pharmx

Annual Report 2025

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Contents

General information

The financial statements cover Pharmx Technologies Limited as a Group which consists of Pharmx Technologies Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Pharmx Technologies Limited's functional and presentation currency.

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

Level 7
1 Castlereagh Street
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20 August 2025. The directors have the power to amend and reissue the financial statements.

Chairman's letter to shareholders

Dear fellow shareholders,

It gives me great pleasure to present the 2025 annual report for Pharmx Technologies Limited.

Introduction

2025 has been a year of strong growth for the Company, achieved whilst undertaking key strategic investments made to support the business's future growth ambitions. Whilst Pharmx enjoys a dominant market position in both Australia and New Zealand, the decision to invest in both technology and people was made to maximise identified growth.

The focal technological strategy is the development of a single platform, enabling the business to simplify the offering to both pharmacy and supplier customers and drive scale.

The first stage of this program has been to redevelop the Supplier Portal, reducing barriers to entry to the Pharmx network, giving suppliers near instant access to 99% of the ANZ pharmacy market in as a little as one day (down from 12 weeks). In addition to onboarding and integration efficiencies, the new Portal delivers a suite of advanced business tools designed to support supplier growth and engagement, including product catalogue and order management functionality, real-time performance analytics, direct connection capabilities with pharmacy customers and marketing support.

Subsequently, Pharmx has developed its first pharmacy facing product for the Pharmx Gateway; the Pharmacy Portal. This development is viewed as a key strategic lever in delivering long term loyalty to the Pharmx brand. The Pharmacy Portal is a centralised platform designed to streamline operations for pharmacies. The Portal provides fast access to order and invoice history, real-time spending insights, and seamless account management with trading partners connected via the Pharmx Gateway. This portal was launched in June 2025 and has been positively received by the market.

I am delighted to report that the development of both these portals was achieved both within budget and on time. Furthermore, the business was able to accelerate its growth during this period, for which management should be congratulated.

Financial Results

Revenue from operations was $7,530,000, an increase of approximately 13% on FY24. This increase was driven by revenue from new supplier to pharmacy connections as well as from our Marketplace platform, growing 193% on FY24. The fledgling data analytics business also made its first revenue contribution.

The profit before tax from continuing operations was $79,000. This is a decline compared to the underlying profit before tax in the prior year ($581,000), largely due to the investment that has taken place in the current year. There has been an increase in technology, marketing and sales resources during the current year, as well as technology platform improvements to help drive the success of the new single platform. This was also the first year the underlying business had a full year of overhead cost allocations, following the finalisation of the sale of the pharmacy software business during the previous financial year.

Reported operating cash flow for the year was an outflow of $8,133,000. This included the payment in relation to the Pharmx court case of $9,898,000, and a net R&D benefit received of $863,000. Excluding these items, underlying operating cash inflow was $902,000, compared to $1,957,000 in the previous financial year. The main additional expenditure in the current financial year is in relation to people costs, including marketing and sales resources, brought on to drive revenue growth.

Chairman's letter to shareholders continued

There was $1,723,000 of capitalised investment expenditure in the current year. This includes internal development capitalised, as well as the final payment of $275,000 made in relation to the early termination of the revenue share agreement for the purchase of the Pharmxchange intellectual property. This means we now own the asset outright with no further revenue share commitments, which is a saving to the company of $824,000.

At the end of the financial year, cash on hand was $4,172,000 compared to $13,136,000 in the previous year. The previous year cash balance included $9,898,000 that was paid in relation to the Pharmx court case during the current year. At the end of the first half of FY25, the cash balance was $4,482,000. The outflow of only $310,000 during the second half, whilst launching the new Supplier and Pharmacy Portals, demonstrates the disciplined approach taken while still investing in growth.

Key Highlights

Pharmx accelerated its revenue growth in FY25 up 13% on pcp. This was driven by further supplier partnerships including Pave (Thankyou brands), Healthy Life, Homart, and growth with MCo Beauty. This resulted in 1,850 new net active accounts being added during the year (+5%) and strong growth in Marketplace with revenues up 193% over FY24.

In addition to the release of the Supplier and Pharmacy Portals the team delivered impactful updates to the existing Marketplace solution, developed a new AI enabled Analytics Platform, a new growth focused website, plus infrastructure upgrades to modernize platform management, data flow and security. Internally, the team implemented the use of AI tools, a new CRM, an Automated Marketing Platform, a new Product Analytics platform, and Sales Enablement support. These developments were supported by a new team structure and improved priority and metric tracking which resulted in increased productivity, delivery and efficiency as the year progressed.

In February Pharmx signed a significant new agreement with Toniq, the leading provider of point-of-sale software to the New Zealand market. This will give Pharmx access to nearly all New Zealand pharmacies and provide a significant revenue opportunity going forward.

As mentioned above, in December 2024 Pharmx secured the early termination of the revenue share arrangement with Alchemy Healthcare relating to the acquisition of the Marketplace intellectual property. This was a key precursor to investing in the next stage of Marketplace growth as part of a broader investment program linked to the single platform strategy.

Pharmx has been a long-term partner of Diabetes Australia in delivering the Department of Health and Aging's (DOHA) National Diabetes Distribution Scheme (NDSS) whereby patients are provided with diabetic consumables via accredited pharmacies and the pharmaceutical wholesale network. Late 2024 the DOHA called for expressions of interest in tendering for this important contract. Following discovery, DOHA elected not to proceed with the tender process and in June 2025 announced a renewal of the current arrangement with Pharmx.

FY25 also saw the completion of a rebranding initiative to transform the brand and its positioning to align with our growth objectives and reinforce our market leadership. This was an important development given the strategic imperative of better engaging with pharmacies prior to the launch of the Pharmacy Portal.

The newly launched Data Analytics business has got off to an encouraging start with agreements with 13 suppliers currently in place. Pharmx has one of the deepest and broadest datasets in the industry across Australia and New Zealand. With best-in-class security and privacy protections and our advanced AI supported platform, we will strive to improve our customers' businesses, improve engagement with suppliers and develop a new, sustainable revenue stream.

We continue to invest in developing a top-level team at both the Board and management level. Following Zoe Hillier's return from maternity leave to resume her CFO role, Jon Newbery agreed to take on the role of COO on a part time basis in addition to his Board role after filling in as interim CFO for Zoe. Due to significant other

Chairman's letter to shareholders continued

commitments Sandy Mellis was appointed as Dennis Bastas' non-executive director alternate to the Board. Sandy's extensive career in developing and managing consumer health and beauty brands with large multi-disciplinary brands and multi-billion dollar portfolios has already contributed greatly to the Board. Sandy currently holds the dual role of Chief Commercial Officer of DBG Health and Chief Executive Officer of VidaCorp, the consumer Health and Beauty division of DBG Health.

The Year Ahead

The Australian pharmacy market remains highly attractive, driven by population growth, demographic shifts, and regulatory controls, with the AU-NZ retail pharmacy market forecasted to grow at 7.6% CAGR by 2030[1]. Efficiency and technology investments remain crucial, with a rising need for tech-enabled workforce expansion and optimised workflows and digital innovation in the supply chain.

Our FY26 strategy builds on the momentum established in the second half of FY25, with a continued focus on delivering 'more – for – more' to our partners, supported with the development of a unified single platform solution that enhances customer experience and reduces barriers to accessing the Pharmx network. There will be increased focus on the use of AI and investment in platform automation, digital enablement and commercial resources to increase efficiency, accelerate supplier onboarding, drive deeper engagement from pharmacies, grow transaction volumes, and expand our addressable market. These efforts will also strengthen our analytics capabilities, creating new opportunities for data-driven insights and monetisation.

We are committed to continuing to enhance our core technology services, ensuring that we maintain the highest and most modern standards of infrastructure, system performance, security and capability. This will lay the foundation to expand our capabilities across the vertical through our Gateway and accelerate our Marketplace and Analytics solutions. We anticipate continued growth in our core Pharmx revenues, driven by an increasing customer base and enhanced engagement with those customers. Our focus on innovation and ensuring we continue to invest will remain central to our strategy.

I would like to thank management for their dedication and all our shareholders for your continued support.

Yours sincerely,

Nick England
Chairman
20 August 2025

[1] *Blueweave Consulting 2024

Directors' report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') which consists of Pharmx Technologies 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 2025.

Directors

The following were directors of Pharmx Technologies Limited during the financial year and up to the date of this report unless otherwise stated:

Name: Nick England

Title: Non-executive Chairman

Qualifications: B.Sc (Pharm), Graduate of the Advanced Management Programme at Harvard Business School in 2003

Experience and expertise: Nick has over 35 years of experience and high-level global relationships formed through his consulting and senior management roles in Australia, the UK and Europe. He held senior management roles with the global health and beauty company Alliance UniChem PLC (now Walgreens Boots Alliance), which operates 13,000 pharmacies and distributes across 11 countries. As Group Director for Alliance UniChem, Nick was responsible for merger, acquisition and service agreement opportunities with key global network partners. Previously, Nick was also CEO of Alliance UniChem Retail International with responsibility for 300 pharmacies across Europe. He is currently a Principal of Sydney-based international retail pharmacy consultancy IQ Consulting.

Other current listed directorships: None

Former listed directorships (last 3 years): None

Special responsibilities: Chair of Remuneration & Nomination Committee and member of Audit & Risk Committee

Interest in shares: 26,980,834 ordinary shares

Name: Jon Newbery

Title: Executive Director & Chief Operating Officer

Qualifications: Fellow of ICAEW, GAICD

Experience and expertise: Jon has over 35 years of experience in senior executive and Board roles for ASX listed companies operating in the technology, telecommunications, urban services and facilities management sectors. Jon was Interim CFO of Pharmx while Zoe Hillier was on maternity leave, and upon her return in January 2025 has taken over as COO. Jon is also Chairman of Repurpose It, a Victorian-based business focused on the recycling of construction and demolition materials and organics , Chairman of Energy Locals, a national provider focussed on the provision of embedded networks to multi dwelling buildings, Chairman of Total Ventilation Hygiene, a leading HVAC service provider with operations throughout Australia and a Non-executive director of Xref Limited, a listed provider of human resources technology solutions. Previously Jon held roles as Head of Corporate Finance (M&A) at Downer EDI Limited, Australia's leading urban services and facilities management provider, the Chief Executive Officer of ASX listed Clarity OSS Limited which developed operational support systems for telecommunication operators across the globe and as Chairman of UK based banknote trading system developer IMX Software. Primary areas of expertise include mergers and acquisitions, corporate finance, financial and strategic planning and the implementation and oversight of reporting and corporate governance structures.

