Cyclopharm Limited

Annual Report 2024

Innovative Solutions

Cyclopharm Limited is a health technology company that is a world leader in functional lung ventilation imaging. Our proprietary product Technegas™ is a clinical market leader in diagnostic imaging and is now available in 66 countries.

Contents

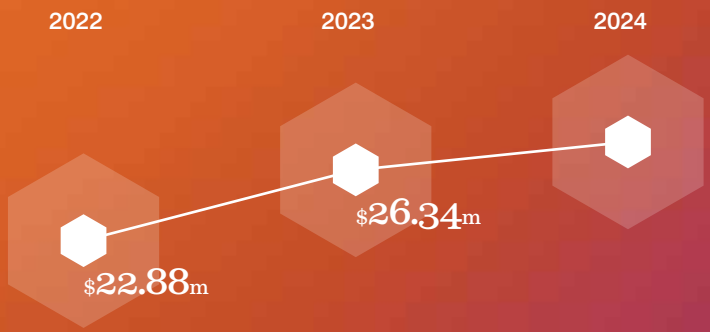
Summary Financials

Full year ending 31 December		2024	2023	Movement
Sales revenue	$'000	**27,573**	26,339	↗
Loss before income tax	$'000	**(13,071)**	(4,190)	↘
Loss for the year	$'000	**(13,198)**	(4,701)	↘
Underlying EBITDA	$'000	**(11,946)**	(7,964)	↘
Diluted loss per share	(cents)	**(12.83)**	(5.07)	↘

Sales revenue		2024	2023	Movement
Technegas™	$'000	**15,210**	14,426	↗
Third-party distribution	$'000	**12,363**	11,913	↗
Total sales revenue	$'000	**27,573**	26,339	↗

Cyclopharm delivered a solid financial and operational performance in 2024 to generate another year of record sales revenue.

The 5% increase in group sales revenue was driven largely from initial Technegas™ sales in the US.



Group sales revenue

$27.57m
up 5%

US Agreements

Cyclopharm has signed agreements with the Veterans Health Administration, the largest integrated US government health care system, and one of the largest US private hospital networks. These two agreements combined are expected to significantly boost sales of Technegas™ in the US by streamlining the deployment process across a combined 300 hospitals.

‘Beyond PE’

The USFDA has approved Technegas™ for a broad indication for use in lung imaging. This broad approval creates opportunities for the use of ‘Beyond PE’ applications in the US. The addition of the clinical expertise and sheer scale of the US market is expected to significantly accelerate the use into ‘Beyond PE’ applications for Technegas™ in the world's largest healthcare market and the rest of the world.

‘Beyond PE’ — The Beyond Pulmonary Embolism use of Technegas™ will expand its use into the diagnosis and management of additional and exponentially larger indications, such as COPD, Asthma, Lung Cancer and the effects of Long-COVID.

Chairman's Letter

Dear Shareholders,

Cyclopharm entered a new growth phase in 2024, following United States Food and Drug Administration (USFDA) approval late in 2023, for commercial sales of Technegas™ in the US. Since this approval, the Company has worked tirelessly to implement its roll out plan in the US, the single largest potential market for Technegas™ in the world.

The US market is expected to be the cornerstone of Cyclopharm's new growth phase, which will be supported by growing Technegas™ sales globally and the continued expansion of the third-party distribution business. The US roll out of Technegas™ is also expected to accelerate Cyclopharm's 'Beyond PE' growth initiatives.

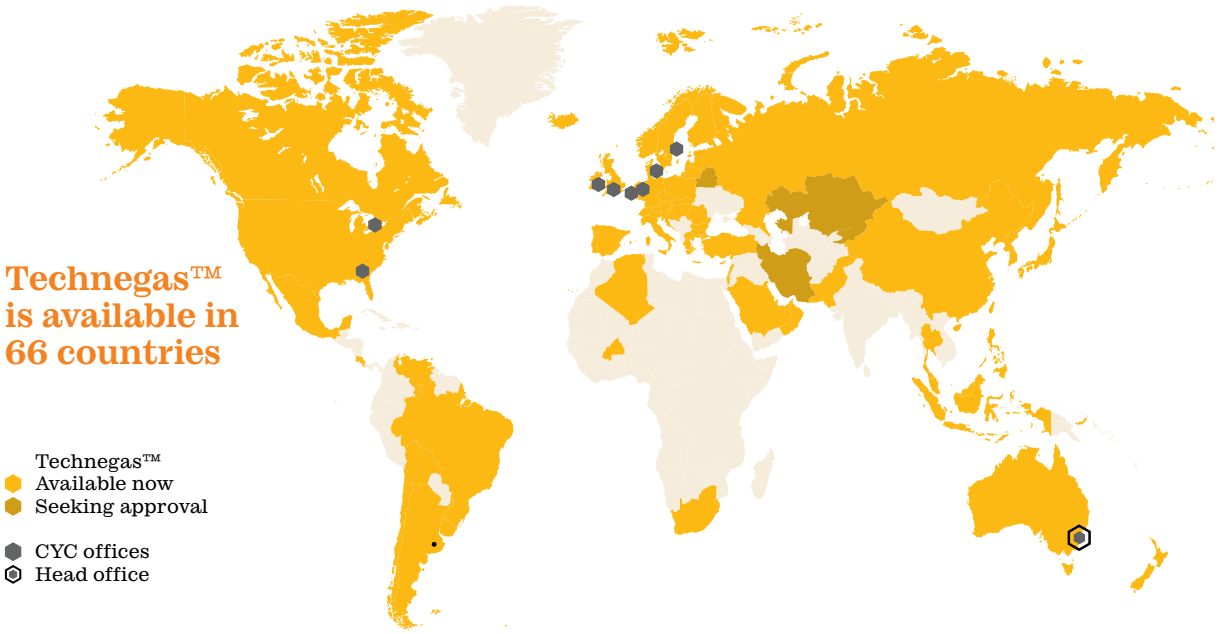
Technegas™ is now available in a total of 66 countries and strong growth in global sales, combined with a solid contribution from the third-party distribution business, delivered another record year of revenue, up 5% to $27.6 million. This was achieved while also building the platform for the US roll out.

The continuing strong performance in Cyclopharm's established markets creates a reliable foundation from which to accelerate our growth ambitions. In the US, most notably, in the past few months we announced that we have now signed agreements with the Veterans Health Administration (VA), the largest integrated US government health care system, and one of the single largest US private hospital networks. These two agreements are expected to significantly boost sales of Technegas™ in the US by streamlining the deployment process across a combined 300 hospitals.

In January 2025 the Company signed an agreement with one of the largest private hospital networks in the US. This agreement supports the potential deployment of Technegas™ in up to 169 nuclear medicine departments across a US network covering 20 states. The agreement also paves the way for discussions with an affiliated group purchasing organisation, which serves as the contracting and purchasing arm to a further network of over 1,800 hospitals in the US.

Initial sales to the VA have followed the October 2024 Interim Agreement, which allows 120 VA hospitals to access an agreed contract for Technegas™ products. This agreement was the first step towards Technegas™'s inclusion in the broader 5-year US Federal Supply Schedule (FSS) that was announced on 14 March 2025. The FSS is the simplified procurement process covering the entire US government healthcare system, including the Department of Defense, VA and Public Health Service hospitals.

The early adoption of Technegas™ by leading US clinicians and key opinion leaders has reinforced the Company's confidence that US revenues will eventually eclipse those generated globally, delivering sustained, recurring revenues.



Technegas™ has achieved dominance in its established markets as the imaging agent of choice for the treatment and management of Pulmonary Embolism (PE). Cyclopharm's 'Beyond PE' growth initiatives are targeting an expansion of Technegas™ into the treatment and management of exponentially larger applications, such as COPD, Asthma and Long-COVID. Cyclopharm estimates the 'Beyond PE' initiatives have the potential to allow the Company to access a global market of up to US$900 million.

The USFDA's approval of Technegas is for a broad indication for lung imaging. This broad indication creates opportunities for the launch of 'Beyond PE' clinical initiatives in the US. There are already several 'Beyond PE' clinical studies underway in some of the 65 markets outside the US. Most recently, in France trials to improve the detection of residual pulmonary vascular obstruction (RPVO) are currently in the process of recruiting patients. The addition of the clinical expertise and sheer scale of the US market is expected to significantly accelerate research into 'Beyond PE' applications for Technegas™.

Cyclopharm is also continuing to leverage its track record of successful delivery across 66 markets to build up its robust third-party distribution business. Since inception in 2021, the third-party distribution business has recorded year on year growth. In 2024, third-party distribution revenue grew to a substantial $12.4 million in revenue, 4% more than 2023. This business uses Cyclopharm's extensive global network to distribute a mix of radiopharmaceutical products and capital equipment, with associated consumables and services on behalf of third-party companies. The third-party distribution business contributes to Cyclopharm's revenue diversification strategy and complements the growth in the core Technegas™ business.

Cyclopharm has never been better placed to extend its market leadership in lung imaging and drive growth in revenue and earnings. We have actively developed and refined our Board and management team, over recent years, to ensure we have the breadth and depth of experience and skills to drive the business forward. The Company's strong balance sheet and cash balance at the 2024 year-end, of $20.6 million, will support the roll out of Technegas™ in the US, growth in our pre-existing Technegas™ markets, third-party distribution business and fund the 'Beyond PE' growth initiatives.

In 2025, we expect to build on the record revenue performance achieved in 2024 while continuing to deliver positive health outcomes for our patients and growing financial rewards to our shareholders.

On behalf of the Board, I thank our Managing Director, all our staff and wider stakeholders for their commitment to the company and I thank you, the shareholders, for your continuing support.

David Heaney
Chairman

27 March 2025

Managing Director's Review

2024 Highlights:

- **Record Group Sales Revenue**
  $27.6m
  up 5% on pcp
- **Total Third-Party Distribution Sales**
  $12.4m
  up 4% on pcp
  (up 57% in 2H2024 on 1H2024)
- **US sales of Technegas™ initiated**
  US Technegas™ revenue up 131% on 1H2024
- **Significant US sales and supply contracts awarded to accelerate Technegas™ roll out**
- **Total Technegas™ Sales**
  $15.2m
  up 5% on pcp
- **Balance Sheet**
  $20.6m
  net cash to support growth strategy
- **'Beyond PE' longer term growth strategy for Technegas™ supported by clinical papers and research initiatives across multiple indications, including asthma, COPD & interventional procedures**

Dear Shareholders,

Cyclopharm delivered a solid financial and operational performance in 2024 to generate another year of record sales revenue. The 5% increase in group sales revenue was driven largely from initial Technegas™ sales in the US. Following USFDA approval in late 2023, we initiated US sales for Technegas™ in the first half of 2024, with sales increasing by 131% in the second half to reach full year revenues of $826,605. This strong second half 2024 performance from Technegas™, driven by early adoption by notable Key Opinion Leaders (KOLs) in the US, reflects the increasing momentum in Cyclopharm's US roll out strategy for our innovative technology. The US is the single largest healthcare market in the world. In all current global markets, Technegas™ is the dominant nuclear medicine ventilation imaging technology. Once established in the US, sales for Technegas™ are expected to eclipse revenues in the rest of the world.

Cyclopharm's core Technegas™ products, built on a strong annuity-based revenue model, are now available in 66 countries, with international offices directly servicing 17 of those markets. This recurring revenue stream made a significant contribution to 2024 Group Sales Revenue, complemented by the continued solid performance of the Company's Third-Party product sales, which also largely follow an annuity-based model. Leveraging its expanding global footprint, regulatory expertise, engineering support, and direct marketing capabilities, Cyclopharm remains focused on driving sustained growth in Technegas™ sales while rapidly expanding its highly successful, recurring-revenue Third-Party distribution partnerships.

Cyclopharm continues to invest in our Beyond Pulmonary Embolism (Beyond PE) longer term growth strategy by supporting new and existing clinical trials to expand the use of Technegas™ for broader diagnostic applications. Cyclopharm's entry into the US market is expected to help accelerate the 'Beyond PE' growth strategy as the USFDA approval allows for the use of Technegas™ in an extensive range of respiratory applications without the need to seek further USFDA approval.

Financial performance

Cyclopharm continues to grow, generating record sales revenue of $27.6 million, up 5% from the previous year. This performance was driven by a strong second half year for both Technegas™ and Third-Party sales.

Sales of our proprietary Technegas™ Systems, comprising a Technegas™ Generator and single-use Patient Administration Sets, performed well in 2024. The $15.21 million of revenue from Generator and PAS consumable sales exceeded the prior year by 5%.

Revenue from Third-Party distribution sales also continued to grow, up $0.45 million to $12.36 million, a rise of 4%. This revenue, whilst at a lower margin than sales of our proprietary Technegas™ products, is expected to continue to complement revenues in existing markets. Third-Party distribution sales consist of a mix of radiopharmaceuticals, service support, capital equipment and associated consumables.

Cyclopharm expects to continue to expand this revenue stream through a wider range of Third-Party partnerships to a broader geographic reach in the coming year and beyond.

As anticipated, Cyclopharm recorded a loss after tax of $13.2 million in 2024, compared to a loss after tax of $4.7 million in 2023. The 2023 loss after tax benefited from adjustments of $3.2 million from a reversal of impairment at the Cyclotek NSW Pty Ltd joint venture and $1.3 million from recoveries from litigation to protect Cyclopharm's Intellectual Property (IP). The 2023 results also included $3.49 million of expenses associated with the USFDA approval process in October 2023. Notably, $23.41 million has been expensed in total on the current USFDA approval process over the past 15 years, which reflects the Board's confidence in the anticipated returns from Technegas™ sales in the US market now that approval has been granted. Staffing costs also increased over the period by $4.42 million, predominantly driven by US based personnel, the increasing costs of global regulatory compliance and the Company's investment in manufacturing capacity to service the US market demand following USFDA approval.

Cyclopharm ended the financial year with a strong balance sheet with net cash of $20.6 million, reflecting prudent expense and capital management, ongoing operational cashflows and a strongly supported capital raise with a heavily oversubscribed Share Purchase Plan (SPP) mid-2024. This cash balance supports the rollout of Technegas™ in the US, continued R&D activities to develop the Beyond PE longer term growth strategy and to fund the working capital needs of the business.

Operational review

During the year to 31 December 2024, we continued to successfully execute Cyclopharm's growth strategies. The Company is leveraging its intellectual property, proprietary technology and technical expertise to broaden Technegas™ while expanding Third-Party sales and service into new countries.

Operating highlights for the 2024 calendar year included:

- **US sales of Technegas™ ramping up**, as evidenced by:
  - Major sales contract with the largest private healthcare group in the USA covering more than 168 private hospitals signed in January 2025
  - Major interim sales contract with the US Veterans Health Administration (VA) covering 120 public hospitals signed in October 2024 with initial VA installations occurring in December 2024
  - Initial US Department of Defense hospital (DoD) PO received in October 2024
  - As of 31 December 2024, 17 US installations are operational with a further 21 locations to be installed in early 2025
- **Technegas™ global footprint expands** with sales in 66 countries
- **'Beyond PE' longer term growth strategy boosted** by the commencement of an extensive French clinical trial program into the use of Technegas™ to improve the detection of residual pulmonary vascular obstruction, and clinical papers highlighting the use of Technegas™ in patients with severe asthma
- **Continuation of clinical trials** into the use of Technegas™ in chronic respiratory disease states and long-COVID, COPD, asthma and lung cancer
- **Continued growth in the Third-Party distribution business**, including an increase of 57% in the second half

Expanding Technegas™ revenues

Technegas™ sales revenue of $15.21 million was underpinned by PAS sales, which represented 72.6% of Technegas™ revenue compared to 70.7% in the 2023 pcp.

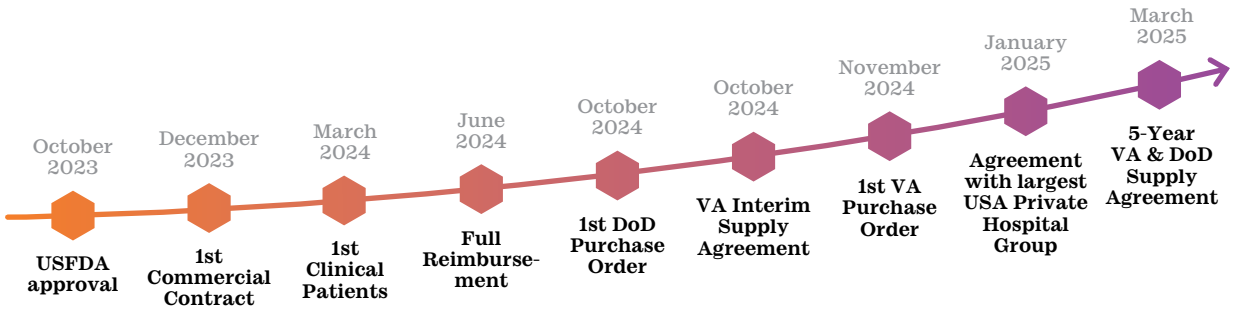
PAS sales supported 162,450 patient procedures in 2024, which equates to 3,249 boxes of PAS, flat on the previous year. Each Patient Administration Set (PAS) box equals 50 patient Technegas™ procedures.

In 2024, 55 **TechnegasPlus™ Systems** (Systems) units were sold compared to 58 in the prior year. These sales do not include the Systems placed in the US market. The 17 operational Systems placed in the US at the close of 2024 are charged an annual access fee and remain the property of Cyclopharm.

Outside of the US, TechnegasPlus™ Systems are sold to nuclear medicine departments in markets where the Company directly operates. These direct markets also generate ongoing service revenues. Sales of Systems and other service revenue represented 27.4% of Technegas™ total revenue, down slightly from 29.3% in 2023.

Overview of progress in the US rollout

Key **milestones in the roll out plan for Technegas™ in the US** to date include:



The USFDA approved commercial sales of Technegas™ in the US market in late 2023. Cyclopharm had, based on our successful business worldwide, developed a US roll out plan for Technegas™ in anticipation of this approval and immediately began executing against this plan. The US represents the single largest market for Technegas™ globally, which Cyclopharm estimates to ultimately be worth US$180 million annually for the diagnosis and management for Pulmonary Embolism (PE) alone. As Technegas™ is more widely adopted in the US market this will accelerate Cyclopharm's Beyond PE initiatives with a potential global addressable market of US$900 million.

Key to the roll out strategy, after receiving USFDA approval in late 2023, Cyclopharm moved quickly to secure full reimbursement of Technegas™ by the Center for Medicare and Medicaid (CMS). Securing reimbursement in July 2024 proved to be an essential step that paved the way for an increase in customer conversion for Technegas™, with 17 installations operational by 31 December 2024 and a significant increase in the sales pipeline. With a further 21 locations slated for installation in early 2025, Technegas™ US installations are expected to accelerate, leveraging off existing installations and the recent sales contract wins with the largest private healthcare group in the USA and the Veterans Health Administration (VA).

