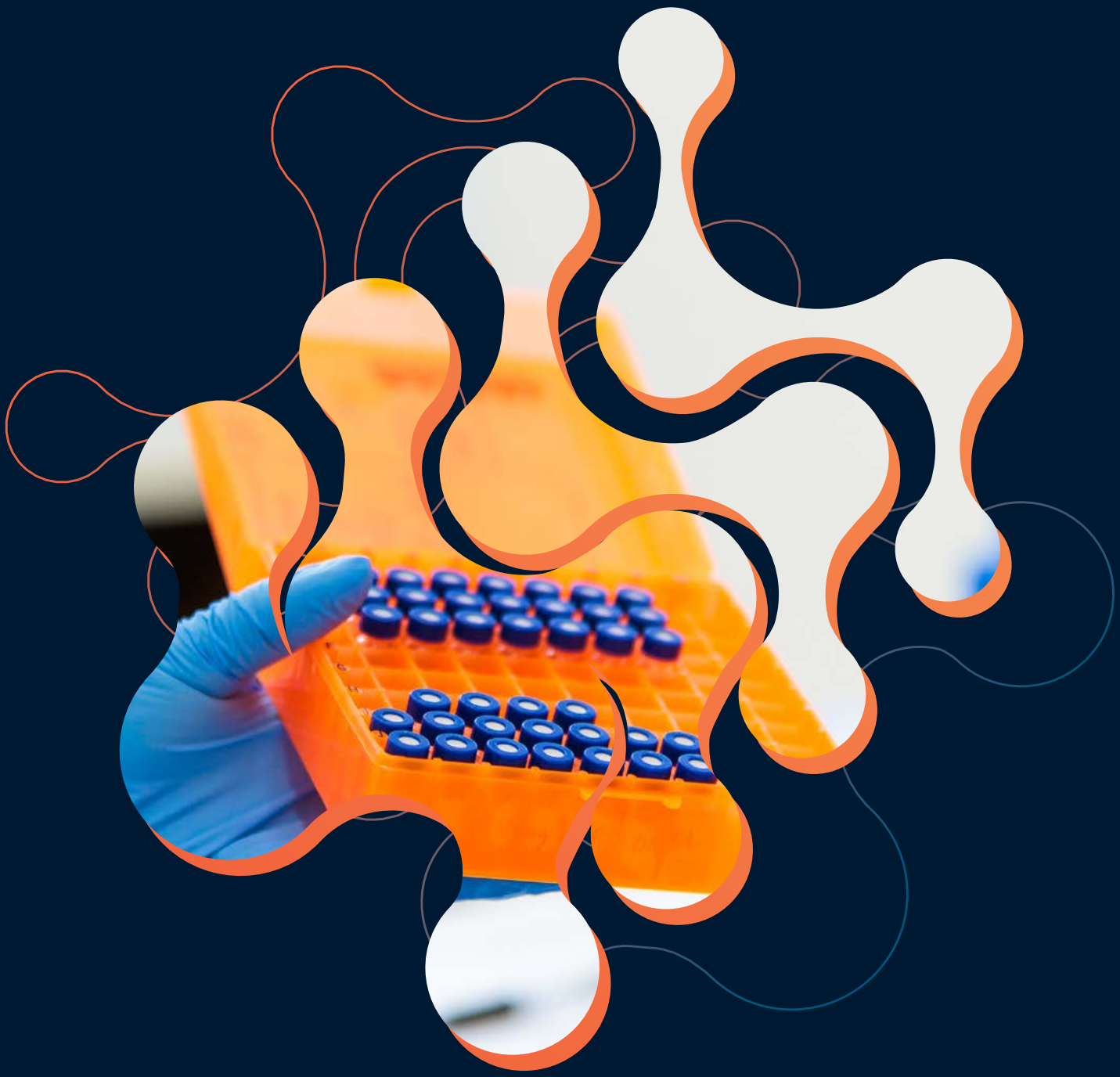
PYC Therapeutics

ANNUAL REPORT 2026





Corporate Directory

DIRECTORS

Current Directors:

Peter Coleman

Non-Executive Director
and Chairperson

Dr Rohan Hockings

Executive Director
& Chief Executive Officer

Dr Ian Constable

Non-Executive Director

COMPANY SECRETARY

Stephen Ledger and
Jonathan Riley

REGISTERED OFFICE

Office 4, Level 1
174 Hampden Road, Nedlands
Western Australia 6009
Telephone: +61 8 6151 0992

POSTAL ADDRESS

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PRINCIPAL PLACE OF BUSINESS

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Telephone: +61 8 6151 0992

SHARE REGISTER

Automic Group

Level 5, 191 St Georges Terrace
Perth Western Australia 6000
Telephone within Australia:
1300 228 664
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+61 2 8072 1400

AUDITOR

PricewaterhouseCoopers

Level 15, 125 St Georges Terrace
Perth Western Australia 6000

STOCK EXCHANGE LISTING

PYC Therapeutics Limited shares are listed on the Australian Securities Exchange
(ASX code: PYC)

Incorporated in Western Australia, October 2001

WEBSITE

www.pyctx.com

References in this Annual Report

Unless otherwise stated, references in this Annual Report to "PYC" or the "Company" are to PYC Therapeutics Ltd, and references to the "Group" are to PYC Therapeutics Ltd and its controlled entities.as a result of new information, future events or otherwise.

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Disclaimer

Any forward-looking statements in this report have been prepared on the basis of a number of assumptions which may prove incorrect and the current intentions, plans, expectations, and beliefs about future events are subject to risks, uncertainties and other factors, many of which are outside the Company's control. Important factors that could cause actual results to differ materially from assumptions or expectations expressed or implied in this report include known and unknown risks. Because actual results could differ materially to assumptions made and the Company's current intentions, plans, expectations, and beliefs about the future, you are urged to view all forward-looking statements contained in this report with caution. The Company undertakes no obligation to publicly update any forward-looking statement whether as a result of new information, future events or otherwise.



01. OVERVIEW

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The focus for the Board over the coming 12 months is to oversee the growth of the executive and operational teams required to deliver the critical human safety and efficacy data for its pipeline programs that will see it move into registrational trials in a position of strength.

Chairman's Letter to Shareholders



Dear Shareholder,

I am pleased to report on what has been a transformational year for PYC.

The focus of the Board over the past 12 months has been to ensure that the Company has had the stability and corporate governance framework in place to gain recognition for its significant technical achievements to date.

This stability has enabled the Company to articulate an ambitious operational roadmap for maturing into a multi-asset, late-clinical stage biotech. The Company now has the balance sheet strength to fund its operations through to 2030 and see this ambition materialise. The focus for the Board over the coming 12 months is to oversee the growth of the executive and operational teams required to deliver the critical human safety and efficacy data for its pipeline programs that will see it move into registrational trials in a position of strength.

Platform Technology

PYC's proprietary drug delivery technology is designed to enable RNA therapeutics to reach cells and tissues that have historically been difficult to access. It underpins the Company's existing pipeline and provides the potential to generate additional drug development opportunities over time.

PYC has also strengthened the intellectual property protection supporting its pipeline of drug candidates, including confirmation of composition of matter patents covering all three clinical-stage drug candidates in the U.S.

Polycystic Kidney Disease (PKD)

PYC's PKD program addresses a major unmet medical need in a disease affecting millions of patients globally.

During the year, PYC-003 progressed from studies in healthy volunteers into patients with PKD and subsequently into the repeat-dose Phase 1b study. The Company's immediate objective in this program is to establish clinical proof of concept for PYC-003. Data from the Single Ascending Dose study in PKD patients is expected in the second half of 2026, followed by data from the Multiple Ascending Dose study in 2027.

Phelan-McDermid Syndrome (PMS)

PYC-002 continued to advance towards clinical development during the year, supported by encouraging data in both patient-derived and Non-Human Primate models and this program is expected to enter human trials next year.

Autosomal Dominant Optic Atrophy (ADOA)

PYC-001 made significant progress during the year, progressing into a global repeat-dose Phase 1/2 study designed to establish clinical proof of concept. Planned enrolment in the Multiple Ascending Dose study has now been completed.

Since year end, additional data have demonstrated sustained improvements in visual acuity together with decreased retinal stress in ADOA patients who have received PYC-001. Pre-clinical data have also demonstrated a favourable profile supporting an extended dosing interval of once or twice every year.

Retinitis Pigmentosa Type 11 (RP11)

VP-001 for RP11 continued systematic multicenter clinical evaluation during the year. Longer-term clinical data demonstrated sustained improvements in vision in treated patients, while a Type D meeting with the US Food and Drug Administration confirmed key elements of a potential registrational study design.

Further data from the ongoing Phase 1/2 program are expected during 2026 and will inform the further clinical development pathway for the program.

Financial Position and Shareholder Support

A defining event during the year was the successful capital raising completed in early 2026. The Company strengthened its balance sheet by approximately $600 million and welcomed leading global specialist life sciences investors to the PYC share register.

PYC now has the financial resources to advance all four programs through multiple important clinical milestones, with funding runway extending into 2030. This provides considerable flexibility as the programs progress through clinical development and towards potential commercial or partnering opportunities.

PYC Team

I was pleased to join PYC as Chair in November 2025, and thank Alan Tribe and the previous Board members for their leadership and support of PYC. Professor Ian Constable joined me on the Board, for which I am most grateful. Ian has been invaluable as both a mentor and colleague. We have identified key skills and competencies required to grow the Board to support our growth aspirations, and plan to add Directors over the coming months.

None of the progress described in this letter would have been possible without the commitment of PYC's people. I would like to thank Rohan and the entire PYC team for their dedication, scientific rigour and continued focus on delivering for patients and Shareholders.

Conclusion

PYC enters the new financial year from a position of considerable strength.

Most importantly, the next phase of PYC's development will increasingly be defined by human efficacy data. Over the coming 12 to 24 months, we expect important clinical data from all four of the Company's development programs. These data will inform the further development pathways for the Company's clinical programs and have the potential to create a range of commercial options for PYC.

The Board's focus remains clear: changing patient lives whilst maximising long-term value for Shareholders.

The progress achieved over the past year, combined with the strength of the Company's financial position, gives us confidence as we enter an important period in PYC's development.



Kind regards,

Peter Coleman

Chair

Chief Executive Officer's Letter to Shareholders



Dear Shareholder,

Your company has reached the defining stage of its journey to change the lives of patients living with genetic disease. Over the coming 24 months, PYC expects to generate clinical data across the four priority indications within its drug development pipeline that will demonstrate the potential for disease-modifying drug candidates to impact the lives of patients living with the targeted conditions.

If successful, these early and mid-stage clinical studies will provide the platform for PYC to move into registrational trials with conviction in both:

- the potential for impacting the course of the target disease; as well as
- the knowledge of how best to quantify this impact within the confines of a registrational trial.



As we look ahead to next year, some of the highlights of what we expect in 2027 include:

- **PYC's Polycystic Kidney Disease (PKD) program efficacy data -** determination of whether the extraordinary outcomes of re-expressing the missing gene that drives the disease seen in animal models of PKD can be replicated in humans;
- **First-in-human data in Phelan McDermid Syndrome (PMS) -** Generation of early human data for the first drug candidate designed to restore full-length target protein in PMS. The impact of fellow RNA therapeutics in other neurodevelopmental disorders including Angelman and Dravet Syndromes demonstrate the scope of what is possible for a disease-modifying approach in PMS; and
- **Registrational study progression and expansion into additional indications in ophthalmology -** PYC's blinding eye disease programs are gaining a broader following within the rare ophthalmology field following strong data updates in 2026 – particularly within the Autosomal Dominant Optic Atrophy (ADOA) program. In addition to progression into a registrational study in ADOA, there is a growing interest in evaluating the PYC-001 drug candidate in other diseases with mitochondrial dysfunction at their core – creating 'pipeline in a program' potential for this drug candidate.

The platform for delivery of these milestones has been secured through 2026. The Company's recent capital raising supported by specialist life sciences investors means that these critical human data read-outs will be delivered from a position of strength from both a balance sheet and shareholder register standpoint.

The organisational growth that is accompanying the maturation of the Company's development programs brings further opportunity for PYC as we move forward. The depth of skill sets that the Company has built throughout the drug development value chain is adding further clarity on how best to utilise the Company's platform technologies. This increased knowledge and sophistication will shape the future use of PYC's technologies in an era of intensifying competition within the domain of gene upregulation through the RNA modality.

Your Company has an extraordinary opportunity within immediate reach to both:

- Define the patient-impact that is possible within its existing pipeline programs; and
- Maintain its emerging leadership position in the broader field of RNA therapies as we look to develop both second-generation products with improved characteristics in existing indications as well as expand into additional areas of major unmet patient need.

We look forward to updating you on progress through this exciting year ahead.



Sincerely,

Rohan Hockings





02.

OPERATIONAL & FINANCIAL REVIEW

Company Overview

PYC Therapeutics (ASX: PYC) is a clinical-stage biotechnology company creating a new generation of RNA therapies to change the lives of patients with genetic diseases.

The Company utilises its proprietary drug delivery platform to enhance the potency of precision medicines within the rapidly growing and commercially proven RNA therapeutic class. PYC's drug development programs target monogenic diseases – the indications with the highest likelihood of success in clinical development[1].

The Company is headquartered in Perth, Western Australia, with operational activities in Sydney and the United States. The Company engages extensively with industry and regulatory experts as well as disease area specialists, providing critical support for our drug discovery initiatives and the advancement of our drug candidates through clinical studies.

FY2026 Highlights

In the past year, PYC made significant progress across all of its drug development programs. Key achievements included:

- **For the Polycystic Kidney Disease (PKD) program (PYC-003),** PYC established the safety and tolerability profile of single doses of the Company's drug candidate in healthy volunteers (Part A)[2] and PKD patients (Part B)[3], enabling progression of the drug candidate into a multiple dose study in patients with PKD (Part C)[4].
- **For the Phelan-McDermid Syndrome (PMS) program (PYC-002),** following compelling pre-clinical data[5], PYC successfully progressed through Dose-Range Finding (DRF) studies and commenced Good Laboratory Practice (GLP) toxicology studies[6]. The Company expects to progress into clinical studies in 2026[7] and 2027[8].
- **For the Autosomal Dominant Optic Atrophy (ADOA) program (PYC-001),** PYC completed dosing in the Single Ascending Dose (SAD) study and commenced a Phase 1b Multiple Ascending Dose (MAD) study[9]. Data presented during the year highlighted the favourable safety and tolerability profile of the drug candidate, together with encouraging signs of emerging efficacy[10].
- **For the Retinitis Pigmentosa type 11 (RP11) program (VP-001),** PYC engaged the FDA to align on the registrational requirements for a New Drug Application (NDA)[11] and continued progression of the drug candidate through an Open-Label Extension (OLE) study[12] with clinical data to inform the commitment to a multicenter phase three study.
- **The Company strengthened its balance sheet through a $600 million capital raise,** introducing a syndicate of leading global life sciences specialist investors to the share register and extending the Company's cash runway into 2030[13].

1. AAdvancing Human Genetics Research and Drug Discovery through Exome Sequencing of the UK Biobank. doi: https://doi.org/10.1101/2020.11.02.20222232.
2. See ASX announcement of 27 March 2026.
3. See ASX announcement of 22 July 2026.
4. See ASX announcements of 7 July 2025, 15 April 2026 and 22 July 2026.
5. See ASX announcement of 13 October 2025.
6. See ASX announcement of 29 July 2026.
7. PYC expects to initiate a Natural History Study in PMS in 2026. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026 and alignment with relevant regulatory authorities.
8. PYC expects to initiate first-in-human interventional trials in 2027. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026 and alignment with relevant regulatory authorities.
9. See ASX announcements of 9 October 2025 and 15 April 2026.
10. See ASX announcement of 4 May 2026.
11. See ASX announcement of 16 March 2026.
12. See ASX announcement of 27 October 2025.
13. See ASX announcements of 2 February 2026.

PYC's drug discovery and development pipeline

PYC has developed a portfolio of drug candidates that address the root cause of the targeted disease. Leveraging PYC's proprietary drug delivery platform, each program is designed to offer safe and effective therapies for patients who currently have limited or no available treatment options.



1. See the 'Disease Prevalence References' section of the Company's 2025 Annual Report released to the ASX on 28 August 2025 for additional details on prevalence by indication Phelan-McDermid Syndrome prevalence has been revised using latest estimates from CureSHANK foundation (see - https://www.cureshank.org/news/2026-phelan-mcdermid-syndrome-drug-development-symposium)
2. PYC owns 97.1% of VP-001 (2.9% ownership by Lions Eye Institute, Australia) and 100% ownership of all other pipeline programs

OPERATIONAL & FINANCIAL REVIEW

PYC's strategy sees it developing best-in-class assets with a high probability of success in the clinic

1 **Disease-modifying drug candidates[1]**
Each of PYC's pipeline programs address the root cause of the target disease

2 **In areas of major unmet need**
In a disease with no established standard of care and between $1 and $15 billion p.a. in market size[2]

3 **With the highest probability of success**
With up to a 5x higher probability of success than the industry average[3]

4 **Validated in patient-derived models**
Quantitative rescue of the single gene insufficiency that causes the disease[4]

5 **Generating human data in 2026/2027**
Generating critical data this year - high-value human data readouts in major unmet patient needs[5]

1. Each of PYC's drug candidates are designed to target the root cause of the genetic deficit responsible for the relevant disease. Accurate as at 12 January 2026. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026.
2. Utilising the prevalence for each indication outlined and referenced on page 5 of this presentation and the median orphan drug price from Althobaiti, H, Seoane-Vazquez E, Brown LM, Fleming ML, Rodriguez-Monguio R. Disentangling the Cost of Orphan Drugs Marketed in the United States. Healthcare (Basel). 2023 Feb 13;11(4):558.
3. Based on the genetic validation of the target gene. See: King EA, Davis JW, Degner JF. Are drug targets with genetic support twice as likely to be approved? Revised estimates of the impact of genetic support for drug mechanisms on the probability of drug approval. PLoS Genet. 2019 Dec 12;15(12):e1008489. doi: 10.1371/journal.pgen.1008489.
4. PYC's drug candidates are capable of increasing target gene expression by up to 2-fold in patient-derived models (See detailed data supporting each drug candidate in the relevant ASX announcement or on the Company's website).
5. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026.

OPERATIONAL & FINANCIAL REVIEW

PROGRAM HIGHLIGHTS

PYC-003 – Polycystic Kidney Disease (PKD)

PKD affects 1 in every 1,000 people across the globe.

There are currently no drugs available that address the underlying cause of the disease and approximately 50% of PKD patients will progress to end-stage renal failure by the age of 60. PKD is characterised by the formation of multiple fluid filled cysts throughout the kidney and, to a lesser extent, other organs. Progression of the number and volume of cysts over time ultimately leads to destruction of the internal architecture and function of the kidney and the need for kidney transplantation.

During FY26 PYC-003 has:

- Established the safety and tolerability profile of single doses of the Company's drug candidate in healthy volunteers (Part A)[16] and PKD patients (Part B)[17] in a Phase 1a Single Ascending Dose (SAD) study; and
- Progressed from the Phase 1a SAD study into Part C (a Phase 1 b Multiple Ascending Dose study) in patients with PKD[18].

PYC's immediate objective in PKD is to demonstrate clinical proof of concept on the registrational endpoint in the ongoing Phase 1b study.

Phase 1b Multiple Ascending Dose study
currently underway in PKD patients

No treatment related serious adverse events
seen in clinical trials to date

>10 million
patients worldwide with PKD[14]

No treatment
currently available to treat the underlying cause of this disease

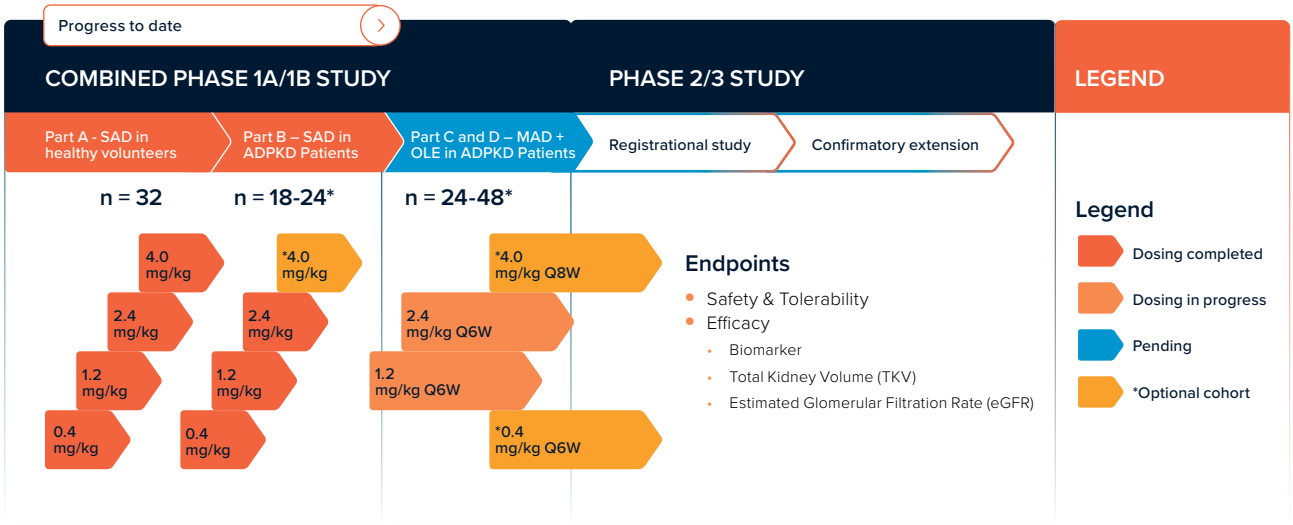
>US$10 billion p.a.
estimated addressable market size[15]

14. Harris PC, Torres VE. Polycystic Kidney Disease, Autosomal Dominant. 2002 Jan 10 [Updated 2022 Sep 29]. In: Adam MP, Feldman J, Mirzaa GM, et al., editors. GeneReviews. Seattle (WA): University of Washington, Seattle; 1993-2023.
15. Market size is projected by multiplying patient prevalent per indication by the median orphan drug price of $150k p.a. EvaluatePharma. Orphan Drug Report.
16. See ASX announcement of 19 December 2025
17. See ASX announcements of 24 November 2025, 27 February and 22 July 2026.
18. See ASX announcements of 7 May and 22 July 2026.