Other current listed directorships: Xref Limited

Former listed directorships (last 3 years): None

Special responsibilities: Member of the Remuneration and Nomination Committee

Interest in shares: 1,713,413 ordinary shares

Name: Jayne Shaw

Title: Non-executive Director

Experience and expertise: Jayne Shaw is the Executive Chair and co-founder of BCAL Diagnostics which is now listed on the ASX. She is a qualified and registered nurse in the UK, and on arrival in Australia became Director of Nursing and Chief Executive Officer of two private hospitals. Founding an international healthcare consulting business, which was later acquired by Healthsouth, she co-founded Vision Group, which became an ASX-listed Ophthalmic Doctor equity model. She has founded and lead several healthcare companies which have either been sold or listed on the ASX and has worked on many international mergers and acquisitions with private equity companies in the UK, Australia and the USA. Currently she co-owns Sydney Breast Clinic and holds existing board positions at Magentus, Ellerston JAADE Australian Private Assets Fund, Mable Technologies, Pharmx and Prospection. Jayne also serves as a Non-Executive Director at Pinnacle Charitable Foundation.

Other current listed directorships: BCAL Diagnostics Limited

Former listed directorships (last 3 years): None

Special responsibilities: Chair of the Audit and Risk Committee and member of the Remuneration and Nomination Committee

Interest in shares: 2,780,953 ordinary shares

Directors' report continued

Directors continued

Name: Dennis Bastas

Title: Non-Executive Director

Qualifications: B.E., MAICD

Experience and expertise: Dennis has extensive experience developing and operating businesses across pharmaceuticals, consumer health and pharmacy retailing and wholesaling. He is currently the Executive Chairman and CEO of DBG Health, Australia's largest diversified pharmaceutical, health and beauty products business. In 2015 Dennis acquired the Arrow Pharmaceuticals business from Aspen and in 2019 he merged the business with Apotex Australia to form Arrotex Pharmaceuticals. In 2023 Dennis acquired full ownership of Arrotex Pharmaceuticals, Juno Pharmaceuticals and Axe Health to form DBG Health. In 2003 Dennis founded Ascent Pharmaceuticals and as CEO went on to build his first successful generic pharmaceutical company which was sold to Actavis Pharmaceuticals in 2012. Dennis was also the major shareholder and Chairman of the Central Healthcare group of companies which he developed in 2010 and which included CHS, a pharmacy wholesaling business, and PharmaSave, a retail pharmacy group. Dennis went on to sell the Central Healthcare group of companies to Sigma Pharmaceuticals in 2014. Dennis is also currently the founder and Executive Chairman of myDNA - a world leading pharmacogenomic and health genomic platform company.

Other current listed directorships: None

Former listed directorships (last 3 years): None

Special responsibilities: Member of the Remuneration and Nomination Committee

Interest in shares: 60,000,000 ordinary shares

Name: Sandy Mellis

Title: Alternate non-executive Director to Dennis Bastas

Dates: Appointed 6 September 2024

Qualifications: Bachelor of Commerce – Sydney University

Experience and expertise: Sandy's career has seen him develop and manage consumer health brands, and consumer goods businesses in Australia, NZ, UK, USA and Europe. His 25+ years in the industry has provided Sandy with extensive experience in managing large multi-disciplinary teams, with multi-billion-dollar portfolios, across a wide variety of market channels. More recently, Sandy has held the dual role of Chief Commercial Officer of DBG Health, and Chief Executive Officer of Vidacorp, the Consumer Health & Beauty division of DBG Health.

Other current listed directorships: None

Former listed directorships (last 3 years): None

Special responsibilities: Member of the Remuneration and Nomination Committee

Interest in shares: None

Company Secretary

Christopher Fernandes is the Company Secretary, appointed 27 November 2024. Chris is an experienced Company Secretary with expertise in corporate governance functions of private and public companies in both Australia and the United Kingdom.

Dividends and capital return

No dividends have been declared.

In the previous financial year, a return of capital was made to all shareholders of ordinary, fully paid securities with an effective date of 24 November 2023, record date of 29 November 2023 and a payment date of 4 December 2023. This capital return was approved by the shareholders at the AGM in November 2023 and reduced the Company's capital by $4,489,000 (0.75 cents per share). The Company decided to distribute this cash following the completion of the sale of the pharmacy software business.

Principal activities

Pharmx Technologies Limited (ASX: PHX) is a technology and software development business. The key business activities relate to Pharmx, an electronic ordering and invoicing gateway, Pharmxchange, an online sales and marketing platform integrated with Pharmx and the provision of Data and Analytics services to the pharmacy industry.

The disposal of the pharmacy software business (developed and distributed pharmacy point-of-sale, dispensing and multi-site retail management software) was completed in the prior financial year, with deferred consideration received in October 2024.

Operating and Financial Review

Pharmx is a leading innovator in the pharmacy sector, dedicated to advancing healthcare through transformative technology. Being at the centre of the pharmacy network, Pharmx drives growth by connecting the industry, streamlining inventory management and enabling smarter business decisions through data-led solutions. This is achieved through:

- **Pharmx Gateway** - streamlines ordering and invoicing communication between pharmacies, POS vendors, suppliers, and government departments, managing over $20 billion of transactions annually

Directors' report continued

Operating and Financial Review continued

and being used by 99% of Australian pharmacies, with a growing presence in New Zealand.

- **Pharmx Marketplace** - is an advanced e-commerce ordering platform that allows pharmacists to easily access a wide range of products and promotions, while providing suppliers with an innovative way to market and distribute their products. Marketplace is tightly integrated to Pharmx Gateway and provides a digital sales and marketing platform for suppliers and offers tailored digital sales and marketing options and an integrated payments solution.
- **Pharmx Analytics** - provides actionable insights for suppliers and buyers spanning retail, supplier, and market analytics. Bespoke solutions are offered to enhance strategic growth, planning and product management across Australia's entire pharmaceutical supply chain.

Revenue is derived from monthly account fees, commissions as a percentage of transaction value and the provision of services.

All development is undertaken in house, which provides Pharmx greater control and strategic oversight of the software development process and greater visibility and control of costs.

On 8 August 2024 the Victorian Supreme Court handed down its judgement in the appeal by Fred IT Group Pty Ltd against Pharmx Pty Ltd and Corum Systems Pty Ltd. The judgement was unfavourable for the Group. As a result, Pharmx repaid the $8,128,000 received following the original judgement plus costs and interest of a further $1,770,000, in accordance with final Orders issued by the Court. The group has accounted for the impacts of the judgement through the statement of profit and loss in the previous financial year ended 30 June 2024 resulting in additional revenues of $1,442,000 and costs of $1,822,000 being recognised in the year ended 30 June 2024. The cash outflow of $9,898,000 occurred during the current financial year ended 30 June 2025. This matter is now finalised, and no further costs are expected.

Revenue

Revenue from continuing operations for the year was $7,530,000. Revenue in the prior year, excluding amounts recognised in relation to the Pharmx court case, was $6,652,000. This is a year-on-year increase in underlying revenue of 13%. Revenue from continuing operations includes Pharmx only, the pharmacy software business is reported as a discontinued operation in the previous financial year, and has had no revenue contribution in the current year.

The current year underlying revenue improvement of $878,000 has been across all areas of the business, mainly driven by increasing the number of pharmacy to supplier connections. Pharmxchange and Analytics have also generated growing revenues during the year.

Profit

For the year ended 30 June 2025, the Group reported profit before tax from continuing operations of $79,000 (2024: $201,000).

There has been additional investment in the current year to modernise our technology and launch the new Pharmacy Portal and Supplier Portal. Operating costs for the year ended 30 June 2025 are $5,922,000, compared to underlying operating costs of $4,806,000 for 2024 (excluding Pharmx court case legal fees of $1,822,000). The majority of this $1,116,000 increase has come from additional investment in people, as well as additional spend on marketing and technology costs as the business invests for growth.

The statutory loss after tax for the financial year was $264,000 (2024: loss of $1,769,000).

Cash and investment

Operating cash flow for the year was an outflow of $8,133,000 compared to an inflow of $3,205,000 in the prior year. There was $9,898,000 paid in the current financial year in relation to the Pharmx court case judgement. Excluding this, operating cashflow was $1,765,000.

Substantial investment continued in software development throughout the year. There was $2,165,000 of research and development expenditure incurred in the current year, with $1,448,000 of this amount being capitalised.

In addition, during the year the Group agreed to an early termination of the revenue share agreement with Alchemy relating to the acquisition of the Pharmxchange intellectual property. This resulted in a reduction in the amount payable under the agreement of $824,000. As this amount related to the original maximum amount payable for the intellectual property this amount was netted against intangible assets, where the original asset was recognised. $275,000 was paid in relation to this settlement.

There is ongoing investment in development to continue to enhance functionality across the product suite, drive increased utilisation, attract new suppliers and improve

Directors report continued

Operating and Financial Review continued

Cash and investment continued

useability through improved automation in supplier onboarding and self-management.

At the end of the financial year, cash on hand, was $4,172,000 compared to $13,136,000 in the previous year. During the current year, $9,898,000 of the cash outflow related to the Pharmx court case and $1,255,000 was received as deferred consideration relating to the sale of the pharmacy software business. Excluding these amounts, there was a net cash outflow for the year of $321,000.

Outlook

Pharmx's focus for the next year continues to be on increasing the number of suppliers using the Group's product suite as well as increased utilisation of the product suite, including the pharmacy portal by pharmacies. This will require ongoing investment in the products, enhancing the analytics capabilities and investment in marketing to increase awareness of Pharmx among all stakeholder groups.

Business Risks

Reputational Risk

As a listed technology business and essential part of the pharmacy supply chain, our reputation is critical to maintaining investor confidence, attracting top talent, and securing key business partnerships. Reputational damage can result from various sources, including product failures, data breaches, regulatory non-compliance, or negative publicity. Any significant harm to our reputation could lead to a loss of customer trust, a decline in stock value, and reduced market share. To protect our reputation, we prioritise transparency, ethical business practices, and high standards of corporate governance. We actively monitor and manage our public relations, ensuring timely and accurate communication with stakeholders. Our quality control processes are stringent, designed to minimise the risk of product failures. We also engage in proactive stakeholder engagement and maintain robust compliance programs to meet all regulatory requirements. Additionally, we have a crisis management plan in place to address and mitigate any potential reputational issues swiftly.