The implementation process to revenue generation for Technegas™ typically follows a 7-step process:

1. Clinician Sponsorship
2. Hospital New Product Approval
3. Administration Approval
4. IT Integration
5. Facilities Engagement
6. External Provider Engagement
7. Installation and Training

$ **Recurring Revenue**

Cyclopharm has worked to accelerate the implementation process. For example, the agreement with the private hospital group, signed in January 2025, streamlines some of the administrative approval processes for the use of Technegas™ in up to 168 nuclear medicine departments across the group's extensive network of over 180 hospitals and approximately 2,400 sites of care in 20 states. Cyclopharm will now engage directly with individual locations, clinical leaders and Divisional Directors to implement Technegas™, prioritising those sites which had already entered preliminary discussions with Cyclopharm before the national deal was secured.

The agreement also paves the way for discussions with the group's affiliated purchasing organisation, serving as the contracting and purchasing arm to a further network of over 1,800 hospitals in the US.

The VA is the largest integrated public health care provider in the US Government system. An Interim Agreement (IA) for the supply of the pharmaceutical and consumable components of Technegas™ was signed in October 2024. The IA immediately provided access to the 120 VA hospitals, which have nuclear medicine departments. Following the signing of the IA in October 2024, in March 2025 the Company announced the successful signing of the

broader 5-year US Federal Supply Schedule (FSS), a simplified procurement contract covering the entire US Government system, including the DoD, VA and Public Health Service (PHS) hospitals.

Early signs of adoption in the largest public health organisation in the US is beginning to deliver results with the first installations of Technegas™ within the VA system completed in December 2024 resulting in the immediate generation of revenues.

These agreements underscore the commercial demand in the US for Technegas™, which is already the preferred agent of choice across an additional 65 countries[1] for diagnosing lung conditions, including pulmonary embolism, hypertension, chronic obstructive pulmonary disease (COPD), and other respiratory diseases.

Maximising the US opportunity

The US market remains the key driver of Cyclopharm's growth ambitions, complementing its well-established presence in 65 other countries. An independent survey conducted before Technegas'™ US approval indicated an 85% market share in existing markets[2], reinforcing confidence in its adoption in the US.[3]

In the US, there are approximately 600,000 nuclear medicine procedures conducted annually to rule out the presence of PE. This is the initial target market for Cyclopharm, which the Company estimates to be approximately US$90 million per annum.

Based on Cyclopharm's experience in the Canadian market and globally, the Company's expectation is that it can achieve in excess of an 80% share over a 5-to-8-year period.

Cyclopharm's initial target of 600,000 procedures a year represents 15% of the total US PE diagnostic market. The remaining 85% of PE imaging procedures are through Computed Tomography Pulmonary Angiography (CT) imaging. The second stage of Cyclopharm's strategy for US growth involves doubling the share of the total PE imaging market for Technegas™ from 15% to 30%, to create a total US market for Technegas™ of US$180 million annually.

Cyclopharm's confidence in its ability to double the US nuclear medicine imaging for PE is based on leveraging the unique properties of Technegas™, combined with the latest and widely available nuclear medicine imaging and hybrid imaging techniques to include Artificial Intelligence (AI).

Beyond PE – substantially expanding the use of Technegas™

The USFDA approval for Technegas™ is a broad indication that includes its stated use 'for the visualisation of pulmonary ventilation'. This expansive indication allows for the approved use of Technegas™ in the US across multiple applications in the field of respiratory medicine. Its wide indication for use is expected to facilitate independent US clinical trials that will likely independently accelerate Cyclopharm's Beyond PE initiatives targeting the use of Technegas™ to help diagnose and manage other respiratory disease states[4], such as Chronic Obstructive Pulmonary Disease (COPD)[5], Asthma[6], long-COVID and lung cancer.

The Beyond PE strategy has the potential to provide Cyclopharm with access to a global market it estimates at up to US$900 million. Several clinical studies in support of the Beyond PE strategy are already underway across some of the 65 markets outside the US, where Technegas™ is the functional imaging agent of choice. Most recently, in France, the first patients have been imaged in a significant clinical trial program involving 660 patients across ten medical sites into the use of Technegas™ to improve detection of residual pulmonary vascular obstruction (RPVO), a clinical area currently dominated by CT imaging. RPVO can be a predictor for the recurrence of PE which, left untreated, is fatal in one in ten cases.

The USFDA's broad indication for the use of Technegas™ is expected to enhance Cyclopharm's Beyond PE growth strategy and increase its potential to deliver improved patient outcomes immediately and add significant shareholder value over the medium term.

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2. Le Pennec,, et al. Performance and Interpretation of Lung Scintigraphy: An Evaluation of Current Practices in Australia, Canada, France, Germany, and United States. Clinical Nuclear Medicine 49(11):p 997-1003, November 2024. | DOI: 10.1097/RLU.0000000000005396.
3. Currie GM, Bailey DL. V/Q SPECT and SPECT/CT in Pulmonary Embolism. J Nucl Med Technol. 2023 Mar;51(1):9-15. doi: 10.2967/jnmt.122.264880. Epub 2023 Jan 4. PMID: 36599703.
4. Parihar AS, Mhlanga JC, Royal HD, Siegel BA. Comparability of Quantifying Relative Lung Ventilation with Inhaled 99mTc-Technegas™ and 133Xe in Patients Undergoing Evaluation for Lung Transplantation. J Nucl Med. 2025 Jan 3;66(1):104-109. doi: 10.2967/jnumed.124.268801. PMID: 39638430; PMCID: PMC11705794.
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6. Gibson et al, Ventilation Heterogeneity Is a Treatable Trait in Severe Asthma. J Allergy Clin Immunol Pract. 2024 Apr;12(4):929-935.e4. doi: 10.1016/j.jaip.2023.12.030. Epub 2023 Dec 25. PMID: 38151119.

Other businesses

Third-Party Distribution

Cyclopharm's Third-Party distribution strategy includes leveraging its regulatory expertise and operational footprint to pursue additional and complementary revenue streams. This strategy is built on Cyclopharm's existing Technegas™ sales and service infrastructure. Initially established in Europe in 2020, agreements have followed in the Asia Pacific region in 2021. Since launching in 2020, Third-Party distribution has delivered exceptional growth and supported Cyclopharm's overall revenue performance.

In 2024, Cyclopharm's total revenues benefited significantly from a solid increase of 4% in Third-Party distribution revenues to $12.36 million, compared to $11.91 million in the 2023 pcp. Third-Party revenue is made up of a combination of capital works projects and ongoing annuity sales from consumables and related service support.

In 2024, Third-Party capital works project revenue was driven by a strong second half, up 83%. Overall capital works revenue was $2.83 million down 35% on the 2023 pcp.

Third-Party recurring consumable sales and service revenue grew throughout the year to $9.53 million, up 26% on the pcp. This revenue performance was strongly weighted to the 2024 second half, up 54% on the pcp, with growth across all supplier categories.

Cyclopharm's ability to continue to grow the Third-Party distribution business, including a particularly strong overall performance in the second half of 2024, up 62% on the pcp, demonstrates it is core to current and future earnings.

Cyclotek NSW Pty Ltd

During the year, Cyclotek NSW Pty Ltd made a $0.92 million contribution to the Group's results, compared to a $0.8 million contribution in the prior year. Cyclotek NSW Pty Ltd is a collaboration between Cyclopharm, Cyclotek (Aust) Pty Ltd and the Australian Nuclear Science and Technical Organisation (ANSTO) set up in part to realise the inherent value of Cyclopharm's Cyclotron facility assets both to generate profits and contribute to enhanced health outcomes for the Australian community.

Cyclotek NSW Pty Ltd was formed as a joint venture in late 2019, with Cyclopharm required to contribute $40k per annum, over a period of 9 years, to fund the ongoing research activities of Cyclotek NSW in exchange for a share of profits from the business venture collaboration.

Litigation Progress

Cyclopharm continues to vigorously protect its intellectual property by pursuing its ongoing legal action against the remaining Australian and German defendants. During 2025, the Company expects to return to the NSW Supreme Court and proceedings in Germany to progress Cyclopharm's claims. The Board remains confident of a favourable outcome to these legal proceedings.

Ultralute

The Company continues to navigate through the regulatory delays impacting new device registration in Europe. In parallel, Cyclopharm is engaging in partnering opportunities with this innovative technology.

Corporate Governance

In line with good corporate governance practices, Cyclopharm's Board continually evaluates its skills and composition to ensure they appropriately support the Company's growth and governance requirements.

Leadership Team

Cyclopharm's strategic focus has driven growth and enabled the Company to build a strong, talented team in Australia and the US to support the rapid rollout of Technegas™ following its USFDA approval in September 2023. This momentum has positioned the Company for a transformative shift in its financial and operational performance, ushering in a new phase of growth in the US market.

On 12 February 2024 Cyclopharm announced the appointment of Mr Jason Smith as Chief Financial Officer (CFO), effective 26 February 2024. Mr Smith brings a wealth of industry experience in Financial Control and Accounting, both at Cochlear and at a large multinational in the United Kingdom. He is CA qualified, gained through his time working as an external auditor at Deloitte.

The breadth and depth of experience and the integration of complementary skills across the Cyclopharm management team, which we have put in place, developed and refined over the past several years, ensures that we are well positioned to rapidly take advantage of entry into the US market and the opportunities that will naturally flow from our Beyond PE initiatives.

Summary and outlook

In 2024 Cyclopharm demonstrated the strength of the business by delivering another record revenue performance. The Company has also made significant inroads in expanding the Technegas™ footprint into the US, the largest healthcare market in the world. The availability of Cyclopharm's proprietary Technegas™ technology in the US market is expected to drive an exponential change in the Company's growth. Following initial US sales of Technegas™ Cyclopharm signed important US sales agreements that will provide a platform to deliver the Company's aspirational growth targets. In addition, Cyclopharm continues to grow Third-Party sales which helps to facilitate the Company's revenue diversification strategy across the Group.

Cyclopharm's ability to initiate and grow sales of Technegas™ in the US market is the direct result of the persistence and hard work over many years of the Company's highly skilled global team, along with the unwavering support of the Board and shareholders through the process. Importantly, USFDA approval in 2023 has also established an important platform from which to maximise the breadth of clinical use of Technegas™ across a wide range of respiratory applications and deliver the Company's aspirational and attainable Beyond PE growth targets.

While USFDA approval for Technegas™ was a major milestone, making Technegas™ available to US clinicians and to the patients they serve is key. Cyclopharm leveraged the Company's global experience to prepare, in advance of USFDA approval, for rapid entry into the US market. This has proved invaluable and resulted in the signing of key sales contracts with the largest private healthcare group in the US, covering more than 168 private hospitals (signed in January 2025), and a major sales contract with the US Veterans Health Administration (VA) covering 120 public hospitals with an Interim Agreement signed in October 2024 followed by the 5-Year FSS agreement covering all of the US Government healthcare facilities.

Notably, the existing and substantial clinical demand in the US market does not require a large sales force to promote a product that has been long sought after clinically.

The Company's strong balance sheet and cash balance at year-end of $20.6 million will help support the rollout of Technegas™ in the US market and support growth across the 65 additional countries where we operate. Cyclopharm continues to provide the market with regular updates on the US rollout of Technegas™.

Cyclopharm is continuing to accelerate opportunities, via clinical trials, to develop the Beyond PE strategy, designed to expand the use of Technegas™ into the treatment and management of additional and exponentially larger indications, such as COPD, Asthma and Long-COVID. In France, the first of 660 patients have been imaged in a clinical trial into the use of Technegas™ to improve the detection of residual pulmonary vascular obstruction (RPVO).

Cyclopharm estimates there are over 500 million patients suffering collectively with COPD and/or Asthma who may benefit from the use of Technegas™. Notably, the global COPD market is approximately 30 times the size of the PE market. The Company's entry into the US market, the largest medical market in the world, is also expected to accelerate this Beyond PE strategy.

Cyclopharm is strategically placed to extend its market leadership in functional lung imaging and drive ongoing growth in revenue and earnings. The Company enters this next growth phase from a position of strength, having delivered record 2024 sales revenues, robust sales of Technegas™ and continuing solid growth in Third-Party sales.

With US sales now underway, Cyclopharm is focused on rapidly expanding its presence in this key market. Given Technegas'™ proven clinical, operational, and safety advantages, the Company expects a strong market uptake in the US like that of Canada and other established markets in the medium term and beyond.

The US sales completed to date have provided valuable insight into the commercial and operational review process conducted by nuclear medicine groups in the US. The Company notes the evolving political landscape in the US with relation to healthcare funding and the potential new customers to extend commercial and operational review processes. As a result, we are taking a conservative approach regarding the possibility of extensions in the process of completing new contracts and, consequently, are revising our US installation target in the near term. The Company anticipates reaching a total of 250 to 300 installed Technegas™ Systems in the US during the second half of 2026. There are no changes to the Company's medium- and longer-term growth ambitions.

Finally, I would like to thank all my colleagues, the Cyclopharm Board and give a special thanks to Cyclopharm's global team who, collectively, have contributed to the growth and the transformation of the Company over recent years. On behalf of the Cyclopharm management team, with the ongoing support of the Board, we are absolutely committed to delivering positive health outcomes for our patients and growing financial rewards to our shareholders.

James McBrayer
Managing Director

27 March 2025

Directors' Report

The Directors of Cyclopharm submit their report for the year ended 31 December 2024.

Directors

The names and details of the Company's Directors in office during the financial year and until the date of this report are as follows. Directors were in office for this entire year unless otherwise stated.

Mr D J Heaney

Non-Executive Chairman (Independent)

Mr Heaney was appointed to the Cyclopharm Board on 20 November 2006 and is currently the Chairman of Cyclopharm and Chairman of the Remuneration and Board Nomination Committees. He was formerly Chairman of the Audit and Risk Committee until 28 February 2019. Mr Heaney was re-appointed as acting Chairman of the Audit and Risk Committee effective 1 December 2021 until 18 February 2024.

Mr Heaney has also served as a Non-Executive Director of a number of ASX-listed and non-listed companies.

Mr Heaney has more than 40 years' experience in all aspects of wholesale banking and finance, gained in general management roles with National Australia Bank Limited and subsidiary companies in both Australia and the US.

Mr J S McBrayer

Managing Director and Company Secretary

BSPharm, GDM, FAICD, AIM

Mr McBrayer has been a member of the Board since 3 June 2008 at which time he accepted the role of Managing Director. Mr McBrayer serves as a member of the Board Nominations Committee.

Mr McBrayer has more than 30 years' experience in nuclear medicine and is a trained Nuclear Pharmacist. Mr McBrayer held the role of Managing Director at Lipa Pharmaceuticals, Australia's largest contract manufacturer of over-the-counter products and senior management positions with Brambles Cleanaway business and Syncor, the world's largest radioactive diagnostic and therapeutic pharmaceutical provider.

Ms D M Angus

Non-Executive Director (Independent)

B.Sc (Hons), M.(Biotechnology)

Ms Angus was appointed to the Board on 10 August 2021. She is a member of the Audit and Risk Committee, Remuneration Committee and Board Nomination Committee. Ms Angus has extensive executive managerial and company director experience in the biotechnology, biopharmaceutical, medical device, agritech and healthcare industries. She has long been involved in path to market asset development and commercialisation in these industries, notably including the clinical validation of therapeutics to create asset and company valuation uplift. Ms Angus has wide expertise in corporate strategy, stakeholder engagement and innovative product development together with governance and compliance experience in listed capital markets.

Ms Angus has held directorship roles in a number of ASX and NASDAQ-listed companies and is currently Non-Executive Chair of Argenica Therapeutics (ASX:AGN) and Non-Executive Director of Neuren Pharmaceuticals (ASX:NEU). She also serves as a council member of Deakin University and is a board member of Agriculture Victoria Services. Additionally, Ms Angus holds a Master of Biotechnology, Bachelor of Science (Hons), and a Graduate Diploma of Intellectual Property (IP) Law. She is a registered patent attorney and a member of the Australian Institute of Company Directors (AICD).

Mr K M J Barrow

Non-Executive Director (Independent)

M.Sc (Hons), MBA

Mr Barrow was appointed to the Board on 1 September 2022. He is a member of the Audit and Risk Committee, Remuneration Committee and Board Nomination Committee. Mr Barrow holds a Master of Science (with 1st Class Honours) from Waikato University, New Zealand. He obtained an MBA from the Macquarie Graduate School of Management, Sydney, Australia and is a graduate of the Australian Institute of Company Directors and an Adjunct Fellow at Macquarie University. He brings to the Cyclopharm board more than 20 years of experience in the healthcare industry, which includes numerous governance and senior executive roles.

Mr Barrow is currently the Chief Executive Officer of the Sydney North Health Network. The Sydney North Health Network is one of 31 Primary Health Networks established by the Australian Government to increase the efficiency and effectiveness of medical services for the community.

Mr Barrow was the Chief Executive Officer of the Butterfly Foundation, Australia's national charity providing clinical services and support to address eating disorders and body image issues. Prior to this role, Mr Barrow was the Managing Director at Philips Australia and New Zealand overseeing all Philips' operations in the region, while also direct General Manager for the Healthcare division, a leader in cardiac care, acute care and home healthcare.

Mr Barrow joined Philips from BD, (Becton, Dickinson and Company), a leading global medical technology company that develops, manufactures and sells medical devices, instrument systems and reagents. Mr Barrow was the Managing Director for BD Australia and New Zealand a market leader in the Medical, Diagnostic and Lifescience sector. Prior to this, Mr Barrow held several senior sales and marketing management roles at pharmaceutical company Eli Lilly.

Mr Barrow was a Non-Executive Director of Wandi Nerida, Australia's first residential recovery centre for people affected by an eating disorder and was previously Chair of the Medical Technology Association of Australia (MTAA), where he was a director between 2009 and 2014.

Professor G G King

Non-Executive Director (Independent)
MB ChB, PhD, FRACP, FAPSR

Professor King was appointed to the Board on 27 September 2022. Dr. King is a world-renowned clinician and respiratory physiologist who brings over 25 years' experience as a clinician, educator and researcher to the Cyclopharm board.

Dr. King is Professor of Respiratory Medicine at the Northern and Central Clinical Schools of the University of Sydney. He is also the Staff Specialist in the Department of Respiratory Medicine at Royal North Shore Hospital, where he directs the asthma service and is the Medical Director of the Respiratory Investigation Unit, and the Research Leader of the Airway Physiology and Imaging Group at the Woolcock Institute of Medical Research. In addition, Dr. King supervises PhD and other postgraduate students at the University of Sydney.

Dr. King has investigated the mechanics of airways disease in relation to clinical aspects of disease. His expertise includes complex measurements of airway and lung function, including the use of Cyclopharm's Technegas™ in numerous research initiatives since 1997. He has a clinical and research interest in asthma, COPD and bronchiolitis in haemopoietic stem cell transplant recipients. His research is designed to better understand and manage airways diseases, with the ultimate objective of developing cures.

Mr J W Wigglesworth

Non-Executive Director (Independent)
BEc (MACQ), FCA, GAICD

Mr Wigglesworth was appointed to the Board on 19 February 2024. He is a Chartered Accountant with 37 years professional experience, including 24 years as a Partner at KPMG both in Australia and internationally. During this time, he held several leadership positions across operations, industry sectors and business development. Mr Wigglesworth has extensive experience working with ASX listed and leading global companies, with specific expertise in external and internal audit, financial reporting, accounting systems and controls, governance and risk management.