OPERATIONAL & FINANCIAL REVIEW

PYC-003 – Polycystic Kidney Disease (PKD) (continued)

PYC-003 Clinical Trial Overview



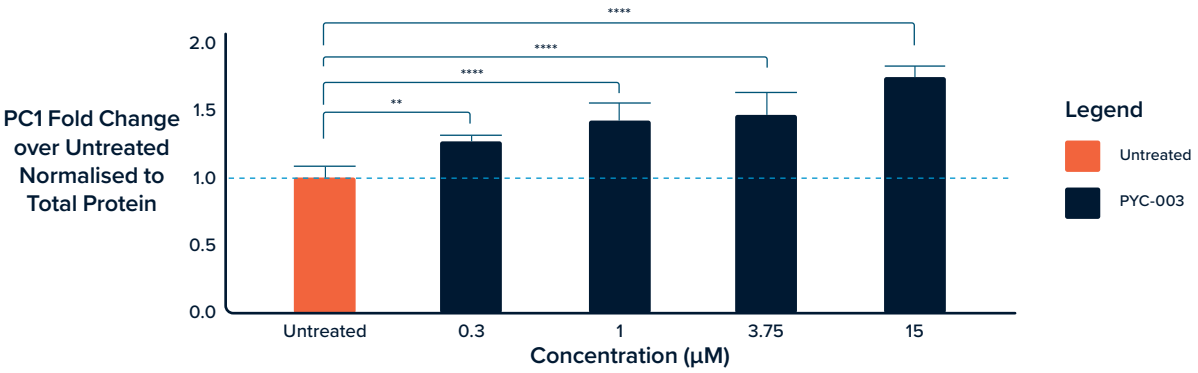
PYC-003 has demonstrated a favourable safety / tolerability profile in the clinic to date with[19]:

- No Treatment-Related Serious Adverse Events (TR-SAEs);
- No evidence of renal injury on the Kidney Safety Composite Measure (KSCM);
- No adverse changes in Liver Function Tests (LFTs); and
- No evidence of urea, creatinine or electrolyte changes (sodium,potassium ,magnesium)[20].

The clinical safety profile is combined with pre-clinical efficacy and delivery data in PKD models, where PYC-003 demonstrates the ability to:

- Address the underlying cause of PKD (increases PC1 expression 1.8-fold) in the affected cell type derived from patients (see Figure 1);
- Address the core phenotype of the disease (cyst volume and growth) in renal tissue derived from patients (see Figure 2); and
- Distribute broadly, evenly and deeply throughout the kidney (to both the cortex and medulla), reaching the cyst-lining cells in a mouse model of PKD (see Figure 3)[21].

Figure 1 Pre-clinical efficacy: PYC-003 increases PC1 protein expression back towards Wild-Type levels in induced Pluripotent Stem Cell (iPSC)-derived Proximal Tubule-Like (PTL) cells derived from patients with PKD due to a mutation in the *PKD1* gene[22]



19. Based on Safety Review Committee review of single doses of PYC-003 up to and including 4.0 mg/kg administered to Healthy Volunteers and up to and including 2.4 mg/kg administered to ADPKD patients. See ASX announcements of 7 May and 22 July 2026.
20. Accurate as at the date of this announcement.
21. *PKD1* knock-out model used for evaluation of delivery profile to cystic kidney – no efficacy expected nor captured in this model.
22. PC1 full length protein fold-change over untreated (normalised to total protein) assessed at day 7 following treatment with PYC-003. Data presented as mean+SD. The data shows a statistically significant (one-way ANOVA vs untreated **p<0.01, ****p<0.0001) difference between treatment groups and the untreated control. Assessed in iPSC-PTL (iPSC-proximal tubular like) cells derived from an ADPKD patient with PKD1 mutation.

OPERATIONAL & FINANCIAL REVIEW

PYC-003 – Polycystic Kidney Disease (PKD) (continued)

Figure 2 Pre-clinical efficacy: PYC-003 rescues the disease phenotype in *ex vivo* models of ADPKD derived from patients with end-stage renal failure[23]

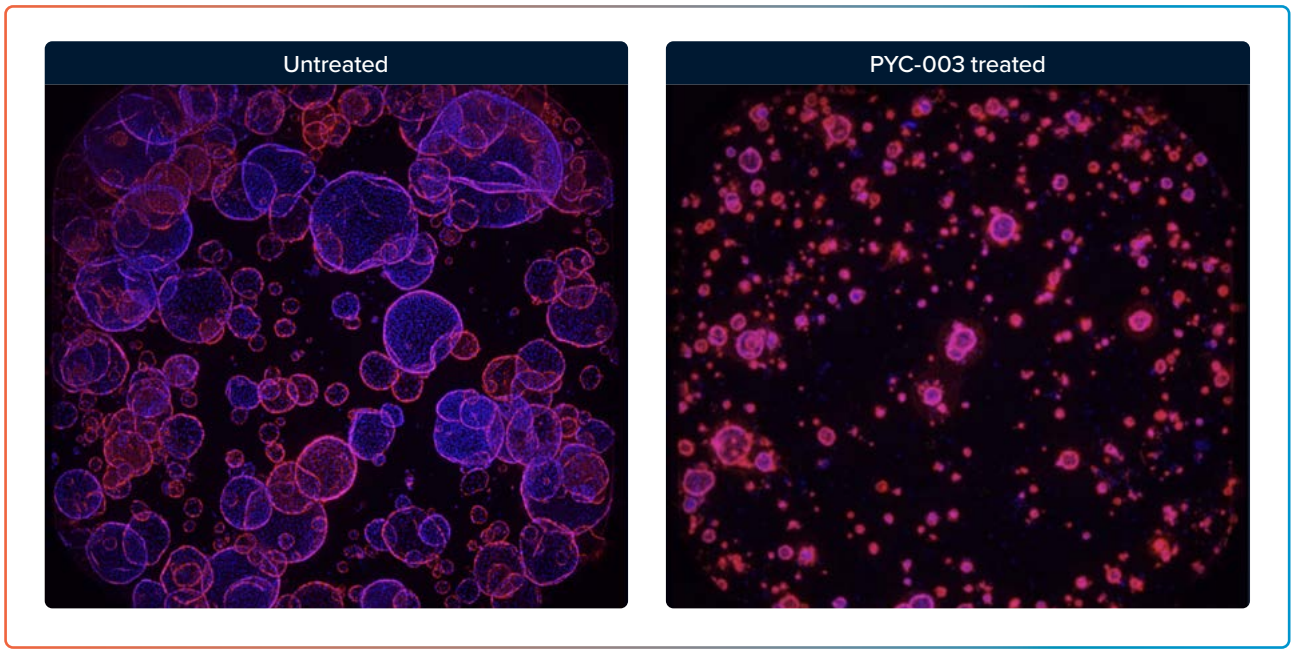
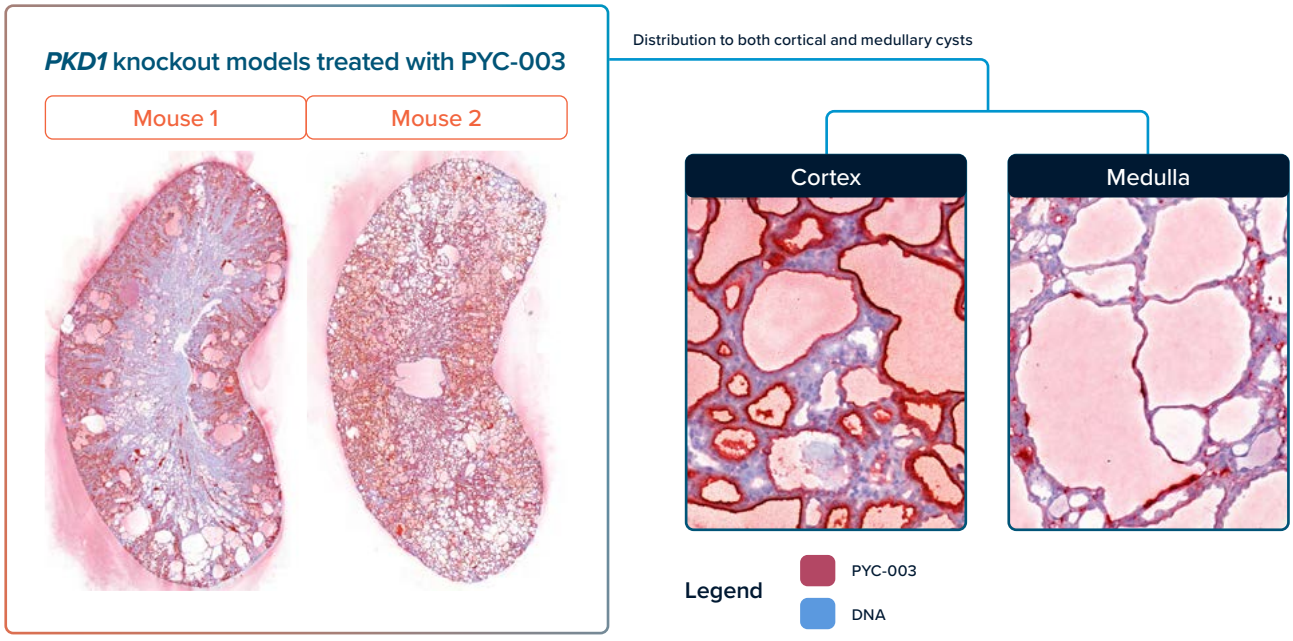


Figure 3 Pre-clinical delivery: PYC-003 distributes to the cyst forming cells in animal models of ADPKD[24]



23. See ASX Announcement of 13 November 2023.
24. See ASX Announcement of 27 November 2024.

OPERATIONAL & FINANCIAL REVIEW

PYC-002 – Phelan McDermid Syndrome (PMS)



PMS is a genetic disorder affecting 1 in every 7,300 people that affects brain development and function and results in a range of intellectual and physical disabilities.

PYC-002 seeks to address the underlying cause of PMS by increasing the expression of the *SHANK3* gene in neurons (brain cells) of PMS patients. There are currently no treatments available for patients with PMS that address the underlying cause of the disease.

IND-enabling GLP toxicology studies
currently underway

Leverages a validated development path
for RNA therapeutics in neurodevelopmental disorders[25]

1 in every 7,300
people worldwide are affected by PMS[26]

No treatment
currently available to treat the underlying cause of this disease

>US$5 billion p.a.
estimated addressable market size[27]

25. For phosphorothioate oligonucleotides delivered via an intrathecal route of administration in diseases of neurons in the Central Nervous System (CNS) - Refer to ASX Announcement of 13 October 2025 for more detail.
26. Phelan-McDermid Syndrome Foundation. https://pmsf.org/about-pms/.
27. Market size is projected by multiplying patient prevalence per indication by the median orphan drug price of $150k p.a. EvaluatePharma Orphan Drug Report. 2019.

OPERATIONAL & FINANCIAL REVIEW

PYC-002 – Phelan McDermid Syndrome (PMS) (continued)

During FY26 PYC-002 has:

- Presented fully integrated safety/tolerability, pharmacokinetic and pharmacodynamic pre-clinical data supporting progression of the drug candidate into clinical trials:
  - In Non-Human Primate (NHP) studies, PYC-002:
    - Is safe and well tolerated at doses predicted to be pharmacologically active at the equivalent human dose (See Figure 4;
    - Effectively distributes to the key regions of brain affected in PMS (See Figure 5; and
    - Increase target gene expression (See Figure 6);
  - The data compares favourably with another RNA therapy targeting a different neurodevelopmental disorder that has shown promising results in human trials on the cognitive and behavioural dimensions that are critical to PMS patients and their families[28]
- Progressed through Dose-Range Finding (DRF) studies and commenced Good Laboratory Practice (GLP) toxicology studies directed towards IND-submission.

PYC-002's fully integrated *in vivo* data complements efficacy in PMS patient-derived neurons demonstrating that the drug candidate:

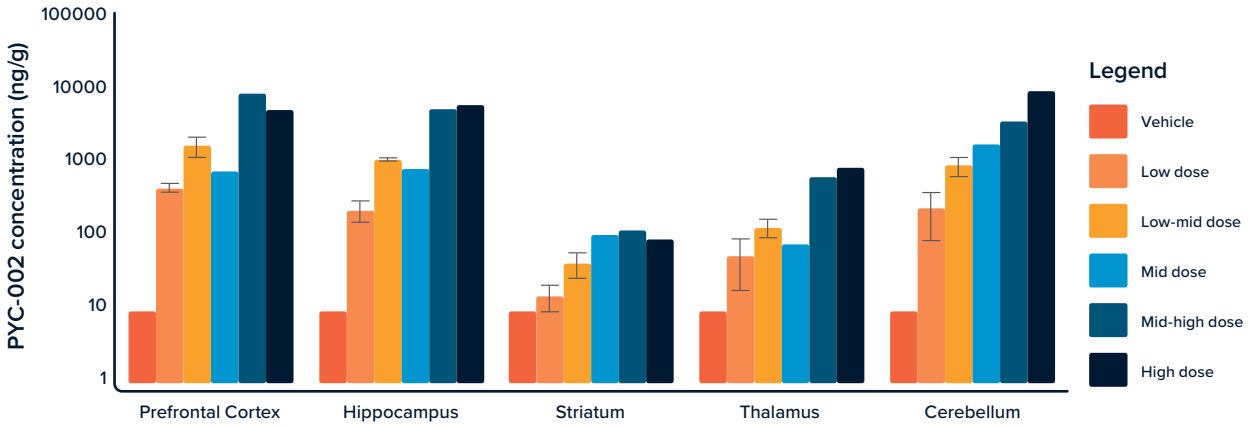
- Restores SHANK3 expression to Wild-type levels (See Figure 7); and
- Restores neuronal communication deficits to Wild-type levels (See Figure 8)

The Company expects to progress into clinical studies in 2026[29] and 2027[30].

Figure 4 Safety/Tolerability profile of PYC-002 in Non-GLP safety studies in Non-Human Primates[31]

Dose of PYC-002	Number of NHPs assessed	No findings of adverse tolerability at week 4 (conclusion of study) # of NHPs (% of population)	Findings of adverse tolerability at week 4 (conclusion of study) # of NHPs (% of population)
Control	3	3 (100%)	0 (0%)
Low	3	3 (100%)	0 (0%)
Low-mid	3	3 (100%)	0 (0%)
Mid	1	1 (100%)	0 (0%)
Mid-high	1	1 (100%)	0 (0%)
High	1	1 (100%)	0 (0%)

Figure 5 Biodistribution in Non-Human Primate (NHP) brain following a single dose of PYC-002[32]



28. See ASX announcement 13 October 2025.
29. PYC expects to initiate a Natural History Study in PMS in 2026. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026 and alignment with relevant regulatory authorities.
30. PYC expects to initiate first-in-human interventional trials in 2027. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026 and alignment with relevant regulatory authorities.
31. Safety/tolerability was evaluated following a single intrathecal injection of vehicle or test article, PYC-002, at increasing dose levels to Cynomolgus monkeys (NHPs) and confirmed following observations that there was no decrease in platelet counts, no change in hepatic or renal function, no clinical signs or symptoms over 28 day period after administration and normal histopathology in brain, liver and kidney following dosing for all dose cohorts.
32. Concentration of PYC-002 (ng drug per g tissue, mean + SEM) in brain tissue samples from Cynomolgus monkeys (Macaca fascicularis) 28 days after treatment with a single intrathecal injection, assessed by hy-ELISA.

OPERATIONAL & FINANCIAL REVIEW

PYC-002 – Phelan McDermid Syndrome (PMS) (continued)

Figure 6 Target gene expression *in vivo* in NHP prefrontal cortex following a single dose of PYC-002[33]

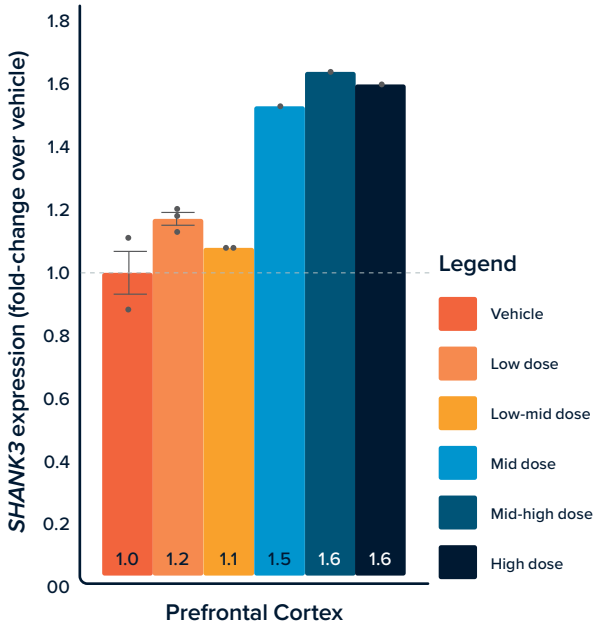


Figure 7 SHANK3 expression in the post-synaptic density in PMS patient-derived models[34]

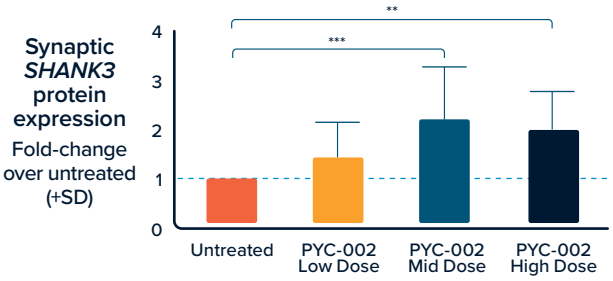
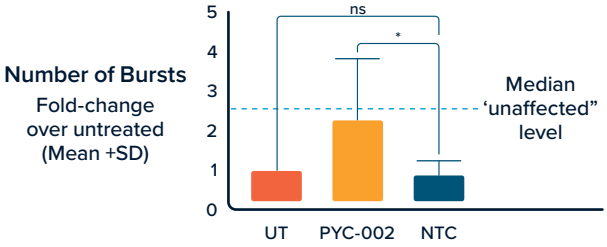
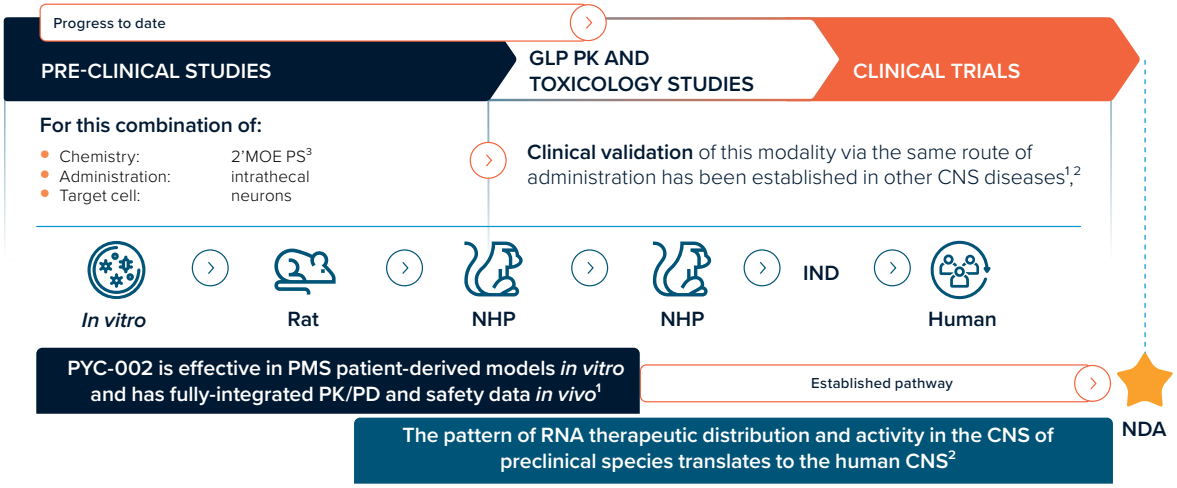


Figure 8 Neuronal communication in PMS patient-derived models[35]



PYC's immediate objective in PMS is to complete GLP toxicology studies enabling 'first in human' trials to commence



1. For phosphorothioate oligonucleotides delivered via an intrathecal route of administration in diseases of neurons in the Central Nervous System (CNS) - Refer to ASX Announcement of 13 October 2025 for more detail
2. Jafar-Nejad P, et al. The atlas of RNase H antisense oligonucleotide distribution and activity in the CNS of rodents and non-human primates following central administration. Nucleic Acids Res. 2021 Jan 25;49(2):657-673. doi: 10.1093/nar/gkaa1235.
3. Phosphorothioate (PS) chemistry 2'MethOxy Ethyl (MOE) oligonucleotides

33. SHANK3 protein expression in the prefrontal cortex of cynomolgus monkeys 28 days after intrathecal injection of PYC-002, expressed as fold-change vs the vehicle-treated group. SHANK3 protein was assessed by ELISA. Error bars represent standard error. Data from one mis-injected animal in the low-mid dose group was excluded from analysis.
34. Mean fold-change (+SD) of SHANK3 protein expression on 100 µm of neurite over untreated group after 21 days of PYC-002 gymnotic treatment of PMS patient-derived iPSC-neurons (n=2 biological replicates, each with 5 – 24 technical replicates), assessed by high content imaging. Statistical significance assessed using 2-way ANOVA.
35. Mean+SD of Number of Bursts fold-change over untreated samples (white bar) measured by MEA assay after 28 days post-gymnotic-treatment with PYC-002 (red bar) or NTC (grey bar). Bars represent three biological replicates of iPSC-derived glutamatergic neurons from three different patients with PMS. The median of unaffected levels were calculated using iPSCs glutamatergic neurons derived from eight unaffected lines. These values were compared as fold-change with untreated PMS measurements (white bar). Significance against the NTC group was calculated using Kruskal-Wallis and Dunnet test. ns = non-significance; *$p<0.05$.