Key Customer Risk

A large proportion of our revenue is dependent on a relatively small number of key customers. The loss of any one of these customers, due to factors such as changes in their business strategy, financial instability, or competitive pressures, could lead to a decline in the business' revenue and profitability. This concentration risk could also impact our market position and growth prospects. To mitigate this risk, we are continuously working to strengthen our relationships with existing key customers and government through exceptional service delivery and by offering tailored solutions that meet their evolving needs. We are also continuing our focus on diversifying our customer base by expanding the number of suppliers that we work with to reduce dependency on any single customer. Furthermore, we closely monitor the financial health and strategic direction of our key customers to anticipate and address potential risks proactively.

Cyber Risk

As a technology business, we are dependent on digital infrastructure to operate, making us susceptible to cyber threats, including data breaches, ransomware attacks, and other forms of malicious activities. Moreover, given our position in the industry we are responsible in part for order completion and stock management information. A successful cyberattack could lead to operational disruptions, failed orders, financial loss, regulatory penalties and damage to our reputation. The evolving sophistication of cyber threats heightens this risk, making continuous vigilance essential. To mitigate the risk, we continuously update our security posture and protocols to align with the latest industry standards and regulatory requirements and our team conducts vulnerability assessments to identify and address potential weaknesses. Additionally, we have established an incident response plan to ensure rapid recovery and minimise impact in the event of a cyberattack.

Key Person Risk

Our success is closely tied to the expertise and leadership of certain key individuals within the business. The loss of any of these individuals, whether through departure, illness, or other unforeseen circumstances, could disrupt our operations, delay critical projects, and negatively impact our strategic direction. Key person risk is particularly pronounced in technology businesses where specialised knowledge and leadership play a crucial role. As mitigation of the key person risk, we have enhanced our information sharing procedures, process documentation and implemented succession planning for critical roles, ensuring that potential successors are identified and being developed within the organisation. In the event of an unexpected departure, our handover procedures ensure that operations continue smoothly with minimal disruption.

Directors' report continued

Significant changes in the state of affairs

In the opinion of the directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in the Directors' Report or the accompanying financial statements.

Likely developments and expected results of operations

Information regarding likely developments, prospects or business strategies of the Group in future financial years is set out in the Operating and Financial Review and elsewhere in the Annual Report, insofar as such information does not result in unreasonable prejudice to the Group's commercial interests.

Matters subsequent to the end of the financial year

No matters or circumstances have arisen since 30 June 2025 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.

Indemnity and insurance of officers

The Company has indemnified the directors and some executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith. During the financial year, the Company paid a premium of $27,000 in respect of a contract to insure the directors and executives of the Company against any liability to the extent permitted by the Corporations Act 2001.

Indemnity and insurance of auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

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 Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings. The Group was not a party to any such proceedings during the year.

Corporate governance statement

The Pharmx Corporate Governance Statement discloses how the Group complies with the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (4th Edition) and sets out the Group's main corporate governance practices. This statement has been approved by the Board and is current as of 20 August 2025.

In accordance with Listing Rule 4.10.3, the Group's Corporate Governance Statement and Appendix 4G can be found on the Company website at: www.Pharmx.com.au/Pharmx-investor-centre/.

Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327B of the Corporations Act 2001.

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.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year are outlined in note 5 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 5 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved by the Audit and Risk Committee to ensure they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

Directors' report continued

Environmental regulations

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee		Remuneration and Nomination Committee	
	Attended	Held	Attended	Held	Attended	Held
Nick England	6	6	3	3	2	2(2)
Jon Newbery	6	6	–	–	3	3
Jayne Shaw	6	6	3	3	3	3
Sandy Mellis(1)	5	6	–	–	2	2

Held: represents the number of formal meetings held during the time the director was in office or was a member of the relevant committee. In addition to formal board meetings the directors held several other meetings and informal discussions during the financial year.

The CEO and CFO were invited to attend meetings of both committees, where appropriate.

(1) Sandy Mellis was appointed as Dennis Bastas' non-executive alternate Director to the Board in September 2024

(2) Nick England was appointed as a member of the Remuneration and Nomination Committee at the meeting held on 29 July 2024.

Directors' report continued

Remuneration report (audited)

The remuneration report details the remuneration arrangements for the key management personnel of 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.

Principles used to determine the nature and amount of remuneration

The Group provides appropriate rewards to attract and retain high quality and committed employees.

Base salaries of executives are determined by management having regard to the nature of each role, the experience and performance of the individual and are reviewed by the Remuneration and Nomination Committee on a regular basis. The directors look to satisfy the following key criteria when assessing the appropriate levels of remuneration:

- competitiveness and reasonableness;
- acceptability to shareholders; and
- transparency.

The Remuneration and Nomination Committee consists of three non-executive directors and one executive director who are responsible for determining and reviewing remuneration arrangements for the Group's directors and executives and has oversight of the hiring and remuneration practices within the Group. The remuneration philosophy is to attract, motivate and retain high-performing employees.

The Remuneration and Nomination Committee may from time to time receive advice from independent remuneration consultants. The process of this engagement is managed by the Chair of the Remuneration and Nomination Committee independently of the individuals (management) to whom the recommendations relate to ensure that the recommendations are prepared and presented free of undue influence by any person. No such engagement occurred during the current financial year.

Non-executive Director's remuneration

Fees and payments to Non-executive Directors reflect the demands and responsibilities of their role. Non-executive Directors are paid an annual fee and additional fees where they act as chair or a member of a committee. Non-executive Director fees and payments are reviewed periodically by the Remuneration and Nomination Committee. The Chairman's fees are determined independently to the fees of other Non-executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions to determine his remuneration.

ASX listing rules require the aggregate Non-executive Directors remuneration be determined periodically by a general meeting. The shareholders have approved a maximum aggregate remuneration of $800,000 per annum.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components where appropriate.

The executive remuneration and reward framework has the following components:

- base pay and non-monetary benefits;
- other remuneration such as superannuation; and
- short and long-term incentives.

The combination of these comprises the executive's total remuneration.

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

Executives may receive part of 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.

Performance evaluation

A performance evaluation of the Board was carried out anonymously by the directors for the current financial year. A performance evaluation of the senior executives has also been conducted for the current financial year. The review includes consideration of their function, achievement of individual targets and agreed objectives and the overall performance of the individual.

Directors' report continued

Remuneration report (audited) continued

Details 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	Share based payments	
		Salaries and fees(1) $	Incentives $	Superannuation $	Performance rights(2) $	Total $
Directors:						
Nick England(i) *Non-executive Chairman*	2025	128,000	250,000	18,523	–	396,523
	2024	303,583	–	20,694	–	324,277
Jon Newbery(ii) *Executive Director and Chief Operating Officer*	2025	293,000	–	9,545	–	302,545
	2024	175,917	–	9,451	–	185,368
Jayne Shaw *Non-executive Director*	2025	88,000	–	10,120	–	98,120
	2024	88,000	–	9,680	–	97,680
Dennis Bastas(iii) *Non-executive Director*	2025	15,236	–	–	–	15,236
	2024	83,000	–	–	–	83,000
Sandy Mellis(iii) *Non-executive Director*	2025	67,849	–	7,803	–	75,652
	2024	–	–	–	–	–
Other Key Management Personnel:						
Tom Culver(iv) *Chief Executive Officer*	2025	342,952	45,000	29,932	96,007	513,891
	2024	191,399	–	15,983	11,910	219,292
Zoe Hillier(v) *Chief Financial Officer*	2025	83,334	31,250	12,698	30,222	157,504
	2024	209,887	35,000	25,116	6,222	276,225
Total 2025		**1,018,371**	**326,250**	**88,621**	**126,229**	**1,559,471**
Total 2024		**1,051,786**	**35,000**	**80,924**	**18,132**	**1,185,842**

(1) In the table above, salaries and fees include leave payments and movements in leave accruals
(2) The value of the performance rights disclosed is the fair value of the instruments allocated to profit and loss the reporting period

(i) Nick England transitioned from Non-executive to Executive Chair on 1 February 2022, with no change to his chair fee. He was also appointed Interim Chief Executive Officer on 1 February 2022 with an annual salary of $360,000 plus superannuation and returned to his role as Non-executive Chair from 1 January 2024. During 2025 he was paid a short-term incentive of $250,000 on the achievement of agreed key objectives while in his executive role.
(ii) Jon Newbery transitioned from Non-executive to Executive Director on 1 January 2024, with no change to his director fee. He was also appointed Interim Chief Financial Officer on 1 January 2024 with a fee of $15,000 per month. From 1 February 2025, Jon transitioned into the Chief Operating Officer role, on the same monthly fee.
(iii) On 6 September 2024 Sandy Mellis was appointed as Dennis Bastas' non-executive alternate Director to the Board.
(iv) Tom Culver was appointed Chief Executive Officer on 20 November 2023.
(v) Zoe Hillier was on maternity leave from February 2024 until February 2025.

Directors' report continued

Remuneration report (audited) continued

Fixed and variable remuneration

All remuneration in the above table is fixed apart from the incentives and share based payments. Incentives are discretionary based on performance, and the share-based payments (performance rights) vest based on certain performance hurdles, service conditions and exercise conditions being achieved. Targets and objectives are set by the Remuneration and Nomination Committee at the beginning of each year. Group performance measures are based on budgets. Individual targets and objectives vary depending on role and seniority but may include EBITDA, revenue growth and EPS. In assessing individual performance, the Remuneration and Nomination Committee has regard to both targets and subjective inputs, and may apply discretion in determining the final amount to be awarded.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: Tom Culver

Title: Chief Executive Officer

Agreement commenced: 20 November 2023

Term of agreement: Ongoing

Details: Tom was appointed Chief Executive Officer on 20 November 2023. He has an annual base salary of $350,000, plus superannuation. Either party may terminate the employment with three months written notice, or immediately in the event of misconduct. The remuneration package also includes short-term and long-term incentive components. A short-term incentive of up to 30% of salary per annum requires the achievement of individual targets and agreed objectives, and overall Group performance. A long-term incentive of 10,000,000 performance rights has also been granted, none of which have vested to date.

Post termination restraints: Poaching of clients or providing services to clients, poaching of staff and providing services to competitors are all prohibited for 24 months from termination date. All confidentiality requirements continue post termination and all confidential information must be returned to the Company upon termination and any developments or intellectual property developed during the course of employment remains the property of the Company.