Mr Wigglesworth is currently the Non-Executive Director of ASX listed company Atlas Arteria Limited (ASX:ALX). He is also the Non-Executive Director of The Sydney Children's Hospital Network, Independent Reserve Pty Ltd and Grid Share Holding Group Pty Ltd.

Mr Wigglesworth has been appointed as Chairman of the Audit and Risk Committee and is a member of the Remuneration Committee and Board Nomination Committee effective 19 February 2024.

Mr J S McBrayer

Company Secretary
Mr McBrayer was appointed as Company Secretary on 25 March 2011.

Interests in the shares and options of the Company and related bodies corporate

The number of ordinary Cyclopharm shares and options on issue held directly, indirectly or beneficially, by Directors, including their personally-related entities as at the date of this report is as follows:

		As at report date	
	Interest	No. of shares	No. of options
Directors			
Mr D J Heaney	BI	310,000	–
Mr J S McBrayer	BI	5,309,580	–
Ms D M Angus	BI	22,323	–
Mr K M J Barrow	NBI	25,084	–
Professor G G King	BI	10,000	–
Mr J W Wigglesworth	BI	67,479	–
		5,744,466	–

BI: Beneficial interests
NBI: Non beneficial interests

Dividends

No dividends were paid during the current year (2023: interim unfranked dividend of 0.5 cents per share was paid on 11 September 2023 and a final unfranked dividend of 0.5 cents per share in respect of the financial year ended 31 December 2022 was paid on 4 April 2023).

The balance of franking credits available for future dividend payments is $1,059.

Principal Activities

During the year, the principal activities of the consolidated entity consisted of the manufacture and sale of medical equipment and radiopharmaceuticals, including associated research and development and distribution of third-party products to the diagnostic imaging sector.

There were no significant changes in the nature of the consolidated entity's principal activities during the financial year.

Operating and Financial Review

Operating results for the year

For the financial year, Cyclopharm recorded a consolidated loss after tax of $13,197,618 (2023: $4,700,806). After accounting for underlying adjustments, Underlying EBITDA was $11,945,593 (2023: $7,963,864).

Technegas™ revenue of $15,209,759 was 5.4% higher than the previous year (2023: $14,425,972), and revenue from third-party distribution of $12,362,822 was 3.8% higher than the previous year (2023: $11,913,417).

Employee benefits expense was higher at $16,111,165 (2023: $11,690,163) reflecting ongoing investment in human capital to meet global regulatory requirements which includes compliance with USFDA guidelines.

Research & Development expenses reduced to $365,016 (2023: $3,689,115) following the Company's securing of USFDA approval for Technegas™ in September 2023. Administration expenses increased to $11,356,913 (2023: $7,740,985) partly due to the ongoing compliance costs associated with USFDA guidelines and the commencement of the Technegas™ roll out in the US.

Financial position

Net assets increased to $42,729,869 as at 31 December 2024 (2023: $32,259,482) strengthened by a Capital Raising and Share Purchase Plan during the year that raised $24,002,712 before share issue costs, offsetting the impact of a net loss after tax of $13,197,618 (2023: $4,700,806).

Net cash balance was $20,567,898 as at 31 December 2024 (2023: $11,726,424).

Further details of Cyclopharm's Operating and Financial Review are set out on pages 6 to 11 of the Managing Director's Review.

Significant changes in state of affairs

Shares issued or cancelled during the year

(i) 93,443 ordinary shares were issued at a price of $1.83 per share on 5 April 2024 as consideration for an employee performance bonus.
(ii) 14,084,508 ordinary shares were issued at a price of $1.42 per share (11,971,832 ordinary shares issued on 30 May 2024 and 2,112,676 ordinary shares issued on 4 June 2024) in relation to a Capital Raising, and
(iii) 2,818,673 ordinary shares were issued at a price of $1.42 per share on 28 June 2024 in relation to a Share Purchase Plan, and
(iv) 43,900 ordinary shares were issued at a price of $1.48 per share on 28 June 2024 as consideration for an employee performance bonus.

There were no other shares issued or cancelled during the year.

Options issued or cancelled during the year

There were no Options (2023: nil) on issue as at 31 December 2024.

No options were issued or cancelled during the year.

Other than as set out above, there were no significant changes in the state of affairs of the Cyclopharm Group during the year.

Significant events after balance date

No matters or circumstances have arisen since the end of the financial year, not otherwise disclosed in the financial report, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial periods.

Likely developments and future results

Technegas™

The opportunities for developing additional Technegas™ indications, particularly for asthma and COPD, will continue to be a key priority. If successful, there is significant potential to expand Technegas'™ revenue and profitability over the medium to longer term.

USFDA approval to sell Technegas™ into the USA market provides Cyclopharm with the opportunity to significantly expand its sales and profitability. In preparation for a rapid entry into the US market the Company has been building inventory along with US sales and service capabilities and infrastructure. The USA presents Cyclopharm with an initial transformational market opportunity for the diagnosis of pulmonary embolism estimated at US$180 million annually.

Ultralute™

Cyclopharm is currently progressing the registration of Ultralute™ in Europe as a medical device to support better acceptance of this new first in class technology. Changes to Medical Device Regulations in the European Union (EU) required recertification of existing medical devices against more onerous standards. This process has dramatically slowed the introduction of new products into the EU with the result that the registration of Ultralute™ in Europe was not completed in 2024, and consequently there were no revenues from the sale of Ultralute™.

Cyclopharm is engaging regulatory partners both in Australia and in Europe to progress this initiative.

Third-party distribution

Cyclopharm has leveraged its regulatory expertise and operational footprint globally to establish a third-party distribution business that is delivering exceptional growth. Third-party revenue is a combination of capital works projects and ongoing sales from consumables and related service support.

These growing third-party partnerships continue to reinforce the Company's strategy of pursuing additional and complementary revenue streams. Initially introduced to leverage off our Technegas™ sales and service infrastructure, this initiative is now providing a material contribution to the Company's earnings and revenue and is emerging as a core part of the business

Material business risks

The Directors have identified the following material business risks which may, if they eventuate, substantially impact on the future performance of the Cyclopharm Group, along with its approach to managing these risks. The risk factors listed below are not exhaustive. Additional risks may also adversely affect the financial performance of Cyclopharm.

Regulatory

Future expansion of Cyclopharm's range of products and services may be governed by regulatory controls in each target market and it is not possible for Cyclopharm to guarantee that approvals in all target markets will be obtained and maintained in the future.

The Technegas™ System is required to be registered with the relevant regulatory bodies in each country or relevant jurisdiction. If for any reason such product registrations are withdrawn, cancelled (or otherwise lose their registered status) or are not renewed, it may have a significant effect on the sales of products which rely on them in the relevant country or countries.

The manufacture of Technegas™ does not involve the emission of any environmentally sensitive materials and the Cyclopharm Group is not required to hold any environmental licence or consent under the Environmental Protection Act (Cth). However, in order to expand the Company's research and development capabilities, in 2018, Cyclopharm secured and maintains a Radiation Management Licence from the NSW EPA to sell, possess and store regulated materials.

It is possible that licensing requirements could change with the development of new products and any additional regulatory requirements could impact upon the profitability of the group.

The Cyclopharm Group has obtained:

- a listing on the Australian Register of Therapeutic Goods Register for the Technegas™Plus Technegas™ Generator and the Patient Administration Set (radio-aerosol administration set);
- CE Mark approvals under the stringent European Medical Device Regulations for Technegas™Plus Technegas™ Generator and Patient Administration Set (PAS) of the Technegas™ System;
- a Marketing Authorisation for Pulmotec™, the carbon crucible which is the drug (medicine) component of Technegas™ in Europe;
- a Medical Device Single Assessment Program (MDSAP) certificate that is observed primarily by Australia, Brazil, Canada, Japan and the USA;
- Notified Body recognition that our Quality Management System (QMS) complies with the requirements of ISO13485:2016 for the design, manufacture, installation and repair service of the Technegas™ System; and
- USFDA New Drug Approval of Technegas™ (kit for the preparation of technetium Tc 99m labeled carbon inhalation aerosol) for oral inhalation use and USFDA 510K approval of the Patient Administration Set (PAS).

Ongoing regulatory audits/inspections are necessary for the retention and re-certification of the above-named certificates/licences for continued international distribution of the Technegas™ System.

Cyclopet Pty Limited, which is involved in the operations of the cyclotron, is subject to environmental regulations under the Radiation Control Act, 1990 by the Department of Environment, Climate Change and Water.

Competition

To date, Cyclopharm has demonstrated that it can compete effectively in the medical equipment/drug market in Australia and many other parts of the world.

The medical equipment/drug industry is very competitive and characterised by large international companies supplying much of the global market requirements. The emergence of new and/or unauthorised generic technologies could in certain circumstances make the Technegas™ System redundant or negatively impact on the Cyclopharm Group's plans to develop its Ultralute™ business.

Accordingly, there is a business risk in that Cyclopharm's key revenue source from the Technegas™ System could be severely disrupted or reduced. There are products that do compete with Technegas™, in particular Computed Tomography. These products could replace Technegas™ and therefore negatively impact Cyclopharm Group's revenue and profitability. The Directors note that the lengthy periods it takes to achieve regulatory approval and gain medical practitioners' approval and acceptance of new or generic products, Cyclopharm Group's reputation for timely and quality service, the safety record of Technegas™ and its competitive pricing, mitigate these risks.

In addition, the Cyclopharm Group's business plan and stated strategy is to continue to develop sales in new and existing international markets and to develop new diagnostic purposes for Technegas™.

Reputation
The performance of Cyclopharm Group's products is critical to its reputation and to its ability to achieve market acceptance of these products. Any product failure could have a material adverse effect on Cyclopharm Group's reputation as a supplier of these products. Technegas™ has had no contraindications or serious attributable adverse patient events since the commencement of sales.

Disruption of business operations
As a manufacturer, the Cyclopharm Group is exposed to a range of operational risks relating to both current and future operations. Such operational risks include supply chain disruptions, equipment failures, IT system failures, external services failure (including energy supply), industrial action or disputes and natural disasters. If one or more such operational risks materialize, they may have an adverse impact on the operating and financial performance of Cyclopharm.

Reliance on distributors/loss of key customers
The Cyclopharm Group operates through a series of contractual relationships with customers, suppliers, distributors and independent contractors. To date, the Cyclopharm Group has generally provided products and services on the basis of tenders submitted to customers, followed by purchase orders incorporating the customer's standard terms and conditions of trade as a condition of the acceptance.

Cyclopharm Group maintains a spread of customers through direct and indirect sales channels. The loss of a major distributor could have a significant, adverse impact on Cyclopharm's projected earnings. The majority of sales through distributors or agents are managed through contractual arrangements. Whilst the Cyclopharm Group has distribution agreements in place, some may be terminated by the distributor with up to six months' notice prior to the expiration of the current terms (which vary). Other sales arrangements are not in writing and depend on the ongoing goodwill of the parties. The Directors are concerned to ensure that all such relationships are formalised.

All contracts, including those entered into by the Cyclopharm Group, carry a risk that the respective parties will not adequately or fully comply with their respective contractual rights and obligations or that these contractual relationships may be terminated.

Cyclopharm's financial result could be adversely affected by the loss of large customers, a change in the terms of business with a large customer, or by such customers not adequately or fully complying with their respective contractual rights and obligations. However, the risks are mitigated by the existence of numerous alternatives available given that Technegas™ is a highly sought after product

Currency and exchange rate fluctuations
The financial contribution to the Cyclopharm Group of the Technegas™ System will depend on the movement in exchange rates between the Australian dollar and a number of foreign currencies, particularly the Euro.

The exchange rate between various currencies may fluctuate substantially and the result of these fluctuations may have a material adverse impact on Cyclopharm's operating results and financial position. In the long term, Cyclopharm's ability to compete against imported products may be adversely affected by an expectation of a sustained period of a high Australian dollar that would reduce the Cyclopharm Group's price competitiveness.

The majority of the Cyclopharm Group's operational expenses are currently payable in Australian dollars. The Cyclopharm Group also supplies its product to overseas markets and hence is exposed to movements in the A$ exchange rate. The Cyclopharm Group does not enter into forward exchange contracts to hedge its anticipated purchase and sale commitments denominated in foreign currencies. As such, Cyclopharm is exposed to exchange rate fluctuations.

Doing business internationally
As the Cyclopharm Group is and will continue operating in numerous countries, the Cyclopharm Group will be exposed to risks such as unexpected changes in regulatory requirements (including taxation), longer payment cycles, problems in collecting debts, fluctuation in currency exchange rates, foreign exchange controls which restrict or prohibit repatriation of funds and potentially adverse tax consequences, all of which could adversely impact on Cyclopharm.

The Cyclopharm Group currently requires, and in the future may require further, licenses to operate in foreign countries which may be difficult to obtain and retain depending on government policies and political circumstances.

Intellectual property rights
The Cyclopharm Group's success may be affected by its ability to maintain patent protection for products and processes, to preserve its trade secrets and to operate without infringing the proprietary rights of third parties.

Patents

Unless challenged, the validity of a patent or trademark may be assumed. Any patent or trademark may be challenged on a number of grounds but the onus is on the party seeking revocation to establish those grounds.

All patents and trademarks require renewal at regular dates and if not renewed will expire. It is the Cyclopharm Group's practice to renew its patents and trademarks as required. The Directors note that whilst some patents have expired or have not been renewed, or remain to be transferred or licensed to Cyclopharm Group companies, there remains sufficient protection in these countries through other patent arrangements in place or being put in place.

The validity and breadth of claims covered in patents involve complex legal and factual questions and therefore may be highly uncertain. No assurance can be given that the pending applications will result in patents being issued, that such patents or the current patents will provide a competitive advantage or that competitors of the Cyclopharm Group will not design around any patents issued. Further, any information contained in the patent applications will become part of the public domain, so that it will not be protected as confidential information. As legal regulations and standards relating to the validity and scope of patents evolve, the degree of future protection of the Cyclopharm Group's proprietary rights is uncertain. However, those regulations and standards in the field of nuclear medicine (in which the Cyclopharm Group's technology resides) are relatively well established and non-controversial.

Environmental regulations

Cyclopet Pty Limited, a member of the consolidated group's operations is subject to environmental regulations under the Radiation Control Act, 1990 by the Department of Environment, Climate Change and Water. The Board believe that the consolidated group has adequate systems in place for the management of its environmental requirements as they apply to the consolidated group and its Business Venture Collaboration Agreement with Cyclotek NSW Pty Ltd.

Retirement, election and continuation in office of directors

In accordance with the Company's Constitution, all Directors have been elected by members at the Annual General Meeting (AGM) with the exception of Mr McBrayer. Mr McBrayer was appointed as Managing Director on 3 June 2008 and under the Constitution is exempt from election by members.

Indemnification and insurance of officers

In accordance with clause 49.1 of Cyclopharm's constitution and section 199A of the *Corporations Act 2001* the Company has resolved to indemnify its Directors and Officers for a liability to a third-party provided that:

1. the liability does not arise from conduct involving a lack of good faith; or
2. the liability is for costs and expenses incurred by the Director or Officer in defending proceedings save as not permitted by law.

During or since the financial year, the Company has paid premiums in respect of a contract insuring all the Directors against legal costs incurred in defending proceedings for conduct involving:

(a) a wilful breach of duty; or
(b) a contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The total amount of insurance contract premiums paid for the year ending 31 December 2024 is $82,367 (for the year ended 31 December 2023: $40,000).

The Officers of the Company covered by the insurance policy include the Directors, the Company Secretary and Executive Officers. The indemnification of the Directors and Officers will extend for a period of at least 7 years in relation to events taking place during their tenure (unless the *Corporations Act 2001* otherwise precludes this time frame of protection.)

The liabilities insured include costs and expenses that may be brought against the Officers in their capacity as Officers of the Company that may be incurred in defending civil or criminal proceedings that may be brought against the Officers of the Company or a controlled entity.

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 on page 29.

Fees of $20,964 (2023: $19,277) were paid for taxation services to an associate of Nexia Sydney Audit Pty Ltd for the year ended 31 December 2024 for non-audit related services. The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The Company has not during or since the financial year, indemnified or agreed to indemnify an auditor of the Company or any related body corporate.

Remuneration report (audited)

The Remuneration Report outlines the director and executive remuneration arrangements of the Company and the group and the remuneration disclosures required in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report Key Management Personnel of the group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the group, directly or indirectly, including any Director (whether executive or otherwise) of the parent Company.

For the purposes of this report, the term 'executive' encompasses the Chief Executive, senior executives, general managers and secretaries of the parent and the group.

Director and Executive Remuneration

Consolidated	Short-term employee benefits			Post employment benefits	Other long-term benefits	Share-based payment	Total	Performance related
	Salary and Fees $	Cash Bonus $	Non-monetary benefits $	Super-annuation $	$	$	$	%
2024								
Directors								
David Heaney Non-Executive Director	78,552	–	–	8,838	–	–	87,390	0%
Dianne Angus Non-Executive Director	56,108	–	–	6,313	–	–	62,421	0%
Kevin Barrow Non-Executive Director	56,108	–	–	6,313	–	–	62,421	0%
Professor Greg King Non-Executive Director	56,108	–	–	6,313	–	–	62,421	0%
John Wigglesworth* Non-Executive Director	45,617	–	–	5,155	–	–	50,771	0%
Executive Director								
James McBrayer** Managing Director	483,479	93,317	–	62,507	15,698	151,219	806,220	30%
Total Directors' Compensation	**775,973**	**93,317**	–	**95,438**	**15,698**	**151,219**	**1,131,645**	**22%**
Key Management Personnel								
Mathew Farag Chief Operating Officer	397,888	–	–	41,567	9,704	89,800	538,959	17%
Jason Smith*** Chief Financial Officer	272,145	–	–	25,128	5,173	–	302,446	0%
Total Key Management Personnel's Compensation	**670,032**	–	–	**66,695**	**14,877**	**89,800**	**841,404**	**11%**
Total Compensation	**1,446,005**	**93,317**	–	**162,133**	**30,575**	**241,019**	**1,973,049**	**17%**

* Mr Wigglesworth was appointed to the Board on 19 February 2024.
** Mr McBrayer is employed on a rolling contract. He may be entitled to receive additional amounts up to a maximum of 20% of base remuneration based on the Company's performance and achieving certain Key Performance Indicator thresholds.
*** Mr Smith commenced employment 26 February 2024.

Director and Executive Remuneration

Consolidated	Short-term employee benefits			Post employment benefits	Other long-term benefits	Share-based payment	Total	Performance related
	Salary and Fees $	Cash Bonus $	Non-monetary benefits $	Super-annuation $	$	$	$	%
2023								
Directors								
David Heaney Non-Executive Director	76,636	–	–	8,430	–	–	85,066	0%
Dianne Angus Non-Executive Director	54,740	–	–	6,021	–	–	60,761	0%
Kevin Barrow Non-Executive Director	54,740	–	–	6,021	–	–	60,761	0%
Professor Greg King Non-Executive Director	54,740	–	–	6,021	–	–	60,761	0%
Executive Director								
James McBrayer* Managing Director	470,631	80,000	–	56,648	16,760	269,423	893,462	39%
Total Directors' Compensation	**711,487**	**80,000**	**–**	**83,141**	**16,760**	**269,423**	**1,160,811**	**30%**
Key Management Personnel								
Mathew Farag Chief Operating Officer	360,435	–	–	39,648	32,596	51,653	484,332	11%
Total Key Management Personnel's Compensation	**360,435**	**–**	**–**	**39,648**	**32,596**	**51,653**	**484,332**	**11%**
Total Compensation	**1,071,922**	**80,000**	**–**	**122,789**	**49,356**	**321,076**	**1,645,143**	**24%**

* Mr McBrayer is employed on a rolling contract. He may be entitled to receive additional amounts up to a maximum of 20% of base remuneration based on the Company's performance and achieving certain Key Performance Indicator thresholds.