OPERATIONAL & FINANCIAL REVIEW

PYC-001 – Autosomal Dominant Optic Atrophy (ADOA)



ADOA is a blinding eye disease of childhood affecting 1 in 35,000 people (^40) and for which there are currently no approved treatment options.

There are an estimated 9,000 – 16,000[40] addressable patients in the Western World representing an estimated market of $2 billion p.a. The median age of disease onset in this patient population is 7 years of age. ADOA is caused by a mutation in the *OPA1* gene which causes the patient to produce insufficient levels of the OPA1 protein required for normal mitochondrial function which leads to optic nerve functional impairment. PYC-001 seeks to address the underlying cause of ADOA by increasing OPA1 protein expression in the affected retinal ganglion cells. PYC-001 has received Orphan Drug[38] and Rare Pediatric Disease[39] Designations from the FDA.

Phase 1b
Repeat Dose clinical trial in progress

Safe and well-tolerated in clinical trials
(No Treatment Related-Serious Adverse Events observed in any subject dosed with PYC-001)[36]

No treatment
currently available to treat the underlying cause of this disease

US$2 billion p.a.
estimated addressable market size[37]

Orphan Drug[38] and Rare Pediatric Disease[39] Designations
received from FDA

36. Accurate as at July 21 2026.
37. Market size is projected by multiplying patient prevalence per indication by the median orphan drug price of $150k p.a. EvaluatePharma Orphan Drug Report. 2019.
38. See ASX Announcement 24 May 2024.
39. See ASX Announcement 30 August 2024.
40. Yu-Wai-Man, P. et al. The Prevalence and Natural History of Dominant Optic Atrophy Due to OPA1 Mutations Ophthalmology. 2010;117(8):1538-46 doi: 10.1016/j.ophtha.2009.12.038 2.

OPERATIONAL & FINANCIAL REVIEW

PYC-001 – Autosomal Dominant Optic Atrophy (ADOA) (continued)

During the last 12 months, the PYC-001 program has:

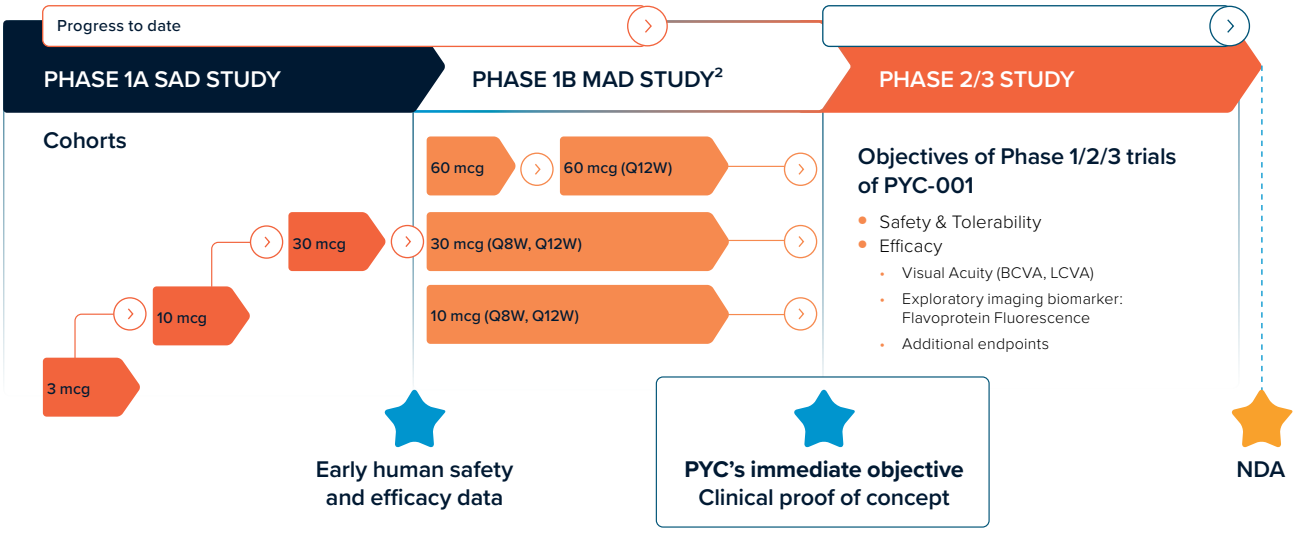
- Completed dosing in the Single Ascending Dose (SAD) study
- Commenced a Phase 1b Multiple Ascending Dose (MAD) study[41]
- Presented data highlighting the favourable safety and tolerability profile of the drug candidate, together with encouraging signs of emerging efficacy (See Figures 9 and 10)[42].

In addition to the clinical outcomes described above, PYC generated NHP data (See Figure 11) supporting an extension of the dosing interval being evaluated in the ongoing clinical trials of PYC-001 beyond once every 4 months.[43]

Over the next 12 months, PYC expects to present safety and efficacy outcomes from the ongoing repeat dose study. PYC's immediate objective in ADOA is to demonstrate 'clinical proof of concept' and prepare to progress the candidate into a registrational trial aimed at supporting the first approval in ADOA.[44]

PYC-001 Clinical Development plan

PYC is preparing to progress the candidate into a registrational trial aimed at supporting the first approval in ADOA[1]



1. PYC-001 is the most advanced drug candidate with disease-modifying potential in clinical development for ADOA based on publicly available information. Subject to the risks and uncertainties outlined in this document and the Company's ASX disclosures of 2 February 2026 as well as changes in the treatment landscape in ADOA.
2. PYC may engage with regulatory authorities to discuss the potential for an open-label extension of the 'Phase 1b MAD study' to provide data for longer-term dosing of PYC-001 in ADOA patients ahead of initiating registrational trials.

41. See ASX announcements of 9 October 2025 and 15 April 2026.
42. See ASX announcement of 4 May 2026.
43. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026.
44. PYC-001 is the most advanced drug candidate with disease-modifying potential in clinical development for ADOA based on publicly available information. Subject to the risks and uncertainties outlined in this document and the Company's ASX disclosures of 2 February 2026 as well as changes in the treatment landscape in ADOA.

OPERATIONAL & FINANCIAL REVIEW

PYC-001 – Autosomal Dominant Optic Atrophy (ADOA) (continued)

Figure 9 PYC-001 has demonstrated a highly favourable safety profile to date[45]

Single dose of PYC-001	Number of patients with TR-SAE (%)
3 mcg	0 (0%)
10 mcg	0 (0%)
30 mcg	0 (0%)
60 mcg	0 (0%)

Figure 10 Improvements in Low Contrast Visual Acuity (LCVA) in ADOA patients enrolled in PYC's ongoing clinical trials following administration of PYC-001[46]

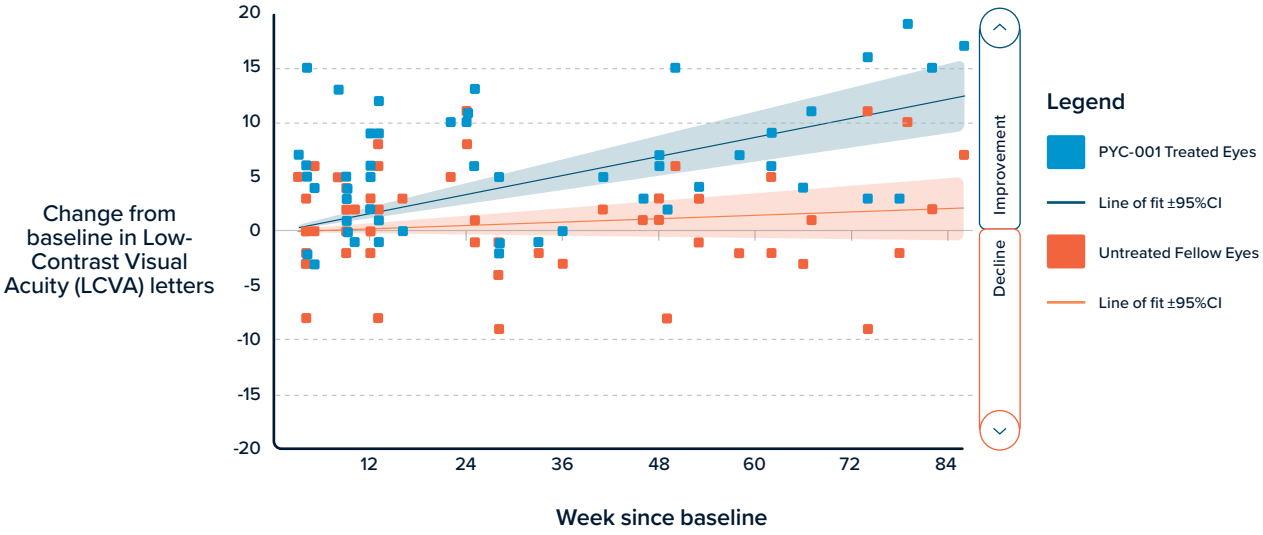
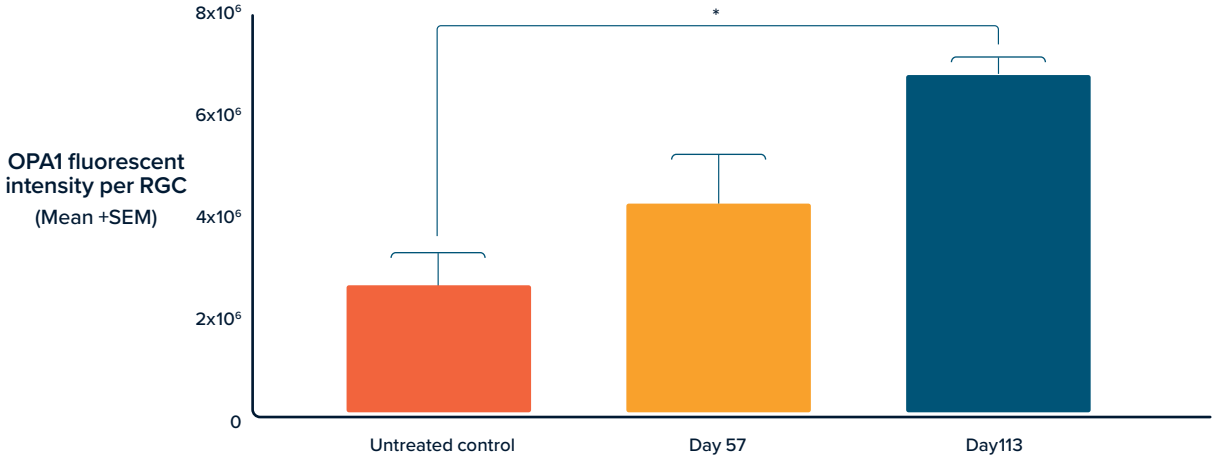


Figure 11 Time course evaluation of NHP retinal ganglion cell expression of OPA1 protein as measured by immunofluorescence following administration of a single 15 microgram dose of PYC-001[47]



45. No Treatment Related-Serious Adverse Events (TR-SAEs) observed in any subject dosed with PYC-001 accurate as at 21 July 2026.
46. All data from ADOA patients enrolled in the MYRTLE trial that have received 10 mcg or more of PYC-001 with LCVA ≤50 in treated eye at baseline with at least 1 follow up visit with LCVA recorded (11 out of the 15 patients enrolled in the study meet these criteria) - accurate as at 30 June 2026. CI = Confidence Interval. Not all patients have had the same number of follow-up visits.
47. Quantification of OPA1 protein by immunofluorescence in Retinal Ganglion Cells (RGC) in NHPs with and without treatment with PYC-001. The results show a statistically significant (Welch's t-test, *p<0.05) increase in intensity of OPA1 signal in the PYC-001 group at Day 113 (Month 4) following a single safe and well-tolerated 15 mcg dose of PYC-001 (N=3 untreated control NHPs, N=4 NHPs in each PYC-001 treated group). Each data point is a biological replicate representing the average of multiple technical replicates serially sampled from different regions of the retina. Data presented includes untreated control animals necropsied on Day 3 and PYC-001 treated animals sampled at Day 57 (Month 2) and Day 113 (Month 4).

OPERATIONAL & FINANCIAL REVIEW

VP-001 – Retinitis Pigmentosa type 11 (RP11)



RP11 is a blinding eye disease of childhood affecting 1 in every 100,000 people[55] and for which there are currently no available treatment options.

VP-001 addresses the underlying cause of the disease and is the only drug candidate currently in clinical development in RP11. RP11 is caused by a mutation in 1 copy of the *PRPF31* gene leading to a protein insufficiency in photoreceptor and Retinal Pigment Epithelial (RPE) cells. VP-001 seeks to restore the level of *PRPF31* expression back to wild-type ('unaffected') levels to halt the progression of loss of sight in RP11 patients. VP-001 has received Orphan Drug[56], Rare Pediatric Disease[57] and Fast Track Designations from the US FDA.

Clinical Data demonstrating improved vision
in RP11 patients following treatment with VP-001[48]

Safe and well-tolerated in clinical trials
(No Treatment Related-Serious Adverse Events observed in any subject dosed with VP-001)[49]

No treatment currently available
or in clinical development to treat the underlying cause of this disease

US$1 billion p.a.
estimated addressable market size[50]

Multiple special regulatory designations
(FDA Fast Track[51], Orphan Drug[52] and Rare Pediatric Disease[53], EMA Orphan Drug[54])

48. See ASX announcements of 14 November 2025 and 4 May 2026.
49. See ASX announcement of 4 May 2026.
50. Market size is projected by multiplying patient prevalence per indication by the median orphan drug price of $150k p.a. EvaluatePharma Orphan Drug Report. 2019.
51. See ASX Announcement 2 August 2023.
52. See ASX Announcement 21 October 2024.
53. See ASX Announcement 20 October 2025.
54. See ASX announcement of 27 April 2026.
55. Sullivan L, et al. Genomic rearrangements of the PRPF31 gene account for 2.5% of autosomal dominant retinitis pigmentosa. Invest Ophthalmol Vis Sci. 2006;47(10):4579-88.
56. See ASX announcement 20 January 2025 and 27 April 2026.
57. See ASX announcement 21 October 2024.

OPERATIONAL & FINANCIAL REVIEW

VP-001 – Retinitis Pigmentosa type 11 (RP11) (continued)

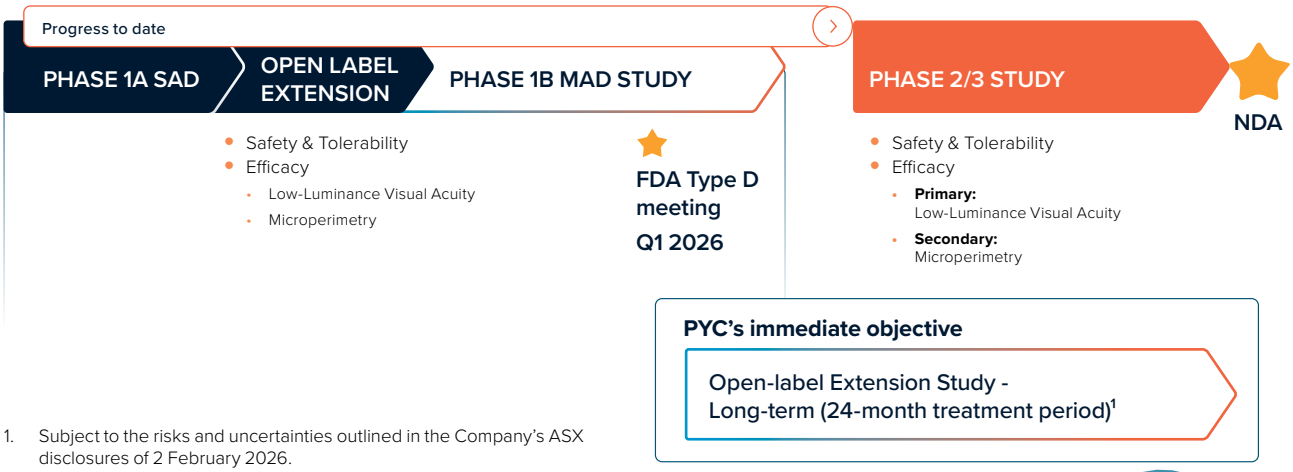
Over the last 12 months, the VP-001 program achieved the following milestones:

- Progression into the Open Label Extension (OLE) phase of the Multiple Ascending Dose (MAD) study in RP11 patients[58].
- Alignment with the FDA on the requirements for a registrational study design capable of supporting a New Drug Application (NDA)[59].
- Presented data at leading industry conferences demonstrating sustained improvements in vision among RP11 patients treated with the Company's drug candidate[60].

PYC expects to provide an update on the ongoing Phase 2 study of VP-001 in RP11 patients in Q4 of CY26[61] demonstrating the extent of the improvement in vision observed in treated eyes (including data from patients who have had >12 months of continuous exposure to the drug candidate). PYC continues to evaluate the clinical data generated from the RP11 program (see Figure 12), including changes in visual function in treated eyes relative to untreated fellow eyes and the natural history of the disease. The totality of the clinical data, applicable regulatory requirements and potential development pathways will inform the Company's determination of the appropriate next steps for VP-001, including potential progression into a registrational study[62].

VP-001 Clinical Development Plan

PYC's immediate objective in RP11 is to use long-term Phase 1b data to inform the progression into a registrational Study[1]



1. Subject to the risks and uncertainties outlined in the Company's ASX disclosures of 2 February 2026.



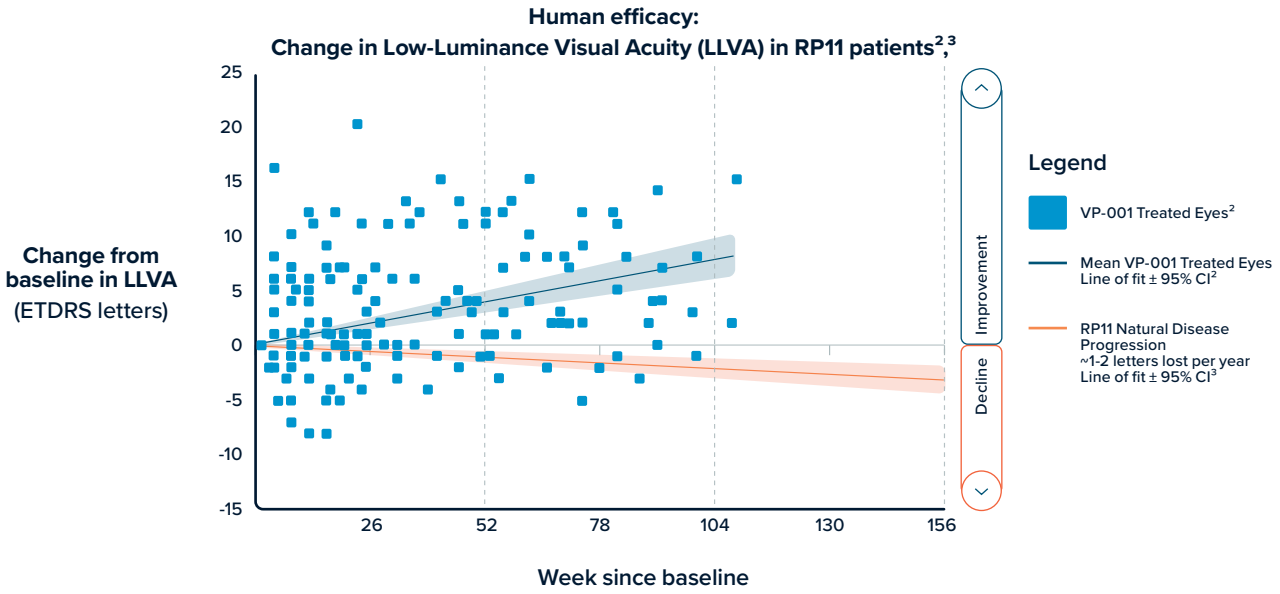
58. See ASX announcement of 27 October 2025.
59. See ASX announcement of 16 March 2026.
60. See ASX announcement of 14 November 2025.
61. Subject to the risks and uncertainties outlined in this document and the Company's ASX disclosures of 2 February 2026.
62. Subject to the risks and uncertainties outlined in this document and the Company's ASX disclosures of 2 February 2026.

