corporate activity was ramped up in the fourth quarter to identify opportunities to develop, acquire and/or licence sovereign intellectual property own technologies that will deliver higher-value, diversified and longer duration revenue streams.

**Hydrix Medical**
Hydrix Medical continued to actively engage prospectively with public and private cardiovascular medical practice clientele. The main sales activities are focused on building the pipeline for the remote cardiac patient AI cloud monitoring software (being sold under licence from Implicity) in the Australia, Singapore and New Zealand markets.

As is usual for digital technology in cardiovascular health, purchase cycles are subject to capital and operating budget expenditure approval and government reimbursement schemes. These tend to be long duration sale processes, and Hydrix Medical continues to progress opportunities through these processes.

**Hydrix Ventures**
Hydrix Ventures holds investments in two emerging medical device companies. As at year end, the net tangible asset (NTA) value of the venture portfolio was $0.4 million. The portfolio valuation decreased year-on-year by approximately $2.8 million. This decrease was primarily attributable to a fair market value adjustment in Gyder Surgical investment. Despite the GYDER® Hip System achieving FDA Clearance in February 2025 and USA commercialisation activities commencing in 2026, their recent capital raise activities raised capital at a lower valuation resulting in a mark-to-market adjustment of $2.3 million. The reduction reflects changes in the market valuation inputs and does not represent cash outflow.

**Review of financials**

For the year ended 30 June 2026, the consolidated entity recorded total revenue from operations of $9,741,433 (2025: $10,092,472).

Total operating costs for the consolidated entity increased $187,934 or 1.4% to $13,596,961 (2025: $13,409,027).

The consolidated entity loss before income tax increased $3,064,096 year-on-year to $6,718,322 (2025: $3,654,226). This year-on-year change was primarily attributable to the following:

- Fee Revenue decline of $0.6m in Hydrix Services
- $2.3 million increase in non-cash, non-recurring losses on financial instruments

The adjusted consolidated entity losses before income tax are noted in the table below. Excluding the impact of the non-cash non-recurring items in FY2026 and FY2025, results in an adjusted consolidated loss of $3,964,997 and $3,192,316, respectively. The slightly higher loss in FY2026 was attributable to lower Hydrix Services fee revenues.

Reconciliation to adjusted consolidated loss before income tax

| | 2026 | 2025 |
|---|---|---|
| | $ | $ |
| Loss after income tax expense per Consolidated Statement of Profit or Loss | (6,718,322) | (3,654,226) |
| Add back loss on financial instruments at fair value through profit or loss | 2,753,325 | 461,910 |
| **Adjusted consolidated loss before income tax** | (3,964,997) | (3,192,316) |

The Consolidated entity announced an $8.18 million Accelerated Renounceable Entitlement Offer to Eligible Shareholders on 18 May 2026. Hydrix as at 30 June 2026 had raised $5,224,402 (before costs) and issued 1,044,880,400 shares of new common stock priced at $0.005 per share with each share issued receiving a one-for-one Option priced at $0.01 with a 3-year expiry. The capital raised materially strengthened the liquidity position of the consolidated entity and helped extinguish a $1 million trade debtors facility held by Hydrix Services.

As at the balance sheet date, Hydrix limited owed $5.9 million in loans and convertible notes to Directors and a further $0.2 million convertible notes to external parties. During the capital raise program, the consolidated entity secured up to $5.1 million in debt conversion commitments. The debt conversion amount is subject to the final amount of capital raised under the Retail Shortfall Facility (closes 4 September 2026) and no shareholder crossing the 20.00% ownership control threshold under the anticipated debt conversion. In the event that no more capital is raised under the shortfall, $3.9 million dollars of debt conversion commitements will be converted, and the pro forma residual debt amount (excl. accrued interest) at 30 June 2026 would be $2.2 million.

The net cash used in operating activities (excludes financing costs) to support the consolidated entity was $1,907,665, up from a prior year cash use of $527,006, primarily due, as noted above, to fourth quarter client revenue delays and deferred payments of amounts outstanding.

The consolidated entity's cash position at 30 June 2026 was $2.96 million.

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

| **Revenue** | **2026** | **2025** |
|---|---|---|
| | $ | $ |
| Revenue from contracts with customers | 9,741,433 | 10,092,472 |
| Other income | 86,626 | 159,438 |
| Interest income | 28,246 | 21,461 |
| | 9,856,305 | 10,273,371 |
| | | |
| **Operating expenses** | | |
| Employee benefits expense | (8,650,532) | (8,925,331) |
| Project material expenses | (856,172) | (562,433) |
| Selling, advertising and distribution expenses | (192,138) | (156,430) |
| Other expenses | (1,999,119) | (1,764,010) |
| Depreciation and amortisation expense | (529,677) | (763,501) |
| Finance costs | (1,216,024) | (1,054,876) |
| Property expense | (153,298) | (182,447) |
| Loss on financial instruments at fair value through profit or loss | (2,753,325) | (461,910) |
| Impairment of receivables | (173,704) | (11,454) |
| Share based payment expense | (41,036) | (47,419) |
| Unrealised foreign exchange (loss) / gain | (9,600) | 2,213 |
| | (16,574,627) | (13,927,596) |
| | | |
| **Loss before income tax expense** | (6,718,322) | (3,654,226) |
| | | |
| Income tax (expense) / benefit | - | - |
| | | |
| **Loss after income tax expense** | (6,718,322) | (3,654,226) |
| | | |
| **Other comprehensive income** | | |
| Movement in functional currency of foreign operations | (22,921) | (36,271) |
| | | |
| **Total comprehensive loss for the year attributable to the Owners of Hydrix Limited** | (6,741,243) | (3,690,497) |
| | | |
| **Loss per share** | **Cents** | **Cents** |
| Basic and diluted earnings per share (cents per share) | (1.86) | (1.38) |