Details of Managing Director and Key Management Personnel's Share-based payments

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Expiry date	Performance Hurdle
2024							
Mathew Farag	15,002	$1.012	$3.200	$48,006	*4.36 years	30/6/2025	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*4.36 years	30/6/2025	50% year on year increase in third party revenue at minimum of 20% gross margin for 2021, 2022 & 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*4.36 years	30/6/2025	50% year on year increase in third party service revenue for 2021, 2022 & 2023
Other non-Key Management Personnel	149,060	$1.012	$3.200	$476,992	*4.36 years	30/6/2025	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	3,000	$1.447	$3.200	$9,600	6.00 years	18/2/2027	Continuous employment with the Cyclopharm Group until 31 December 2026
Mathew Farag	200,000	$0.419	$1.820	$364,000	3.00 years	22/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	442,500	$0.419	$1.820	$805,350	3.00 years	22/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	100,000	$0.594	$1.820	$182,000	2.00 years	10/9/2025	Continuous employment with the Cyclopharm Group until 31 August 2025
	1,009,562			**$2,205,948**			

* Extended to 30 June 2025.

Vested but unexercised during the year

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Expiry date
2024						
James McBrayer	1,721,554	$0.235	$0.900	$1,549,399	*9.81 years	30/6/2025
James McBrayer	269,614	$1.065	$0.000	$0	*5.56 years	30/6/2025
James McBrayer	257,750	$1.410	$0.000	$0	*4.94 years	30/6/2025
James McBrayer	500,000	$0.515	$1.830	$915,000	*4.94 years	30/6/2025
Mathew Farag	225,000	$0.349	$0.900	$202,500	7.76 years	18/4/2025
Mathew Farag	250,000	$0.289	$1.550	$387,500	*7.00 years	30/6/2025
Mathew Farag	250,000	$0.289	$1.550	$387,500	*7.00 years	30/6/2025
Mathew Farag	500,000	$0.443	$1.220	$610,000	*5.16 years	30/6/2025
Other non-Key Management Personnel	6,886	$0.235	$0.900	$6,197	*9.81 years	30/6/2025
Other non-Key Management Personnel	5,000	$0.270	$1.200	$6,000	*8.94 years	30/6/2025
Other non-Key Management Personnel	90,000	$0.443	$1.220	$109,800	*5.16 years	30/6/2025
Other non-Key Management Personnel	100,000	$0.443	$1.220	$122,000	*5.16 years	30/6/2025
	4,175,804			**$4,295,896**		

* Extended to 30 June 2025.

Details of Managing Director and Key Management Personnel's Share-based payments

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Expiry date	Performance Hurdle
2023							
Mathew Farag	15,002	$1.012	$3.200	$48,006	*3.36 years	30/6/2024	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*3.36 years	30/6/2024	50% year on year increase in third party revenue at minimum of 20% gross margin for 2021, 2022 & 2023
Other non-Key Management Personnel	50,000	$1.012	$3.200	$160,000	*3.36 years	30/6/2024	50% year on year increase in third party service revenue for 2021, 2022 & 2023
Other non-Key Management Personnel	149,060	$1.012	$3.200	$476,992	*3.36 years	30/6/2024	Continuous employment with the Cyclopharm Group until 31 December 2023
Other non-Key Management Personnel	3,000	$1.447	$3.200	$9,600	6.00 years	18/2/2027	Continuous employment with the Cyclopharm Group until 31 December 2026
Mathew Farag	200,000	$0.419	$1.820	$364,000	3.00 years	22/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	442,500	$0.419	$1.820	$805,350	3.00 years	22/3/2026	Continuous employment with the Cyclopharm Group until February 2026
Other non-Key Management Personnel	100,000	$0.594	$1.820	$182,000	2.00 years	10/9/2025	Continuous employment with the Cyclopharm Group until 31 August 2025
	1,009,562			**$2,205,948**			

* Extended to 30 June 2024.

Vested but unexercised during the year

Name	Number of LTIP shares granted	Fair Value at grant date	Exercise price per LTIP share scheme	Amount payable – limited non-recourse loan	Term	Expiry date
2023						
James McBrayer	1,721,554	$0.235	$0.900	$1,549,399	*8.81 years	30/6/2024
James McBrayer	269,614	$1.065	$0.000	$0	*4.56 years	30/6/2024
James McBrayer	257,750	$1.410	$0.000	$0	*3.94 years	30/6/2024
James McBrayer	500,000	$0.515	$1.830	$915,000	*3.94 years	30/6/2024
Mathew Farag	225,000	$0.349	$0.900	$202,500	7.76 years	18/4/2025
Mathew Farag	250,000	$0.289	$1.550	$387,500	*6.00 years	30/6/2024
Mathew Farag	250,000	$0.289	$1.550	$387,500	*6.00 years	30/6/2024
Mathew Farag	500,000	$0.443	$1.220	$610,000	*4.16 years	30/6/2024
Other non-Key Management Personnel	6,886	$0.235	$0.900	$6,197	*8.81 years	30/6/2024
Other non-Key Management Personnel	5,000	$0.270	$1.200	$6,000	*7.94 years	30/6/2024
Other non-Key Management Personnel	90,000	$0.443	$1.220	$109,800	*4.16 years	30/6/2024
Other non-Key Management Personnel	100,000	$0.443	$1.220	$122,000	*4.16 years	30/6/2024
	4,175,804			**$4,295,896**		

* Extended to 30 June 2024.

Interests in the shares and options of the Company and related bodies corporate

The movement during the reporting period in the number of ordinary Cyclopharm shares and options on issue held directly, indirectly or beneficially, by Directors and key management personnel, including their personally-related entities is as follows:

	Interest	31 December 2023 No. of shares	Granted under long term incentive schemes No. of shares	Shares subscribed pursuant to share purchase plan No. of shares	Conversion of options No. of shares	On market purchases No. of shares	31 December 2024 No. of shares
Directors							
Mr D J Heaney	BI	280,000	–	21,126	–	–	301,126
Mr J S McBrayer	BI	5,309,580	–	–	–	–	5,309,580
Ms D M Angus	BI	10,000	–	12,323	–	–	22,323
Mr K M J Barrow	NBI	11,000	–	14,084	–	–	25,084
Professor G G King	BI	–	–	–	–	10,000	10,000
Mr J W Wigglesworth	BI	–	–	–	–	53,979	53,979
		5,610,580	–	47,533	–	63,979	5,722,092
Key Management Personnel							
Mr M Farag	BI	1,478,002	93,443	–	–	–	1,571,445
Mr J Smith		–	–	–	–	–	–
		1,478,002	93,443	–	–	–	1,571,445
		7,088,582	**93,443**	**47,533**	**–**	**63,979**	**7,293,537**

BI: Beneficial interest
NBI: Non beneficial interests

As at 31 December 2024, no Director or KMP holds any share options (2023: nil).

Remuneration Committee

During the current financial year, the Remuneration Committee comprised of Mr Heaney, who is the Chairman of the Remuneration Committee, Ms Angus, Mr Barrow and Mr Wigglesworth. Mr Wigglesworth was appointed to the Remuneration Committee on 19 February 2024.

The Remuneration Committee is responsible for:

- reviewing and approving the remuneration of Directors and other senior executives; and
- reviewing the remuneration policies of the Company generally.

Remuneration philosophy

The performance of the Company depends upon the quality of its Directors and executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and executives.

To this end, the Company embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards to shareholder value;
- have a significant portion of executive remuneration 'at risk'; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

Remuneration structure

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

Non-executive Director remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost that is acceptable to Shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive Directors shall be determined from time to time by a general meeting. The latest determination was at the Annual General Meeting held in May 2023 when Shareholders approved an aggregate remuneration increase from $350,000 to $450,000 per year.

The amount of aggregate remuneration sought to be approved by Shareholders and the fee structure is reviewed annually. The Board considers advice from external consultants as well as the fees paid to non-executive Directors of comparable companies when undertaking the annual review process.

Each director receives a fee as set out in the Director and Executive Remuneration Table for being a director of the Company. Directors' fees cover all main Board activities and the membership of committees. There are no additional fees for committee membership. These fees exclude any additional 'fee for service' based on arrangements with the Company, which may be agreed from time to time. Agreed out of pocket expenses are payable in addition to Directors' fees. There is no retirement or other long service benefits that accrue upon appointment to the Board. Retiring non-executive Directors are not currently entitled to receive a retirement allowance.

Executive remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company so as to:

- reward executives for Company, business unit and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of Shareholders; and
- ensure total remuneration is competitive by market standards.

In determining the level and make-up of executive remuneration, the Remuneration Committee engages external consultants as needed to provide independent advice.

The Remuneration Committee has entered into a detailed contract of employment with the Managing Director and a standard contract with other executives. Details of these contracts are provided below.

Remuneration consists of the following key elements:

- Fixed remuneration (base salary, superannuation and non-monetary benefits); and
- Variable remuneration
  — short term incentive (STI); and
  — long term incentive (LTI).

The proportion of fixed remuneration and variable remuneration (potential short term and long term incentives) for each executive is set out in the Director and Executive Remuneration Table.

Fixed Remuneration

Objective

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of Company, business unit and individual performance, relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. As noted above, the Committee has access to external advice independent of management.

Structure

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. All forms of executive remuneration are detailed in the Remuneration Report.

Variable remuneration – Short Term Incentive (STI)

The objective of the STI is to link the achievement of the Group's operational targets with remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level so as to provide sufficient incentive to the executive to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

Actual STI payments granted to each executive depends on the extent to which specific targets set at the beginning of the year are met. The targets consist of a number of Key Performance Indicators (KPI's) covering both financial and non-financial, corporate and individual measures of performance. Typically included measures are sales, net profit after tax, customer service, risk management and leadership/team contribution. These measures were chosen as they represent the key drivers for short term success of the business and provide a framework for long term value.

The Group has predetermined benchmarks that must be met in order to trigger payments under the STI scheme. On an annual basis, after consideration of performance against KPI's, the Remuneration Committee, in line with their responsibilities, determine the amount, if any, of the short term incentive to be paid to each executive. This process usually occurs within 3 months of reporting date.

The aggregate of annual STI payments available for executives across the Group is subject to the approval of the Remuneration Committee. Payments are delivered as a cash bonus in the following reporting period. Participation in the Short Term Incentive Plan is at the Directors' discretion.

Variable remuneration – Long Term Incentive (LTI)

Long Term incentives are delivered under the Long Term Incentive Plan (LTIP), which is designed to reward sustainable, long-term performance in a transparent manner. Under the LTIP, individuals are granted LTIP shares, which have a two or three year performance periods (Term). The number of LTIP shares is determined by the Board. The number of LTIP shares that an individual will be entitled to at the end of the Term will depend on the extent to which the hurdle has been met. Performance hurdles are determined by the Board to align individual performance with the Company's performance.

At the Annual General Meeting held on 8 May 2007, Shareholders approved the Company's Long Term Incentive Plan ("Plan"). An updated Plan was approved by Shareholders on 29 May 2018, 4 May 2021 and 27 May 2024.

The purpose of the Plan is to encourage employees, Directors and officers to share in the ownership of the Company and therefore retain and motivate senior executives to drive performance at both the individual and corporate level. Performance hurdles have been determined by the Board to align individual performance with the Company's key success factors.

Employment contracts

Managing Director

The Managing Director, Mr McBrayer, is employed under a rolling contract. Mr McBrayer's current contract was executed on 3 May 2021. Mr McBrayer's remuneration for 2024 and 2023 is disclosed in the tables on pages 20 and 21. Under the terms of the present contract:

- Each year from 1 January to 31 December, Mr McBrayer may be entitled to receive additional amounts up to a maximum of 20% of base remuneration based on the Company's performance and achieving certain Key Performance Indicator thresholds. This amount is entirely performance based and seeks to strengthen the alignment of the Managing Director's interests with those of the Company's shareholders.
- Mr McBrayer may resign from his position and thus terminate this contract by giving 6 months written notice unless a mutually agreeable date can be agreed upon.
- The Company may terminate this employment agreement by providing 6 months written notice or providing payment in lieu of the notice period.
- The Company may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs the Managing Director is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.
- Mr McBrayer is entitled to receive strictly limited non-recourse loans under the Company's LTIP to purchase shares.
- On 13 July 2015, a strictly limited non-recourse loan was made to Mr McBrayer under the Company's LTIP to purchase shares for a period of 2 years. The loan was to enable the purchase of 1,721,554 shares at the price of 90 cents per share. The LTIP shares vested on 9 May 2017, the date of the 2017 AGM.
- On 9 May 2017, Mr McBrayer exercised his rights to purchase 1,721,554 LTIP shares and the Company extended a loan totalling $1,549,398.60 for the purchase of the Plan Shares. The loan is repayable in full by 30 June 2025.
- As approved by shareholders at the May 2019 AGM, 200,000 options were granted on 27 May 2019 and 539,525 shares comprising 269,911 ordinary shares and 269,614 LTIP shares were issued in accordance with the Company's Long Term Incentive Plan on 11 December 2019 to Mr McBrayer.
- As approved by shareholders at the July 2020 AGM, 1,015,500 shares comprising 257,750 ordinary shares and 757,750 LTIP shares were issued in accordance with the Company's Long Term Incentive Plan on 24 July 2020 to Mr McBrayer. The 257,750 ordinary shares can be freely traded on and from the date of issue. A strictly limited non-recourse loan was made to Mr McBrayer to purchase 500,000 shares at the price of $1.83 per share while 257,750 LTIP shares are held in a holding lock until the loan on the 1,721,554 shares issued on 13 July 2015 is repaid in full by 30 June 2025.

Other Executives (standard contracts)

All executives have rolling contracts. The Company may terminate the executive's employment agreement by providing (depending on the individual's contract) between 1 to 6 months' written notice or providing payment in lieu of the notice period. Where termination with cause occurs the executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination.

Related Parties

The Directors disclose any conflict of interests in Directors' meetings as per the requirements under the Corporations Act (2001). Any disclosures that are considered to fall under the definition of related parties as per AASB 124 'Related Party Disclosures' are made in the Directors' meetings and minuted.

End of Remuneration Report

Directors' meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the year and the numbers of meetings attended by each director were as follows:

	Cyclopharm Board Meetings		Audit & Risk Committee Meetings		Board Nomination Committee Meetings		Remuneration Committee Meetings	
Director	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr D J Heaney	12	12	4	4	2	2	6	6
Mr J S McBrayer	12	12	–	–	2	1	–	–
Ms D M Angus	12	12	4	4	2	2	6	6
Mr K M J Barrow	12	12	4	4	2	2	6	6
Professor G G King	12	9	–	–	–	–	–	–
Mr J W Wigglesworth*	11	11	3	3	1	1	5	5

* Mr Wigglesworth was appointed to the Board on 19 February 2024.

Share options

No share options (2023: nil) are on issue as at year end.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

This report is made and signed in accordance with a resolution of the Directors:

James McBrayer
Managing Director and CEO

Sydney, 27 March 2025

Auditor's Independence Declaration

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To the Board of Directors of Cyclopharm Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead auditor for the audit of the financial statements of Cyclopharm Limited for the financial year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

(b) any applicable code of professional conduct in relation to the audit.

Yours sincerely

Nexia Sydney Audit Pty Ltd

Stephen Fisher
Director

Date: 27 March 2025

Consolidated Statement of

Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Continuing operations			
Sales revenue	4	27,572,581	26,339,389
Total revenue		**27,572,581**	**26,339,389**
Cost of materials and manufacturing		(9,639,791)	(10,255,757)
Employee benefits expenses	5(a)	(16,111,165)	(11,690,163)
Advertising and promotion expenses		(1,466,416)	(979,765)
Depreciation and amortisation expenses	5(b)	(1,476,407)	(938,834)
Freight and duty expenses		(1,681,443)	(1,069,613)
Research and development expenses	5(c)	(365,016)	(3,689,115)
Administration expenses	5(d)	(11,356,913)	(7,740,985)
Other income	5(e)	232,595	4,761,766
Other expenses	5(f)	(54,900)	–
Operating loss		**(14,346,875)**	**(5,263,077)**
Share of profit from joint ventures		924,875	800,172
Loss before financing and income tax		**(13,422,000)**	**(4,462,905)**
Net interest income	5(g)	350,553	273,177
Loss before income tax		**(13,071,447)**	**(4,189,728)**
Income tax expense	6	(126,171)	(511,078)
Loss for the year		**(13,197,618)**	**(4,700,806)**
Other comprehensive income after income tax			
Items that will be re-classified subsequently to profit and loss when specific conditions are met:			
Exchange differences on translating foreign controlled entities (net of tax)		14,663	423,826
Total comprehensive loss for the year		**(13,182,955)**	**(4,276,980)**

		2024 cents	2023 cents
Loss per share (cents per share)	7		
– Basic loss per share from continuing operations		(12.83)	(5.07)
– Basic loss per share		(12.83)	(5.07)
– Diluted loss per share		(12.83)	(5.07)

The Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Assets			
Current assets			
Cash and cash equivalents	8	20,567,898	11,726,424
Trade and other receivables	9	7,503,240	7,895,053
Inventories	10	13,247,691	10,122,016
Current tax asset	6	152,989	170
Other assets		913,348	452,102
Total current assets		**42,385,166**	**30,195,765**
Non-current assets			
Inventories	10	–	33,836
Property, plant and equipment	11	6,039,763	5,972,888
Right-of-use assets	12	7,060,068	3,213,315
Investments	13	–	–
Intangible assets	14	5,896,080	5,736,075
Deferred tax assets	6	745,584	762,310
Total non-current assets		**19,741,495**	**15,718,424**
Total assets		**62,126,661**	**45,914,189**
Liabilities			
Current liabilities			
Trade and other payables	15	7,226,646	6,941,912
Lease liabilities	16	625,870	214,465
Provisions	17	2,758,151	1,475,407
Tax liabilities	6	–	37,095
Total current liabilities		**10,610,667**	**8,668,879**
Non-current liabilities			
Lease liabilities	16	7,659,894	4,012,832
Provisions	17	224,419	71,184
Deferred income liabilities	18	901,812	901,812
Total non-current liabilities		**8,786,125**	**4,985,828**
Total liabilities		**19,396,792**	**13,654,707**
Net assets		**42,729,869**	**32,259,482**
Equity			
Contributed equity	19	87,073,747	63,781,302
Employee equity benefits reserve	29	4,126,852	3,765,955
Foreign currency translation reserve	29	(614,640)	(629,303)
Accumulated losses		(47,856,090)	(34,658,472)
Total equity		**42,729,869**	**32,259,482**

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Notes	Consolidated 2024 $	Consolidated 2023 $
Operating activities			
Receipts from customers		28,164,533	29,168,710
Receipt from business venture collaboration		924,875	800,172
Payments to suppliers and employees		(41,522,988)	(36,728,860)
Interest received		477,629	489,169
Borrowing costs paid		(319,095)	(215,992)
Income tax (paid)/received		(299,359)	(710,831)
Net cash flows used in operating activities	8	**(12,574,405)**	**(7,197,632)**
Investing activities			
Payments for acquisition of subsidiary		–	(31,796)
Cash acquired upon acquisition of subsidiary		–	61,326
Purchase of property, plant and equipment		(803,534)	(236,823)
Payments for intangible assets		(168,323)	(301,173)
Net cash flows used in investing activities		**(971,857)**	**(508,466)**
Financing activities			
Proceeds from issue of shares		24,002,712	–
Share issue cost (net of tax)		(1,144,915)	–
Settlement of loan for Long Term Incentive Plan Shares		5,925	142,492
Dividends paid		–	(884,832)
Payments for lease liabilities		(641,720)	(276,426)
Net cash flows from/(used in) financing activities		**22,222,003**	**(1,018,766)**
Net increase/(decrease) in cash and cash equivalents		**8,675,741**	**(8,724,864)**
Cash and cash equivalents			
– at beginning of the period		**11,726,424**	**20,296,176**
– net foreign exchange differences from translation of cash and cash equivalents		165,733	155,112
– at end of the year	8	**20,567,898**	**11,726,424**

The Statement of Cash Flows is to be read in conjunction with the notes to the financial statements.