OPERATIONAL & FINANCIAL REVIEW

VP-001 – Retinitis Pigmentosa type 11 (RP11) (continued)

Figure 12 Improvements in Low Luminance Visual Acuity (LLVA) in RP11 patients enrolled in PYC's ongoing clinical trials following administration of VP-001

RP11 patients treated with VP-001 have shown clinically meaningful improvements in visual acuity[1]



1. A ≥10 letter change in visual acuity is considered clinically meaningful and ≥15 letter change has become a standard outcome measure in clinical trials – See Roy W. Beck MD et al. (2007) Visual acuity as an outcome measure in clinical trials of retinal diseases. Ophthalmology. Doi: 10.1016/j.ophtha.2007.06.047.
2. Analysis of all data (n=16) available for the treated eyes of patients who received 30 mcg or more of VP-001 in PYC's Platypus, Wallaby and DINGO studies with LLVA >0 at baseline. Data as at 21 April 2026. One patient has not been included in analysis due to breach of trial protocol.
3. Line of fit data for NHS patients with LLVA > 0 at baseline in both eyes and for which the difference between baseline and follow-up visit 1 was less than 15 letters (n=96 eyes). Data as at 25 March 2026.





Discovery Pipeline

The Company continued the development of its discovery pipeline over the course of the last twelve months with several opportunities identified to expand existing programs into new high value indications as well as further expanding the Company's development pipeline.

Financial Review

In early 2026, the Company raised ~$600 million in capital, introducing a syndicate of leading global life sciences specialist investors to the Company's share register. The proceeds are expected to fund the Company into 2030 and support the progression of its clinical-stage programs through key safety and efficacy milestones, the advancement of PYC-002 through early-mid clinical development and continued investment in the Company's proprietary drug delivery platform and broader discovery pipeline.

At 30 June 2026, the Group had approximately $696 million in cash, cash equivalents, financial assets and R&D tax incentive receivables, comprising $53.6 million in cash and cash equivalents (30 June 2025: $153.1 million), $350.1 million in term deposits, $265.1 million in financial assets and a $25.7 million R&D tax incentive receivable in respect of FY26 expenditure, which is expected to be received in FY27.

Total loss for the Group for the 12 months ended 30 June 2026 was $43.8 million (12 months ended 30 June 2025: $51.0 million), a decrease of $7.2 million. Total income increased by $13.5 million to $39.7 million, primarily due to an increase in interest income from $2.7 million to $13.7 million following the increase in cash and investment reserves, together with an increase in R&D tax incentive income from $23.5 million to $26.0 million.

Research and development expenditure increased $3.9 million to $74.0 million (FY25: $70.1 million), reflecting continued investment in progressing the Company's clinical and pre-clinical drug development programs. General and administrative expenses increased $2.3 million to $9.4 million (FY25: $7.1 million), primarily due to higher share-based payment expenses, which increased from $974K to $3.2 million, together with higher professional services costs, partially offset by lower foreign exchange losses and travel expenditure.

The Group had net assets of $693.3 million at 30 June 2026, compared with $170.0 million at 30 June 2025. Total assets were $708.5 million and total liabilities were $15.2 million at year end.

The Group will continue to actively manage its treasury portfolio and operating expenditure to maintain sufficient liquidity to execute its development plans while appropriately managing financial and investment risk.

OPERATIONAL & FINANCIAL REVIEW

Business Risks

> The Company's short to medium term operational and financial success, and the value of PYC shares, may be impacted by a number of risks and uncertainties, some of which are specific to PYC, some of which relate to listed securities generally, and many of which are beyond the Company's control.

If any of these risks eventuate, they could have a material adverse effect on PYC's business, financial condition, operating and financial performance, prospects and return to shareholders.

The risks outlined below are not listed in order of importance and do not constitute an exhaustive list of all risks that may affect the Company. Additional risks and uncertainties that are currently unknown to PYC, or that PYC currently considers to be immaterial, may also become material. Certain risks may also be heightened by prevailing economic conditions and geopolitical developments.

Some of the key risks and the strategies employed by the Company to manage or mitigate those risks include, but are not limited to, the following:

Risk	Risk management approach
FUNDING	The Company's long-term success remains dependent on its ability to maintain sufficient funding to support the continued development of its research and development programs through to commercialisation. During FY2026, the Company significantly strengthened its financial position through a successful capital raising, providing funding to progress its current development plans. However, as a pre-commercial biotechnology company, PYC does not currently generate sufficient operating revenue to fund its activities and may require additional capital over time to advance its drug development pipeline and future commercial activities. There can be no assurance that additional funding, if required, will be available on acceptable terms or at all. An inability to obtain funding when required could result in PYC delaying, reducing or discontinuing some or all of its research and development programs and could adversely affect its business, financial condition and prospects. Management actively monitors the Company's capital requirements and funding runway and evaluates a range of financing alternatives, including equity capital markets and potential strategic partnering or licensing opportunities.
DRUG DEVELOPMENT	Drug development is a long and highly regulated process involving significant scientific, technical and commercial risk. Whilst PYC undertakes significant in-vitro and in-vivo studies before commencing clinical trials in humans, there remains a risk that a drug candidate may not demonstrate sufficient safety or efficacy to enable regulatory approval and commercialisation. Therapeutics derived from peptides and oligonucleotides may encounter difficulties relating to absorption, delivery, metabolism, toxicity, stability, efficacy, formulation or manufacturing. Drug candidates may also exhibit unforeseen side effects, interactions with other pharmaceuticals or substances, or differing responses between patients. Any of these matters could delay or result in the termination of a development program. PYC seeks to mitigate these risks through its focus on genetically defined diseases and through the use of patient-derived models in pre-clinical studies to provide insight into the potential effectiveness of drug candidates before progressing them into human clinical trials.

63. Advancing Human Genetics Research and Drug Discovery through Exome Sequencing of the UK Biobank https://doi.org/10.1101/2020.11.02.20222232.

OPERATIONAL & FINANCIAL REVIEW

Business Risks (continued)

Risk	Risk management approach
RESEARCH AND DEVELOPMENT	There can be no assurance that PYC's research and development activities will be successful, that development milestones will be achieved or that its programs will result in commercially viable products. Projects may be delayed or terminated for scientific, pre-clinical, clinical, regulatory or commercial reasons. PYC operates at the forefront of peptide and antisense oligonucleotide drug discovery and development. This may involve unforeseen biological or technical complexities and may require PYC to develop or acquire new technologies or approaches to advance its programs.
TECHNOLOGY RISK	PYC's ability to compete in drug discovery and development depends in part on its ability to continue to develop or acquire technologies and platforms and to respond to technological advances. New technologies developed by competitors or others may provide more effective or commercially attractive approaches and could reduce the value of PYC's technologies or drug candidates, affect potential market share or pricing, or render research projects obsolete. The outcomes of PYC's research and development activities and its ability to maintain the competitiveness of its technology platforms may therefore materially affect the Company's future performance and prospects.
CLINICAL DEVELOPMENT RISK	Clinical drug development is inherently risky and many drug candidates do not ultimately become approved or marketable products. Clinical trials may fail to recruit sufficient patients, experience delays, be terminated for safety or other reasons, fail to capture the data required to demonstrate efficacy or otherwise fail to be completed within acceptable timeframes. Clinical trials may also demonstrate that a drug candidate is unsafe, poorly tolerated or ineffective. Any such outcome could materially affect the value and future development of the relevant program. PYC may from time to time report interim, topline or preliminary results from pre-clinical studies or clinical trials. Such results may be based on incomplete data and remain subject to further analysis, audit and verification. Results, conclusions or interpretations may change as additional data become available, and results from early-stage studies may not predict outcomes in later-stage trials. Regulators or other third parties may also reach different conclusions from those reached by PYC.
FOREIGN CURRENCY RISK	As PYC's programs progress through clinical development, a significant proportion of expenditure is denominated in foreign currencies, particularly US dollars. Movements in foreign exchange rates may therefore increase the Company's operating costs and result in the cost of achieving development milestones exceeding forecasts. The Company holds US dollar reserves for anticipated US dollar-denominated supplier payments and may acquire additional US dollar reserves when exchange rates are considered favourable. However, there can be no assurance that such reserves or foreign currency management activities will fully mitigate the Company's exposure to exchange-rate movements.
COMPETITIVE LANDSCAPE	The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid technological change. One of PYC's strategic advantages is its focus on indications for which there are currently limited or no treatment options. However, existing or new competitors may develop therapies targeting the same indications. A competitor obtaining regulatory approval before PYC, or subsequently obtaining approval for a therapy that is safer, more effective, more convenient or otherwise commercially superior, could materially reduce the commercial opportunity and value of PYC's programs. Management continually monitors developments in the competitive landscape, including scientific and clinical developments relevant to PYC's programs, and engages external industry and intellectual property experts where appropriate. Nevertheless, competitive developments may occur that materially affect the commercial opportunity associated with PYC's drug candidates.

OPERATIONAL & FINANCIAL REVIEW

Business Risks (continued)

Risk	Risk management approach
INTELLECTUAL PROPERTY	PYC's success depends significantly on its ability to obtain, maintain and enforce intellectual property protection in Australia and internationally for its therapeutic programs, platform technologies and other proprietary technologies. PYC relies on a combination of granted and pending patents, proprietary know-how, trade secrets and confidential information. There can be no assurance that pending patent applications will result in granted patents, that existing or future patents will provide adequate protection, or that PYC's intellectual property rights will prevent competitors from developing competing products. Third parties may undertake research in jurisdictions in which PYC does not have intellectual property protection and use the resulting knowledge to develop competing products for PYC's target markets. There is also a risk that third-party patents or other intellectual property rights, whether currently existing or arising from future technological developments, could adversely affect PYC's ability to develop or commercialise its drug candidates. Intellectual property disputes may be costly and time-consuming. If an infringement claim against PYC were successful, PYC could be required to pay damages, obtain licences from third parties or alter or cease certain development or commercial activities. PYC engages specialist intellectual property advisers to manage and maintain its international intellectual property portfolio and continually monitors the intellectual property landscape relevant to its programs.
DEPENDENCE ON KEY PERSONNEL	Competition for qualified personnel in the biotechnology and healthcare sectors is intense, both in Australia and internationally. PYC depends on its ability to attract and retain employees and consultants with specialised scientific, clinical, regulatory, technical and commercial expertise, as well as continuity within its management team. The loss of key personnel, or an inability to recruit suitably qualified personnel as the Company's activities expand, could delay development programs, disrupt operations or impair PYC's ability to execute its business strategy.
RESEARCH & DEVELOPMENT TAX INCENTIVE	PYC receives funding under the Australian Research and Development Tax Incentive in respect of eligible research and development expenditure. The Company's financial forecasts incorporate expected receipts under this program. There is a risk that the Australian Government may make material changes to the R&D Tax Incentive or that expenditure incurred by PYC may not qualify for the incentive. In relation to certain expenditure incurred outside Australia, eligibility may depend on PYC obtaining an Advanced Finding from the Australian Government, and there can be no assurance that applications for such findings will be approved. Any material reduction in the amount of R&D tax incentives available to PYC could adversely affect its funding position and the pace at which it progresses its development pipeline.
REGULATORY CHANGES AND ORPHAN DRUG ACT	PYC operates in a highly regulated industry and is exposed to changes in laws, regulations, government policies, regulatory review processes, enforcement priorities and interpretations in Australia, the United States, Europe, Japan and other jurisdictions in which it may conduct development or commercial activities. PYC's development and commercial strategy may also benefit from regulatory and commercial incentives, including designations available under the US Orphan Drug Act of 1983. Changes to these incentives, or PYC's eligibility for them, could affect development timelines, regulatory pathways, market exclusivity, pricing or the commercial potential of PYC's programs. The Company monitors regulatory developments in its target markets and engages specialist regulatory advisers where appropriate.

OPERATIONAL & FINANCIAL REVIEW

Business Risks (continued)

Risk	Risk management approach
REGULATORY APPROVALS	The ultimate success of PYC's drug programs depends upon obtaining regulatory approvals required to conduct clinical trials and, ultimately, to commercialise its drug candidates. Approvals may be required from regulatory authorities and institutional bodies, including hospitals and clinics, before clinical trials can commence or progress. There can be no assurance that required approvals will be obtained on a timely basis or at all. Delays in or failure to obtain regulatory approval could delay development programs, increase costs or materially diminish the commercial prospects of a drug candidate. PYC actively engages with regulatory authorities, including the US Food and Drug Administration, throughout the pre-clinical and clinical development process and seeks to design studies and endpoints capable of supporting applicable regulatory requirements.
PRODUCT LIABILITY AND UNINSURED RISKS	PYC is exposed to product liability risks inherent in the research, development, manufacture, clinical testing, marketing and potential use of pharmaceutical products, including products developed with future collaboration partners. Although the Company maintains insurance where appropriate, suitable insurance may not always be available on commercially reasonable terms and existing coverage may not be sufficient to cover all claims or losses. Insurers may also dispute or deny coverage. Product defects, unexpected adverse effects or other problems could result in liability claims, delays in development or commercialisation, increased costs, reputational damage or diversion of management and development resources. PYC is also exposed to the risk of loss or damage to laboratory equipment, computer systems or other facilities critical to its operations, and there can be no assurance that insurance would fully compensate the Company for such losses.
RELIANCE ON THIRD PARTIES	PYC relies on third-party partners, collaborators, licensees, vendors and service providers for important aspects of its operations, including manufacture of test and clinical materials, in-vitro and in-vivo studies, management and conduct of clinical trials, technology services and certain financial and operational processes. Outsourcing these functions creates risks that a third party may fail to comply with applicable regulatory or legal requirements, produce reliable results, perform its obligations within required timeframes or at all, maintain confidentiality or otherwise comply with contractual obligations. Failure by a key third party could delay or adversely affect PYC's development programs or other operations. PYC seeks to manage this risk through appropriate due diligence and contractual arrangements and, where relevant, engages suppliers with appropriate regulatory experience and compliance histories.
CONTRACTUAL AND OPERATING COST RISK	The Group relies on a range of contractual arrangements to support its research, development and corporate activities, including facilities, research services, clinical activities, manufacturing and other operational requirements. The costs and terms of these arrangements may change over time, particularly as the Company's development activities expand. Material increases in costs, changes in contractual terms or an inability to maintain suitable arrangements could increase operating expenditure, delay development activities or otherwise adversely affect operations. The Group seeks to manage this risk through contractual arrangements, ongoing monitoring of material commitments and active management of key supplier and service provider relationships.
HEALTHCARE POLICY AND REIMBURSEMENT RISK	Changes in healthcare policy and reimbursement frameworks may adversely affect the commercial potential of PYC's products. Healthcare systems globally, particularly in the United States, are subject to continuing reform and cost-containment measures. Changes in laws, regulations, pricing controls, reimbursement policies or payer behaviour could limit market access, reduce reimbursement levels or affect demand for any products ultimately commercialised by PYC. Such developments could materially affect the commercial viability of PYC's current or future products and the Company's financial performance and prospects.

OPERATIONAL & FINANCIAL REVIEW

Business Risks (continued)

Risk	Risk management approach
WORKPLACE HEALTH AND SAFETY	PYC's activities may expose employees and contractors to potentially hazardous working environments associated with laboratory and research activities. Workplace health and safety requirements vary across jurisdictions. A serious workplace incident could result in injury or death, compensation obligations, regulatory action, fines, loss or suspension of licences or permits, operational disruption and reputational damage. PYC maintains workplace health and safety policies and procedures designed to manage these risks and comply with applicable requirements.
LITIGATION	The pharmaceutical and biotechnology industries are subject to litigation and other legal proceedings, including disputes relating to intellectual property, contractual arrangements, employment, clinical development and product liability. PYC may in the future become subject to, or be required to commence, litigation or other proceedings. Such proceedings can be costly and time-consuming, may divert management resources and may result in financial or reputational consequences, regardless of their outcome.
CYBERSECURITY, DATA PROTECTION AND PRIVACY	PYC relies heavily on information technology systems, including networks, equipment, hardware, software, telecommunications and other information technology infrastructure, as well as the systems of third-party service providers, to conduct its research, development and corporate activities. Its operations depend on the timely maintenance, upgrade and replacement of these systems and on measures designed to mitigate cybersecurity threats and other technology disruptions. PYC's information technology systems are exposed to continually evolving threats, including cyber-attacks, malicious software, security breaches, unauthorised access, system failures, natural disasters, power outages and other events that could disrupt, damage or compromise its systems. Such events could result in operational delays, destruction, corruption or unauthorised disclosure of confidential or proprietary information, including clinical trial data and personal information, remediation costs, regulatory consequences, reputational damage or financial loss. PYC is also subject to Australian and international laws, regulations, contractual obligations and industry standards governing the collection, use, storage, disclosure, transfer and security of personal information, including health and clinical trial data. The regulatory landscape for privacy, data protection, cybersecurity, artificial intelligence and digital health continues to evolve and may require ongoing investment in systems, controls, governance, employee training and oversight of third-party service providers. Any actual or perceived failure by PYC or its third-party service providers, including contract research organisations, cloud providers and other contractors, to comply with applicable privacy, data protection or cybersecurity requirements could result in regulatory investigations or enforcement action, civil claims, contractual liability, fines or penalties, reputational damage, loss of trust and increased compliance costs. The Group seeks to manage these risks through information technology and security controls, employee awareness and training, governance processes and oversight of key third-party service providers.

OPERATIONAL & FINANCIAL REVIEW

Business Risks (continued)

Risk	Risk management approach
ECONOMIC RISK AND MARKET FORCES	PYC's operations and financial performance may be affected by Australian and global economic and market conditions. Factors including geopolitical instability and hostilities, financial market volatility, interest rates, inflation, commodity prices, industrial disruption, environmental events, international competition and changes in taxation, legislation or regulation may adversely affect the Company's activities, operating costs, access to capital and prospects. Many of these factors are outside PYC's control and their nature and impact cannot be predicted with certainty.
SHARE INVESTMENT AND LIQUIDITY RISK	The market price of PYC's shares may fluctuate significantly as a result of factors including clinical and regulatory developments, general movements in equity markets, analyst recommendations, changes in interest rates or inflation, government policy, geopolitical developments and investor sentiment. There can also be no assurance that an active and liquid market for PYC shares will be maintained. Shareholders seeking to sell their shares may be unable to do so at an acceptable price or at all if sufficient market liquidity is not available.
SHAREHOLDER RIGHTS	PYC is incorporated in Australia and listed on the Australian Securities Exchange. The rights of shareholders are governed by Australian law, the ASX Listing Rules and the Company's Constitution. These rights may differ from the rights applying to shareholders of companies incorporated or listed in other jurisdictions.
TAXATION	Changes in taxation laws, regulations or their interpretation may affect PYC's tax liabilities and financial position. The increasing complexity and frequency of changes to taxation requirements may also increase compliance costs, and a failure to comply with applicable requirements could result in additional tax liabilities, penalties or enforcement action.
DIVIDENDS	PYC has not historically paid dividends and, as a pre-commercial biotechnology company focused on advancing its research and development programs, may continue to retain available capital to fund its operations and development activities. Accordingly, shareholders may not receive a return on their investment through dividends and may be dependent on appreciation in the value of PYC shares for an investment return.





03.

DIRECTORS' REPORT

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Directors' Report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of PYC Therapeutics Limited (referred to hereafter as the 'Company' or 'Parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026, and the audit report thereon.

1. Directors

The following persons are Directors of the Company as at the date of this report:



Peter Coleman

Chairperson & Non-Executive Director



Dr Rohan Hockings

Executive Director & Chief Executive Officer



Prof Ian Constable

Non-Executive Director

DIRECTORS' REPORT

The following persons were Directors of PYC Therapeutics Limited and its controlled entities during the whole of the financial year and up to the date of this report, unless otherwise stated:

INFORMATION ON DIRECTORS

Name: **Peter Coleman** B. Eng, MBA, FATSE

Title: Non-Executive Director and Chairperson – Appointed 18 November 2025

Experience and expertise:
Mr Coleman is a highly experienced global executive and corporate director with more than four decades of experience leading complex, capital-intensive organisations.