Name: Zoe Hillier

Title: Chief Financial Officer

Agreement commenced: 1 July 2021

Term of agreement: Ongoing

Details: Zoe was appointed Chief Financial Officer on 1 July 2021. She has an annual base salary of $250,000, plus superannuation. Either party may terminate the employment with two months written notice, or immediately in the event of misconduct. The remuneration package also includes short-term and long-term incentive components. A short-term incentive of up to 25% of salary per annum is payable upon the achievement of individual targets and agreed objectives, and overall Group performance. A long-term incentive of 5,000,000 performance rights has also been granted, 500,000 of which have vested as shares and 1,500,000 of which have lapsed to date.

Post termination restraints: Poaching of clients or providing services to clients and poaching of staff is prohibited for 12 months from termination date. Providing services to competitors is prohibited for 6 months from termination date. All confidentiality requirements continue post termination and all confidential information must be returned to the Company upon termination and any developments or intellectual property developed during the course of employment remains the property of the Company.

Name: Jon Newbery

Title: Interim Chief Financial Officer, Chief Operating Officer and Executive Director

Agreement commenced: 1 January 2024

Term of agreement: Retained on a month-to-month basis by mutual agreement.

Details: Jon was appointed Interim Chief Financial Officer on 1 January 2024. In addition to his directors' fees, monthly remuneration is $15,000 including superannuation. The agreement is terminable at the Board's discretion. From 1 February 2025, Jon moved into the Chief Operating Officer position, under the same contractual basis with no change in his monthly remuneration.

Directors' report continued

Remuneration report (audited) continued

Other senior executives

Other senior executives are employed under contracts with termination periods between one and three months and are eligible for their statutory employee entitlements upon termination. Certain employees are subject to restraints for an agreed period following termination.

Share-based compensation

Performance rights

The Pharmx Technologies Incentive Plan (the 'Plan') allows the Company to grant performance rights to participants. A performance right is a right to acquire a share in the Company, subject to the satisfaction of certain conditions which will be set out in each invitation to acquire performance rights.

The Board has discretion to make grants at any time, including on the commencement of employment by a person deemed by the Board to be eligible to participate in the Plan. The terms of any future offers may vary.

There are no voting or dividend rights attached to the performance rights.

The number and value of performance rights granted during the year in relation to key management personnel are as follows:

	Grant Date	Number Granted	Fair Value at Grant Date	Vesting Date
Zoe Hillier	25 Feb 2025	2,000,000	$148,000	28 February 2028

The fair value of performance rights granted reflects the fair value of the performance rights at grant date to the extent all performance hurdles, service conditions and exercise conditions associated with the grant are achieved.

The performance rights are subject to a service condition of continuous employment for three consecutive years. There is no exercise price associated with these performance rights. The expiry date is the fifth anniversary of the grant date.

The maximum expense that can be recognised in relation to these performance rights is $148,000, and the minimum expense is nil over the period from 25 February 2025 up to 28 February 2028.

Performance rights holding

The number of performance rights over ordinary shares in the Company held during the financial year by each member of key management personnel, including their personally related parties, is set out below:

	Held at 1 July 2024	Number Granted	Lapsed	Held at 30 June 2025	Vested and exercisable at 30 June 2025
Tom Culver	10,000,000	-	-	10,000,000	-
Zoe Hillier	2,000,000	2,000,000	(1,000,000)	3,000,000	-

The lapsed performance rights during the current year were due to related targets not being achieved. Performance hurdles and exercise conditions are based on achievement of certain earnings per share targets.

Issue of shares

There were no shares issued to key management personnel as part of compensation during the year ended 30 June 2025 under the Plan.

Directors' report continued

Remuneration report (audited) continued

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other key management personnel, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions(1)	Disposals / other(2)	Balance at the end of the year
Ordinary shares:					
Nick England	26,980,834	–	–	–	26,980,834
Jon Newbery	1,713,413	–	–	–	1,713,413
Jayne Shaw	2,780,953	–	–	–	2,780,953
Dennis Bastas	60,000,000	–	–	–	60,000,000
Thomas Culver	–	–	285,723	–	285,723
Zoe Hillier	625,000	–	–	–	625,000

(1) Additions may represent the acquisition of shares, or shareholding on commencement as key management personnel.
(2) Disposal/other may represent the disposal of shares, or cessation as key management personnel.

None of the shares included in the table above are held by a nominee.

Additional Information

The results of the Group for the five years to 30 June 2025 are summarised below:

	2021 $'000	2022 $'000	2023 $'000	2024 $'000	2025 $'000
Sales revenue(1)	12,700	5,356	6,018	6,487	7,320
Profit/(loss) before impairment, fair value and tax	1,100	122	(719)	201	79
Profit/(loss) after income tax	1,091	252	(1,051)	(1,769)	(264)
Total equity	22,930	23,203	22,211	15,972	15,928
Net cash on hand	6,478	5,759	12,806	13,136	4,172

(1) Results presented for 2021 include the discontinued operations (pharmacy software business).

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2021	2022	2023	2024	2025
Share price at financial year end (cents)	8.7	3.4	3.7	3.8	9.3
Basic earnings per share (cents per share)	0.20	0.04	(0.18)	(0.29)	(0.04)

This concludes the remuneration report, which has been audited.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Nick England
Chairman
20 August 2025, Sydney

Jon Newbery
Director

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Australia

DECLARATION OF INDEPENDENCE BY ELYSIA ROTHWELL TO THE DIRECTORS OF PHARMX TECHNOLOGIES LIMITED

As lead auditor of PharmX Technologies Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of PharmX Technologies Limited and the entities it controlled during the period.

Elysia Rothwell

Director

BDO Audit Pty Ltd

Sydney

20 August 2025

Consolidated statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Sales revenue	3	7,320	6,487
Other income	3	210	1,607
Total revenue from continuing operations	3	**7,530**	**8,094**
Operating Costs			
Rebates		(1,359)	(1,234)
Marketing		(347)	(218)
Employee benefits	4	(3,509)	(2,533)
Technology, communication and cloud costs		(536)	(363)
Legal fees		(111)	(1,826)
Professional fees, consulting and other		(384)	(598)
Research and development tax benefit		324	144
Total operating costs from continuing operations		**(5,922)**	**(6,628)**
Non-cash costs			
Depreciation and amortisation	4	(1,278)	(1,203)
Finance costs		(31)	(43)
Share-based payments	19	(220)	(19)
Profit from continuing operations before income tax expense		**79**	**201**
Income tax expense relating to continuing operations	6	(343)	(106)
(Loss) / profit from continuing operations after income tax		**(264)**	**95**
Loss relating to discontinued operations after income tax	7	–	(1,864)
Loss for the year attributable to the owners of Pharmx Technologies Limited		**(264)**	**(1,769)**
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income for the year attributable to the owners of Pharmx Technologies Limited		**(264)**	**(1,769)**
		Cents	**Cents**
Basic earnings per share	8	(0.04)	(0.29)
Diluted earnings per share	8	(0.04)	(0.29)

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

Consolidated statement of financial position

AS AT YEAR ENDED 30 JUNE 2025

		Consolidated	
		2025	2024
	Note	$'000	$'000
ASSETS			
Current assets			
Cash and cash equivalents	10	4,172	13,136
Trade and other receivables	11	1,117	2,271
Income tax receivable	6	368	883
Other assets		101	79
		5,758	**16,369**
Non-current assets			
Property, plant and equipment		32	17
Right of use assets	12	774	226
Intangibles	13	11,790	12,930
Deferred tax assets	6	165	223
Other non-current assets		306	92
		13,067	**13,488**
Total assets		**18,825**	**29,857**
LIABILITIES			
Current liabilities			
Trade and other payables	14	1,211	11,686
Provisions	15	137	150
Lease liability	12	354	107
Unearned income		28	7
		1,730	**11,950**
Non-current liabilities			
Other payables	16	–	883
Provisions	15	64	47
Deferred tax liability	6	563	872
Lease liability	12	540	133
		1,167	**1,935**
Total liabilities		**2,897**	**13,885**
Net assets		**15,928**	**15,972**
EQUITY			
Issued capital	17	93,970	93,970
Performance rights reserve	19	244	24
Accumulated losses		(78,286)	(78,022)
Total equity		**15,928**	**15,972**

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

Consolidated statement of changes in equity

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Issued Capital $'000	Performance rights reserve $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2023		**98,405**	**59**	**(76,253)**	**22,211**
Profit after income tax expense for the year		–	–	(1,769)	(1,769)
Other comprehensive income		–	–	–	–
Total comprehensive income for the year		–	–	(1,769)	(1,769)
Capital return	17	(4,489)	–	–	(4,489)
Share-based payments	19	54	–	–	54
Performance rights issued and current year expense, net	19	–	19	–	19
Performance rights exercised	19	–	(54)	–	(54)
Balance at 30 June 2024		**93,970**	**24**	**(78,022)**	**15,972**
Profit after income tax expense for the year		–	–	(264)	(264)
Other comprehensive income		–	–	–	–
Total comprehensive income for the year		–	–	(264)	(264)
Performance rights issued and current year expense, net	19	–	220	–	220
Balance at 30 June 2025		**93,970**	**244**	**(78,286)**	**15,928**

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

Consolidated statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2025

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash flows from operating activities			
Receipts from customers		8,089	8,451
Payments to suppliers and employees		(7,397)	(7,203)
Payments for Pharmx court case judgement		(9,898)	–
Interest received		210	294
Research and development incentive received, net of income tax paid		863	1,663
Net cash (used in) / from operating activities	20	**(8,133)**	**3,205**
Cash flows from investing activities			
Payments for property, plant and equipment		(28)	(16)
Payments for intangible assets		(1,723)	(1,566)
Payments for security deposits		(199)	–
Disposal of discontinued operations, net of cash disposed and transaction costs		1,255	3,329
Net cash (used in) / from investing activities		**(695)**	**1,747**
Cash flows from financing activities			
Capital return paid		–	(4,489)
Principal paid on lease liabilities		(121)	(117)
Interest paid on lease liabilities		(15)	(16)
Net cash used in financing activities		**(136)**	**(4,622)**
Net (decrease) / increase in cash and cash equivalents		(8,964)	330
Cash and cash equivalents at the beginning of the financial year		13,136	12,806
Cash and cash equivalents at end of the financial year	10	**4,172**	**13,136**

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

Notes to the financial statements

30 JUNE 2025

Note 1. Material accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either below or in the respective notes. 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 that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

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

New Accounting Standards effective from 1 July 2024

There are no new standards impacting the Group that have been adopted in the annual financial statements for the year ended 30 June 2025 which have given rise to changes in the Group's accounting policies.