Consolidated Statement of Changes in Equity

As at 31 December 2024

Consolidated	Contributed Equity $	Other Contributed Equity $	Total Contributed Equity $	Retained Earnings/ (Accumulated Losses) $	Foreign Currency Translation Reserve (Note 29(b)) $	Employee Equity Benefits Reserve (Note 26(a)) $	Total $
Balance at 1 January 2023	**68,753,968**	**(5,333,158)**	**63,420,810**	**(29,072,834)**	**(1,053,129)**	**3,241,763**	**36,536,610**
Loss for the year	–	–	–	(4,700,806)	–	–	(4,700,806)
Other comprehensive income	–	–	–	–	423,826	–	423,826
Total comprehensive loss for the year	–	–	–	**(4,700,806)**	**423,826**	–	**(4,276,980)**
Issue of shares	218,000	–	218,000	–	–	–	218,000
Payment of loan for Long Term Incentive Plan shares	142,492	–	142,492	–	–	–	142,492
Dividends paid	–	–	–	(884,832)	–	–	(884,832)
Cost of share-based payments	–	–	–	–	–	524,192	524,192
Total transactions with owners and other transfers	**360,492**	–	**360,492**	**(884,832)**	–	**524,192**	**(148)**
Balance at 31 December 2023	**69,114,460**	**(5,333,158)**	**63,781,302**	**(34,658,472)**	**(629,303)**	**3,765,955**	**32,259,482**

Consolidated	Contributed Equity $	Other Contributed Equity $	Total Contributed Equity $	Retained Earnings/ (Accumulated Losses) $	Foreign Currency Translation Reserve (Note 29(b)) $	Employee Equity Benefits Reserve (Note 26(a)) $	Total $
Balance at 1 January 2024	69,114,460	(5,333,158)	63,781,302	(34,658,472)	(629,303)	3,765,955	32,259,482
Loss for the year	–	–	–	(13,197,618)	-	–	(13,197,618)
Other comprehensive income	–	–	–	–	14,663	–	14,663
Total comprehensive loss for the year	–	–	–	**(13,197,618)**	**14,663**	–	**(13,182,955)**
Issue of shares	24,238,685	–	24,238,685	–	–	–	24,238,685
Share issue cost (net of tax)	(1,144,915)	–	(1,144,915)	–	–	–	(1,144,915)
Payment of loan for Long Term Incentive Plan shares	198,675	–	198,675	–	–	–	198,675
Dividends paid	–	–	–	–	–	–	–
Cost of share-based payments	–	–	–	–	–	360,897	360,897
Total transactions with owners and other transfers	**23,292,445**	–	**23,292,445**	–	–	**360,897**	**23,653,342**
Balance at 31 December 2024	**92,406,905**	**(5,333,158)**	**87,073,747**	**(47,856,090)**	**(614,640)**	**4,126,852**	**42,729,869**

The Statement of Changes in Equity is to be read in conjunction with the notes to the financial statements.

Notes
to the Consolidated Financial Statements

1. Corporate Information

The financial report of Cyclopharm Limited ("Cyclopharm" or "the Company") for the year ended 31 December 2024 was authorised for issue by a resolution of the Directors as at the date of this report.

Cyclopharm is a Company limited by shares incorporated and domiciled in Australia. The shares are publicly traded on the Australian Securities Exchange ("ASX") under the code "CYC".

During the year, the principal continuing activities of the consolidated entity ("the Group") consisted of the manufacture and sale of medical equipment and radiopharmaceuticals, including associated research and development, and installation and distribution of third-party products to the diagnostic imaging sector.

2. Summary of Material Accounting Policies

(a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The financial statements have been prepared on a going concern basis which assumes the realisation of assets and discharge of liabilities in the normal course of business for a period of at least twelve months from the date of approval of the financial statements. In assessing and concluding on going concern, the directors have considered the Group's business plan including the accelerated US market roll out along with related cashflow forecasts informing the group's future capital requirements and information on the availability of additional equity or debt capital to the Group.

The financial report is presented in Australian dollars ("AUD").

(b) New and amended Accounting Policies adopted by the Group

Consolidated financial statements

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

None of the new or amended Accounting Standards and Interpretations has had a material impact on the Group's financial statements.

Certain comparative disclosures have been restated to comply with the current year presentation, namely the reclassification of finance revenue from total revenue to net interest income (Note 5(g)), reclassification of other revenue from total revenue to other income (Note 5(e)) and segment information (Note 3).

(c) New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 31 December 2024. These new or amended Accounting Standards and Interpretations are not expected to have a material impact on the consolidated entity's financial statements.

AASB 2023-5 *Amendments to Australian Accounting Standards – Lack of Exchangeability*, amends AASB 121 and AASB 1 to require entities to apply a consistent approach to determining whether a currency is exchangeable into another currency and the spot exchange rate to use when it is not exchangeable. It has mandatory application from 1 January 2025.

2. Summary of Material Accounting Policies (continued)

AASB S2 *Climate-related Disclosures*, sets out disclosure requirements about an entity's climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over the short, medium or long term. The main climate-related financial disclosure requirements relate to governance, strategy, risk management, metrics and targets including information about scenario analysis and Scope 1, 2 and 3 greenhouse gas emissions and climate-related financial information. Cyclopharm currently expects to be a Group 3 entity under AASB S2, with mandatory application from 1 January 2027.

AASB 18 *Presentation and Disclosure in Financial Statements* will replace AASB 101 *Presentation of Financial Statements*. AASB 18 will better align the presentation of the statement of profit or loss to the categories in the statement of cash flows, require disclosure of management-defined performance measures and enhance the requirements for aggregation and disaggregation disclosure. It has mandatory application from 1 January 2027.

(d) Basis of consolidation

Cyclopharm Limited is the ultimate parent entity ("the Parent") in the wholly owned group. The consolidated financial statements comprise the financial statements of Cyclopharm and its subsidiaries as at 31 December each year ("the Group").

The Group's financial statements consolidate those of the parent company and all of its subsidiaries as of 31 December 2024. All subsidiaries have a reporting date of 31 December.

Subsidiaries

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Parent has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Transactions eliminated on consolidation

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

For business combinations involving entities under common control, which are outside the scope of AASB 3 *Business Combinations*, the Company applies the purchase method of accounting by the legal parent.

(e) Foreign currency translation

Functional and presentation currency

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

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items that are measured in terms of historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate when the fair value was determined.

Exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income, except where deferred in equity as a qualifying cash flow hedge or net investment hedge. On disposal of a foreign entity the deferred cumulative amount in equity is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Group companies

The functional currency of the overseas subsidiaries Cyclomedica Ireland Limited, Cyclomedica Germany GmbH, Cyclomedica Europe Limited, and Cyclomedica Benelux bvba, is European Euro (Euro €), Cyclomedica Nordic AB is Swedish Kroner (SEK), Cyclomedica Canada Limited is Canadian dollars (CAD), Cyclomedica UK Ltd is Great British Pound (GBP), Cyclomedica USA LLC is United States dollars (USD) and Cyclomedica Danmark ApS is Danish Kroner (DKK).

2. Summary of Material Accounting Policies (continued)

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at the reporting date.
- Income and expenses are translated at the average exchange rates for the period.
- Retained profits/equity are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on the translation of foreign operations are recognised in other comprehensive income and are transferred directly to the Group's foreign currency translation reserve in the Statement of Financial Position. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to profit or loss and are recognised as part of the gain or loss on disposal. Exchange differences are charged or credited to other comprehensive income and recognised in the foreign currency translation reserve in equity.

(f) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the Statement of Profit or Loss and Other Comprehensive Income, except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Statement of Financial Position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the Statement of Financial Position date and are expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

Cyclopharm Limited is the head entity of the tax consolidated group comprising all the Australian wholly owned subsidiaries. The implementation date for the tax consolidated group was 31 May 2006. Current tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using a "stand-alone basis without adjusting for intercompany transactions" approach by reference to the carrying amounts of assets and liabilities in the separate financial statements of each entity and the tax values applying under consolidation.

Any current Australian tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries is assumed by the head entity in the tax consolidated group and are recognised as amounts payable (receivable) to (from) other entities in the tax consolidated group. Any difference between these amounts is recognised by the head entity as an equity contribution or distribution.

Cyclopharm Limited recognises deferred tax assets arising from unused tax losses of the tax consolidated group to the extent that it is probable that future taxable profits of the tax consolidated group will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the head entity only.

(g) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

2. Summary of Material Accounting Policies (continued)

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(h) Property, plant and equipment

Plant and equipment is measured at cost less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the economic entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Impairment

The carrying amount of plant and equipment is reviewed annually to consider impairment. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Useful lives of property, plant and equipment

The estimation of the useful lives of assets has been based on historical experience as well as lease terms and turnover policies. In addition, the condition of the assets is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Depreciation

The depreciable amount of all fixed assets including capitalised leased assets are depreciated on a straight-line basis over their useful lives commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:

	Basis	Method
Plant and equipment	5 – 33%	Straight-line method
Leasehold improvements	7.5 – 10%	Straight-line method
Motor vehicles	16.67 – 25%	Straight-line method

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Profit or Loss and Other Comprehensive Income in the year the item is derecognised.

(i) Investments accounted for using the equity method

Associates are companies in which the Group has significant influence through holding, directly or indirectly, 20% or more of the voting power of the Associate. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

The carrying amount of the investment includes goodwill relating to the associate. Any discount on acquisition whereby the Group's share of the net fair value of the associate exceeds the cost of investment is recognised in profit or loss in the period in which the investment is acquired. The carrying amount of the investment also includes loans made to the associate which are not expected to be repaid in the short term.

Profits or losses resulting from transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

2. Summary of Material Accounting Policies (continued)

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Group will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

Details of the Group's investments in associates are provided in Note 13.

(j) Intangibles

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 and 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 assets. The method and useful lives of finite life intangible assets are reviewed annually.

Internally generated intangible assets, excluding development costs, are not capitalised and are recorded as an expense in the Statement of Profit or Loss and Other Comprehensive Income.

Intangible assets are tested for impairment where an indicator of impairment exists, and in the case of indefinite life intangibles, at each reporting date, either individually or at the cash generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Expenditure on the development of the Technegas™Plus and Ultralute generator has been capitalised. Costs will be amortised once the asset development is completed and the asset is ready for use. No impairment provision has been deemed appropriate. The Directors are satisfied that the future economic benefits will eventuate to justify the capitalisation of the expenditure incurred.

Development expenditure is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.

	New Patents and licences	Technegas Development costs
Useful lives	Patents – Finite Licenses – Finite	Finite
Method used	8–10 years – Straight-line	9 years – Straight-line
Impairment test/ Recoverable amount testing	Annually and where an indicator of impairment exists	Amortisation method reviewed at each financial year-end; Reviewed annually for indicator of impairment

Research and development costs

Expenditure on research activities is recognised as an expense when incurred.

Expenditure on development activities is capitalised only when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources; and intend to complete the development and its costs can be measured reliably. Development expenditure is measured at cost less any accumulated amortisation and impairment losses. Amortisation is calculated using a straight-line method to allocate the costs over a period during which the related benefits are expected to be realised.

(k) Inventories

Inventories are valued at the lower of cost and net realisable value where net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Purchase costs incurred in bringing each product to its present location and condition are accounted for on a first-in, first-out basis for both raw materials and finished goods.

(l) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 90 days. The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

2. Summary of Material Accounting Policies (continued)

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks, short-term deposits with an original maturity of three months or less and bank overdrafts. For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(n) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade payables are normally settled within 30 to 60 days.

(o) Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any issue costs and any discount or premium on settlement. Gains and losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income when the liabilities are derecognised and as well as through the amortisation process.

(p) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

(q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past events, for which it is probable that an outflow of economic benefits will result and that an outflow can be reliably measured. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

(r) Employee entitlements

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave and long service leave.

Employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled plus related on-costs. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow (after applying probability) to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yields as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of wages and salaries, non-monetary benefits, annual leave, long service leave and other leave benefits, and other types of employee benefits, are recognised against profits on a net basis in their respective categories.

2. Summary of Material Accounting Policies (continued)

(s) Employee share and performance share schemes

The fair value of performance rights issued under the Cyclopharm Long Term Incentive Plan are recognised as a personnel expense over the vesting period with a corresponding increase in Employee Equity Benefits Reserve.

The fair value of the implied option attached to shares granted is determined using a pricing model that takes into account factors that include exercise price, the term of the performance option, the vesting and performance criteria, the share price at grant date and the expected price volatility of the underlying share. The fair value calculation excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of performance options that are expected to become exercisable. At each balance date, the entity revises its estimate of the number of performance rights that are expected to become exercisable. The personnel expense recognised each period takes into account the most recent estimate.

Shares issued under employee and executive share plans are held in trust until vesting date. Unvested shares held by the trust are consolidated into the group financial statements.

(t) Revenue recognition

Revenue recognition begins by identifying the contract with the customer, ensuring it meets criteria such as enforceability, rights, payment terms, and commercial substance. Performance obligations in the contract are determined by identifying the distinct product or service being delivered. The transaction price is then calculated, reflecting the amount of the consideration the company expects to receive. This price is allocated to the performance obligations based on their standalone selling prices. Finally, revenue is recognised when each performance obligation is satisfied, aligning the recognition of revenue with the transfer of goods or services to the customer.

(u) Other revenue

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Research & Development Tax Incentive

Government grants, including Research and Development incentives, are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met.

Grants relating to cost reimbursements are recognised as other income in profit or loss in the period when the costs were incurred or when the incentive meets the recognition requirements (if later).

Government grants relating to assets are deferred and recognised in profit or loss over the period necessary to match them with the assets that they are intended to compensate.

All revenue is stated net of the amount of goods and services tax ("GST").

(v) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except where the GST incurred is not recoverable from the Australian Taxation Office ("ATO") and is therefore recognised as part of the asset's cost or as part of the expense item. Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position. Cash flows are presented in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

2. Summary of Material Accounting Policies (continued)

(w) Financial instruments

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

De-recognition of financial instruments

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group assesses at each Statement of Financial Position date whether a financial asset or group of financial assets is impaired.

(x) Contributed equity

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Other contributed equity

Other contributed equity arises from prior period transfers of tax liabilities within the group and the 2006 demerger from Vita Life Sciences Limited.

(y) Earnings per share

Basic earnings per share

Basic earnings per share is determined by dividing the net profit/(loss) after income tax attributable to members of the Company by the weighted average number of ordinary shares outstanding during the financial year. Where there is a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year, the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. Where there is a change in the number of ordinary shares on issue without a corresponding change in recognised resources during the year, the number of ordinary shares for all periods presented are correspondingly adjusted as if the event had occurred at the beginning of the earliest period presented.

(z) Fair value

The Group subsequently measures some of its assets at fair value on a non-recurring basis. Fair value is the price the Group would receive to sell an asset in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

2. Summary of Material Accounting Policies (continued)

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs). For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

(aa) Significant accounting judgements and estimates

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 2(t) and 4: revenue recognition – estimation of percentage-of-completion method;
- Note 2(f): tax liabilities and recognition of deferred taxes - uncertain tax treatments and judgements regarding the availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
- Note 2(j): capitalisation of development costs;
- Notes 2(j) and 14: impairment test of intangible assets and goodwill – key assumptions underlying recoverable amounts, including the recoverability of development costs;
- Notes 2(k) and 10: measurement of net realisable value of inventory;
- Notes 2(p) and 16: lease liabilities – incremental borrowing rate;
- Notes 2(q), 17 and 21(b): recognition and measurement of provisions and contingencies – key assumptions about the likelihood and magnitude of an outflow of resources;
- Notes 2(s) and 26: Share-based payment transactions – estimates of fair value;
- Notes 2(h) and 11: property, plant and equipment – estimates of fair value;
- Notes 2(l), 2(w) and 9: measurement of ECL allowance for trade receivables and contract assets – key assumptions in determining the weighted-average loss rate.

3. Segment Information

Operating segment

The Group has identified it has only one operating segment based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources in order to progress the commercialisation of Technegas™. These internal reports were restructured during the current financial year, hence the identification of only one operating segment.

The chief operating decision makers review the results of the business on a single entity basis. Performance assessment is based on underlying EBITDA (underlying earnings before interest, tax, depreciation and amortisation). This underlying EBITDA measurement differs from the profit or loss reported in the consolidated financial statements, which is shown after net interest and income tax expense and includes items related to underlying operational performance such as impairment, acquisition and disposal costs.

	Notes	Consolidated 2024 $	Consolidated 2023 $
Loss for the year		(13,197,618)	(4,700,806)
Underlying adjustments:			
Reversal of impairment	5(e)	–	(3,160,301)
Recoveries from litigation	5(e)	–	(1,279,492)
Underlying net loss		**(13,197,618)**	**(9,140,599)**
Depreciation and amortisation	5(b)	1,476,407	938,834
Net interest income	5(g)	(350,553)	(273,177)
Income tax expense		126,171	511,078
Underlying EBITDA		**(11,945,593)**	**(7,963,864)**

Geographical areas

The table below presents revenue information regarding the geographical areas that the Group operates in for the years ended 31 December 2024 and 31 December 2023:

Revenue from contracts with customers

	Consolidated 2024 $	Consolidated 2023 $
Geographical areas		
Asia Pacific	7,991,800	8,669,613
Europe	15,846,261	14,814,185
Canada	2,518,920	2,738,218
USA	826,605	–
Other countries	388,995	117,373
	27,572,581	**26,339,389**

4. Revenue from contracts with customers

All customer contracts are standardised and meet criteria for transaction approval, which includes identification of each party's rights, payment terms, commercial substance, and probable collection based on the customer's ability to pay. The Group also operates via a distributor model in certain overseas markets and the same criteria applies.