He served as Chief Executive Officer and Managing Director of Woodside Energy from 2011 to 2021, where he led significant corporate development, mergers and acquisitions and capital raising activities. Prior to joining Woodside, Mr Coleman held a number of senior international executive roles with ExxonMobil Corporation.

Mr Coleman has extensive experience across commercial strategy, corporate governance and corporate and asset-level mergers and acquisitions. He currently serves as a Non-Executive Director of NYSE-listed SLB Ltd (formerly Schlumberger) and previously served as Chairman of NYSE-listed Arcadium Lithium.

Mr Coleman holds a Bachelor of Engineering from Monash University and an MBA from Deakin University. He is a Fellow of the Australian Academy of Technological Sciences and Engineering and a Member of the Australian Institute of Company Directors.

Mr Coleman brings extensive international leadership, governance and transaction experience to PYC as the Company progresses the development and commercialisation of its clinical-stage pipeline.

Other listed company directorships:
SLB (NYSE); July 2021 - current

Former listed company directorships (last 3 years):
Allkem Ltd; October 2023 – December 2023
Arcadium Plc Ltd; Jan 2024 - April 2025

Interests in shares: Nil

Interests in options:
2,000,000; exercisable at $1.80; expiring 19 November 2028

Name: **Dr Rohan Hockings** M.B.B.S (Hons.), J.D., G.D.L.P

Title: Executive Director & Chief Executive Officer– Resigned 16 September 2025, re-appointed 21 September 2025

Experience and expertise:
Dr Hockings has overseen the organisational transformation of PYC Therapeutics since his appointment as CEO in 2018. Prior to joining the company, he worked in the private equity industry, held strategy and operational advisory positions with a global management consulting firm, worked in corporate law with a particular focus on equity capital markets at a leading law firm and held a number of appointments as a medical practitioner.

Dr Hockings holds double degrees in medicine and law.

Other listed company directorships: None

Former listed company directorships (last 3 years):
None

Interests in shares: 295,910

Interests in options:
1,500,000[1]; exercisable at $2.52; expiring 13 January 2030
7,706,503[2]; exercisable at $1.68; expiring 30 June 2027
4,598,662[2]; exercisable at $1.68; expiring 30 June 2028
10,477,965[2]; exercisable at $1.68; expiring 30 June 2028
289,855[3]; exercisable at NIL; expiring 30 June 2028

1. Subject to shareholder approval at the upcoming 2026 AGM.
2. The options related to LTI remuneration arrangements in respect of FY2024, FY2025 and FY2026. The awards and their substantive terms were communicated to Dr Hockings and to shareholders on 12 June 2026 and remained subject to shareholder approval at year-end. Shareholder approval was subsequently obtained on 15 July 2026, and the options were formally granted on 13 August 2026.
3. The restricted rights being the FY26 deferred STI value of $450,000 subject to shareholder approval at the coming AGM.

DIRECTORS' REPORT

Information on Directors (continued)

Name: **Prof Ian Constable** AO, MB BS, D Med Sc, DSc (Hon), FRANZCO, FAAHMS

Title: Non-Executive Director – Appointed 21 September 2025

Experience and expertise:
Professor Constable is a practising ophthalmologist with extensive experience in the development of new drugs from discovery through to commercialisation.

Professor Constable was the Foundation Lions Professor of Ophthalmology at the University of Western Australia, Founding Managing Director of the Lions Eye Institute Limited, and past President of the Asia Pacific Academy of Ophthalmology

He is a member of the Advisory Board of the Lowy Medical Research Institute in San Diego and Chair of the Scientific Advisory Board of the Snow Vision Accelerator.

Other listed company directorships: None

Former listed company directorships (last 3 years): None

Interests in shares: 328,000

Interests in options:
1,000,000; exercisable at $1.80; expiring 8 January 2030 subject to shareholder approval at the upcoming 2026 AGM.

FORMER DIRECTORS

Name: **Alan Tribe**

Title: Non-Executive Director and Chairperson Appointed 11 April 2018; resigned 18 November 2025

Name: **Dr Michael Rosenblatt BA, MD**

Title: Non-Executive Director Appointed 17 March 2021; resigned 21 September 2025

Name: **Jason Haddock BS, MBA**

Title: Non-Executive Director Appointed 29 March 2021; resigned 21 September 2025

2. Company Secretary

Stephen Ledger, BComm
Company Secretary – Appointed 15 June 2026

Mr Ledger holds a Bachelor of Commerce from the University of Western Australia and is an experienced company secretary. He is Founder and Executive Director of Ledger Financial Group and serves as a Non-Executive Director of Bertling Logistics Australia and ArcelorMittal Projects Australia. Mr Ledger is responsible for communications with the ASX in relation to Listing Rule matters.

Jonathan Riley LLB, BSc
Company Secretary – Appointed 15 June 2026

Mr Riley holds a Bachelor of Laws and Bachelor of Science (Pharmacology) from the University of Western Australia and is an experienced legal counsel. Prior to joining PYC, Mr Riley held a senior legal role at CSL Limited. Mr Riley is General Counsel of PYC Therapeutics Limited.

DIRECTORS' REPORT

3. Meetings of Directors

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

	Full Board	
	Attended	Held
Alan Tribe	1	1
Peter Coleman	5	5
Dr Rohan Hockings	6	6
Dr Ian Constable	5	5
Jason Haddock	1	1
Dr Michael Rosenblatt	1	1

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

4. Principal activities

During the financial year the principal continuing activities of the Group consisted of drug development and progressing the Company's drug pipeline through preclinical and clinical development.

5. Operating Results and Financial Position

FINANCIAL PERFORMANCE

The consolidated results of the Group for the year reflects the Group's investment in advancing its drug development programs.

	2026 $	2025 $
Operating loss after tax	(43,767,697)	(51,013,174)
R&D tax incentive income	25,994,414	23,494,347

6. Financial position

At 30 June 2026, the Group had cash reserves of $53,560,241 (2025: $153,050,216) and net current assets of $467,830,347 (2025: $165,209,333).

During the year, the Group significantly strengthened its financial position through the completion of a substantial capital raising. The proceeds from the capital raising, together with the Group's existing cash and investment balances, are expected to provide funding for the Group's planned research and development activities into calendar year 2030, including the achievement of important clinical milestones across its development pipeline.

The Group's drug development programs will require further investment to progress through late-stage clinical development, regulatory approval and potential commercialisation. Depending on the progress and outcomes of these programs, additional funding may therefore be required in future periods.

DIRECTORS' REPORT

7. Review of Activities

CORPORATE

During the year, the Group remained focused on advancing its pipeline of first-in-class precision therapies in areas of significant unmet patient need. PYC made material progress across all four of its drug development programs, with three drug candidates now in clinical development and a fourth advancing towards human trials.

PYC-003 for Polycystic Kidney Disease (PKD) and PYC-001 for Autosomal Dominant Optic Atrophy (ADOA) progressed into repeat-dose clinical studies, while VP-001 for Retinitis Pigmentosa type 11 (RP11) continued to advance through clinical development. PYC-002 for Phelan-McDermid Syndrome (PMS) progressed through pre-clinical development towards first-in-human studies.

In early 2026, the Company significantly strengthened its financial position through approximately $600 million capital raising, introducing a syndicate of leading global life sciences specialist investors to the share register and extending the Company's cash runway into 2030. The additional capital provides PYC with the resources to progress its clinical-stage programs through key safety and efficacy milestones, advance PYC-002 towards clinical development and continue investment in the Company's proprietary drug delivery platform and broader discovery pipeline.

The Company's shareholding in Vision Pharma Pty Ltd, the entity that owns VP-001, during the period is 97.1% (previously 97.1%) at 30 June 2026.

OPERATIONAL

Operational highlights during the year and up to the date of this report include:

- **PYC-003 – Polycystic Kidney Disease (PKD):** PYC-003 progressed from the Phase 1a study into a Phase 1b Multiple Ascending Dose study in PKD patients. The program is focused on generating safety and efficacy data and establishing clinical proof of concept.
- **PYC-002 – Phelan-McDermid Syndrome (PMS):** PYC-002 progressed through pre-clinical development during FY2026 towards an IND submission and planned first-in-human clinical development.
- **PYC-001 – Autosomal Dominant Optic Atrophy (ADOA):** PYC-001 progressed into a Phase 1b Multiple Ascending Dose study during FY2026, with further safety and efficacy data expected to inform progression towards a registrational trial.
- **VP-001 – Retinitis Pigmentosa type 11 (RP11):** VP-001 continued to progress through clinical development during FY2026, including advancement into an Open-Label Extension study and alignment with the FDA on the requirements for a potential registrational study.
- **Discovery pipeline:** PYC continued to develop its discovery pipeline, with current priorities focused on opportunities in the kidney, central nervous system and retina.

8. Significant changes in the state of affairs

In early 2026, the company completed a $600 million capital raise. There were no significant changes in the state of affairs of the Group during the financial year.

9. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

10. Matters subsequent to the end of the financial year

Subsequent to 30 June 2026, shareholders approved the grant of long-term incentive Options to Managing Director and Chief Executive Officer, Dr Rohan Hockings, at a General Meeting held on 15 July 2026.

Following shareholder approval, formal invitations were issued to Dr Hockings on 29 July 2026. Dr Hockings accepted the invitations on 13 August 2026, at which time a total of 22,783,130 Options were formally granted and issued in respect of the FY24, FY25 and FY26 long-term incentive awards.

Further details of the awards and the associated accounting treatment are provided in the Remuneration Report and the notes to the financial statements.

On 26 August 2026, 1,506,504 service rights, 465,624 options and 117,470 performance rights were granted under the employee incentive plan for FY27.

Other than the matter described above, no matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

DIRECTORS' REPORT

11. Indemnities and insurance premiums for officers

During the financial year, the Group paid a premium to insure the directors and secretaries of the company and its Australian-based controlled entities.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

12. Non-audit services

During the year, PricewaterhouseCoopers, the Group's auditor, has performed certain other services in addition to their statutory duties related to the provision of income tax and R&D compliance services. No other services were provided by PricewaterhouseCoopers during the year.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor.
- The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing the risks and rewards.

Details of the amounts paid to the auditor of the Group, PricewaterhouseCoopers and its network firms, for audit and non-audit services provided during the year are found in note 25 of the notes to the financial statements.

13. Shares under option

Unissued ordinary shares of PYC Therapeutics Limited and its controlled entities under option at the date of this report are as follows:

Grant date	Expire date	Exercise price	Number under option
30/09/2022	30/09/2026	$1.70	1,240,000
22/05/2024	22/05/2028	$1.70	1,400,000
01/07/2024	01/07/2028	$1.70	200,000
12/11/2024	12/11/2028	$3.00	800,000
23/12/2025	19/11/2028	$1.80	2,000,000
18/12/2025	18/12/2028	$2.20	1,800,000
08/01/2026[1]	08/01/2030	$1.80	1,000,000
13/01/2026[1]	13/01/2030	$2.52	1,500,000
13/08/2026[2]	30/06/2027	$1.68	7,706,503
13/08/2026[2]	30/06/2028	$1.68	4,598,662
13/08/2026[2]	30/06/2028	$1.68	10,477,965
			32,723,130

1. The issuance of options, subject to shareholder approval at the upcoming AGM.
2. The options related to LTI remuneration arrangements in respect of FY2024, FY2025 and FY2026. The awards and their substantive terms were communicated to Dr Hockings and to shareholders on 12 June 2026 and remained subject to shareholder approval at year-end. Shareholder approval was subsequently obtained on 15 July 2026, and the options were formally granted on 13 August 2026.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

14. Shares issued on the exercise of options

During the year, 250,000 ordinary shares were issued following the exercise of 250,000 options at an exercise price of $0.90 per option. Total exercise proceeds of $225,000 were received in full on 22 April 2026.

15. Environmental regulation

The Group complies with all laboratory practice regulations, including, Materials and Materials Handling Practice, Animal Handling Practice, and Office of the Gene Technology Regulator (OGTR) Approval.

16. Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:

- 16.1 Principles used to determine the nature and amount of remuneration
- 16.2 Service agreements
- 16.3 Details of remuneration
- 16.4 Share-based compensation

16.1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Board is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the Group depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Group.

The reward framework is designed to align executive reward to shareholders' interests. The Board has considered that it should seek to enhance shareholders' interests by:

- achievement of strategic objectives
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives
- establishment of revenue streams and growth of the Group's share price

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION (CONTINUED)

Additionally, the reward framework should seek to enhance the Group's executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

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

Key management personnel

The key management personnel of the Group during the financial year comprised the Directors of the Company. Dr Rohan Hockings, Managing Director and Chief Executive Officer, was the only executive key management personnel during the financial year.

Use of remuneration consultants

During the financial year ended 30 June 2026, the Board engaged GRG Consulting to undertake a comprehensive review of the Company's remuneration arrangements and to provide remuneration recommendations and related advice. The engagement included benchmarking of Executive Director and Non-Executive Director remuneration, advice and modelling in relation to the Chief Executive Officer's remuneration arrangements, and advice regarding the design and implementation of the Company's employee equity incentive arrangements.

The review of Executive Director remuneration covered all key components of the remuneration framework, including fixed remuneration, short-term incentives and long-term incentives, and considered the structure, quantum and design of each component having regard to relevant market practices, appropriate performance and incentive structures, and alignment with the creation of long-term shareholder value.

GRG Consulting also provided advice in relation to the design of the Company's employee equity plan and assisted with the preparation of the associated plan documentation, including shareholder approval documentation and long-term incentive invitation documents.

GRG Consulting was paid $89,500 (excluding GST) for services relating to the remuneration recommendations and associated remuneration advisory services.

GRG Consulting has confirmed that the remuneration recommendations were made free from undue influence by members of the Company's key management personnel.

GRG Consulting was engaged by, and reported directly to, the Chair of the Board. Management was consulted during the engagement to provide relevant information and perspectives; however, the remuneration recommendations were provided directly to the Chair of the Board for consideration by the Board.

Having regard to these arrangements and the confirmation provided by GRG Consulting, the Board is satisfied that the remuneration recommendations were made free from undue influence by members of the Company's key management personnel.

GRG Consulting did not provide any other services to the Company during the financial year.

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION (CONTINUED)

Non-Executive Directors remuneration

Fees and payments to Non-Executive Directors reflect the demands and responsibilities of their roles. Non-Executive Directors' fees and payments are reviewed annually by the Board, having regard to the responsibilities and time commitments of the roles and relevant market practices.

During FY26, as part of the Board's broader review of the Company's remuneration arrangements, GRG Consulting was engaged to undertake benchmarking of Non-Executive Director remuneration. The benchmarking considered comparable market practices and assisted the Board in assessing the appropriateness and competitiveness of the Company's Non-Executive Director remuneration arrangements.

The Chair's fees are determined independently of the fees of other Non-Executive Directors, having regard to comparable roles in the external market. The Chair is not present at any discussions relating to the determination of his own remuneration.

ASX Listing Rule 10.17 requires the maximum aggregate amount of fees that may be paid to Non-Executive Directors to be approved by shareholders. During FY26, the maximum annual aggregate remuneration was $300,000, as approved by shareholders at the Annual General Meeting held on 27 November 2014. Subsequent to the end of the financial year, at the Extraordinary General Meeting held in July 2026, shareholders approved an increase in the maximum annual aggregate amount of Non-Executive Directors' fees by $700,000, from $300,000 to $1,000,000 per annum. The increased limit applies prospectively and did not affect Non-Executive Director remuneration for FY26.

The Group makes contributions at the statutory minimum rate to superannuation funds nominated by Directors, in addition to the base fee.

Directors' fees cover all main Board activities and committee memberships.

Executive remuneration

The Group aims to provide executives with a competitive mix of fixed and variable remuneration that reflects their responsibilities, the Company's stage of development and the need to attract, retain and incentivise appropriately qualified executives. Executive remuneration comprises fixed remuneration, short-term incentives (STI) and long-term incentives (LTI), with variable remuneration designed to align executive outcomes with the achievement of the Company's strategic objectives and the creation of long-term shareholder value.

During FY26, the Board reviewed the executive remuneration framework, supported by advice from an independent remuneration consultant, as further described above.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments, including long-term incentives;
- other remuneration, such as superannuation and long service leave.

The combination of these components comprises an executive's total remuneration and is designed to provide an appropriate balance between fixed remuneration, short-term performance incentives and long-term alignment with shareholder interests.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and Group performance, the overall performance of the Group and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentive ('STI') program is designed to align executive remuneration with the Group's annual objectives and performance. STI awards are determined based on the achievement of specific annual targets and key performance indicators ('KPIs'), including the progression of the Company's drug development programs and creation of a pipeline of discovery assets. STI awards may comprise both a cash-based component and a deferred equity component, providing a balance between immediate reward for annual performance and longer-term alignment with shareholder interests.

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION (CONTINUED)

For FY26, the Board assessed Dr Rohan Hockings' performance against the applicable objectives and determined an STI award of $900,000. Of this amount, $450,000 was payable in cash and $450,000 was to be delivered through Restricted Rights, subject to shareholder approval at the 2026 Annual General Meeting. The Restricted Rights will be fully vested at grant and subject to an exercise restriction until 30 June 2028. Dr Hockings' brief resignation and subsequent re-appointment during the year, involving an interruption in service of less than one week, had no impact on his FY26 STI award or the Board's assessment of his performance for the year.

For accounting purposes, the service commencement date for the Restricted Rights was 19 June 2026, when the Board determined the FY26 STI award and the award was communicated to Dr Hockings. As the grant remains subject to shareholder approval at the 2026 Annual General Meeting, the share-based payment expense is recognised over the period from the service commencement date to the grant date. Accordingly, the portion attributable to the period from 19 June to 30 June 2026 has been recognised in FY26, with the balance to be recognised in FY27, including any adjustment to reflect the final grant-date fair value. The award is intended to be delivered through 289,855 Restricted Rights with a nil exercise price. The Restricted Rights will vest in full on the grant date and, once vested, will be subject to an exercise restriction through to 30 June 2028 and the customary malus and clawback provisions of the plan. The two-year exercise restriction does not represent an additional service or vesting period. The grant of the Restricted Rights remains subject to shareholder approval at the Company's 2026 Annual General Meeting. As shareholder approval had not been obtained at 30 June 2026, the amount recognised in FY26 is based on the estimated fair value of the award. The fair value will be finalised following shareholder approval and grant of the Restricted Rights, with any resulting adjustment recognised in FY27.

The long-term incentives ('LTI') include long service leave and the Employee Share Option Plan. Long-term equity incentives for senior executives are provided through the grant of share options, which are designed to align executive remuneration with the creation of long-term shareholder value and support the retention of key executives. The options are granted for no consideration, are exercisable at a fixed price and are subject to applicable vesting and service conditions.

During FY26, as part of the comprehensive review of executive remuneration arrangements, the Board reviewed the long-term equity incentive arrangements applicable to the Managing Director and Chief Executive Officer, Dr Rohan Hockings. The review concluded that the existing long-term incentive arrangements did not adequately reflect Dr Hockings' role and responsibilities or provide an appropriate level of long-term alignment with shareholder interests. The Board consequently determined LTI awards in respect of FY24, FY25 and FY26, with an aggregate target LTI value of $6.760 million, thereof $1.748 million recognised in FY26.

The awards, including the number of options and their substantive terms, were determined during FY26 and communicated to shareholders prior to 30 June 2026, subject to shareholder approval. The awards included service periods commencing in FY24, FY25 and FY26 respectively, reflecting the periods to which the remuneration related. Shareholder approval was subsequently obtained on 15 July 2026 and, following Dr Hockings' acceptance, the options were formally granted and issued on 13 August 2026.

Under AASB 2, where the service commencement date precedes the grant date of an equity-settled award, the related share-based payment expense is recognised over the applicable recognition period starting from the service commence date using an estimate of the grant-date fair value until the grant date is established. For accounting purpose, the service commencement date is 12 June 2026, which is the date the awards were communicated to Dr Hockings. For awards where the recognition period extends across financial years, the expense is allocated between those periods on a daily basis. Accordingly, PYC has recognised in FY26 the portion of the estimated fair value attributable to the period from the applicable service commencement date to 30 June 2026. The remaining expense will be recognised in FY27 and subsequent periods, as applicable, with the cumulative expense trued up to the final grant-date fair value once the grant date is established.

The number of options was fixed based on the remuneration awards determined during FY26 and was not subsequently re-determined. For accounting purposes, the fair value of the options was estimated using a Black-Scholes valuation methodology. As the AASB 2 grant date was 13 August 2026, the accounting fair value will be finalised by reference to the grant-date fair value at that date, with any difference between the estimate used at 30 June 2026 and the final grant-date measurement recognised in FY27.