New Accounting Standards and Interpretations not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes.

The Group is still assessing the impact of these new or amended Accounting Standards and Interpretations.

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 on an accruals basis and are based on historical costs.

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.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

Notes to the financial statements continued

Note 1. Material accounting policies continued

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 26.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Pharmx Technologies Limited ('Company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Pharmx Technologies Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group 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 Group. They are de-consolidated from the date that control ceases.

When the Group has less than a majority of the voting or similar rights of an entity, the Group considers all relevant facts and circumstances in assessing whether it has power over an entity.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group 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 Group.

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.

Where the Group 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 Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in the statement of profit or loss.

Current and non-current classification

Assets and liabilities are presented in the 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.

Impairment of non-financial assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other 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.

Comparative figures

Comparatives have been realigned where necessary, to agree with current year presentation.

Notes to the financial statements continued

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 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.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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 various other 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.

Product Development Costs

The Group incurs significant costs associated with the development of products for which benefits accrue over many reporting periods. This requires management to critically review software product development costs (net of research and development incentives) to clearly delineate development and the relationship with future potential benefits that are likely to accrue. This assessment of what constitutes product development for capitalisation and the expected future benefits to derive the amortisation period, once the asset is available for use or being marketed, is a series of critical judgements management is required to make based on historic product performance, market knowledge and analysis.

Recovery of deferred tax assets

The value of deferred tax assets is determined based on estimates as to the extent those assets are likely to be utilised or available to be utilised in future periods.

Goodwill and other intangibles assets

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other intangible assets have suffered any impairment, in accordance with the stated accounting policy. The recoverable amount of the cash-generating unit to which goodwill and other intangible assets have been allocated, has been determined based on value-in-use calculations using budgets and forward estimates. These budgets incorporate management's best estimates of projected revenues adopting growth rates based on historical experience, anticipated market growth and the expected result of the cash generating unit's initiatives. Costs are calculated taking into account historical and planned gross margins, estimated inflation rates consistent with inflation rates applicable to the locations in which the cash generating unit operates, and other planned and expected changes to the cost base.

Notes to the financial statements continued

Note 3. Revenue and other income

	Consolidated	
	2025 $'000	2024 $'000
Revenue from contracts with customers from continuing operations		
Rendering of services	7,320	6,487
Other income		
Interest income	210	294
Proceeds from Pharmx case court judgement	–	1,313
Total revenue and other income from continuing operations	7,530	8,094

Accounting policy for revenue recognition

Revenue is recognised as the client receives the benefit of the goods or services provided under a commercial contract, in an amount that reflects the consideration to which the provider expects to be entitled for the transfer of the goods or services. If an amount is received from a customer before the following revenue recognition policies are met, it is treated as deferred revenue until it can be recognised.

Determining the transaction price

The Group's revenue is derived from fixed price, commission based and service fee agreements and therefore the amount of revenues to be earned from each agreement is determined by reference to the goods delivered and the prices for those services. All consideration is due within 12 months and is therefore not discounted.

Allocation of amounts to performance obligations

For most agreements, there is only one performance obligation and a fixed unit price for the goods or services provided. As such, there is no judgement involved in the allocation of amounts to specific performance obligations. In those instances where there is more than one performance obligation, the unit price is clearly defined and is allocated against the specific performance obligation.

Rendering of services

Maintenance and subscription revenue is recognised over time in line with the invoice period. Performance obligations are satisfied over time. This is a faithful depiction of the transfer of services, as customers simultaneously receive and consume services provided over the invoiced period.

Disaggregation

Revenue is not disaggregated further given there is only one service obligation and revenue is only derived in one geographical location being Australia/New Zealand.

Interest

Interest income is recognised as it accrues, considering the effective yield of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Notes to the financial statements continued

Note 4. Expenses

	Consolidated	
	2025	2024
	$'000	$'000
Profit before income tax includes the following specific expenses:		
Depreciation and amortisation		
Software development and customer contracts	1,145	1,096
Leased assets	121	95
Property, plant and equipment	12	12
Total depreciation and amortisation related to continuing operations	1,278	1,203
Employee benefits expenses		
Wages, salaries and other	4,432	3,159
Superannuation	400	252
Capitalised development costs	(1,323)	(878)
Total Employee benefits related to continuing operations	3,509	2,533

Note 5. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the Group:

	Consolidated	
	2025	2024
	$	$
Audit or review of the financial statements	120,500	114,232
Taxation and other non-audit services(i)	35,000	123,720
	155,500	237,952

(i) Non-audit services included assistance and advice in the areas of tax compliance, research and development tax incentive, tax implications of the sale of the pharmacy software business and the availability of historical tax losses.

Notes to the financial statements continued

Note 6. Income tax

	Consolidated	
	2025 $'000	2024 $'000
Income tax expense		
Current income tax:		
Current year income tax charge	573	25
Adjustment for current income tax of items credited directly to equity (amortisation of capital raising costs)	20	35
Adjustment for current income tax of previous year	20	(4)
Add / (less) income tax related to discontinued operations	–	126
Deferred tax:		
Origination and reversal of temporary differences	(270)	130
Less utilisation and reversal of temporary differences related to sale of business	–	(206)
Income tax expense related to continuing operations	343	106
Statement of changes in equity		
Deferred income tax related to items credited directly to equity, capital raising costs	(20)	(35)
Reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense from continuing operations	79	201
Loss before income tax expense and before disposal of discontinued operations	–	(45)
Total profit before income tax and before disposal	79	156
Tax at the statutory tax rate of 25%	20	39
Add / (deduct) tax effect of:		
Non-deductible / non-assessable items	448	1
Adjustment for current income tax of previous year	20	(4)
Adjustment for current income tax of items credited directly to equity, capital raising costs	20	35
Utilisation and other movement in deferred tax assets	39	61
Utilisation and other movement in deferred tax liabilities	(309)	(137)
Research and development, non-assessable income and non-deductible expenditure	105	128
Tax expense related to discontinued operations	–	(17)
Income tax expense related to continuing operations	343	106

Research and Development Tax Incentive

The Group participates in the Australian Government's Research and Development Tax Incentive ('incentive') assistance programme. The programme provides targeted tax offsets to encourage Companies to engage in Research and Development. The incentive has been accounted for as a government grant in accordance with AASB 120 Accounting for Government Grants and Disclosure of Government Assistance, resulting in the incentive being recognised in profit or loss on a systematic basis over the period(s) in which the entity recognises, as expenses, the costs for which the incentive was intended to compensate. For the costs that have been capitalised during the period, the respective incentive has been deferred by deducting from the carrying amount of the asset.

Notes to the financial statements continued

Note 6. Income tax continued

	Consolidated	
	2025	2024
	$'000	$'000
Tax losses not recognised at 25%		
Capital losses carried forward	264	264

The Group has incurred capital losses of $1,057,000 in 2024 that can be carried forward and used as an offset against future capital gains.

The potential future tax benefits arising from tax losses and temporary differences have been recognised as deferred tax assets only to the extent that:

- the Group is likely to derive future assessable income of a nature and amount sufficient to enable the benefits to be realised;
- no changes or proposed changes in legislation are likely to adversely affect the Group's ability to realise these benefits; and
- the Group is likely to continue to comply with conditions for deductibility of losses imposed by tax legislation.

	Consolidated	
	2025	2024
	$'000	$'000
Deferred tax assets		
Deferred tax assets comprise temporary differences attributable to:		
Impairment of receivables	1	4
Employee benefits	59	58
Capital raising costs	–	20
Deferred settlement payments	–	29
Other provisions	105	112
	165	223
Movements:		
Opening balance	223	525
Credited / (debited) to profit or loss	(38)	(61)
Deferred tax asset movement relating to discontinued operations	–	(206)
Credited / (debited) directly to equity	(20)	(35)
Closing balance	165	223
Income tax receivable		
Current year income tax charge	(573)	(25)
Current year research and development tax offset	941	908
	368	883
Deferred tax liability		
Arising from tax effect of recognising acquired intangible assets, in a business combination	563	669
Timing difference – Pharmxchange intangible asset acquired	–	203
	563	872

Notes to the financial statements continued

Note 6. Income tax continued

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 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, 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, and where the availability of losses is reasonably certain.

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 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 it is probable 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.

The Company and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime with effect from July 2004. The tax consolidated group has applied the 'group allocation' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Notes to the financial statements continued

Note 7. Discontinued operations

On 20 July 2023, the Company entered into a Share Sale and Purchase Agreement for the sale of the pharmacy software business to Jonas Software AUS Pty Ltd. The pharmacy software business comprised 2 legal entities - Corum Health Pty Ltd and Amfac Pty Ltd. The business develops and distributes business software for the pharmacy industry, including point-of-sale and pharmaceutical dispensing software and multi-site retail management and provides support services and computer hardware. The consideration for the sale was cash of $6,250,000, subject to customary completion adjustments. The sale included the intellectual property rights to run the business, the rights of the pharmacy software business under the existing contracts, goodwill, operational staff to run the business and business records.

Completion of the sale occurred 30 September 2023, and consideration of $4,750,000 was received at that time. Further deferred proceeds, after adjusting for completion adjustments, of $1,255,000 was received in October 2024.

The below table summarises the impact of the divestment:

	2025 $'000	2024 $'000
Proceeds on disposal	–	6,250
Net tangible asset deficiency to be paid	–	(245)
Net proceeds	–	6,005
Cash and cash equivalents	–	351
Trade and other receivables	–	141
Other assets	–	56
Plant and equipment	–	118
Intangible assets	–	6,526
Assets disposed	–	7,192
Trade and other payables	–	164
Provisions	–	515
Deferred revenue	–	89
Liabilities disposed	–	768
Net assets disposed	–	6,424
Loss on disposal before tax and transaction costs	–	(419)
Capital gains tax expense	–	–
Net loss on disposal before transaction costs	–	(419)

Notes to the financial statements continued

Note 7. Discontinued operations continued

The statement of profit or loss for pharmacy software discontinued operations was:

	2025 $'000	2024[(i)] $'000
Revenue	–	1,259
Cost of sales	–	(105)
Marketing	–	(4)
Employee benefits	–	(1,205)
Technology, communication and cloud costs	–	(118)
Professional fees, consulting and other	–	(40)
Research and development tax benefit	–	251
Depreciation and amortisation	–	(80)
Finance costs	–	(3)
Transaction costs[(ii)]	–	(1,320)
Loss on disposal	–	(419)
Profit / (loss) from discontinued operations before fair value adjustment and income tax expense	–	(1,784)
Income tax	–	(80)
Net loss relating to discontinued operations after income tax	–	(1,864)

(i) the results of the discontinued operations in 2024 includes results for the 3 months prior to completion of the sale.
(ii) Transaction costs include advisor fees, legal costs, employee and redundancy costs associated with the sale of the pharmacy software business.