Judgement applies to assessing when risks and rewards of ownership have been transferred to a customer based on the terms of the contract and the nature of the product or service. The company also evaluates whether a contract contains multiple performance obligations and allocates the transaction price to each performance obligation based on standalone selling prices.

The Group has identified the following main categories of revenue:

Technegas revenue

The Group revenue consists primarily of Technegas™ products and services, which includes the sale of diagnostic equipment and consumables used by physicians in the detection of pulmonary embolism and other respiratory conditions.

Revenue is recognised as follows:

- Equipment and consumables: when the risks and rewards of ownership pass to the customer.
- Service: as the service obligation is rendered and the performance obligations are satisfied.

Third-party distribution revenue

Third-party distribution revenue is a combination of capital works projects and ongoing sales from consumables and service support.

Revenue is recognised as follows:

- Capital works projects: using the percentage-of-completion method by monitoring progress and milestone achievements.
- Consumables: when the risks and rewards of ownership pass to the customer.
- Service: as the service obligation is rendered and the performance obligations are satisfied.

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Consolidated	
	2024 $	2023 $
Type of goods or service		
Technegas	15,209,759	14,425,972
Third-party distribution	12,362,822	11,913,417
Total revenue from contracts with customers	**27,572,581**	**26,339,389**
Timing of revenue recognition		
Goods transferred at a point in time	25,955,874	25,200,506
Services transferred over time	1,616,707	1,138,883
Total revenue from contracts with customers	**27,572,581**	**26,339,389**

5. Expenses

	Notes	Consolidated 2024 $	Consolidated 2023 $
(a) Employee benefits expenses			
Salaries and wages		(14,446,293)	(9,942,009)
Defined contribution superannuation expense		(978,550)	(981,441)
Non-Executive Director fees		(325,425)	(242,521)
Share-based payments expense	26(a)	(360,897)	(524,192)
		(16,111,165)	**(11,690,163)**
(b) Depreciation and amortisation			
Depreciation of land and buildings		(41,343)	(10,371)
Depreciation of plant and equipment		(402,353)	(224,671)
Depreciation of leasehold improvements		(325,916)	(280,971)
Depreciation of leased assets		(641,720)	(276,426)
Amortisation of intangibles		(65,075)	(146,395)
		(1,476,407)	**(938,834)**
(c) Research & development expenses			
FDA expenses		–	(3,490,346)
Pilot Clinical Trial expenses		(252,725)	(49,898)
Research expenses		(112,291)	(148,871)
		(365,016)	**(3,689,115)**
(d) Administration expenses			
Legal and professional costs		(2,521,906)	(1,722,830)
Office and facility costs		(1,825,324)	(1,778,623)
Provision for doubtful debts		(72,493)	65,191
Consulting fees		(1,042,006)	(925,704)
Regulatory costs		(2,275,462)	(764,070)
ASX and share registry costs		(105,928)	(111,524)
Travel and motor vehicle costs		(2,356,425)	(1,633,282)
Other administration expenses		(1,157,369)	(870,143)
		(11,256,913)	**(7,740,985)**
(e) Other income			
Reversal of impairment		–	3,160,301
Recoveries from litigation		–	1,279,492
Insurance recoveries		7,520	136,530
Realised foreign exchange gains		–	8,177
Unrealised foreign exchange gains		225,075	177,266
		232,595	**4,761,766**
(f) Other expenses			
Realised foreign exchange losses		(51,560)	–
Loss on sale of assets		(3,340)	–
		(54,900)	–
(g) Net interest income			
Interest received from other parties		669,648	489,169
Bank and other finance charges		(36,217)	(23,935)
Interest on leased assets		(282,878)	(192,057)
		350,553	**273,177**

6. Income tax

	Consolidated	
	2024 $	2023 $
The components of income tax expense comprise:		
Current income tax (expense)/benefit	(142,897)	(637,577)
Deferred tax (expense)/benefit	16,726	126,499
Income tax reported in Consolidated Statement of Profit or Loss and Other Comprehensive Income	**(126,171)**	**(511,078)**
Reconciliation of income tax expense to prima facie tax payable:		
Accounting profit/(loss) before income tax	**(13,071,447)**	**(4,189,728)**
Statutory income tax rate of 25% (2023: 25%)	3,267,862	1,047,434
Effects of lower rates on overseas income	44,092	212,420
Expenditure not allowable for income tax purposes	(813,841)	(378,033)
Non-assessable income	(917,923)	–
Temporary differences recognised/(reversed) in Australian group	16,726	126,499
Tax losses not recognised in Australia	(1,723,087)	(1,519,398)
Total income tax (expense)/benefit	**(126,171)**	**(511,078)**
Effective income tax rate	1.0%	12.2%
Current income tax asset	**152,989**	**170**
Current income tax liability	–	**37,095**
Deferred tax assets		
Deferred tax assets from temporary differences on:		
Investments	(2,454,728)	(1,198,993)
Provisions and accruals	2,893,049	1,542,655
Other	307,263	418,648
Total deferred tax assets	**745,584**	**762,310**
Movements in deferred tax assets		
Opening balance	762,310	635,811
Temporary differences brought to account (reversed)	(16,726)	126,499
Closing balance	**745,584**	**762,310**
Deferred tax assets for which no benefit has been recognised:		
– arising from temporary differences – at 25% (2023: 25%)	47,647	74,120
– arising from revenue tax losses – at 25% (2023: 25%)	2,266,064	1,802,383
– arising from capital tax losses – at 25% (2023: 25%)	19,715	19,715

The Group's accounting policy for income tax requires management's judgment in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the statement of financial position. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Judgments are also required about the application of income tax legislation. These judgments and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the Statement of Financial Position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the Statement of Profit or Loss and Other Comprehensive Income.

7.
Net tangible assets and loss per share

Net tangible assets per share

	Consolidated	
	2024 $	2023 $
Net assets per share	0.38	0.39
Net tangible assets per share	0.33	0.33

	2024 Number	2023 Number
Number of ordinary shares for net assets per share	111,136,850	94,096,326

	2024 $	2023 $
Net assets	42,729,869	32,259,482
Less: Intangible assets	(5,896,080)	(5,736,075)
Net tangible assets	36,833,789	26,523,407

The number of ordinary shares includes the effects of 642,500 Long Term Incentive Performance (LTIP) shares issued on 23 March 2023 and 100,000 LTIP Shares issued on 12 September 2023 (2023: no change) as set out in Note 19. The net assets includes both right-of-use assets and lease liabilities accounted for in accordance with AASB 16 Leases.

Loss per share

	Consolidated	
	2024 cents	2023 cents
Basic loss per share for continuing operations	(12.83)	(5.07)
Basic loss per share	(12.83)	(5.07)
Diluted loss per share	(12.83)	(5.07)

	2024 Number	2023 Number
Weighted average number of ordinary shares for basic loss per share	102,901,831	92,663,584
Weighted average number of ordinary shares for diluted loss per share	102,901,831	92,663,584

	2024 $	2023 $
Loss used to calculate basic earnings per share	(13,197,618)	(4,700,806)
Loss used to calculate diluted earnings per share	(13,197,618)	(4,700,806)

The weighted average number of ordinary shares for basic loss per share excludes the effects of 267,062 LTIP shares issued on 19 February 2021, 642,500 LTIP shares issued on 23 March 2023 and 100,000 LTIP shares issued on 12 September 2023 set out in Note 19 as they are contingently returnable.

8. Cash and cash equivalents

	Consolidated	
	2024 $	2023 $
Cash at bank and in hand	20,567,898	11,726,424
Total cash and cash equivalents	**20,567,898**	**11,726,424**

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates and at fixed rates for that portion of cash invested in short-term bank deposit accounts.

The fair value of cash and cash equivalents is $20,567,898 (2023: $11,726,424).

Reconciliation of Statement of Cash Flows

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise the following:

	Consolidated	
	2024 $	2023 $
Cash at bank and in hand	20,567,898	11,726,424
	20,567,898	**11,726,424**

(a) Reconciliation of net loss after tax to net cash flows from operations

	Consolidated	
	2024 $	2023 $
Net loss after tax	**(13,197,618)**	**(4,700,806)**
Adjustments for non-cash income and expense items:		
Depreciation	1,411,332	792,439
Amortisation	65,075	146,395
Property, plant and equipment disposed	7,330	97,388
Reversal of impairment	–	(3,160,301)
Movement in intangible assets	(65,075)	(291,291)
Movement provision for employee benefits	1,435,979	366,564
Movement in foreign exchange	14,663	268,714
Movement in employee benefits reserve	360,897	524,192
Movement in other provisions	–	(65,191)
	(9,967,417)	**(6,021,897)**
Increase/decrease in assets and liabilities:		
(Increase)/decrease in receivables	837,140	(492,556)
Increase in inventories	(3,091,838)	(1,863,184)
(Increase)/decrease in other receivables	(445,327)	421,945
(Increase)/decrease in current tax asset	(152,819)	4,777
(Increase)/decrease in deferred tax assets	16,726	(126,499)
Increase in creditors	266,225	931,885
Decrease in current tax liabilities	(37,095)	(52,103)
Net cash flow used in operating activities	**(12,574,405)**	**(7,197,632)**

(b) Non-cash financing and investing activities

All Long Term Incentive Plan (LTIP) shares as set out in Note 26 Share-Based Payment Plans are issued by way of loans.

During the year, no LTIP shares vested (2023: 850,000) and an election was made to extend the exercise period until 30 June 2025, whilst no LTIP shares lapsed and were cancelled (2023: nil). Refer to Note 19 Contributed Equity and Note 26 Share-Based Payment Plans.

No LTIP shares were issued by way of loans during the year (2023: 742,500).

9. Trade and other receivables

	Notes	Consolidated 2024 $	Consolidated 2023 $
Current			
Trade receivables		5,063,579	5,844,950
Allowance for expected credit loss		(156,086)	(100,317)
Net trade receivables	(i)	4,907,493	5,744,633
Other receivables	(ii)	1,368,334	923,607
Deposits to suppliers		1,227,413	1,226,813
Total trade and other receivables		**7,503,240**	**7,895,053**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade receivables are non-interest bearing and generally on 30 and 60-day terms.
(ii) Other receivables are non-interest bearing and include security deposits on leased premises and amounts refundable in relation to GST and VAT credits.

Movements in the allowance for expected credit losses are as follows:

	Consolidated 2024 $	Consolidated 2023 $
Opening balance	100,317	156,919
Provisions recognised/(reversed)	55,769	(56,602)
Closing balance	**156,086**	**100,317**

The ageing of Cyclopharm's trade receivables and allowance for expected credit losses are as follows:

	Trade receivables		Allowance for expected credit losses		Trade receivables net of allowance for impairment losses	
	2024 $	2023 $	2024 $	2023 $	2024 $	2023 $
Trade receivables						
0 – 30 days	4,120,415	3,715,962	–	–	4,120,415	3,715,962
31 – 60 days	250,413	369,596	–	–	250,413	369,596
61 – 90 days	341,700	189,768	–	–	341,700	189,768
over 90 days	351,051	1,569,624	(156,086)	(100,317)	194,965	1,469,307
	5,063,579	**5,844,950**	**(156,086)**	**(100,317)**	**4,907,493**	**5,744,633**
Other receivables	1,368,334	923,607	–	–	1,368,334	923,607
Deposits to suppliers	1,227,413	1,226,813	–	–	1,227,413	1,226,813
Trade and other receivables	**7,659,326**	**7,995,370**	**(156,086)**	**(100,317)**	**7,503,240**	**7,895,053**

10. Inventories

	Consolidated 2024 $	Consolidated 2023 $
Current		
Raw materials at cost	7,840,223	8,287,237
Finished goods at lower of cost or net realisable value	5,483,979	1,899,508
Provision for obsolescence	(76,511)	(64,729)
Total current inventory	**13,247,691**	**10,122,016**
Non-current		
Finished goods at lower of cost or net realisable value	–	33,836
Total non-current inventory	**–**	**33,836**
Total inventory	**13,247,691**	**10,155,852**

11.
Property, plant and equipment

Reconciliation of carrying amount

Consolidated	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Leased plant and equipment	Capital work in progress	Total
	$	$	$	$	$	$
Cost						
Balance 1 January 2023	2,384,043	5,860,574	9,220,014	10,380	97,388	17,572,399
Additions/transfers	62,116	8,681	166,026	–	–	236,823
Disposals	–	–	–	–	(97,388)	(97,388)
Effect of movements in exchange rates	(483)	(188,893)	(396,296)	–	—	(585,672)
Balance 31 December 2023	**2,445,676**	**5,680,362**	**8,989,744**	**10,380**	**–**	**17,126,162**
Balance 1 January 2024	2,445,676	5,680,362	8,989,744	10,380	–	17,126,162
Additions/transfers	(50,000)	–	832,207	–	21,327	803,534
Disposals	–	–	(7,330)	–	–	(7,330)
Effect of movements in exchange rates	13,806	189,980	853,288	–	–	1,057,074
Balance 31 December 2024	**2,409,482**	**5,870,342**	**10,667,909**	**10,380**	**21,327**	**18,979,440**
Accumulation depreciation and impairment losses						
Balance 1 January 2023	(2,123,801)	(4,116,589)	(8,132,464)	(10,380)	–	(14,383,234)
Depreciation	(10,371)	(280,971)	(224,671)	–	–	(516,013)
Impairment reversal/(loss)	834,553	1,188,494	1,137,254	–	–	3,160,301
Disposal	–	–	–	–	–	–
Effect of movements in exchange rates	483	188,893	396,296	–	–	585,672
Balance 31 December 2023	**(1,299,136)**	**(3,020,173)**	**(6,823,585)**	**(10,380)**	**–**	**(11,153,274)**
Balance 1 January 2024	(1,299,136)	(3,020,173)	(6,823,585)	(10,380)	–	(11,153,274)
Depreciation	(41,343)	(325,916)	(402,353)	–	–	(769,612)
Disposals	–	–	(7,330)	–	–	(7,330)
Effect of movements in exchange rates	(6,693)	(189,980)	(812,788)	–	–	(1,009,461)
Balance 31 December 2024	**(1,347,172)**	**(3,536,069)**	**(8,046,056)**	**(10,380)**	**–**	**(12,939,677)**
Carrying amounts						
At 1 January 2023	260,242	1,743,985	1,087,550	–	97,388	3,189,165
At 31 December 2023	1,146,540	2,660,189	2,166,159	–	–	5,972,888
At 31 December 2024	**1,062,310**	**2,334,273**	**2,621,853**	**–**	**21,327**	**6,039,763**

In 2023, the Cyclotron facility was operationally restored, and whilst regulatory approval is still pending, the Cyclopharm Board in recognition of the financial contributions derived from the Collaboration Agreement concluded, based on their latest valuation using the income approach, that the fair value of the Cyclotron was written back from 'nil' to $3,160,301 as at 31 December 2023.

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. There was no impairment of any assets in the current year.

12. Right-of-use assets

	Consolidated	
	2024 $	2023 $
Land and buildings – right-of-use	9,586,953	5,217,008
Less: Accumulated depreciation	(2,693,373)	(2,033,633)
	6,893,580	**3,183,375**
Motor vehicle – right-of-use	425,016	158,993
Less: Accumulated depreciation	(258,528)	(129,053)
	166,488	**29,940**
Total right-of-use assets	**7,060,068**	**3,213,315**

The Group leases land and buildings for its offices, manufacturing facilities and warehouse under agreements of between two to ten years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are negotiated. The Group also leases motor vehicles under agreements of three to four years.

13. Investments accounted for using the equity method

		Consolidated	
Equity accounted investments	Notes	2024 $	2023 $
Associated companies	(a)	–	–

				Ownership Interest	
Name	Principal Activities	Principal place of business	Measurement Method	2024 %	2023 %
Macquarie Medical Imaging Pty Ltd	Imaging centre	Sydney, Australia	Equity method	20%	20%

Macquarie Medical Imaging Pty Ltd ("MMI") is a private entity that provided medical imaging facilities for Macquarie University Hospital. From 7 December 2019, the business operations of MMI have been transferred to MQ Health, an entity associated with Macquarie University Hospital.

		Consolidated	
Extract from the associate's statement of financial position:	Notes	2024 $	2023 $
Current assets		191,888	112,546
Current liabilities		(987,136)	(13,459,097)
Net liabilities		(795,248)	(13,346,551)
Share of associate's net liabilities	(a)	(159,050)	(2,669,310)

		Consolidated	
Extract from the associate's statement of comprehensive income:	Notes	2024 $	2023 $
Revenue		1,105	90,250
Net profit/(loss)	(a)	(17,548)	118,830

(a) The share of the associate's loss not recognised during the year was $3,510 (2023: profit of $23,766) and the cumulative share of the associate's loss not recognised as at 31 December 2024 was $2,718,207 (31 December 2023: $2,714,697).
The share of profit of associate not recognised as at 31 December 2024 is extracted from the unaudited financial report of the associate, and it may be revised when that financial report has been audited.
The fair value of the Group's investment in Macquarie Medical Imaging Pty Ltd was $nil (2023: $nil). It is anticipated that MMI will be de-registered upon the finalisation of its accounts payable and receivables.

14. Intangible assets

Consolidated	Intellectual Property $	Goodwill* $	Licences $	Technegas Development $	Target $	Ultralute $	Total $
Balance at 1 January 2024	161,176	903,513	795,117	788,588	27,419	3,060,262	5,736,075
Additions	–	–	–	–	–	168,323	168,323
Foreign exchange translation	–	25,597	31,160	–	–	–	56,757
Amortisation	(27,110)	–	(37,965)	–	–	–	(65,075)
Balance at 31 December 2024	**134,066**	**929,110**	**788,312**	**788,588**	**27,419**	**3,228,585**	**5,896,080**
31 December 2024							
Non-current	134,066	929,110	788,312	788,588	27,419	3,228,585	5,896,080
Total	**134,066**	**929,110**	**788,312**	**788,588**	**27,419**	**3,228,585**	**5,896,080**
31 December 2023							
Non-current	161,176	903,513	795,117	788,588	27,419	3,060,262	5,736,075
Total	**161,176**	**903,513**	**795,117**	**788,588**	**27,419**	**3,060,262**	**5,736,075**

* Goodwill on consolidation arising upon the acquisition of Cyclomedica Benelux bvba on 1 October 2017, Cyclomedica Nordic AB on 1 May 2018 and Dupharma ApS on 1 April 2023.

The following assumptions are made in respect of the following intangible assets: (a) Goodwill, (b) Technegas™ Development and (c) Ultralute and were separately applied in assessing each asset.

The recoverable amount of intangible assets have been assessed using a discounted cash flow methodology forecasting five years of pre-tax cash flows.

The following describes each key assumption on which management has based its value in use calculations:

(a) Five-year pre-tax cash flow projections, based upon management approved budgets and growth rates covering a one year period, with the subsequent periods based upon management expectations of growth excluding the impact of possible future acquisitions, business improvement capital expenditure and restructuring, together with a terminal value.
(b) A range of pre-tax discount rates were considered between 3.92% to 22.50% (2023: between 9.01% to 25%). The discount rates reflect management's estimate of the time value of money and the Group's adjusted weighted average cost of capital to reflect the current market risk-free rate but also price for the uncertainty inherent in the assets.
(c) Management believes the projected 3% (2023: 3%) revenue growth rate for existing markets is prudent and justified.