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.1. PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION (CONTINUED)

Separately, during FY26, 1,500,000 additional Options were granted to Dr Hockings on 13 January 2026, comprising two tranches of 750,000 Options with service periods extending to 13 January 2027 and 13 January 2028, respectively. The Options have an exercise price of $2.52 and an aggregate Black-Scholes fair value of $1.019 million. Based on the applicable service periods, $351,592 of the fair value has been recognised as share-based payment expense in FY26, with the remaining fair value to be recognised over the applicable future service periods. The proposed issuance of these Options remains subject to shareholder approval at the Company's 2026 Annual General Meeting.

Consolidated entity performance and link to remuneration

Performance-linked remuneration comprises short-term incentives ('STI') and long-term incentives ('LTI'). STI awards are determined by reference to the achievement of predetermined Company and individual key performance indicators ('KPIs'). STI awards may comprise a cash component and a deferred equity component delivered through Restricted Rights. The deferred component is intended to strengthen alignment with longer-term shareholder interests by deferring the ability to realise the value of the award. The Restricted Rights are fully vested upon grant, with no further service condition, but are subject to an exercise restriction during the deferral period and the customary malus and clawback provisions of the plan.

LTI awards are provided through share options under the Employee Share Option Plan and are designed to align executive remuneration with the creation of long-term shareholder value. The number of options and applicable vesting and service conditions are determined in accordance with the terms of the relevant award. Where required under the ASX Listing Rules, the grant of equity securities to Executive Directors is subject to shareholder approval.

Consequences of performance on shareholders' wealth

The Board has regard to a broad range of factors in considering the Group's performance and how best to generate shareholder value. These include financial factors, progression of the Company's pipeline of clinical and pre-clinical assets, staff development etc. The Board has some, but not absolute regard to the Group's result and cash consumption during the year. It does not utilise earnings per share as a performance measure nor does it contemplate consideration of any dividends in the short to medium term, given that efforts are being expended to build the business and generate self-sustaining revenue streams. The Group is of the view that any adverse movement in the Group's share price should not be taken into account in assessing the performance of employees, unless such a measure is agreed with the executive as a KPI.

16.2. SERVICE AGREEMENTS

Effective 1 May 2026, the terms of Dr Rohan Hockings' remuneration arrangements were revised following an independent review of the Company's remuneration practices. The revised arrangements are summarised below:

Component	Revised terms
Fixed annual remuneration	$900,000
Short-term incentive (STI)	Target of 55% of fixed annual remuneration, with a stretch/maximum of 110%. Performance metrics are set by the Board and performance is assessed by the Board.
Long-term incentive (LTI)	Target of 85% of fixed annual remuneration, with a stretch/maximum of 170%. Performance metrics are set by the Board and performance is assessed by the Board.
Termination Notice	If terminated by the Group, twelve months' notice and two months' notice by the individual.

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.3. DETAILS OF REMUNERATION

Amounts of remuneration

The Group pays an insurance premium for Group reimbursement and Directors' and Officers' liability insurance as a combined amount. The portion of the premium which relates to Directors and Officers has not been included as part of remuneration.

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits		Post-employment benefits	Leave entitlement	Share-based payments		
2026	Cash salary and fees $	Cash bonus $	Super-annuation $	Annual leave and Long service leave $	Restricted Rights $	Value of options $	Total $
NON-EXECUTIVE DIRECTORS:							
A Tribe[1]	27,228	-	3,267	-	-	-	30,495
J Haddock[1]	19,971	-	-	-	-	-	19,971
Dr M Rosenblatt[1]	19,971	-	-	-	-	-	19,971
Prof I Constable[2]	74,565	-	8,947	-	-	302,158	385,670
P Coleman	130,402	-	15,648	-	-	347,836	493,886
EXECUTIVE DIRECTORS							
Dr R Hockings[3]	479,167	450,000	-	145,369	33,904	1,748,035	2,856,475
	751,304	450,000	27,862	145,369	33,904	2,398,029	3,806,468

1. Mr A Tribe served as Non-Executive Director and Chairperson from 1 July 2025 until his resignation on 18 November 2025. Mr J Haddock and Dr M Rosenblatt were remunerated in USD. Their cash salary and fees for FY26 have been converted to AUD using an average exchange rate of 0.6482. Mr Haddock and Dr Rosenblatt served as Non-Executive Directors from 1 July 2025 until their resignations on 21 September 2025.
2. On 8 January 2026, Professor Ian Constable was offered 1,000,000 unlisted options under the Company's Long Term Incentive Plan, exercisable at $1.80 per option. The offer is subject to shareholder approval at the Company's 2026 Annual General Meeting. Accordingly, the options have not been issued as at the date of this report.
3. Dr R Hockings' cash salary and fees are paid under a contractor arrangement. Dr Hockings' FY26 STI was $900,000, comprising $450,000 payable in cash and $450,000 to be delivered through 289,855 Restricted Rights, subject to shareholder approval at the 2026 AGM. The Restricted Rights will vest in full at the grant date and, following grant, will be subject to an exercise restriction through to 30 June 2028 and the customary malus and clawback provisions of the Plan.

   The value of options recognised as FY26 remuneration is $1,748,035. This comprises $1,396,444 of estimated fair value attributable to services provided up to 30 June 2026 in respect of the FY24, FY25 and FY26 LTI awards, together with $351,592 attributable to FY26 service in respect of an additional 1,500,000 options. The FY24, FY25 and FY26 LTI options were subsequently approved by shareholders on 15 July 2026 and granted and issued on 13 August 2026.

   The additional 1,500,000 options comprise two tranches of 750,000 options and have an aggregate Black-Scholes fair value of $1,018,500, of which $351,592 has been recognised in FY26 based on the applicable service periods. The proposed issuance of these options remains subject to shareholder approval at the 2026 AGM, with the remaining fair value to be recognised over the applicable future service periods.

	Short-term benefits		Post-employment benefits	Leave entitlement	Share-based payments		
2025	Cash salary and fees $	Cash bonus $	Super-annuation $	Annual leave and Long service leave $	Restricted Rights $	Value of options $	Total $
NON-EXECUTIVE DIRECTORS:							
A Tribe	71,749	-	8,251	-	-	-	80,000
J Haddock[1]	77,133	-	-	-	-	-	77,133
Dr M Rosenblatt[1]	77,133	-	-	-	-	-	77,133
EXECUTIVE DIRECTORS:							
Dr R Hockings[2]	395,000	198,000	-	32,478	-	-	625,478
	621,015	198,000	8,251	32,478	-	-	859,744

1. Mr J Haddock and Dr M Rosenblatt were remunerated in USD. Their cash salary and fees for FY24 have been converted to AUD using an average rate of 0.6556.
2. Dr R Hockings' cash salary and fees are paid under a contractor arrangement.

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.4. SHARE-BASED COMPENSATION

Options

All options refer to options over ordinary share of PYC Therapeutics Limited which are exercisable on a one-for-one basis.

At the date of this report, 32,723,130 options over ordinary shares in the Company were outstanding. Of these, 3,640,000 options were granted in prior financial years, 6,300,000 options were granted during FY26, and 22,783,130 options relate to Dr Rohan Hockings' FY24, FY25 and FY26 LTI awards. The latter awards were determined as part of Dr Hockings' remuneration arrangements during FY26, subject to shareholder approval, and were subsequently approved by shareholders on 15 July 2026 and formally granted and issued on 13 August 2026.

Of the 6,300,000 options granted during FY26, 1,500,000 options granted to Dr Hockings on 13 January 2026 and 1,000,000 options granted to Prof Constable, expiring on 8 January 2030, remain subject to shareholder approval at the Company's 2026 Annual General Meeting.

Restricted Rights

During FY26, the Board determined that $450,000 of Dr Rohan Hockings' FY26 STI (2025: Nil) would be delivered through 289,855 Restricted Rights with a nil exercise price. The Restricted Rights relate to the FY26 STI and will vest in full at the grant date. Following grant, the Rights will be subject to an exercise restriction through to 30 June 2028 and the customary malus and clawback provisions of the Plan. The proposed grant of the Restricted Rights remains subject to shareholder approval at the Company's 2026 Annual General Meeting.

Exercise of options granted as compensation

No options were exercised by key management personnel during the period ending 30 June 2026 (30 June 2025: nil).

Options granted carry no dividend or voting rights. There are no other service conditions associated with these options other than the service period.

Analysis of options over equity instruments granted as compensation

The methodology used to arrive at a fair value of the options issued during the current financial year is set out in Note 33.

Key Management Personnel	Balance at 1 July 2025	Granted as compensation	Exercised	Other changes	Balance at 30 June 2026	Vested during the year	Vested & Exercisable 30 June 2026
DIRECTORS							
A Tribe	-	-	-	-	-	-	-
Dr R Hockings[1]	-	24,283,130	-	-	-	-	-
Dr M Rosenblatt[2]	250,000	-	-	(250,000)	-	-	-
J Haddock[2]	250,000	-	-	(250,000)	-	-	-
Prof I Constable[3]	-	1,000,000	-	-	1,000,000	-	-
P Coleman	-	2,000,000	-	-	2,000,000	-	-

1. Dr Hockings' FY24, FY25 and FY26 LTI awards comprising 22,783,130 Options were determined during FY26. In addition, 1,500,000 Options were determined as compensation during FY26, resulting in a total of 24,283,130 Options presented as granted as compensation in the table above. The 24,283,130 Options had not been formally granted or issued as at 30 June 2026. Following the relevant approvals and acceptance by Dr Hockings, the 22,783,130 FY24, FY25 and FY26 LTI Options were formally granted and issued on 13 August 2026. The additional 1,500,000 Options vest in two equal tranches, with 750,000 Options vesting on 13 January 2027 and 750,000 Options vesting on 13 January 2028.
2. Mr J Haddock and Dr M Rosenblatt resigned as Non-Executive Directors on 21 September 2025. As their Options had not been exercised prior to their cessation as Directors, the Options were subsequently forfeited in accordance with the terms of the applicable plan.
3. The proposed issuance of Options to Professor Ian Constable is subject to shareholder approval at the Company's 2026 Annual General Meeting.

DIRECTORS' REPORT

16. Remuneration report (audited) (continued)

16.4. SHARE-BASED COMPENSATION (CONTINUED)

Shareholdings

The movement during the reporting period in the number of ordinary shares in the Group held, directly, indirectly or beneficially, by each key management person, including their related parties is as follows:

Key Management Personnel	Balance 1 July 2025	Purchases	Granted as compensation	Sales	Balance at Cessation	Balance 30 June 2026
DIRECTORS						
A Tribe[1]	186,726,747	-	-	-	186,726,747	-
Dr R Hockings	-	295,910	-	-	-	295,910
Dr M Rosenblatt	-	-	-	-	-	-
J Haddock	-	-	-	-	-	-
Prof I Constable	-	328,000	-	-	-	328,000
P Coleman	-	-	-	-	-	-

1. As at the date of his resignation from the Board on 18 November 2025, based on the disclosure made at that time.

Key management personnel transactions

Other than the amounts disclosed above, there were no other amounts paid or payable to key management personnel during the reporting period or at the reporting date. Subsequent to year-end, the Board determined additional FY26 Non-Executive Director remuneration of $42,235 for Mr Peter Coleman and $29,127 for Prof Ian Constable.

This concludes the remuneration report, which has been audited.

17. Corporate Governance

The Group's corporate governance statement can be found on the Group's website https://pyctx.com/investors/governance-policies/

18. 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.

19. Auditor's independence declaration

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

This report is made in accordance with a resolution of Directors.

On behalf of the Directors



Rohan Hockings

Executive Director & Chief Executive Officer
28 August 2026
Perth

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor of PYC Therapeutics Limited's financial report for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report.

Adam Thompson
Partner
PricewaterhouseCoopers

Perth
28 August 2026

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04.

FINANCIAL STATEMENTS

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General information

> The financial statements cover PYC Therapeutics Limited and its controlled entities as a Group consisting of PYC Therapeutics Limited and the entities it controlled at the end of, or during the year. The financial statements are presented in Australian dollars, which is PYC Therapeutics Limited and its controlled entities' functional and presentation currency.

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

REGISTERED OFFICE

Office 4, Level 1
174 Hampden Road
Nedlands WA 6009

PRINCIPAL PLACE OF BUSINESS

Harry Perkins Institute
6 Verdun Street
Nedlands WA 6009

The principal activity of the Company during the financial year was drug development and progressing the Company's drug pipeline through preclinical and clinical development.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 August 2026. The Directors have the power to amend and reissue the financial statements.

Consolidated Statement of Profit or Loss And Other Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 $	2025 $
REVENUE			
Other income	5	39,677,397	26,171,233
Total revenue		39,677,397	26,171,233
EXPENSES			
Research and development expenditure	6	(73,982,263)	(70,051,892)
General and administrative expenses	7	(9,422,371)	(7,070,292)
Finance costs		(40,460)	(62,223)
Total expenses		(83,445,094)	(77,184,407)
LOSS BEFORE INCOME TAX EXPENSE		(43,767,697)	(51,013,174)
Income tax expense	8	-	-
LOSS AFTER INCOME TAX EXPENSE FOR THE YEAR		(43,767,697)	(51,013,174)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX			
Exchange differences on translation of foreign operations		(24,745)	(20,644)
Gain on Financial assets through FVOCI		295,756	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(43,496,686)	(51,033,818)
Loss for the year is attributable to:			
Non-controlling interest		(426,132)	(708,495)
Owners of PYC Therapeutics Limited and its controlled entities	21	(43,341,565)	(50,304,679)
		(43,767,697)	(51,013,174)
Total comprehensive income for the year is attributable to:			
Non-controlling interest		(426,132)	(708,495)
Owners of PYC Therapeutics Limited and its controlled entities		(43,070,554)	(50,325,323)
		(43,496,686)	(51,033,818)

		Cents	Cents
Basic loss per share	32	(5.91)	(10.05)
Diluted loss per share	32	(5.91)	(10.05)

Consolidated Statement of Financial Position

AS AT 30 JUNE 2026

	Note	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	9	53,560,241	153,050,216
Funds held in term deposits	10	350,075,138	-
Trade and other receivables	11	34,126,546	24,068,149
Financial Assets at FVOCI	15	43,925,498	-
Other assets		546,110	407,834
Total current assets		482,233,533	177,526,199
Non-current assets			
Property, plant and equipment	13	857,995	945,871
Financial Assets at FVOCI	15	221,203,579	-
Right-of-use assets	12	572,082	957,178
Intangibles	14	3,650,000	3,850,000
Total non-current assets		226,283,656	5,753,049
TOTAL ASSETS		708,517,189	183,279,248
LIABILITIES			
Current liabilities			
Trade and other payables	16	13,150,027	10,935,026
Lease liabilities	17	356,518	398,755
Employee benefits	18	896,641	983,085
Total current liabilities		14,403,186	12,316,866
Non-current liabilities			
Lease liabilities	17	268,470	624,987
Employee benefits	18	506,996	328,974
Total non-current liabilities		775,466	953,961
TOTAL LIABILITIES		15,178,652	13,270,827
NET ASSETS		693,338,537	170,008,421
EQUITY			
Issued capital	19	933,254,096	369,589,374
Reserves	20	9,616,867	6,183,776
Accumulated losses	21	(249,541,092)	(206,199,527)
Equity attributable to the owners of PYC Therapeutics Limited and its controlled entities		693,329,871	169,573,623
Non-controlling interest	22	8,666	434,798
TOTAL EQUITY		693,338,537	170,008,421

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2026

	Issue capital	Share based payment reserve	Transactions with NCI reserve	Foreign currency translation reserve	Accumulated losses	Non-controlling interest	Total equity
	$	$	$	$	$	$	$
Balance at 1 July 2024	230,575,898	3,992,083	1,937,791	(115,272)	(155,894,848)	559,118	81,054,770
Loss after income tax expense for the year	-	-	-	-	(50,304,679)	(708,495)	(51,013,174)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX							
Exchange differences on translation of foreign operations	-	-	-	(20,644)	-	-	(20,644)
Total comprehensive income for the year	-	-	-	(20,644)	(50,304,679)	(708,495)	(51,033,818)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:							
Contributions of equity, net of transaction costs (note 19)	139,013,476	-	-	-	-	-	139,013,476
Share-based payments (note 33)	-	973,993	-	-	-	-	973,993
Transactions with NCI	-	-	(584,175)	-	-	584,175	-
Balance at 30 June 2025	369,589,374	4,966,076	1,353,616	(135,916)	(206,199,527)	434,798	170,008,421

	Issue capital	Other Reserve	Share based payment reserve	Transactions with NCI reserve	Foreign currency translation reserve	Accumulated losses	Non-controlling interest	Total equity
	$	$	$	$	$	$	$	$
Balance at 1 July 2025	369,589,374	-	4,966,076	1,353,616	(135,916)	(206,199,527)	434,798	170,008,421
Loss after income tax expense for the year	-	-	-	-	-	(43,341,565)	(426,132)	(43,767,697)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX								
Exchange differences on translation of foreign operations	-	-	-	-	(24,745)	-	-	(24,745)
Gain on Financial assets through FVOCI	-	295.756	-	-	-	-	-	295,756
Total comprehensive income for the year	-	295,756	-	-	(24,745)	(43,341,565)	(426,132)	(43,496,686)
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:								
Contributions of equity, net of transaction costs (note 19)	563,393,560	-	-	-	-	-	-	563,393,560
Exercise of options	271,162	-	(46,162)	-	-	-	-	225,000
Share-based payments (note 33)	-	-	3,208,242	-	-	-	-	3,208,242
Transactions with NCI	-	-	-	-	-	-	-	-
Balance at 30 June 2026	933,254,096	295,756	8,128,156	1,353,616	(160,661)	(249,541,092)	8,666	693,338,537

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees (inclusive of GST)		(75,197,066)	(71,586,315)
R&D tax incentive received		23,651,835	17,309,135
Interest received		7,068,283	2,773,549
Interest paid leases		(41,945)	(56,449)
Net cash used in operating activities	30	(44,518,893)	(51,560,080)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(531,391)	(975,397)
Term Deposits	10	(350,075,138)	-
Investments		(265,550,684)	-
Net cash used in investing activities		(616,157,213)	(975,397)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	19	600,224,995	145,815,911
Payment of transaction costs	19	(36,606,441)	(6,802,435)
Principal elements of lease payments		(398,754)	(357,877)
Net cash received from financing activities		563,219,800	138,655,599
Net decrease in cash and cash equivalents		(97,456,306)	86,120,122
Cash and cash equivalents at the beginning of the financial year		153,050,216	66,874,579
Effects of exchange rate changes on cash and cash equivalents		(2,033,669)	55,515
Cash and cash equivalents at the end of the financial year	9	53,560,241	153,050,216

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 1. Material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

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

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

BASIS OF PREPARATION

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

PARENT ENTITY INFORMATION

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 27.

TAX LEGISLATION

PYC Therapeutics Ltd and its Australian controlled entities are not consolidated for tax purposes.

Each entity is a taxable entity and continues to account for its own current and deferred tax amounts.

FOREIGN CURRENCY TRANSLATION

The financial statements are presented in Australian dollars, which is PYC Therapeutics Limited and its controlled entity's functional and presentation currency.

FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 1. Material accounting policies (continued)

REVENUE RECOGNITION

The Group recognises revenue as follows:

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.

Other income

Other income is recognised when it is received or when the right to receive payment is established. Refer to note 5 for further detail on the recognition of other income.

FINANCE COSTS

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

CURRENT AND NON-CURRENT CLASSIFICATION

Assets and liabilities are presented in the consolidated statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

INVESTMENTS AND OTHER FINANCIAL ASSETS

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 1. Material accounting policies (continued)

INVESTMENTS AND OTHER FINANCIAL ASSETS (CONTINUED)

Financial assets at FVOCI

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses).

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss. Impairment expenses are presented in a separate line item in the statement of profit or loss.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all of the risks and rewards of ownership.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

FAIR VALUE MEASUREMENT

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 1. Material accounting policies (continued)

GOODS AND SERVICES TAX ('GST') AND OTHER SIMILAR TAXES

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

AASB 18 will replace AASB 101 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

Although the adoption of AASB 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:

- Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

Basis of preparation

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and for the first annual period of application of AASB 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying AASB 18 and the amounts previously presented applying AASB 101.

The group will apply the new standard from its mandatory effective date of 30 June 2028. Retrospective application is required, and so the comparative information for the financial year ending 30 June 2027 will be restated in accordance with AASB 18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

SHARE-BASED PAYMENT TRANSACTIONS

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 fair value is determined by using a Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

INTANGIBLE ASSETS

The Company's intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Refer to note 14 for details about amortisation methods and periods used by the Group for intangible assets.