Taxes relating to discontinued operations

	2025 $'000	2024 $'000
Income tax on discontinued operations prior to disposal	–	(17)
Tax benefit relating to transaction costs	–	143
Temporary differences related to sale of business	–	(206)
Income taxes related to discontinued operations	–	(80)

The statement of cash flows includes the following amounts relating to the pharmacy software discontinued operations:

	2025 $'000	2024 $'000
Operating activities	–	(213)
Investing activities	–	(4)
Financing activities	–	(48)
Net cash used in discontinued activities	–	(265)

Notes to the financial statements continued

Note 8. Earnings per share

	Consolidated	
	2025	2024
	$'000	$'000
Loss after income tax attributable to the owners of Pharmx Technologies Limited	(264)	(1,769)
(Loss) / Profit after income tax from continuing operations attributable to the owners of Pharmx Technologies Limited	(264)	95
Loss after income tax from discontinued operations attributable to the owners of Pharmx Technologies Limited	–	(1,864)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	598,506,789	598,177,896
Weighted average number of ordinary shares used in calculating diluted earnings per share	598,506,789	613,881,106
Earnings per share for profit attributable to the owners of Pharmx Technologies Limited	**Cents**	**Cents**
Basic earnings per share	(0.04)	(0.29)
Diluted earnings per share	(0.04)	(0.29)
Earnings per share for profit from continuing operations attributable to the owners of Pharmx Technologies Limited	**Cents**	**Cents**
Basic earnings per share	(0.04)	0.02
Diluted earnings per share	(0.04)	0.02
Earnings per share for profit from discontinued operations attributable to the owners of Pharmx Technologies Limited	**Cents**	**Cents**
Basic earnings per share	–	(0.31)
Diluted earnings per share	–	(0.31)

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the owners of Pharmx Technologies Limited, 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

Diluted earnings per share amounts are calculated by dividing the profit attributable to members of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive performance rights into ordinary shares. Performance rights are only treated as dilutive when they would decrease earnings per share.

Notes to the financial statements continued

Note 9. Operating segments

Identification of reportable operating segments

The Group is organised into one operating segment: Health Services. During the previous financial year, the pharmacy software portion of Health Services was classified as held for sale. Refer to note 7 for further details.

This operating segment is based on internal reports reviewed and used by the Board of Directors who are identified as the Chief Operating Decision Makers ('CODM') in assessing performance and in determining the allocation of resources. Consideration is given to the nature and distinctiveness of the products or services sold, the manner in which they are provided, and the organisational structure.

There is no additional segment disclosures as the Group is organised into one operating segment. All revenue is in a single geographical region (Australia and New Zealand). Pharmx does not disclose customer concentration as the Board considers this information commercially sensitive.

Note 10. Cash and cash equivalents

	Consolidated	
	2025	2024
	$'000	$'000
Cash at bank	355	580
Cash on deposit	3,817	12,556
	4,172	13,136

Accounting policy for cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held 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 subject to insignificant risk of changes in value.

The Group was involved in a court case with Fred IT in relation to the Pharmx business (Pharmx court case). In 2024, cash on deposit includes $8,128,000 received in relation to the Pharmx court case judgement plus accrued interest on those funds. On 8 August 2024 the Victorian Supreme court announced the outcome of the appeal filed by Fred IT Group Pty Ltd (Fred IT) in relation to the original decision in the Pharmx court case. As a consequence of the outcome, Pharmx repaid both the original judgement amount of $8,128,000 and costs and interest of $1,770,000 agreed in the final Orders.

Notes to the financial statements continued

Note 11. Trade and other receivables

	Consolidated	
	2025	2024
	$'000	$'000
Trade receivables	981	997
Allowance for expected credit loss	(5)	(18)
	976	979
Deferred consideration on sale of pharmacy software business	–	1,255
Rent receivable	111	–
Other receivables	30	37
Total trade and other receivables	1,117	2,271
Allowance for expected credit loss		
The ageing of the impaired trade receivables is as follows:		
Less than 3 months overdue	–	–
3 to 6 months overdue	3	–
Over 6 months overdue	2	18
	5	18
Movements in the allowance for expected credit loss:		
Opening balance	18	10
Bad debts written off	(18)	(36)
Additional provisions recognised	5	44
Closing balance	5	18
The ageing of the past due but not impaired trade receivables is as follows:		
Less than 30 days overdue	–	16
31 to 60 days overdue	30	39
Over 60 days overdue	–	2
	30	57

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties for trade receivables and did not consider a significant credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

Accounting policy for trade and other receivables

Trade receivables to be settled within normal trading terms are carried at amounts due.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by directly reducing the carrying amount.

To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging. The lifetime expected loss rates are based on the Group's historical credit losses experienced over the two-year period prior to the period end. The historical loss rates are then adjusted for both current and forward-looking information on macroeconomic factors affecting the Group's customers.

Other receivables are recognised at amortised cost, less any provision for impairment.

Refer to note 7 for further details on deferred consideration on sale of the pharmacy software business in the prior year.

Notes to the financial statements continued

Note 12. Leases

All leases are accounted for by recognising a right of use asset and a lease liability except for the following where certain practical expedients have been adopted:

- leases of low value assets; and
- leases with a duration of 12 months or less at initial application date.

Amortisation of right of use assets is calculated on a straight-line basis to write off the net cost over the expected useful lives as follows (this involves judgement): lease right of use assets - over the expected life of the lease.

Right of use assets

	Consolidated	
	2025 $'000	2024 $'000
Leased assets – at cost	796	325
Accumulated amortisation	(22)	(99)
Right of use asset, net	774	226
Movement:		
Opening balance	226	28
Additions	796	325
End of lease adjustment	–	13
Disposals	(127)	–
Amortisation	(121)	(95)
Amortisation related to discontinued operations	–	(45)
Closing balance	774	226

Lease liability

$'000	Up to 12 months	Between 1 and 3 years	Total
Undiscounted lease liabilities at 30 June 2025	398	573	971

	Consolidated	
	2025 $'000	2024 $'000
Movement:		
Opening balance	240	32
Additions	775	325
Interest expense	15	16
Lease payments	(136)	(133)
Lease liability balance at 30 June	894	240

Leasing activities and accounting approach

The Group leases offices in Sydney. Rental contracts are typically for a period of 3 years. Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group where such leases meet the requirements of AASB 16.

Assets and liabilities are initially measured on a present value basis. The lease payments are discounted using an indicative incremental borrowing rate of 6.0%.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant

Notes to the financial statements continued

Note 12. Leases continued

periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising of the amount of the initial measurement of the lease liability and any initial direct costs. Right-of-use assets are depreciated over the lease term on a straight-line basis.

During June 2025, the Group signed an office rental lease for a new Sydney office. The previous office has been sub-leased for the remainder of the existing lease term and the Group has become the intermediate lessor in the sub-lease arrangement. As such, the right-of-use asset related to the old lease has been derecognised, and a rent receivable has been recognised instead.

Note 13. Intangibles

	Consolidated	
	2025 $'000	2024 $'000
Goodwill – at cost	2,115	2,115
Accumulated Impairment	–	–
	2,115	2,115
Software product development – at cost	11,336	10,958
Research and development incentives	(1,912)	(1,294)
Accumulated amortisation	(2,998)	(2,371)
	6,426	7,293
Customer Contracts / Relationships – at cost	3,833	3,833
Accumulated amortisation	(1,323)	(1,050)
	2,510	2,783
Pharmx Brand – at cost	739	739
Accumulated impairment	–	–
	739	739
Total intangible assets	11,790	12,930

Reconciliation

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

Consolidated	Goodwill $'000	Software product development $'000	Brand $'000	Customer contracts/ relationships $'000	Total $'000
Balance at 1 July 2023	2,115	7,448	739	3,057	13,359
Additions	–	1,180	–	–	1,180
Research and development incentives	–	(513)	–	–	(513)
Amortisation	–	(822)	–	(274)	(1,096)
Balance at 30 June 2024	2,115	7,293	739	2,783	12,930
Additions	–	1,447	–	–	1,447
Research and development incentives	–	(618)	–	–	(618)
Amortisation	–	(871)	–	(274)	(1,145)
Reduced settlement on Pharmxchange asset acquisition	–	(824)	–	–	(824)
Balance at 30 June 2025	2,115	6,427	739	2,509	11,790

Notes to the financial statements continued

Note 13. Intangibles continued

Review of carrying values

Where there are any indicators of impairment, or for any intangible assets not yet in use or with an indefinite useful life (including goodwill), the recoverable value of the intangible asset is determined using a value-in-use calculation. Value-in-use has been calculated based on the present value of cash flow projections, approved by management, over a five-year period with a terminal value of 7.5 times discounted Year 5 Earnings Before Interest, Tax, Depreciation and Amortisation (**EBITDA**). Cash flows were based on both budgets and projections using historic and long-term growth rates based on past experience and in particular expectations of external market performance. The assets reviewed include the existing applications, assets acquired and newly developed programs.

Research and development tax benefits are excluded from the terminal value for the purpose of EBITDA based calculations. Cash flows are discounted at 15% (2024: 15%) per annum which incorporates an appropriate equity risk premium. Recent changes in interest rates were considered in determining the appropriate discount rate and sensitivities were run. Costs are calculated taking into account historical and planned gross margins, estimated inflation rates for the year consistent with inflation rates applicable to the locations in which the cash generating unit operates, and other planned and expected changes to the cost base. The review of the carrying value resulted in no assets related to continuing operations being impaired. However, should these judgements and estimates not occur, or there are changes in key inputs and assumptions, this could impact the carrying value.

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. The entity's operations are treated as a single cash-generating unit.

Accounting policy for intangibles

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 and assets not yet available for use in the manner intended by management 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.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Software product development

Costs associated with software product development and acquiring software intangible assets (net of research and development incentives) are capitalised and amortised on a straight-line basis over the period of their expected benefit, between 5-14 years. Amortisation commences when the asset is available for use in the manner intended by management.