Management assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

No changes in estimations were made by management compared to prior years. The key assumptions used for assessing the carrying value of intangible assets reflects the risk estimates of the business and respective assets.

There were no other key assumptions for Goodwill, Technegas™ Development costs and Ultralute costs.

Management have concluded that the recoverable amount of Goodwill, Technegas™ Development costs, and Ultralute costs exceed their respective carrying values. Based on the above, no impairment charge was recognised.

14.

Intangible assets (continued)

Sensitivity

Judgments and estimates have been made in respect of impairment, as noted above. Should these judgments and estimates not occur the resulting carrying amounts may change.

Goodwill

All other assumptions remaining constant, the sensitivity in the value of goodwill is that revenue would need to decrease by more than 10% (2023: by more than 4%) before any impairment would arise.

Management believes that other reasonable changes in the key assumptions on which the recoverable amount of Goodwill is calculated would not cause the carrying amount to exceed its recoverable amount.

Technegas™ development and Ultralute development costs

Sensitivity analysis has been performed by adjusting underlying assumptions for each asset by up to 10% (2023: up to 10%). The analysis indicated that headroom exists in the cash flow projections to support the carrying value of the intangible assets.

15.

Trade and other payables

	Notes	Consolidated 2024 $	Consolidated 2023 $
Current			
Trade payables	(i)	3,798,618	3,147,364
Other payables and accruals	(ii)	2,438,233	2,437,010
Deposits from customers		989,795	1,357,538
Total current trade and other payables		**7,226,646**	**6,941,912**

Terms and conditions

Terms and conditions relating to the above financial instruments:

(i) Trade payables are non-interest bearing and are normally settled on 30-60 day terms.
(ii) Other payables and accruals are non-interest bearing and have an average term of 4 months.

16. Lease liabilities

	Consolidated	
	2024 $	2023 $
Current		
Lease liabilities	625,870	214,465
Non-current		
Lease liabilities	7,659,894	4,012,832
Total lease liabilities	**8,285,764**	**4,227,297**

At the date of commencement of a lease, a lease liability is recognised. The liability is initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate.

Over the life of the lease, the lease liability will be increased by interest costs and will be reduced as lease payments are made.

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third-party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

17. Provisions

	Consolidated
	Total* $
Balance at 1 January 2024	1,546,591
Arising during the year	2,734,432
Utilised during the year	(1,298,453)
Balance at 31 December 2024	**2,982,570**
31 December 2024	
Current	2,758,151
Non-current	224,419
Total	**2,982,570**
Number of employees	
Number of employees at year end	95
31 December 2023	
Current	1,475,407
Non-current	71,184
Total	**1,546,591**
Number of employees	
Number of employees at year end	87

* The total provision includes employee entitlements relating to long service and annual leave. The measurement and recognition criteria relating to employee entitlements have been disclosed in Note 2(r).

18. Deferred income liabilities

	Consolidated	
	2024 $	2023 $
Deferred income liabilities	**901,812**	**901,812**

A portion of the Research & Development Grant refund received in previous years has been recognised as a deferred income liability and will be amortised over the same period as the amortisation of the related intangible development asset.

19. Contributed equity

		Consolidated			
	Notes	2024 Number	2023 Number	2024 $	2023 $
Issued and paid up capital					
Ordinary shares	(a)	111,136,850	94,096,326	92,406,905	69,114,460
Other contributed equity	(b)	–	–	(5,333,158)	(5,333,158)
Total issued and paid up capital		**111,136,850**	**94,096,326**	**87,073,747**	**63,781,302**
(a) Ordinary shares					
Balance at the beginning of the period		94,096,326	93,053,826	69,114,460	68,753,968
Issue of Long Term Incentive Plan shares	(i)	–	742,500	–	–
Issue of shares	(ii)	–	100,000	–	218,000
Exercise of options	(iii)	–	200,000	–	–
Settlement of loans for Long Term Incentive Plan shares	(iv)	–	–	198,675	142,492
Issue of shares	(v)	16,903,181	–	24,002,712	–
Issue of shares	(vi)	137,343	–	235,973	–
Share issue cost (net of tax)		–	–	(1,144,915)	–
Balance at end of period		**111,136,850**	**94,096,326**	**92,406,905**	**69,114,460**
(b) Other contributed equity					
Balance at the beginning of the period				(5,333,158)	(5,333,158)
Balance at the end of the period				(5,333,158)	(5,333,158)
Total contributed equity				**87,073,747**	**63,781,302**

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(i) On 23 March 2023, 642,500 LTIP shares were issued at an exercise price of $1.82 per share and 100,000 LTIP shares were issued at an exercise price of $3.04 per share on 12 September 2023 under the non-recourse loan payment plan, as set out in Note 26.

(ii) On 14 April 2023, 100,000 ordinary shares were issued at a deemed price of $2.18 per share as part consideration to acquire 100% of the shares in Dupharma ApS. These shares were subject to voluntary escrow until 31 March 2025 and had no dividend or voting rights until 1 April 2025. These shares were released from voluntary escrow on 1 April 2024.

(iii) On 30 November 2023, 200,000 options issued at nil exercise price were converted in accordance with the terms and conditions approved by the Company's shareholders on 21 May 2019.

(iv) Proceeds from settlement of loans to acquire LTIP shares.

19.
Contributed equity (continued)

(v) On 30 May 2024, 11,971,832 ordinary shares were issued at a price of $1.42 per new share in connection with an institutional share placement. On 4 June 2024 a further 2,112,676 ordinary shares were issued at a price of $1.42 per new share in connection with the same institutional share placement. On 28 June 2024, 2,818,673 ordinary shares were issued at a price of $1.42 per new share in connection with a share purchase plan to eligible shareholders.

(vi) On 5 April 2024, 93,443 ordinary shares were issued at a price of $1.83 per new share as consideration for an employee performance bonus. On 28 June 2024, 43,900 ordinary shares were issued at a price of $1.48 as consideration for an employee performance bonus.

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns for shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management constantly assesses the capital structure to take advantage of favourable costs of capital and/or high returns on assets. As the market is continually changing, management may issue dividends to shareholders, issue new shares, increase the entity's short or long term borrowings or sell assets to reduce borrowings.

As at 31 December 2024, the Group has no interest bearing loans and borrowings.

	Notes	Consolidated 2024 $	Consolidated 2023 $
Total interest bearing loans and borrowings		–	–
Add: cash and cash equivalents	8	20,567,898	11,726,424
Net cash		**20,567,898**	**11,726,424**
Total equity		42,729,869	32,259,482
Gearing ratio		0.0%	0.0%

Dividends

During the current financial year, the Directors did not declare any dividends. During the 2023 financial year, the Directors declared an unfranked interim dividend of 0.5 cent per share in respect of the financial year ended 31 December 2023 and an unfranked final dividend of 0.5 cent per share in respect of the financial year ended 31 December 2022.

	Consolidated 2024 Cents per share	Consolidated 2023 Cents per share	Consolidated 2024 $	Consolidated 2023 $
Fully paid ordinary shares				
Final dividend in respect of the previous financial year				
– No franking credits attached	–	0.50	–	442,395
Interim dividend in respect of the current financial year				
– No franking credits attached	–	0.50	–	442,437
	–	**1.00**	–	**884,832**

20.
Financial risk management objectives

The Group's principal financial instruments comprise receivables, payables, cash and short-term deposits. The Group manages its exposure to key financial risks, including interest rate and currency risk in accordance with the Group's financial risk management policy. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security.

The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate, foreign exchange risk and assessments of market forecasts for interest rate, foreign exchange and commodity prices. Ageing analysis and monitoring of specified credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board review and agrees policies for managing each of these risks as summarised below.

Primary responsibility for identification and control of financial risks rests with the Audit and Risk Committee under the authority from the Board. The Board reviews and agrees policies for managing each of the risks identified below, including for interest rate risk, credit allowances and cash flow forecast projections. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed throughout Note 2.

(a) Interest rate risk

As the Group has moved into a no debt, strong cash position, the main interest rate risk is now in cash assets exposure.

The following sensitivity analysis is based on the interest rate risk exposures in existence at the Statement of Financial Position date.

At 31 December 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, pre-tax profit would have been affected as follows:

	Consolidated	
	2024 $	2023 $
Judgements of reasonably possible movements:		
Loss before income tax		
+1.0% (100 basis points)	205,679	117,264
–0.5% (50 basis points)	(102,839)	(58,632)

The movements in profit/(loss) are due to possible higher or lower interest income from cash balances.

20.
Financial risk management objectives (continued)

At balance date, the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk:

Consolidated Year ended 31 December 2024	Note	Weighted average interest rate	Non interest bearing	Floating interest rate	Fixed interest maturing in			Total
					1 year or less	1 to 5 years	More than 5 years	
		%	$	$	$	$	$	$
Financial Assets								
Cash and cash equivalents	8	4.15%	–	4,949,798	15,618,100	–	–	20,567,898
Trade and other receivables	9	n/a	7,503,240	–	–	–	–	7,503,240
Total financial assets			**7,503,240**	**4,949,798**	**15,618,100**	**–**	**–**	**28,071,138**
Financial Liabilities								
Trade payables	15	n/a	7,226,646	–	–	–	–	7,226,646
Leases	16	6.90%	–	–	625,871	1,876,390	5,783,503	8,285,764
Total financial liabilities			**7,226,646**	**–**	**625,871**	**1,876,390**	**5,783,503**	**15,512,410**
Net exposure			**276,594**	**4,949,798**	**14,992,229**	**(1,876,390)**	**(5,783,503)**	**12,558,728**

Consolidated Year ended 31 December 2023	Note	Weighted average interest rate	Non interest bearing	Floating interest rate	Fixed interest maturing in			Total
					1 year or less	1 to 5 years	More than 5 years	
		%	$	$	$	$	$	$
Financial Assets								
Cash and cash equivalents	8	3.20%	–	5,640,559	6,085,865	–	–	11,726,424
Trade and other receivables	9	n/a	7,895,053	–	–	–	–	7,895,053
Total financial assets			**7,895,053**	**5,640,559**	**6,085,865**	**–**	**–**	**19,621,477**
Financial Liabilities								
Trade payables	15	n/a	6,941,912	–	–	–	–	6,941,912
Leases	16	4.50%	–	–	214,465	1,003,712	3,009,120	4,227,297
Total financial liabilities			**6,941,912**	**–**	**214,465**	**1,003,712**	**3,009,120**	**11,169,209**
Net exposure			**953,141**	**5,640,559**	**5,871,400**	**(1,003,712)**	**(3,009,120)**	**8,452,268**

(b) Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the Group's policy to scrutinise the counterparty's trade and other receivables. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures such as reviewing their industry reputation, financial position and credit rating. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is constantly managed.

There are no significant unprovided concentrations of credit risk within the Group.

20.
Financial risk management objectives (continued)

(c) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and, for major growth initiatives, capital raisings. The Group completed a capital raising in May 2024 (see Note 19) and has no borrowings as at 31 December 2024.

Refer to the table above in Note 20(a) Interest Rate Risk, which reflects all contractually fixed pay-offs for settlement of financial liabilities and collection of financial assets. Trade payables and other financial liabilities generally originate from the financing of assets used in our ongoing operations such as investments in working capital e.g. inventories and trade receivables and investment in property, plant and equipment. These assets are considered in the Group's overall liquidity risk. To monitor existing financial assets and liabilities as well as to enable an effective controlling of future risks, the Board and management monitor the Group's expected settlement of financial assets and liabilities on an ongoing basis.

The Group monitors the rolling forecast of liquidity reserves based on expected cash flow together with capital and debt market conditions to assess the availability of funding.

Consolidated Year ended 31 December	Note	Less than 6 months $	6 months to 1 year $	1 year to 5 years $	Greater than 5 years $	Total $
2024						
Trade payables	15	7,226,646	–	–	–	7,226,646
Leases	16	304,070	321,801	1,876,390	5,783,503	8,285,764
		7,530,716	**321,801**	**1,876,390**	**5,783,503**	**15,512,410**
2023						
Trade payables	15	6,941,912	–	–	–	6,941,912
Leases	16	106,086	108,379	1,003,712	3,009,120	4,227,297
		7,047,998	**108,379**	**1,003,712**	**3,009,120**	**11,169,209**

(d) Commodity price risk

The Group's exposure to commodity price risk is minimal.

20.
Financial risk management objectives (continued)

(e) Foreign currency risk

As a result of significant investment operations in Europe, the Group's Statement of Financial Position can be affected significantly by movements in the Euro/$A exchange rates. The Group does not hedge this exposure but mitigates this risk by maintaining bank accounts in Australia denominated in Euro.

The Group also has transactional currency exposures. Such exposure arises from sales or purchases by an entity in currencies other than the entity's functional currency. Approximately 70% (2023: 67%) of the Group's sales are denominated in currencies other than the Group's reporting currency (AUD), whilst approximately 58% (2023: 52%) of costs are denominated in the Group's reporting currency (AUD).

At 31 December 2024, the Group had the following financial instrument exposures to foreign currency fluctuations:

	Consolidated	
	2024 $	2023 $
United States dollars		
Trade payables	672,807	26,293
Trade receivables	396,638	–
Euros		
Trade payables	1,385,248	967,145
Trade receivables	1,797,781	1,548,111
Canadian dollars		
Trade payables	928	57,118
Trade receivables	524,400	604,682
Swedish Kroners		
Trade payables	72,556	653,943
Trade receivables	1,094,644	1,228,199
Japanese Yen		
Trade payables	3,120	–
Trade receivables	–	–
Great British Pound		
Trade payables	59,929	82,824
Trade receivables	390,382	163,289
Danish Krone		
Trade payables	4,652	–
Trade receivables	46,009	–
Net exposure	**(2,050,614)**	**(1,756,958)**

Management believes the balance date risk exposures are representative of the risk exposure inherent in the financial instruments.

Forward Exchange Contracts

The Company has not entered into foreign exchange forward contracts as at 31 December 2024.

20.
Financial risk management objectives (continued)

(e) Foreign currency risk (continued)

Foreign currency sensitivity

Currency risk is measured using sensitivity analysis. A portion of Cyclopharm's receivables and payables are exposed to movements in the values of those currencies relative to the Australian dollar. Cyclopharm management have determined that it is not cost effective to hedge against foreign currency fluctuations.

Cyclopharm is most exposed to the European Euro (Euro), Canadian Dollar (CAD), US Dollar (USD), Swedish Kroner (SEK) and Great British Pound (GBP) movements. The following table details Cyclopharm's sensitivity to a 10% change in the Australian dollar against those respective currencies with all other variables held constant as at reporting date for unhedged foreign exposure risk. A positive number indicates an increase in net profit/equity.

A sensitivity has been selected as this is considered reasonable given the current level of exchange rates and the volatility observed on a historic basis and market expectation for future movement.

	Consolidated	
	Increase in AUD of 10% $	Decrease in AUD of 10% $
Euros		
31 December 2024		
Net (loss)/profit	**(37,503)**	**41,253**
Equity (decrease)/increase	**(37,503)**	**41,253**
31 December 2023		
Net (loss)/profit	(28,683)	31,551
Equity (decrease)/increase	(28,683)	31,551
Canadian dollars		
31 December 2024		
Net (loss)/profit	**(47,633)**	**52,396**
Equity (decrease)/increase	**(47,633)**	**52,396**
31 December 2023		
Net (loss)/profit	(49,778)	54,756
Equity (decrease)/increase	(49,778)	54,756
United States dollars		
31 December 2024		
Net profit/(loss)	**25,106**	**(27,617)**
Equity increase/(decrease)	**25,106**	**(27,617)**
31 December 2023		
Net profit/(loss)	2,390	(2,629)
Equity increase/(decrease)	2,390	(2,629)
Swedish Kroners		
31 December 2024		
Net (loss)/profit	**(92,917)**	**102,209**
Equity (decrease)/increase	**(92,917)**	**102,209**
31 December 2023		
Net (loss)/profit	(52,205)	57,426
Equity (decrease)/increase	(52,205)	57,426
Great British Pound		
31 December 2024		
Net (loss)/profit	**(34,389)**	**37,828**
Equity (decrease)/increase	**(34,389)**	**37,828**
31 December 2023		
Net (loss)/profit	(7,315)	8,047
Equity (decrease)/increase	(7,315)	8,047

20.
Financial risk management objectives (continued)

(f) Fair value measurement

For financial assets and liabilities measured and carried at fair value, the Company uses the following levels to categorise the valuation methods used:

- Level 1: Measurements based on quoted prices in active markets for identical assets that the entity can access at the measurement date.
- Level 2: Measurements based on inputs other than the quoted prices included in Level 1, but that are observable for the asset, either directly or indirectly.
- Level 3: Measurements based on unobservable inputs for the asset or liability.

Items subject to fair value measurement include goodwill at initial recognition (Note 14), share-based payments (Note 26) and investments (Note 13).

21.
Commitments & contingencies

(a) Capital commitments

Cyclopharm has entered into agreements to fund research projects with unrelated institutions. The commitments for these projects total $961,228 (2023: $262,502) and will be expensed when incurred. Payments will be made based on the achievement of certain milestones.

There were no other capital commitments as at the date of this report. (2023: $nil)

(b) Contingent liabilities

In December 2019, a business venture collaboration agreement combined CycloPet Pty Ltd and Pettech Solutions Limited's cyclotron facilities under a single operating enterprise known as Cyclotek NSW Pty Limited (Cyclotek NSW). Cyclopharm and Cyclotek NSW have entered into a sub-lease agreement as tenants in common whereby Cyclotek NSW is solely responsible for the tenant's obligations except for make good obligations until such time as it exercises the right to transfer its interest as tenant in common to Cyclopharm. Being a tenant in common, Cyclopharm's contingent liabilities as at 31 December 2024 amounts to $3,042,657 (2023: $3,206,657) if Cyclotek NSW is unable to fulfil its obligations as tenant. The amount comprises payments under a sub-lease agreement commencing 1 January 2020 until the expiry of two options to renew expiring on 31 December 2039 with a rent-free period until 31 December 2022.

There were no other contingent liabilities as at the date of this report (2023: $nil).

22.
Related party disclosures

The consolidated financial statements include the financial statements of Cyclopharm Limited and its subsidiaries as listed in Note 27 of this report. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company have been eliminated on consolidation and are not disclosed in this note.

Mr Robert Branch, a director of Cyclomedica UK Limited, provides accounting and taxation services to the Company through BQC Limited. BQC Limited was paid £18,000 during the financial year (2023: £18,000).

Ms Edith Lau, a director of Cyclomedica Nordic AB, provides accounting and taxation services to the Company through Metric Accounting AB. Metric Accounting AB was paid kr363,881 during the financial year (2023: kr326,377).

There were no transactions that were entered into with other related parties during the financial year.

23.
Events after the balance date

No matters or circumstances have arisen since the end of the financial year, not otherwise dealt with in the financial report, which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial periods.