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Hydrix Limited
Consolidated Statement of Financial Position
As at 30 June 2026

| | 2026 | 2025 |
|---|---|---|
| **Current assets** | $ | $ |
| Cash and cash equivalents | 2,958,328 | 297,881 |
| Trade and other receivables | 1,498,911 | 1,730,465 |
| Contract assets | 59,622 | 397,314 |
| Prepayments & other assets | 205,155 | 238,676 |
| **Total current assets** | 4,722,016 | 2,664,336 |
| | | |
| **Non-current assets** | | |
| Plant and equipment | 91,715 | 119,512 |
| Intangible assets | - | 175,000 |
| Financial assets at fair value through profit & loss | 415,732 | 3,172,082 |
| Right of use assets | 590,324 | 961,000 |
| Other assets | 42,836 | 100,811 |
| Security deposits | 225,593 | 424,980 |
| **Total non-current assets** | 1,366,200 | 4,953,385 |
| | | |
| **Total assets** | 6,088,216 | 7,617,721 |
| | | |
| **Current liabilities** | | |
| Trade and other payables | 4,080,917 | 3,839,220 |
| Contract liabilities | 522,109 | 398,221 |
| Other liabilities | - | 4,807 |
| Employee benefits | 1,047,045 | 1,127,097 |
| Borrowings | 7,250,334 | 6,083,010 |
| Lease liabilities | 393,710 | 483,841 |
| **Total current liabilities** | 13,294,117 | 11,936,197 |
| | | |
| **Non-current liabilities** | | |
| Employee benefits | 156,546 | 174,661 |
| Provisions | 87,433 | 183,977 |
| Borrowings | - | 1,000,000 |
| Lease liabilities | 701,096 | 1,094,806 |
| **Total non-current liabilities** | 945,076 | 2,453,444 |
| | | |
| **Total liabilities** | 14,239,193 | 14,389,641 |
| | | |
| **Net assets** | (8,150,977) | (6,771,920) |
| | | |
| **Equity** | | |
| Issued capital | 104,280,394 | 102,411,434 |
| Reserves | 3,451,258 | 57,140 |
| Accumulated losses | (115,882,629) | (109,240,494) |
| **Total equity** | (8,150,977) | (6,771,920) |

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Hydrix Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2026

| Consolidated | Issued Capital | Reserves | Accumulated Losses | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **Balance at 1 July 2024** | 102,126,684 | 353,758 | (105,835,535) | (3,355,093) |
| Loss after income tax expense for the year | - | - | (3,654,226) | (3,654,226) |
| Other comprehensive income, net of tax | - | (36,271) | - | (36,271) |
| Total comprehensive income for the year | - | (36,271) | (3,654,226) | (3,690,497) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Share based payments | - | 47,419 | - | 47,419 |
| Exercised options / performance rights | 58,500 | (58,500) | | - |
| Expired options | - | (246,016) | 246,016 | - |
| Performance rights that failed to vest | - | (3,250) | 3,250 | - |
| Contributions of equity, net of transaction costs | 226,250 | - | | 226,250 |
| **Balance at 30 June 2025** | 102,411,434 | 57,140 | - (109,240,494) | (6,771,920) |

| Consolidated | Issued Capital | Reserves | Accumulated Losses | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| **Balance at 1 July 2025** | 102,411,434 | 57,140 | (109,240,494) | (6,771,921) |
| Loss after income tax expense for the year | - | - | (6,718,322) | (6,718,322) |
| Other comprehensive income, net of tax | - | (22,921) | - | (22,921) |
| Total comprehensive income for the year | - | (22,921) | (6,718,322) | (6,741,243) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Share based payments | - | 41,036 | - | 41,036 |
| Expired options | - | (58,238) | 58,238 | - |
| Performance rights that failed to vest | - | (17,950) | 17,950 | - |
| Contributions of equity, net of transaction costs | 1,868,960 | 3,452,191 | - | 5,321,151 |
| **Balance at 30 June 2026** | 104,280,394 | 3,451,258 | (115,882,629) | (8,150,977) |

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Hydrix Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2026

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| **Cash Flows from operating activities** | **2026** | **2025** |
|---|---|---|
| | $ | $ |
| Receipts from customers (including GST) | 11,018,825 | 10,081,596 |
| Payments to suppliers and employees (including GST) | (12,965,799) | (10,680,461) |
| Receipt of R&D tax incentive | 39,309 | 71,859 |
| Net cash used in operating activities | (1,907,665) | (527,006) |
| **Cash Flows from investing activities** | | |
| Payments for plant and equipment | (30,756) | (8,128) |
| Payments for intangible assets | (21,581) | (46,077) |
| Proceeds from release of security deposits | 199,387 | - |
| Net cash from / (used in) investing activities | 147,050 | (54,205) |
| **Cash Flows from financing activities** | | |
| Proceeds from issue of shares | 5,224,402 | - |
| Share issue transaction costs paid | (258,150) | - |
| Proceeds from borrowings | 2,110,769 | 1,525,106 |
| Repayments of borrowings | (1,594,790) | (470,643) |
| Interest received | 28,246 | 21,461 |
| Interest and other finance costs paid | (603,574) | (436,368) |
| Repayments of lease liabilities | (483,841) | (675,863) |
| Net cash flow from / (used in) financing activities | 4,423,062 | (36,307) |
| **Net increase / (decrease) in cash and cash equivalents** | 2,662,447 | (617,518) |
| Cash and cash equivalents at start of year | 297,881 | 914,274 |
| Effects of exchange rate changes on cash and cash equivalents | (2,000) | 1,125 |
| **Cash and cash equivalents at end of year** | 2,958,328 | 297,881 |