Brand

Brand was acquired as part of a business combination, and was initially recognised at its fair value at the date of acquisition. Brand is not amortised, and instead is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses.

Customer contracts / relationships

The customer contracts / relationships asset was acquired as part of a business combination, and was initially recognised at its fair value at the date of acquisition. The asset is amortised on a straight line

Notes to the financial statements continued

Note 13. Intangibles continued

Customer contracts / relationships continued

basis over the period of its expected benefit of 14 years.

Research and development costs

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

Reduced settlement on Pharmxchange asset acquisition

On 4 December 2024 Pharmxchange Pty Ltd (Pharmxchange), a wholly owned subsidiary of the Company, executed a deed of termination of the revenue share arrangement with Alchemy Pty Ltd (Alchemy) to take advantage of certain provisions of the agreement which allowed Pharmxchange to prepay the remaining revenue share in accordance with a predetermined formula. In addition to the outstanding amount payable of $200,000 under the minimum revenue share arrangement, Pharmxchange paid an additional $75,000 as full and final settlement of the revenue share arrangement under the terms of the agreement. This resulted in a reduction in the unamortised liability under the agreement of $824,000. As this amount related to the original maximum amount payable for the intellectual property this amount was netted against intangible assets, where the original asset was recognised.

Alchemy is a related party of both Pharmx and Pharmxchange for the purposes of Chapter 2 of the Corporations Act 2001 as they have a common director, Nick England, who did not vote on or participate in the negotiation of the settlement.

Note 14. Trade and other payables

	Consolidated	
	2025	2024
	$'000	$'000
Trade payables	515	569
Sundry creditors and accruals	696	1,219
Costs to settle Pharmx court case judgement	–	9,898
Total trade and other payables	1,211	11,686

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. The amounts are unsecured and are usually settled within established terms, normally 30 days of recognition. Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost.

Costs to settle Pharmx court case judgement

The Group was involved in a court case with Fred IT in relation to the Pharmx business. On 3 June 2023, the Group received a total of $8,128,000 following a judgement by the Victorian Supreme Court on 21 April 2023. On 3 June 2023, the Group was also served with appeal papers by Fred IT. On 8 August 2024 the Victorian Supreme court announced the outcome of the appeal in relation to the original decision. As a consequence of the unfavourable decision for Pharmx, the Group repaid the original judgement sum of $8,128,000 and an additional amount of $1,770,000 to cover costs and interest in accordance with final Orders issued by the Victorian Supreme Court.

Notes to the financial statements continued

Note 15. Provisions

	Consolidated	
	2025	2024
	$'000	$'000
Current Provisions		
Employee benefits	137	150
Total current provisions	137	150
Non-Current Provisions		
Employee benefits	59	42
Lease make good	5	5
Total non-current provisions	64	47

Movements in provisions

Movements in each class of provision during the current year, other than employee benefits, are set out below:

	Consolidated	
	2025	2024
Lease make good	$'000	$'000
Carrying amount at the start of the year	5	5
Additional provision recognised	–	5
Provision utilised or not required	–	(5)
Carrying amount at the end of the year	5	5

Accounting policy for provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, and it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Accounting policy for 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.

Employee benefits relate to the Group's liability for annual leave and long service leave. The entire amount of the provision for annual leave is presented as current since the Group does not have an unconditional right to defer settlement of this obligation in whole or in part. Based on past experience, the Group expects that in aggregate employees will take or receive payment for the full amount of accrued leave within the next 12 months.

Accounting policy for long-term employee benefits

The liability for long service leave not expected to be settled within 12 months of the reporting date is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. The calculation involves judgements and estimates, and 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Lease make good

The provision represents the present value of the estimated costs to make good premises leased by the Group at the end of the relevant lease term.

Notes to the financial statements continued

Note 16. Other payables

	Consolidated	
	2025	2024
	$'000	$'000
Deferred consideration for purchase of intangibles – non-current	–	883
	–	883

The Group has acquired the intellectual property rights of a cloud hosted software platform (trading as Pharmxchange). The payment for this intangible asset was through a revenue share agreement. On 4 December 2024, this revenue share agreement was terminated.

In addition to the outstanding amount payable of $200,000 under the minimum revenue share arrangement, Pharmxchange paid an additional $75,000 as full and final settlement of the revenue share arrangement under the terms of the agreement. This resulted in a reduction in the remaining unamortised liability under the agreement of $824,000. As this amount related to the original maximum amount payable for the intellectual property this amount was netted against intangible assets, where the original asset was recognised.

Note 17. Issued capital

	Consolidated	
	Shares	$'000
Ordinary shares – fully paid		
Balance at 1 July 2023	597,381,789	98,405
Performance rights exercised	1,125,000	54
Capital return	–	(4,489)
Balance at 30 June 2024	598,506,789	93,970
Performance rights exercised	–	–
Balance at 30 June 2025	598,506,789	93,970

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 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 shall have one vote and upon a poll each share shall have one vote.

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 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 additional 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.

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.

Notes to the financial statements continued

Note 18. Dividends and franking credits

Dividends

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

Accounting policy for dividends

Dividends are recognised when declared during the financial year.

	Consolidated	
	2025	2024
	$'000	$'000
Franking credits available for subsequent financial years	1,249	1,249

The deferred franking debit account has a balance of $12,441,000 (2024: $11,574,000). This balance is available for use as the receipt by the Company of the research and development refundable tax offsets does not immediately reduce the franking account balance. However, no future franking credits will arise as a result of income tax payments until the Company recovers these deferred franking debits.

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date, after recovery of all deferred franking debits;
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date.

Note 19. Performance rights reserve

	Consolidated	
	2025	2024
	$'000	$'000
Performance rights reserve	244	24
Movement in performance rights reserve		
Balance at the beginning of the financial year	24	59
Performance rights expense	220	24
Transferred to equity for performance rights vested	–	(54)
Reversal of expense associated with performance rights which have lapsed	–	(5)
Balance at the end of the financial year	244	24

The performance rights reserve is used to recognise the fair value of performance rights issued. For further information regarding the performance rights plan refer to note 25.

Notes to the financial statements continued

Note 20. Cash flow

	Consolidated	
	2025	**2024**
	$'000	**$'000**
Reconciliation of profit after income tax to net cash from operating activities		
Profit after income tax expense for the year	(264)	(1,769)
Adjustments for:		
Depreciation and amortisation	1,278	1,203
Net loss on disposal of discontinued operations	–	1,864
Research and development tax benefit on intangibles	618	513
Net loss on disposal of non-current assets	1	2
Interest on lease and other liabilities	31	43
Other non-cash adjustment on lease and sub-lease arrangements	(30)	–
Share based payments	220	19
Change in operating assets and liabilities:		
Decrease / (Increase) in trade and other receivables	16	(1,325)
Decrease in income tax refund due	515	776
(Increase) / Decrease in deferred tax assets and liabilities	(251)	165
(Increase) / Decrease in other operating assets	(12)	58
(Decrease) / Increase in trade and other payables	(10,280)	11,069
Increase in other provisions	4	42
Increase / (Decrease) in unearned income	21	(9,455)
Net cash (used in) / from operating activities	(8,133)	3,205

Note 21. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Different methods are used to measure different types of risk to which the Group is exposed, such as sensitivity analysis for interest rate risk and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('Finance') under policies approved by the Board. These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating unit. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group has no material exposure to foreign exchange risk.

Notes to the financial statements continued

Note 21. Financial instruments continued

Interest rate risk

The Group's financial instrument exposure to interest rate risk and the effective weighted average interest rate for classes of financial assets and liabilities are:

	2025		2024	
	Weighted average interest rate	Balance	Weighted average interest rate	Balance
Consolidated	**%**	**$'000**	**%**	**$'000**
Cash on deposit	4.23%	3,817	3.23%	12,556
Net exposure to cash flow interest rate risk		3,817		12,556

An official increase/(decrease) in interest rates of 0.423% (2024: 0.323%) percentage points would have a favourable/adverse effect on profit before tax of $16,146 (2023: $40,556) per annum. The percentage change is based on the expected volatility of interest rates of a 10% movement, using market data and analysts' forecasts.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group mitigate credit risk by undertaking transactions with a large number of customers. The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral. Trade and other receivables that are neither past due nor impaired are considered to be high credit quality. There has been no change to credit risk since initial recognition. Refer to note 11 for additional details.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets to be able to pay debts as and when they become due and payable. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate financial resources are maintained on an ongoing basis.

The following tables detail the Group's remaining contractual maturity for its financial instruments. The tables have been drawn up based on the cash flows of financial assets and liabilities based on the earliest date on which they are expected to be recovered or required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities. Therefore, these totals may differ from their carrying amount in the statement of financial position.

Notes to the financial statements continued

Note 21. Financial instruments continued

Consolidated	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
2025					
Financial assets					
Cash	355	–	–	–	355
Cash on deposit	3,817	–	–	–	3,817
Trade and other receivables	1,117	15	–	–	1,132
Security deposits	–	92	199	–	291
	5,289	107	199	–	5,595
Financial liabilities					
Trade and other payables	1,211	–	–	–	1,211
Lease liabilities	398	300	273	–	971
	1,609	300	273	–	2,182
2024					
Financial assets					
Cash	580	–	–	–	580
Cash on deposit	12,556	–	–	–	12,556
Trade and other receivables	2,271	–	–	–	2,271
Security deposits	–	–	92	–	92
	15,407	–	92	–	15,499
Financial liabilities					
Trade and other payables	11,686	–	–	–	11,686
Lease liabilities	107	118	15	–	240
Deferred payment for intangible asset	194	123	589	171	1,077
	11,987	241	604	171	13,003

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

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

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 22. Contingent liabilities and commitments

The Group had no material contingent liabilities or commitments at 30 June 2025 and at 30 June 2024.

Notes to the financial statements continued

Note 23. Key management personnel disclosures

Compensation

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

	Consolidated	
	2025	2024
	$	$
Short-term employee benefits	1,344,621	1,086,786
Post-employment benefits	88,621	80,924
Performance rights	126,229	18,132
	1,559,471	1,185,842

Included in the above are director's fees which were paid and are payable to companies associated with the directors. The balance of director's fees payable, included in trade and other payables, at 30 June 2025 is $149,000 (30 June 2024: $134,000).

Note 24. Interests in subsidiaries and related party transactions

Parent entity

Pharmx Technologies Limited is the parent entity.

Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

	Principle place of business/ country of incorporation/ tax residency	Ownership interest	
		2025	2024
		%	%
Pharmx eCommerce Pty Ltd	Australia	100%	100%
Pharmx Systems Pty Ltd	Australia	100%	100%
Pharmx Training Pty Ltd	Australia	100%	100%
Pharmx Pty Ltd as Trustee for the Pharmx Unit Trust	Australia	100%	100%
Pharmxchange Pty Ltd	Australia	100%	100%

Key management personnel

Disclosures relating to key management personnel are set out in note 23 and the Remuneration Report included in the Directors' Report.

Transactions with related parties

Alchemy Healthcare Pty Ltd

The Pharmxchange platform has been fully developed by the Group following the acquisition of the intellectual property rights of a cloud hosted software platform known as the AlchemX platform from Alchemy Healthcare Pty Ltd (Alchemy). Pharmxchange is the trading name of Pharmxchange Pty Ltd, a wholly owned subsidiary of Pharmx Technologies Limited.

Pharmxchange and Alchemy entered a revenue share agreement whereby Alchemy would receive 10% of all relevant revenue generated by the Group from the platform. The minimum amount payable under a combination of revenue share and prepayment of the revenue share was $200,000 and the maximum amount payable was $1,150,000.

On 4 December 2024, Pharmxchange executed a deed of termination of the revenue share arrangement with Alchemy to take advantage of certain provisions of the agreement which allowed Pharmxchange to prepay the remaining revenue share in accordance with a predetermined formula.

In addition to the outstanding amount payable of $200,000 under the minimum revenue share arrangement, Pharmxchange paid an additional $75,000 as full and final settlement of the revenue share arrangement under the terms of the agreement.

Notes to the financial statements continued

Note 24. Interests in subsidiaries and related party transactions continued

Transactions with related parties continued

Alchemy Healthcare Pty Ltd continued

This resulted in a reduction in the unamortised liability under the agreement of $824,000 (2024: $1,077,000). As this amount related to the original maximum amount payable for the intellectual property this amount was netted against intangible assets, where the original asset was recognised.

Alchemy is a related party of both Pharmx and Pharmxchange for the purposes of Chapter 2 of the Corporations Act 2001 as they have a common director, Nick England, who did not vote on or participate in the negotiation of the acquisition or the settlement.

Loans to/from related parties

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

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 25. Share-based payments

Equity-settled compensation

The Group operates an employee performance rights scheme. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value is ascertained using a pricing model which incorporates all market vesting conditions. The number of performance rights expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

Performance rights plan

The Pharmx Technologies Incentive Plan (**the Plan**) allows the Company to grant performance rights to participants. A performance right is a right to acquire a Share in the Company (being a Plan Share), subject to the satisfaction of certain conditions which are set out in each invitation to acquire performance rights.

The Board has discretion to make grants at any time, including on the commencement of employment by a person deemed by the Board to be eligible to participate in the Plan. The terms of any future offers may vary.

There are no voting or dividend rights attached to the performance rights.

The movement and balance of performance rights approved and granted to officers and employees of the Group by the Board are as follows:

Consolidated 2025							
Grant date	Vesting date	Exercise price	Opening balance 1 July 2024	Rights issued	Rights vested	Rights lapsed	Closing balance 30 June 2025
18 Oct 2022	November 2023 to September 2024	$0	1,500,000	–	–	(1,500,000)	–
26 Jun 2023	September 2024 to April 2026	$0	8,000,000	–	–	(6,000,000)	2,000,000
1 Mar 2024	November 2026	$0	10,000,000	–	–	–	10,000,000
25 Feb 2025	February 2028	$0	–	11,730,000	–	–	11,730,000
			19,500,000	11,730,000	–	(7,500,000)	23,730,000

Notes to the financial statements continued

Note 25. Share-based payments continued

The fair value of performance rights issued during the year is $868,000. This is based on the observable market share price.

The performance rights are subject to a service condition of continuous employment for three consecutive years. Performance hurdles and exercise conditions are based on achievement of certain earnings per share targets. There is no exercise price associated with these performance rights. The expiry date is the fifth anniversary of the grant date.

As at 30 June 2025, no performance rights can be exercised. The expense related to the performance rights is recognised over the vesting period. The performance rights vest once service and exercise conditions are achieved.

Note 26. Parent entity information

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

	Parent	
	2025 $'000	2024 $'000
Statement of profit or loss and other comprehensive income		
Profit / (loss) after income tax	(6,984)	(3,617)
Total comprehensive income / (loss) for the year	(6,984)	(3,617)
Statement of financial position		
Total current assets	4,438	13,078
Total assets	7,098	16,007
Total current liabilities	(1,268)	(11,061)
Total liabilities	(9,758)	(11,903)
Equity		
Issued capital	93,970	93,970
Reserves	244	24
Accumulated losses	(96,874)	(89,890)
Total equity	(2,660)	(4,104)

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments – Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1 and throughout all notes to the financial statements.

Notes to the financial statements continued

Note 27. Events after the reporting period

No matters or circumstances have arisen since 30 June 2025 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.

Consolidated entity disclosure statement

The entities which are within the Pharmx Technologies Limited group at 30 June 2025, their place of incorporation and their tax residency are as follows:

	Principle place of business/ country of incorporation/ tax residency	Ownership interest 2025 %	2024 %
Pharmx eCommerce Pty Ltd	Australia	100%	100%
Pharmx Systems Pty Ltd	Australia	100%	100%
Pharmx Training Pty Ltd	Australia	100%	100%
Pharmx Pty Ltd as Trustee for the Pharmx Unit Trust	Australia	100%	100%
Pharmxchange Pty Ltd	Australia	100%	100%

Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 and throughout all notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- the information disclosed in the attached consolidated entity disclosure statement is true and correct; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Nick England
Chairman

Jon Newbery
Director

20 August 2025
Sydney

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Level 25, 252 Pitt Street
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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of PharmX Technologies LImited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of PharmX Technologies Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of intangible assets

Key audit matter	How the matter was addressed in our audit
Note 13 to the financial report discloses the individual intangible assets. The non-current asset impairment assessment is a key audit matter due to the size of the recorded asset and the degree of estimation and assumptions required to be made by the Group, specifically concerning future discounted cash flows. An annual impairment test for the goodwill asset is required AASB 136 Impairment of Assets. The Group has tested the assets by comparing the carrying value to its recoverable amount. The Group determined the recoverable amount through a value in use calculation with reference to discounted cash flow forecasts. The forecasts involve judgements and estimates, specifically in relation to revenue growth and discount rates.	Our audit procedures included, among others: • Reviewing the cash generating unit assessment; • Assessing the Group's discounted cash flow ('DCF') model which calculates the recoverable amount of the Group's assets, in order to determine if any asset impairment was required; • Evaluating the key inputs and assumptions used in the DCF model, in particular those relating to forecast revenue, expenses and discount rates applied; and Assessing the sensitivity of the key assumptions for reasonable possible changes in the value in use model prepared by the Group.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the 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 has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 14 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of PharmX Technologies Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Elysia Rothwell
Director

Sydney, 20 August 2025

Shareholder information

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in this Annual Report.

The information is current as at 11 August 2025.

Distribution of equity securities

Analysis of number of equity security holders by size of holding:

Range of shareholding	Number of holders of ordinary shares	Number of ordinary shares held
1 – 1,000	656	222,886
1,001 – 5,000	322	842,427
5,001 – 10,000	246	1,798,715
10,001 – 100,000	333	11,501,405
100,001 and over	158	584,141,356
	1,715	598,506,789
Holding less than a marketable parcel	940	876,635

Top twenty equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number of ordinary shares held	% of total shares issued
LUJETA PTY LTD	99,863,502	16.69%
BNP PARIBAS NOMINEES PTY LTD	65,810,168	11.00%
ARROTEX INVESTMENTS HOLDING 1 PTY LTD	60,000,000	10.02%
MERSAULT PTY LTD	26,766,667	4.47%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	26,705,282	4.46%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	25,656,633	4.29%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	25,000,001	4.18%
MR DAVID GERALD MANUEL & MS ANNE LEARY	18,666,667	3.12%
MR JOHN LAGANA	15,621,734	2.61%
GINGA PTY LTD	14,414,488	2.41%
MRS PENELOPE KING	13,333,334	2.23%
CANCELER PTY LTD	10,200,000	1.70%
BNP PARIBAS NOMINEES PTY LTD	9,001,028	1.50%
MR DAVID GERALD MANUEL & MS ANNE LEARY	8,000,000	1.34%
MR PETER JAMES THOMAS & MS HELEN THOMAS	8,000,000	1.34%
GABODI PTY LIMITED	7,197,334	1.20%
QUANTUMEDGE HOLDINGS PTY LTD	6,686,043	1.12%
GC RETIREMENT FUND PTY LTD	6,666,667	1.11%
DMX CAPITAL PARTNERS LIMITED	6,391,145	1.07%
MR GEORGE JOHN KOUNIS & AMANDA ELISE KOUNIS	5,333,334	0.89%
	459,314,027	76.74%

Shareholder information continued

Substantial holders

As disclosed in the last substantial shareholder notices given to the Company:

	Ordinary Shares	
	Number held	% of total shares issued
Lujeta Pty Ltd	99,863,502	16.69%
BNP Paribas Nominees Pty Ltd	65,810,168	11.00%
Arrotex Investments Holding 1 Pty Ltd	60,000,000	10.02%

Voting Rights

All ordinary shareholders carry one vote per share without restriction. There are no voting rights attached to performance rights.

Corporate directory

Directors

Nick England (Non-executive Chairman)
Jon Newbery (Executive Director)
Jayne Shaw (Non-executive Director)
Dennis Bastas (Non-executive Director)
Sandy Mellis (Alternate Non-executive Director for Dennis Bastas)

Company Secretary

Chris Fernandes

Registered Office

Level 7
1 Castlereagh Street
Sydney NSW 2000
Telephone 1300 724 579
Email info@Pharmx.com.au

Website

www.pharmx.com.au

Auditor

BDO Audit Pty Ltd
Level 25, 252 Pitt Street
Sydney NSW 2000

Stock Exchange Listing

Pharmx Technologies Limited shares are listed on the Australian Securities Exchange (ASX: PHX)

Share Registry

Automic Group
Level 5, 126 Phillip Street
Sydney NSW 2000

Telephone	1300 288 664
or	+61 2 9698 5414

pharmx