24.
Auditors' remuneration

The following total remuneration was received, or is due and receivable, by auditors of the Company in respect of:

	Consolidated	
	2024 $	2023 $
Amounts received or due and receivable by the auditor of the parent entity and associated entities for:		
Audit and review of the financial statements	165,313	148,095
Other services:		
– tax compliance	20,964	19,277
	186,277	**167,372**
Amounts received or due and receivable by other audit firms for:		
Audit of the financial statements of controlled entities	239,586	208,251
Other services	46,730	138,026
	286,316	**346,277**

25.
Director and key management personnel disclosure

Individual Directors and executives compensation disclosures

Information regarding individual Directors and Key Management Personnel compensation and some equity instruments disclosures as required by Corporations Regulation 2M.3.03 are provided in the Remuneration Report section of the Directors' Report.

Summary of remuneration of Directors & Key Management Personnel:

	Short-term employee benefits		Post employment benefits	Other long-term benefits	Share-based payment	Total
	Salary and Fees $	Cash Bonus $	Super-annuation $	$	$	$
2024	**1,446,005**	**93,317**	**162,133**	**30,575**	**241,019**	**1,973,049**
2023	1,071,922	80,000	122,789	49,356	321,076	1,645,143

Short-term salary, bonus, fees and leave

These amounts include fees and benefits paid to the non-executive Chair and non-executive directors as well as salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other Key Management Personnel.

Post-employment benefits

These amounts are the current year's estimated cost of providing for superannuation contributions made during the year.

Other long term benefits

These amounts represent long service leave benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid out during the year (where applicable).

Share-based payment expense

These amounts represent the expense related to the participation of Key Management Personnel in equity-settled benefit schemes as measured by the fair value of the Implied Options granted on grant date.

Further information in relation to Key Management Personnel remuneration can be found in the Directors' Report.

26.
Share-based payment plans

(a) Recognised share-based payment expenses

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are 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 expenses and equity.

The expense recognised for employee services received in relation to share-based payments during the year is shown in the table below:

	Consolidated	
	2024 $	2023 $
Expense arising from equity-settled share-based payment transactions (Note 5(a))	360,897	524,192

The share-based payment reserve at 31 December 2024 was $4,126,852 (2023: $3,765,955).

(b) Share-based payment other than implied options

No share-based payments other than implied options were made during the year.

(c) Type of share-based payment plans

The share-based payment plan is described below. An updated Plan was approved by members at the Annual General Meetings held on 29 May 2018, 4 May 2021 and 27 May 2024.

Shares

Long Term Incentive Plan ("Plan") Shares ("Shares") are granted to certain Directors and certain employees.

In valuing transactions settled by way of issue of shares, performance conditions and market conditions linked to the price of the shares of Cyclopharm Limited are taken into account. All shares issued have market performance conditions so as to align shareholder return and reward for the Company's selected management and staff ("Participants").

The Shares vest upon the satisfaction of certain performance conditions ("Hurdles") within the term ("Term") specified for Participants in the Plan. The Board has residual discretion to accelerate vesting (i.e. reduce or waive the Hurdles) and exercise of Shares in the event of a takeover or merger or any other circumstance in accordance with the terms of the Plan.

Shares in relation to which Hurdles have not been satisfied (i.e. that do not vest) will lapse and will not be able to be exercised, except in the circumstances described below. However, the Board may at any time amend any rules governing the operation of the Plan or waive or modify the application of the rules in relation to any Participant. Shares which have not vested will lapse where a Participant ceases employment with Cyclopharm other than on retirement, redundancy, death or total and permanent disablement or unless as otherwise determined by the Board in its absolute discretion.

Where a Participant has ceased employment with Cyclopharm as a result of resignation, retirement, redundancy, death or total and permanent disablement prior to the end of a performance period, only shares that have vested may be retained by the Participant on a pro-rata basis. If a Participant ceases employment for any reasons mentioned above prior to the first anniversary of the grant date, the Participant forfeits all entitlement to Shares.

26.
Share-based payment plans (continued)

LTIP Shares issued
At the Annual General Meeting held on 8 May 2007, Shareholders approved the Company's Plan with an updated Plan approved by Shareholders on 29 May 2018, 4 May 2021 and 27 May 2024.

Implied Options
AASB 2 Share-Based Payments requires that the benefit to an employee arising from an employee share scheme such as the Cyclopharm Long Term Incentive Plan be treated as an expense over the vesting period. All of the issues of Plan shares have been treated as Plan Share Options ("Implied Options") in accordance with AASB 2. The employee benefit is deemed to be the Implied Option arising from the Plan. Consequently, the value of the discount which has been determined using the Black Scholes option pricing model will be charged to the Statement of Comprehensive Income and credited to the Employee Equity Benefits Reserve over the vesting period.

Where employee shares are issued under a non-recourse loan payment plan, the loan assets and the increments to Contributed Equity are not recognised at grant date but rather the increments to Contributed Equity are recognised when the share loans are settled by the relevant employees.

(d) Summary of Options and Implied Options granted
The following table summarises the movements in Options and Implied Options during the current year:

		Consolidated		Weighted Average Exercise Price	
		2024 Number	2023 Number	2024 $	2023 $
Balance at the beginning of the year		1,009,562	1,317,062	2.31	1.50
Granted during the year		-	742,500	–	1.98
Vested but unexercised during the year	(i)	-	(850,000)	–	–
Vested and exercised during the year	(ii)	-	(200,000)	–	–
Balance at the end of the year		**1,009,562**	**1,009,562**	**2.31**	**2.31**
Vested but unexercised at the end of the year		4,175,804	4,175,804		

(i) No LTIP shares (2023: 850,000) vested during the year.
(ii) On 30 November 2023, 200,000 Options issued at nil exercise price were converted in accordance with the terms and conditions approved by the Company's shareholders on 21 May 2019. After the conversion, there are nil Options (2023: nil) and 5,030,701 LTIP shares (2023: 5,185,366) on issue as at 31 December 2024.

(e) Range of exercise price, weighted average remaining contractual life and weighted average fair value
The weighted average exercise price for Implied Options at the end of the year was $2.31 (2023: $2.31). The weighted average remaining contractual life for Implied Options outstanding as at 31 December 2024 is 0.98 years (2023: 1.72 years). The weighted average fair value of Implied Options granted during the year was nil (2023: $1.98).

26.
Share-based payment plans (continued)

(f) Option pricing models

The following assumptions were used to derive a value for the Options and Implied Options granted using the Black Scholes Option model as at the grant date, taking into account the terms and conditions upon which the Shares were granted:

	Implied Options	Implied Options	Implied Options	Implied Options
Exercise price per Option	**$3.20**	**$3.20**	**$1.82**	**$3.04**
Number of recipients	25	1	38	1
Number of Options	264,062	3,000	642,500	100,000
Grant date	19/02/2021	19/02/2021	23/03/2023	12/09/2023
Dividend yield	–	–	–	–
Expected annual volatility	61.00%	61.00%	46.00%	48.00%
Risk-free interest rate	0.08%	0.37%	3.48%	3.90%
Expected life of Option (years)	*4.36 years	6 years	3 years	2 years
Fair value per Option	$1.012	$1.447	$0.419	$0.594
Share price at grant date	$2.79	$2.79	$1.50	$2.56
Model used	Black Scholes	Black Scholes	Black Scholes	Black Scholes

* Extended to 30 June 2025.

Expected volatility percentages used for the Option pricing calculations were determined using historic data over 24 months and were adjusted to reflect comparable companies in terms of industry and market capitalisation. The Implied Options are not listed and as such do not have a market value.

27.
Controlled entities

Ultimate parent entity

Cyclopharm Limited is the ultimate parent entity in the wholly owned group.

Controlled Entities

Name	Country of Incorporation	Percentage of equity interest held 2024	2023
Cyclopharm Limited	Australia		
Controlled entities			
CycloPET Pty Limited	Australia	100%	100%
Cyclomedica Australia Pty Limited	Australia	100%	100%
Cyclomedica Ireland Limited	Ireland	100%	100%
Cyclomedica Europe Limited	Ireland	100%	100%
Cyclomedica Benelux bvba	Belgium	100%	100%
Cyclomedica Nordic AB	Sweden	100%	100%
Cyclomedica Germany GmbH	Germany	100%	100%
Cyclomedica Canada Limited	Canada	100%	100%
Cyclomedica USA LLC	USA	100%	100%
Cyclomedica UK Limited	United Kingdom	100%	100%
Cyclomedica New Zealand Limited	New Zealand	100%	100%
Cyclomedica Danmark ApS*	Denmark	100%	100%

* Previous name, Dupharma ApS, changed 23 October 2024.

28.
Parent entity disclosure

	2024 $	2023 $
(i) Financial position		
Assets		
Current assets	16,262,173	7,502,194
Non-current assets	68,558,560	54,759,970
Total assets	**84,820,733**	**62,262,164**
Liabilities		
Current liabilities	231,058	442,050
Non-current liabilities	10,757,312	10,323,448
Total liabilities	**10,988,370**	**10,765,498**
Net assets	**73,832,363**	**51,496,666**
Equity		
Contributed equity	87,274,279	63,981,835
Employee equity benefits reserve	4,126,852	3,765,955
Accumulated losses	(17,568,768)	(16,251,124)
Total equity	**73,832,363**	**51,496,666**
(ii) Financial performance		
Loss for the year	(1,317,644)	(525,440)
Other comprehensive income	–	–
Total comprehensive loss for the year	**(1,317,644)**	**(525,440)**

29.
Reserves and other contributed equity

Nature and purpose of reserves:

(a) Employee equity benefits reserve

The employee share-based payments reserve is used to record the value of share-based payments provided to employees, including key management personnel, as part of their remuneration.

(b) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(c) Other contributed equity

Other contributed equity arises from prior period transfers of tax liabilities within the group (refer Note 2(f)) and the 2006 demerger from Vita Life Sciences Limited.

Consolidated Entity Disclosure Statement

In accordance with subsection 295(3A) of the *Corporations Act 2001*, this consolidated entity disclosure statement provides information about each entity that was part of the consolidated entity at the end of this financial year.

Entity Name	Entity Type	Country of Incorporation	Ownership Interest	Country of Tax Domicile
Cyclopharm Limited	Body Corporate	Australia	N/A	Australia
CycloPET Pty Limited	Body Corporate	Australia	100%	Australia
Cyclomedica Australia Pty Limited	Body Corporate	Australia	100%	Australia
Cyclomedica Ireland Limited	Body Corporate	Ireland	100%	Ireland
Cyclomedica Europe Limited	Body Corporate	Ireland	100%	Ireland
Cyclomedica Benelux bvba	Body Corporate	Belgium	100%	Belgium
Cyclomedica Nordic AB	Body Corporate	Sweden	100%	Sweden
Cyclomedica Germany GmbH	Body Corporate	Germany	100%	Germany
Cyclomedica Canada Limited	Body Corporate	Canada	100%	Canada
Cyclomedica USA LLC	Body Corporate	USA	100%	USA
Cyclomedica UK Limited	Body Corporate	United Kingdom	100%	United Kingdom
Cyclomedica New Zealand Limited	Body Corporate	New Zealand	100%	New Zealand
Cyclomedica Danmark ApS*	Body Corporate	Denmark	100%	Denmark

* Previous name, Dupharma ApS, changed 23 October 2024.

Key assumptions and judgments

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

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 Income Tax: central management and control test of residency.

Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisors in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

Directors' Declaration

In the opinion of the Directors of Cyclopharm Limited:

1. (a) The financial statements and notes of the consolidated entity as set out on pages 30 to 67 are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the year ended on that date; and

   (ii) complying with Accounting Standards which, as stated in accounting policy Note 2(a) to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

   (b) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

   (c) The consolidated entity disclosure statement as required by section 295(3A) of the *Corporations Act 2001* and set out on page 68 is true and correct as at 31 December 2024

2. The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* from the chief executive officer and chief financial officer for the financial year ended 31 December 2024.

Signed in accordance with a resolution of the Directors:

James McBrayer
Managing Director and CEO

Sydney, 27 March 2025

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Independent Auditor's Report to the Members of Cyclopharm Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Cyclopharm Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, 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 statements, 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 31 December 2024 and of its performance for the year then ended; 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 & 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 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 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.

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.

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Key audit matter	How our audit addressed the key audit matter
Capitalised Development Costs for Ultralute ($3,228,585) Refer to note 14 Included in the Group's intangible assets are capitalised development costs of $3,228,585 in respect of the Ultralute product. Capitalised Ultralute development costs are considered to be a key audit matter due to the quantum of the asset; the degree of management judgement and assumptions applied in measuring the carrying value of the asset; and assessing the presence of impairment of a development phase asset. The most significant and sensitive judgments incorporated into the assessment for impairment of capitalised development costs include projections of cash flows, discount rates applied and assumptions regarding the Group's ability to exploit new markets. Other considerations and judgments include whether the capitalised costs qualify for capitalisation as development phase costs in accordance with AASB 138 *Intangible Assets*. This includes an understanding of the Group's process for recording and measuring internally developed assets and the Group's ability to complete the development and demonstrate its ability to generate future cash flows from that asset.	Our procedures included, amongst others: ▪ We assessed the project against the requirements for capitalisation contained in AASB 138 *Intangible Assets*. ▪ We tested material expenditure capitalised during the year and checked that they were appropriately allocated to the development asset. ▪ We assessed management's determination of the Group's cash generating units based on our understanding of the nature of the Group's business and how earnings streams are monitored and reported. ▪ We tested the Group's assumptions and estimates used to determine the recoverable value of its assets, including those relating to forecast revenue, cost, capital expenditure, and discount rates by corroborating the key market related assumptions to external data and by reference to our understanding of the business. ▪ We performed sensitivity analysis in two main areas to assess whether the carrying value of the capitalised development costs exceeded its recoverable amount. These were the discount rate and growth assumptions.
Inventory Valuation and existence ($13,247,691) Refer to note 10 The Group holds a significant amount of inventory which are complex medical machines with significant useful lives. Inventory may be held for long periods of time before sale, making it vulnerable to obsolescence or theft. Further, deterioration in global economic conditions can potentially lead to this inventory being sold at reduced prices or lead to a reduction in revenue. The inventory is considered to be a key audit matter due to the continuing significantly higher level of inventory relative to historical balances in order to service expected revenue growth, arising primarily from entry into the USA market. As a result, there is a risk that inventory is carried in excess of its net realisable value or classified incorrectly.	Our procedures included, amongst others: ▪ We performed stocktake procedures on a sample of inventory items to ascertain their existence at balance date. ▪ We agreed a sample of raw material inventory items to purchase invoices to test that costs assigned to inventories are appropriate. ▪ We agreed a sample of raw materials through to the assembled finished good to determine whether these were assembled in accordance with the underlying subassemblies and related bill of materials. ▪ We obtained evidence that inventory does not exceed its net realisable value by: - Checking a sample of inventory items to subsequent selling prices;

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- Reviewing the aged inventory report for any slow moving items; and
- Considering management's plans for growth in the USA market and existing markets; and

▪ We obtained evidence for planned and actual subsequent sales of inventory to validate the classification of inventory in the financial statements.

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 31 December 2024, 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 the 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 (other than the consolidated entity disclosure statement) 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 (other than the consolidated entity disclosure statement) 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 Group's ability 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 have 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.

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A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/admin/file/content102/c3/ar1_2020.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 pages 19 to 27 of the Directors' Report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Cyclopharm Limited for the year ended 31 December 2024 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.

Nexia Sydney Audit Pty Limited

Stephen Fisher
Director

Dated in Sydney on the 27th March 2025

ASX Additional Information

The following information is current at 28 February 2025.

A. Substantial Shareholders

The following have disclosed a substantial shareholder notice:

Name of Substantial holder	Person's votes (Ordinary Shares)	Voting power	Date of latest notice
Anglo Australian Christian and Charitable Fund	13,211,332	12.20%	04/06/2024
Regal Funds Management Pty Limited	12,002,783	11.31%	30/05/2024
Barings Acceptance Limited	11,444,962	10.57%	04/06/2024
National Nominees Limited ACF Australian Ethical Investment Limited	9,867,556	8.88%	23/01/2025
Chemical Overseas Limited	9,188,008	8.49%	04/06/2024
CVC Limited	6,644,758	6.14%	05/06/2024

B. Distribution of Equity Security Holders

(i) Analysis of numbers of equity security holders by size of holding as at 28 February 2025.

Category	Ordinary Shareholders	% held of issued ordinary capital
1 – 1,000	651	0.28%
1,001 – 5,000	734	1.92%
5,001 – 10,000	320	2.24%
10,001 – 100,000	427	10.64%
100,001 and over	66	84.93%
Total	**2,198**	**100.00%**

(ii) There were 270 holders of less than a marketable parcel of ordinary shares.

C. Equity Security Holders

	Twenty largest quoted equity security holders	Number held	Percentage of issued shares
1	Anglo Australian Christian and Charitable Fund	13,211,332	11.89%
2	Barings Acceptance Limited	11,466,088	10.32%
3	Citicorp Nominees Pty Limited	10,746,410	9.67%
4	HSBC Custody Nominees (Australia) Limited	9,490,233	8.54%
5	UBS Nominees Pty Limited	8,687,250	7.82%
6	Chemical Overseas Limited	8,005,769	7.20%
7	CVC Limited	6,510,817	5.86%
8	South Seas Holdings Pty Limited	3,503,439	3.15%
9	McBrayer Reid Investments Pty Limited – LTIP 6 <McBrayer Clan Trust A/c>	1,721,554	1.55%
10	HSBC Custody Nominees (Australia) Limited – A/c 2	1,346,203	1.21%
11	J P Morgan Nominees Australia Pty Limited	1,228,775	1.11%
12	Chemical Overseas Limited	1,182,239	1.06%
13	Mr James McBrayer	1,061,728	0.96%
14	Phillips River Pty Limited <GAT A/c>	1,038,914	0.93%
15	Lloyds & Casanove Investment Partners Limited	987,503	0.89%
16	Buttonwood Nominees Pty Limited	955,206	0.86%
17	Mr James McBrayer	861,728	0.78%
18	Marayong Nicholas Pty Limited <The Malackey A/c>	743,296	0.67%
19	Warbont Nominees Pty Limited <Unpaid Entrepot A/c>	705,489	0.63%
20	BNP Paribas Nominees Pty Limited <IB AU Noms Retail Client>	597,523	0.54%
		84,051,496	75.63%
	Other equity security holders	27,085,354	24.37%
	Total	**111,136,850**	**100.00%**

D. Voting Rights

The Company's constitution details the voting rights of members and states that every member, present in person or by proxy, shall have one vote for every ordinary share registered in his or her name.

Corporate Directory

Directors

David Heaney
Non-Executive Chairman

James McBrayer
Managing Director & CEO

Dianne Angus
Non-Executive Director

Kevin Barrow
Non-Executive Director

Professor Greg King
Non-Executive Director

John Wigglesworth
Non-Executive Director

Company Secretary
James McBrayer

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Ireland

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Sweden

Cyclomedica Benelux bvba
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Belgium

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Email: hello@automic.com.au
Web: www.automic.com.au

Bankers
National Australia Bank
Level 21, 255 George Street
Sydney NSW 2000

Solicitors
Thomson Geer Lawyers
One Eagle – Waterfront Brisbane
Level 28, 1 Eagle Street
Brisbane QLD 4001

Securities Exchange Listing
The ordinary shares of Cyclopharm Limited are listed on the Australian Securities Exchange Ltd (ASX: CYC).

Corporate Governance Statement
https://www.cyclomedica.com/company/cyclopharm/

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