R&D TAX INCENTIVE

The Group is eligible to receive a tax incentive from the Australian Tax Office for eligible research and development expenditure. The Group recognises this incentive as Other Income in the Consolidated Statement of Profit or Loss and other comprehensive income in the period the Group is eligible to receive the incentive and where the incentive can reliably be estimated. Management has used judgement and estimates which it believes is reasonable in determining the value of the incentive to accrue in the reporting period which is yet to be lodged or approved by the Australian Tax Office. Management has also used judgement in assessing the likelihood of receiving approval from AusIndustry to claim Australian and International expenditure incurred in the year ended 30 June 2026 in determining the value of the incentive to accrue in the reporting period. Refer to note 5 for details on the values recognised related to this incentive.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 3. Financial risk management

OVERVIEW

The Group has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

Further quantitative disclosures are included throughout this financial report. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework and for developing and monitoring risk management policies.

Risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group, through their training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group receivables, term deposits and debt instruments. Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortized cost, at fair value through other comprehensive income (FVOCI) and deposits with banks and financial institutions, including outstanding receivables.

The Group manages and monitors its exposure to credit risk on an ongoing basis in accordance with its Board-approved Treasury Management Policy, which establishes requirements for credit quality, counterparty diversification, concentration limits and liquidity. The Group also undertakes due diligence prior to entering into any collaboration, co-development or licensing agreement with a counterparty that exposes the Group to credit risk. No receivables are past due or considered impaired at 30 June 2026 or 30 June 2025.

TRADE AND OTHER RECEIVABLES

The Group had no material credit risk with respect to trade and other receivables at 30 June 2026 or 30 June 2025.

CASH AND TREASURY INVESTMENTS

The Group manages its cash and treasury investments in accordance with a Board-approved Treasury Management Policy. The primary objectives of the policy are capital preservation, maintenance of sufficient liquidity to meet the Group's forecast expenditure requirements and the generation of appropriate investment returns within defined risk parameters.

The Group's treasury portfolio comprises cash and at-call deposits, term deposits and investment-grade debt securities denominated in Australian and US dollars. Credit risk is managed through minimum credit-rating requirements, diversification across financial institutions and issuers, limits on individual counterparty and security exposures, and limits on portfolio duration.

Liquidity is managed having regard to the Group's forecast operating and research and development expenditure, with a minimum proportion of funds required to be maintained in highly liquid investments. Foreign currency holdings are also managed against forecast expenditure requirements, particularly US dollar-denominated research and development obligations.

The Group's banking activities were conducted with Australia and New Zealand Banking Group and JP Morgan Chase Bank. Based on the credit ratings of these banks, management considers them likely to be able to meet their obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 3. Financial risk management (continued)

DEBT INSTRUMENTS

All of the entity's debt instruments at amortised cost and FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months' expected losses. Management considered 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to have low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. No loss allowance has been recognized for the year.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

MARKET RISK

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Group does not presently use financial derivatives as a risk management tool.

CURRENCY RISK

The Group is exposed to currency risk on some purchases that are denominated in a currency other than the functional currency of the Group, the Australian dollar (AUD). The Group holds reserves of USD to satisfy short term requirements. The Group does not employ any long term hedging strategies for foreign currency risk management.

INTEREST RATE RISK

The Group is exposed to cash flow interest rate risk on interest-bearing cash balances and floating-rate notes, as future interest income will fluctuate with changes in market interest rates. The Group is also exposed to fair value interest rate risk on fixed-rate US Treasury Bills measured at FVOCI. Fixed-rate term deposits measured at amortised cost are primarily exposed to reinvestment risk. The Group has no borrowings and manages these risks by monitoring market interest rates, investment maturities and forecast liquidity requirements

(i) Interest rate risk profile:

	2026 $	2025 $
At reporting date, the interest rate profile of the Group's interest bearing financial instrument was:		
Fixed rate instruments		
- Term Deposits	350,075,138	-
- US Treasury Bill	8,695,838	-
Variable rate instruments		
- Cash and cash equivalents	53,560,241	153,050,216
- Unlisted Floating rate notes	256,433,239	-
	668,764,456	153,050,216

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 3. Financial risk management (continued)

FAIR VALUE SENSITIVITY ANALYSIS FOR FIXED RATE INSTRUMENTS:

The Group holds fixed-rate US Treasury Bills classified as financial assets at FVOCI and is therefore exposed to fair value interest rate risk. Changes in market interest rates affect the fair value of these instruments, with resulting gains and losses recognised in other comprehensive income and accumulated within the FVOCI reserve. Management has assessed the impact of reasonably possible changes in interest rates at the reporting date and concluded that the effect would not be material to the Group.

CASH FLOW SENSITIVITY ANALYSIS FOR VARIABLE RATE INSTRUMENTS:

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below.

This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 30 June 2026.

	2026		2025	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable rate instruments	3,099,935	(3,099,935)	1,530,502	(1,530,502)

(ii) Foreign exchange risk

The Group is exposed to foreign currency risk on purchases that are denominated in a currency other than the AUD, future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The group's exposure to foreign currency risk at the end of the reporting period, expressed in the relevant currency, was as follows:

	2026		2025	
	USD	EUR	USD	EUR
Cash and cash equivalents	9,269,975	-	21,866,545	-
Trade payables	(4,524,736)	(15,430)	(4,020,310)	(21,489)
Investments in financial assets at FVOCI	12,486,297	-	-	-

The aggregate net foreign exchange gains/losses recognised in profit or loss was $798,897 loss (2025: loss $1,204,189). The increase in foreign exchange losses is attributable to the increased level of foreign currency denominated suppliers to support the expansion of drug development programs through pre-clinical and clinical development. The Company holds an increased proportion of cash reserves in US dollars to mitigate negative movements in the Australian Dollar which contributed to foreign exchange loss for the period due to the strengthened Australian Dollar at the reporting date.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At 30 June 2026, the Group held cash and cash equivalents, term deposits and readily marketable debt instruments of $668,764,456 (2025: 101,249,770), which are available to support its liquidity requirements. Management monitors their maturities alongside forecast cash flows and financial liabilities.

Management monitors rolling forecasts of the group's liquidity reserve and cash and cash equivalents (note 9) on the basis of expected cash flows. This is carried out at a Group level. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 3. Financial risk management (continued)

CASH FLOW SENSITIVITY ANALYSIS FOR VARIABLE RATE INSTRUMENTS (CONTINUED)

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities:

2026	Less than 6 months $	6–12 months $	Between 1 and 2 years $	Between 2 and 5 years $	Total $	Carrying amount liabilities $
Trade payables	9,888,180	-	-	-	9,888,180	9,888,180
Lease liabilities	201,435	177,353	274,011	-	652,799	624,988
Total financial liabilities	10,089,615	177,353	274,011	-	10,540,979	10,513,168

2025	Less than 6 months $	6–12 months $	Between 1 and 2 years $	Between 2 and 5 years $	Total $	Carrying amount liabilities $
Trade payables	8,752,767	-	-	-	8,752,767	8,752,767
Lease liabilities	220,351	220,351	378,788	274,010	1,093,500	1,023,742
Total financial liabilities	8,973,118	220,351	378,788	274,010	9,846,267	9,776,509

Note 4. Operating segments

IDENTIFICATION OF REPORTABLE OPERATING SEGMENTS

The Group comprises a single business segment comprising discovery and development of novel RNA therapeutics, with a single geographical location in Australia. There is an office in the US to drive formal drug development activities including regulatory engagement as well as engagements with prospective investors and business development partners. At this stage the US location is not considered a material segment separate from the Australian operations. The segment details are therefore fully reflected in the results and balances reported in the consolidated statement of comprehensive income and consolidated statement of financial position.

The Group is primarily focused on discovering and developing novel RNA therapeutics for the treatment of genetic diseases.

ACCOUNTING POLICY FOR OPERATING SEGMENTS

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Maker ('CODM'). The CODM of the Group is considered to be the CEO, Dr Rohan Hockings. The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 5. Other income

	2026 $	2025 $
R&D tax incentive	25,994,414	23,494,347
Interest income	13,682,983	2,676,886
Other income	39,677,397	26,171,233

R&D TAX INCENTIVE

The Research and Development (R&D) Tax Incentive Scheme is an Australian Federal Government program under which eligible companies with annual aggregated revenue of less than $20 million can receive cash amounts equal to 43.5% of eligible research and development expenditures from the Australian Taxation Office (ATO). The R&D Tax Incentive Scheme relates to eligible expenditure incurred in Australia relating to the Group's R&D activities. The R&D tax incentive is applied annually to eligible expenditure incurred during the Group's financial year following annual application to AusIndustry, an Australian governmental agency, and subsequent filing of its Income Tax Return with the ATO after the financial year end.

The R&D Tax Incentive is recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the incentives will be received. The R&D Tax Incentive recognised in the year ended 30 June 2026 is attributable to the eligible expenditure incurred in the year ended 30 June 2026 and is expected to be received in late 2026. The R&D Tax Incentive recognised in the year ended 30 June 2025 was received in the year ended 30 June 2026.

Note 6. Research and development expenditure

	2026 $	2025 $
Research and development expenses	73,982,263	70,051,892

ACCOUNTING POLICY FOR RESEARCH AND DEVELOPMENT

The accounting standards do not permit the capitalisation of development expenditure in circumstances where the Group cannot demonstrate sustainable revenue generation derived from the results of the expenditure. Research expenditure must be expensed under accounting standards. The expenditure incurred in relation to obtaining and maintaining patent protection has been expensed.

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the consolidated statement of profit or loss and other comprehensive income as an expense as incurred. The Group does not currently undertake development activities as defined in AASB 138 Intangible Assets and therefore has not capitalised development expenditure.

Employee benefits expenses included in research and development expenditure:

	2026 $	2025 $
Employee benefits expenses	15,381,765	12,316,708

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 7. General and administrative expenses

	2026 $	2025 $
Employee benefits expenses	2,308,751	2,371,339
Share-based payment expenses	3,208,242	973,993
Depreciation and amortisation	603,136	600,092
Professional services	925,171	435,608
Insurances	309,640	248,436
Travel and accommodation	28,148	250,152
Net foreign exchange loss	734,838	1,204,189
Audit	131,000	122,000
Other administrative expenses	1,173,445	864,483
	9,422,371	7,070,292

Refer to note 33 for details of share-based payments.

Note 8. Income tax

	2026 $	2025 $
(I) INCOME TAX BENEFIT		
The prima facie tax on the operating loss is reconciled to the income tax provided in the accounts as follows:		
Accounting profit/(loss)	(43,767,697)	(51,013,174)
Prima facie tax benefit on operating loss before income tax at 25% (2025: 25%)	10,941,924	12,753,294
Difference due to impact of overseas tax rates	(19,424)	(26,534)
Tax effect on permanent differences	(9,350,672)	(7,773,013)
Current period tax losses and temporary differences not brought to account	(1,571,828)	(4,953,747)
	-	-

(II) UNRECOGNISED DEFERRED TAX BALANCES

(a) Deferred tax assets	2026 $	2025 $
The balance comprises temporary difference attributable to:		
Property, plant & equipment	-	-
Lease liabilities	156,247	255,936
Tax losses	25,709,731	18,005,385
	25,865,978	18,261,321
Other		
Employee benefits	350,909	307,373
Patents & intellectual property	11,360	12,345
S40-880 expenditure	8,547,341	1,608,394
Other	(43,200)	362,431
	8,866,410	2,290,543
Total unrecognised deferred tax assets	34,732,388	20,551,864
Set-off deferred tax liabilities	(2,061,456)	(640,545)
Net unrecognised deferred tax assets	32,670,932	19,911,319

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 8. Income tax (continued)

	2026 $	2025 $
(b) Deferred tax liabilities		
The balance comprises temporary difference attributable to:		
Right-of-use assets	143,020	239,295
Other		
Other current assets	1,918,436	401,250
Total deferred tax liabilities	2,061,456	640,545
Set-off deferred tax liabilities	(2,061,456)	(640,545)
Net deferred tax assets	32,670,932	19,911,319

ACCOUNTING POLICY FOR INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 9. Cash and cash equivalents

	2026 $	2025 $
Current assets		
Cash and cash equivalents	53,560,241	153,050,216

ACCOUNTING POLICY FOR CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are held to meet short-term cash commitments and are subject to an insignificant risk of changes in value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 10. Funds held in term deposits

	2026 $	2025 $
Current assets		
Funds held in term deposits	350,075,138	-

ACCOUNTING POLICY FOR TERM DEPOSITS

Term deposits with original maturities of greater than three months are not classified as cash and cash equivalents. Term deposits are financial assets measured at amortised cost as they are held within a business model whose objective is to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income calculated using the effective interest method is recognised in profit or loss.

Note 11. Trade and other receivables

	2026 $	2025 $
Current assets		
GST Receivable	231,380	201,776
Interest receivable	8,159,446	343,667
R&D tax incentive receivable	25,735,720	23,393,195
Other receivable	-	129,511
	34,126,546	24,068,149

ACCOUNTING POLICY FOR TRADE AND OTHER RECEIVABLES

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 12. Right-of-use assets

	2026 $	2025 $
Non-current assets		
Property leases – right-of-use	2,304,525	2,304,525
Less: Accumulated depreciation	(1,732,443)	(1,347,347)
	572,082	957,178

RECONCILIATIONS

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

	ROU Assets $
Balance at 30 June 2024	1,050,976
Additions	245,515
Remeasurement	23,312
Disposals	-
Depreciation expense	(362,625)
Balance at 30 June 2025	957,178
Additions	-
Remeasurement	-
Disposals	-
Depreciation expense	(385,096)
Balance at 30 June 2026	572,082

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 12. Right-of-use assets (continued)

ACCOUNTING POLICY FOR 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.

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.

Note 13. Property, plant and equipment

	2026 $	2025 $
Non-current assets		
Plant and equipment – at cost	5,056,583	4,527,005
Less: Accumulated depreciation	(4,198,588)	(3,581,134)
	857,995	945,871

	Offices and research equipment
Balance at 30 June 2024	523,381
Additions	975,243
Disposals	-
Depreciation expense	(552,753)
Balance at 30 June 2025	945,871
Additions	529,577
Disposals	-
Depreciation expense	(617,453)
Balance at 30 June 2026	857,995

ACCOUNTING POLICY FOR PROPERTY, PLANT AND EQUIPMENT

The Group holds no property. Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Office and research equipment 2-13 years

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 14. Intangibles

	2026 $	2025 $
Non-current assets		
Intellectual property – at cost	5,000,000	5,000,000
Less: Accumulated amortisation	(1,350,000)	(1,150,000)
	3,650,000	3,850,000

ACCOUNTING POLICY FOR INTANGIBLE ASSETS

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

INTELLECTUAL PROPERTY

Significant costs associated with intellectual property are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 25 years.

Note 15. Financial assets at FVOCI

	2026 $	2025 $
Current assets		
Financial assets at FVOCI	43,925,498	-
Non-current assets		
Financial assets at FVOCI	221,203,579	-
	265,129,077	-

	Amounts recognized in profit or loss and other comprehensive income 30 June 2026
Gains/(losses) recognized in other comprehensive income	
Related to debt instruments	295,756
Balance at 30 June 2026	295,756
Interest from debt investments held at FVOCI recognized in profit or loss in other income	
Interest income related to investments held at the end of the reporting period	788,523
Balance at 30 June 2026	788,523
Foreign currency gain from debt investments held at FVOCI recognized in profit or loss in other income	
Foreign Currency gain related to investments held at the end of the reporting period	483,663
Balance at 30 June 2026	483,663

ACCOUNTING POLICY FOR FINANCIAL ASSETS

Debt securities are initially recognised at fair value plus transaction costs and are subsequently measured at fair value through other comprehensive income (FVOCI). Interest income calculated using the effective interest method is recognised in profit or loss. Changes in fair value are recognised in other comprehensive income and accumulated in the FVOCI reserve. On derecognition, cumulative gains or losses recognised in OCI are reclassified to profit or loss for debt instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 15. Financial assets at FVOCI (continued)

RECOGNISED FAIR VALUE MEASUREMENTS

Below explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

FAIR VALUE HIERARCHY

	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets at FVOCI				
Unlisted Floating Rate Notes	-	256,433,239	-	256,433,239
US Treasury Bill	8,695,838	-	-	8,695,838
	8,695,838	256,433,239	-	265,129,077

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. The group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. The quoted market price incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where climate risk gives rise to a significant unobservable adjustment.

Valuation techniques used to determine fair values

The fair value of unlisted debt securities is determined using independent third-party evaluated prices based on observable market data and pricing information for similar instruments. These instruments are classified as Level 2 in the fair value hierarchy as the significant inputs are observable.

Note 16. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	9,888,180	8,752,767
Accrued expenses	3,127,564	1,608,849
PAYG withholding	-	508,526
Payroll tax payable	134,283	54,119
Other payables	-	10,765
	13,150,027	10,935,026

ACCOUNTING POLICY FOR TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 17. Lease liabilities

	2026 $	2025 $
Current liabilities		
Lease liability	356,518	398,755
Non-current liabilities		
Lease liability	268,470	624,987

ACCOUNTING POLICY FOR 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.

Refer to note 31 for movements in the lease liability during the period and note 3 for contractual cash flow outflows of leases contracted by the Group.

Note 18. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	896,641	900,516
Superannuation	-	82,569
	896,641	983,085
Non-current liabilities		
Long service leave	506,996	328,974
	506,996	328,974

ACCOUNTING POLICY FOR EMPLOYEE BENEFITS

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflow.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 19. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares – fully paid	983,510,448	583,260,448	933,254,096	369,589,374

MOVEMENTS IN ORDINARY SHARE CAPITAL

Details	Date	Shares	Issue price	$
Balance	1 July 2024	446,608,341	-	230,575,898
Rounding impact of individual shareholdings 10:1 consolidation	13 Nov 2025	(622)	-	-
Shares issued	27 Feb 2025	72,984,880	$1.250	91,231,100
Shares issued	21 March 2025	11,354,090	$1.250	14,192,612
Shares issued	24 April 2025	32,313,759	$1.250	40,392,199
Share issue costs		-	-	(6,802,435)
Balance	30 June 2025	583,260,448	-	369,589,374
Shares issued	12 Feb 2026	354,782,201	$1.500	532,173,302
Shares issued	18 Feb 2026	3,447,108	$1.500	5,170,662
Shares issued	06 March 2026	31,197,631	$1.500	46,796,447
Shares issued	09 March 2026	10,573,060	$1.500	15,859,590
Options exercised	22 April 2026	250,000	-	271,162[1]
Share issue costs		-	-	(36,606,441)
Balance	30 June 2026	983,510,448	-	933,254,096

On 2 February 2026, the Company launched an accelerated non-renounceable entitlement offer (ANREO) for shareholders to raise up to $600,000,000. All shares offered under the accelerated component of the offer (362,895,976) were subscribed for and issued on 28 February 2026, raising $544,343,964. The retail component was completed on 6 March 2026 with the fully underwritten shortfall of the retail offer subscribed for and settled on 9 March 2026. The retail component (26,530,964 shares) was settled on 6 March 2026, raising a total of $39,796,447. The underwritten component (10,573,060 shares) was settled on 9 March 2026, raising a total of $15,859,590 before costs.

ORDINARY SHARES

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

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

SHARE BUY-BACK

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 19. Issued capital (continued)

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the consolidated statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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

The capital risk management policy remains unchanged from the 30 June 2025 Annual Report. Refer to note 3 for further details on financial risk management.

ACCOUNTING POLICY FOR ISSUED 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.

Note 20. Reserves

	2026 $	2025 $
Fair value reserve	295,756	-
Foreign currency reserve	(160,661)	(135,916)
Share-based payments reserve	8,128,156	4,966,076
Transactions with NCI reserve	1,353,616	1,353,616
	9,616,867	6,183,776

FAIR VALUE RESERVE

The group has elected to recognise changes in the fair value of certain investments in debt securities in OCI, as explained in note 3. These changes are accumulated within the FVOCI reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised. The group also has certain debt instruments measured at FVOCI, as explained in note 3. For these investments, changes in fair value are accumulated within the FVOCI reserve within equity. The accumulated changes in fair value are transferred to profit or loss when the investment is derecognised.

FOREIGN CURRENCY RESERVE

Foreign currency translation exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income as described in note 1 and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

SHARE-BASED PAYMENTS RESERVE

The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not exercised and the grant date fair value of shares issued to employees.

TRANSACTIONS WITH NCI RESERVE

This reserve is used to record differences which may arise as a result of transactions with non-controlling interests that do not result in a loss of control.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 21. Accumulated losses

	2026 $	2025 $
Accumulated losses at the beginning of the financial year	(206,199,527)	(155,894,848)
Loss after income tax expense for the year	(43,341,565)	(50,304,679)
Accumulated losses at the end of the financial year	(249,541,092)	(206,199,527)

Note 22. Non-controlling interest

	2026 $	2025 $
Non-controlling interest	8,666	434,798

Note 23. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 24. Key management personnel disclosures

DIRECTORS

The following persons were Directors of PYC Therapeutics Limited and its controlled entities during the financial year:

Executive Director

Dr R Hockings	Executive Director & Chief Executive Officer (Ceased 16 Sep 2025, re-appointed 21 Sep 2025)

Non-Executive Directors

A Tribe	Non-Executive Chairman(Ceased 18 Nov 2025)
Dr M Rosenblatt	Non-Executive Director(Ceased 21 Sep 2025)
J Haddock	Non-Executive Director(Ceased 21 Sep 2025)
Prof I Constable	Non-Executive Director(Appointed 21 Sep 2025)
P Coleman	Non-Executive Chairman(Appointed 18 Nov 2025)

COMPENSATION

The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	2026 $	2025 $
Short-term employee benefits	1,201,304	819,015
Post-employment benefits	27,862	8,251
Long-term benefits	145,369	32,478
Share-based payments	2,431,933	-
	3,806,468	859,744

Note 25. Remuneration of auditors

	2026 $	2025 $
PricewaterhouseCoopers		
Audit of financial statements	131,000	122,000
Income tax and R&D compliance services	68,250	94,250
	199,250	216,250

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 26. Related party transactions

PARENT ENTITY

The immediate parent and ultimate controlling party of the Group is PYC Therapeutics Limited.

SUBSIDIARIES

Interests in subsidiaries are set out in note 28.

KEY MANAGEMENT PERSONNEL

Disclosures relating to key management personnel are set out in note 24.

TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties during the current and previous financial year.

RECEIVABLE FROM AND PAYABLE TO RELATED PARTIES

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

LOANS TO/FROM RELATED PARTIES

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

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2026	2025
	$	$
Loss after income tax	(43,792,442)	(51,033,818)
Total comprehensive income	(43,792,442)	(51,033,818)

STATEMENT OF FINANCIAL POSITION	2026 $	2025 $
Total current assets	484,331,934	158,449,328
Total assets	707,299,822	175,493,943
Total current liabilities	13,185,819	4,531,561
Total liabilities	13,961,285	5,485,522
EQUITY		
Issued capital	933,254,096	369,589,374
Share-based payment reserve	8,128,156	4,966,076
Other reserve	295,756	-
Accumulated loses	(248,339,471)	(204,547,029)
	693,338,537	170,008,421

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

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

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments – Property, plant and equipment

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

Material accounting policies

The accounting policies of the parent entity are consistent with those of the Group, except for the following:

Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described below:

		Ownership interest	
Name	Principal place of business / Country of incorporation	2026 %	2025 %
PYC Therapeutics LLC	USA	100%	100%

ACCOUNTING POLICY ON CONSOLIDATION OF SUBSIDIARIES:

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are deconsolidated from the date that control ceases.

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.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy.

Name	Country of corporation	Principal activities	Parent ownership interest 2026	Non-controlling interest Ownership interest 2026	Parent ownership interest 2025	Non-controlling interest Ownership interest 2025
Vision Pharma Pty Ltd	Australia	Drug development	97.1%	2.9%	97.1%	2.9%

ACCOUNTING POLICY ON INTERESTS IN NON-CONTROLLING INTERESTS:

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 28. Interests in subsidiaries (continued)

Summarised financial information for Vision Pharma Pty Ltd, before intragroup eliminations is set out below:

SUMMARISED STATEMENT OF FINANCIAL POSITION

	2026 $	2025 $
Current assets	1,738,575	17,128,814
Non-current assets	3,650,000	3,850,000
Total assets	5,388,575	20,978,814
Current liabilities	5,110,368	5,904,341
Total liabilities	5,110,368	5,904,341
Net assets	278,207	15,074,473

SUMMARISED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2026 $	2025 $
Revenue	-	-
Expenses	(14,796,266)	(19,639,848)
Loss before income tax	(14,796,266)	(19,639,848)
Other comprehensive income	-	-
Total comprehensive income	(14,796,266)	(19,639,848)

The Group has the following subsidiary with material non-controlling interests:

	2026 $	2025 $
Proportion of ownership interest and voting rights held by non-controlling interests (2.9%) (2024: 2.9%)		
Carrying amount of non-controlling interests acquired	434,798	559,118
Loss allocated to non-controlling interests	(426,132)	(708,495)
Transaction with non-controlling interest	-	584,175
Accumulated non-controlling interest	8,666	434,798

Note 29. Events after the reporting period

Subsequent to 30 June 2026, shareholders approved the grant of long-term incentive Options to Managing Director and Chief Executive Officer, Dr Rohan Hockings, at a General Meeting held on 15 July 2026.

Following shareholder approval, formal invitations were issued to Dr Hockings on 29 July 2026. Dr Hockings accepted the invitations on 13 August 2026, at which time a total of 22,783,130 Options were formally granted and issued in respect of the FY24, FY25 and FY26 long-term incentive awards.

Further details of the awards and the associated accounting treatment are provided in the Remuneration Report and the notes to the financial statements.

On 26 August 2026, 1,506,504 service rights, 465,624 options and 117,470 performance rights were granted under the employee incentive plan for FY27.

Other than the matter described above, no matters or circumstances have arisen since 30 June 2026 that have significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 30. Reconciliation of loss after income tax to net cash used in operating activities

	2026 $	2025 $
Loss after income tax expense for the year	(43,767,697)	(51,013,174)
Adjustments for:		
Depreciation and amortisation	1,203,998	1,115,166
Share-based payments	3,208,242	973,993
Accrued Interest On FVOCI	1,201,025	-
Foreign exchange differences	1,525,633	(75,793)
Change in operating assets and liabilities:		
Increase in trade and other assets	(10,196,673)	(5,736,059)
Increase in trade and other payables	2,215,001	3,087,362
Increase in other provisions	91,578	88,425
Net cash used in operating activities	(44,518,893)	(51,560,080)

Note 31. Non-cash investing and financing activities

	2026 $	2025 $
Lease liabilities at 1 July	1,023,742	1,112,792
Non-cash Addition	-	245,515
Remeasurement	-	79,761
Payments of lease liabilities	(398,754)	(414,326)
Lease liabilities at 30 June	624,988	1,023,742

Note 32. Earnings per share

	2026 $	2025 $
Earnings per share for loss		
Loss after income tax attributable to the owners of PYC Therapeutics Limited	(43,341,565)	(50,304,679)
Non-controlling interest	(426,132)	(708,495)
	(43,767,697)	(51,013,174)
Loss after income tax attributable to the owners of PYC Therapeutics Limited and its controlled entities used in calculating basic and diluted earnings per share	(43,341,565)	(50,304,679)

	Cents	Cents
Basic loss per share	(5.91)	(10.05)
Diluted loss per share	(5.91)	(10.05)

	2026 Number	2025 Number
Weighted average number of ordinary shares	732,562,751	500,502,972

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 32. Earnings per share (continued)

ACCOUNTING POLICY FOR EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of PYC Therapeutics Limited and its controlled entities, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

As the Group incurred a loss for the year ended 30 June 2026, the options on issue have an antidilutive effect, therefore the diluted earnings per share is equal to the basic earnings per share.

Note 33. Share-based payments

(a) ESOP

At the Annual General Meeting held in November 2025, the Company renewed an employee share option programme (ESOP) that entitles key management personnel and senior employees to purchase shares in the Company.

(b) DEFERRED RESTRICTED RIGHTS

During FY26, $450,000 of Dr Rohan Hockings' STI award was determined to be delivered through 289,855 Restricted Rights with a nil exercise price, subject to shareholder approval at the 2026 Annual General Meeting. The Restricted Rights will vest in full on grant and will be subject to an exercise restriction until 30 June 2028, together with the customary malus and clawback provisions of the Plan (30 June 2025: Nil).

(c) OPTIONS ISSUED DURING THE YEAR

29,783,130 options were issued to senior management during the year ended 30 June 2026 (30 June 2025: 1,400,000).

(d) FAIR VALUE AND ASSUMPTIONS

All options refer to options over ordinary share of PYC Therapeutics Ltd which are exercisable on a one for one basis.

The fair value of the options is calculated at grant date using a Black–Scholes pricing model and allocated to each reporting period in accordance with the vesting profile of the options.

The options have no performance conditions and the only condition is a service period.

The value recognised is the portion of the fair value of the options allocated to the reporting period.

The factors and assumptions used in determining the fair value on grant date of options issued during the financial year as follows:

Set out below are summaries of options granted under the plan.

	Number of options 2026	Weighted average exercise price 2026	Number of options 2025	Weighted average exercise price 2025
Outstanding at the beginning of the financial year	5,803,334	$1.93	5,060,000	$1.64
Granted	29,783,130	$1.77	1,400,000	$2.81
Forfeited	(1,133,333)	$2.30	(606,666)	$1.61
Expired/lapsed	(1,480,000)	$1.80	(50,000)	$1.70
Exercised	(250,000)	$0.90	-	-
Outstanding at the end of the financial year	32,723,131	$1.79	5,803,334	$1.93
Exercisable at the end of the financial year	2,573,333	$1.84	2,496,661	$1.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 33. Share-based payments (continued)

2026

Grant date	Expire date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
23/03/2021	28/02/2031	$1.70	200,000	-	-	(200,000)	-
23/03/2021	23/03/2031	$1.70	250,000	-	-	(250,000)	-
23/03/2021	29/03/2031	$1.70	250,000	-	-	(250,000)	-
20/04/2022	20/04/2026	$1.70	240,000	-	-	(240,000)	-
30/09/2022	30/09/2026	$1.70	1,430,000	-	-	(190,000)	1,240,000
10/02/2023	10/02/2027	$1.70	50,000	-	-	(50,000)	-
28/09/2023	28/09/2027	$0.90	33,334	-	-	(33,334)	-
01/10/2023	01/10/2027	$0.90	250,000	-	(250,000)	-	-
22/05/2024	22/05/2028	$1.70	1,700,000	-	-	(300,000)	1,400,000
01/07/2024	01/07/2028	$1.70	200,000	-	-	-	200,000
12/11/2024	12/11/2028	$3.00	1,200,000	-	-	(400,000)	800,000
23/12/2025	19/11/2028	$1.80	-	2,000,000	-	-	2,000,000
18/12/2025	18/12/2028	$2.20	-	2,500,000	-	(700,000)	1,800,000
08/01/20261	08/01/2030	$1.80	-	1,000,000	-	-	1,000,000
13/01/20261	13/01/2030	$2.52	-	1,500,000	-	-	1,500,000
15/06/20262	30/06/2027	$2.50	-	7,706,503	-	-	7,706,503
15/06/20262	30/06/2028	$2.50	-	15,076,627	-	-	15,076,627
			5,803,334	29,783,130	(250,000)	(2,613,334)	32,723,130

2025

Grant date	Expire date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
23/03/2021	28/02/2031	$1.70	200,000	-	-	-	200,000
23/03/2021	23/03/2031	$1.70	250,000	-	-	-	250,000
23/03/2021	29/03/2031	$1.70	250,000	-	-	-	250,000
23/11/2021	23/11/2024	$1.70	50,000	-	-	(50,000)	-
20/04/2022	20/04/2026	$1.70	240,000	-	-	-	240,000
30/09/2022	30/09/2026	$1.70	1,470,000	-	-	(40,000)	1,430,000
10/02/2023	10/02/2027	$1.70	150,000	-	-	(100,000)	50,000
28/09/2023	28/09/2027	$0.90	100,000	-	-	(66,666)	33,334
01/10/2023	01/10/2027	$0.90	250,000	-	-	-	250,000
22/05/2024	22/05/2028	$1.70	2,100,000	-	-	(400,000)	1,700,000
01/07/2024	01/07/2028	$1.70	-	200,000	-	-	200,000
12/11/2024	12/11/2028	$3.00	-	1,200,000	-	-	1,200,000
			5,060,000	1,400,000	-	(656,666)	5,803,334

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 33. Share-based payments (continued)

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2026 Number	2025 Number
23/03/2021	28/02/2031	-	200,000
23/03/2021	23/03/2031	-	250,000
23/03/2021	29/03/2031	-	250,000
23/11/2021	23/11/2024	-	-
20/04/2022	20/04/2026	-	240,000
30/09/2022	30/09/2026	1,240,000	589,998
14/02/2023	14/02/2027	-	50,000
01/10/2023	01/10/2027	-	250,000
22/05/2024	22/05/2028	999,999	633,329
28/09/2023	28/09/2027	-	33,334
01/07/2024	01/07/2028	66,667	-
12/11/2024	12/11/2028	266,667	-
		2,573,333	2,496,661

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.87 years (30 June 2025: 2.81 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
23/12/2025	19/11/2028	$1.19	$1.80	60%	-	3.90%	$0.37
18/12/2025	18/12/2028	$1.45	$2.157	66%	-	4.70%	$0.52
08/01/20261	08/01/2030	$1.66	$1.80	65%	-	4.70%	$0.85
13/01/20261	13/01/2030	$1.62	$2.52	65%	-	4.70%	$0.68
15/06/20262	30/06/2027	$1.25	$1.68	60%	-	5.00%	$0.21
15/06/2026	30/06/2028	$1.25	$1.68	60%	-	5.00%	$0.34

1. Subject to shareholder approval at the upcoming 2026 Annual General Meeting.
2. Shareholder approval was granted on the 15th of July.

Expenses arising from share-based payment transactions

	2026 $	2025 $
Equity – settled share-based payments issued:		
In FY 2021	-	-
In FY 2022	-	24,142
In FY 2023	9,749	42,498
In FY 2024	127,736	486,063
In FY 2025	263,544	421,290
In FY 2026	2,807,213	-
	3,208,242	973,993

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

Note 33. Share-based payments (continued)

ACCOUNTING POLICY FOR SHARE-BASED PAYMENTS

Equity-settled compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying a Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Consolidated Entity Disclosure Statement

Consolidated entity disclosure statement

This Consolidated Entity Disclosure Statement has been prepared in accordance with the Corporations Act 2001 and includes required information for each entity that was part of the Group as at the end of the financial year. 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 of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

Name of entity	Type of entity	Trustee, partner of participant in JV	% of share capital	Place of incorporation	Australian resident	Foreign jurisdiction(s)
PYC Therapeutics Ltd	Body Corporate	-	100	Australia	Yes	n/a
Vision Pharma Pty Ltd	Body Corporate	-	97.1	Australia	Yes	n/a
PYC Therapeutics LLC	Body Corporate	-	100	USA	No	USA

Directors' Declaration

In the Directors' opinion:

a) the consolidated financial statements and notes set out on pages 47 to 81 are in accordance with the Corporations Act 2001, including:

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date, and

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

c) the consolidated entity disclosure statement on page 82 is true and correct; and

Note 1 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the chief executive officer and the chief financial officer required by Section 295A of the Corporations Act 2001.

The declaration is made in accordance with a resolution of the directors:



Rohan Hockings

Executive Director & Chief Executive Officer

28 August 2026

Perth

Independent Auditor's Report

Independent auditor's report

To the members of PYC Therapeutics Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of PYC Therapeutics Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information;
- the consolidated entity disclosure statement as at 30 June 2026; and
- the directors's declaration.

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INDEPENDENT AUDITOR'S REPORT

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

INDEPENDENT AUDITOR'S REPORT

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 for the current period. The key audit 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. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Board of Directors.

Key audit matter	*How our audit addressed the key audit matter*
Research and development tax incentive receivable As per note 11 to the consolidated financial statements, the Group's research and development ("R&D") tax incentive receivable was $25,735,720 as of 30 June 2026. This R&D incentive is recognised as other income for the year then ended. The Group assessed the R&D activities to determine which of those activities were eligible under the R&D tax incentive program and when there is reasonable assurance that the entity will comply with the program conditions. This was a key audit matter due to the significant judgement applied in determining whether the R&D activities and related expenditures were eligible under the R&D tax incentive program and the quantum of the income and receivable.	Our audit procedures, amongst others included: • with the assistance of PwC R&D incentive experts, evaluating the appropriateness of the methodology used to estimate the amount of the R&D tax incentive receivable; • comparing the estimate recorded in the financial statements as at 30 June 2025 to the amount of cash received after lodgement of the R&D Tax Incentive claim to assess historical accuracy of the estimate; • agreeing a sample of eligible expenditure in the estimate to the general ledger or other underlying accounting records; • agreeing the mathematical accuracy, on a sample basis, of the Group's R&D incentive calculation; and • evaluating, for a selection of eligible expenditures, the appropriateness of the Group's assessment of eligibility by comparing the nature of the expenditure against the eligibility criteria of the R&D Tax Incentive program.
Investment in debt instruments As disclosed in note 15 to the consolidated financial statements, at 30 June 2026 the Group recognised US Treasury bills amounting to $8,695,838 and unlisted Australian and US floating rate notes (FRNs) amounting to $256,433,239. The Group classified the investments as fair value through other comprehensive income. This was a key audit matter due to the quantum of the valuation and the judgements applied in determining the appropriate	Our audit procedures, amongst others, included: • evaluating the appropriateness of the initial recognition and subsequent measurement applied to the instruments, including the split of movements recognised in other comprehensive income and the income statement;

INDEPENDENT AUDITOR'S REPORT

Key audit matter	*How our audit addressed the key audit matter*
classification and measurement of the instruments.	• obtaining confirmation from the Group's external treasury manager of the investments held at 30 June 2026; • assessing the fair value of the instruments by independently testing against third-party market data; • evaluating management's expected credit loss assessment, considering the respective credit ratings of the instruments; • assessing the current versus non-current split against expected timing of realisation and maturity terms, in accordance with AASB 101 Presentation of Financial Statements; and • evaluating the disclosures against AASB 9 Financial Instruments, AASB 7 Financial Instruments: Disclosures, and AASB 13 Fair Value Measurement.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

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 on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors's report for the year ended 30 June 2026.

In our opinion, the remuneration report of PYC Therapeutics Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

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INDEPENDENT AUDITOR'S REPORT

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.

PricewaterhouseCoopers

Adam Thompson
Partner

Perth
28 August 2026

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ASX ADDITIONAL INFORMATION

ASX Additional Information

The shareholder information set out below was applicable as at 14 August 2026.

Distribution of holders of ordinary fully paid shares

Analysis of number of fully paid shares:

	Number of holders	Number of ordinary fully paid shares	% of ordinary fully paid shares
1 to 1,000	1,009	613,393	0.06%
1,001 to 5,000	1,325	3,502,145	0.36%
5,001 to 10,000	562	4,425,131	0.45%
10,001 to 100,000	1,161	37,323,676	3.79%
100,001 and over	399	937,646,102	95.34%
	4,456	983,510,447	100.00%

Based on the closing price on 14 August 2026 of $2.14 per security, the number of holders with an unmarketable holding was 84, with a total shareholding of 2,833 ordinary fully paid shares, amounting to less than 0.01% of issued capital.

Twenty largest security holders

The names of the twenty largest holders of ordinary shares are listed below:

Name	Number of ordinary shares	% of Issued capital
CITICORP NOMINEES PTY LIMITED	138,009,070	14.03%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	94,090,275	9.57%
RA CAPITAL	92,818,753	9.44%
AUSTRALIAN LAND PTY LTD <THE SOUTHDOWN A/C>	69,928,655	7.11%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	50,886,181	5.17%
MCCUSKER HOLDINGS PTY LTD	43,925,000	4.47%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	27,570,407	2.80%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	25,975,963	2.64%
BNP PARIBAS NOMS PTY LTD	22,496,307	2.29%
PAGHAM PTY LTD <THE AINTREE A/C>	20,654,796	2.10%
RUNCTON PTY LTD <THE GOODWOOD A/C>	20,414,796	2.08%
STOCKBRIDGE CORPORATION PTY LTD	20,414,796	2.08%
TREXON PTY LTD <BLACKPOOL TRUST A/C>	20,214,796	2.06%
SIETSMA HOLDINGS PTY LTD <THE SIETSMA SUPER FUND A/C>	16,900,000	1.72%
SELWOOD BARTON PTY LTD <SELWOOD BARTON A/C>	12,500,000	1.27%
AUSTRALIAN LAND PTY LTD <THE TRIBE SUPER FUND A/C>	11,313,636	1.15%
MR ADAM BONADDIO & MR ADRIAN BONADDIO	10,127,598	1.03%
DATAMATCH PTY LTD <PARAGON FAMILY A/C>	10,000,000	1.02%
CORDALE HOLDINGS PTY LTD	6,640,000	0.68%
LOCCA PTY LTD	5,209,172	0.53%
	723,090,201	73.52%

ASX ADDITIONAL INFORMATION

Substantial holders

Substantial holders in the Company are set out below:

	Number held	% of total shared issued
RA Capital	92,818,753	9.44%
Australian Land Pty Ltd	84,578,385	8.60%

Voting rights

The voting rights attached to ordinary shares are set out below:

ORDINARY SHARES

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

UNQUOTED OPTIONS

Unquoted options do not entitle the holder to any voting rights

On Market Buy Back

There is no on-market buy-back scheme in operation for the company's quoted shares or quoted options

Unquoted Option Holder Information

The information on unquoted securities set out below was applicable as at 21 August 2026

DISTRIBUTION OF UNQUOTED OPTION HOLDER NUMBERS

Category (size of holding)	No. of Option Holders	No. of Options
100,001 and over	16	32,723,130

HOLDERS OF MORE THAN 20% OF UNQUOTED OPTIONS

The name of holders, holding more than 20% of the unquoted options on issue in the Company's share register as at 14 August 2026 were: Dr Rohan Hockings


eppendorf
Easypet
SARSTEDT
ml
50
45
40
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