



Rua Bioscience Limited

Consolidated Financial Statements  
Unaudited

For the 6 month period ended  
31 December 2025

# Rua Bioscience Limited

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## Contents

Company Directory	3
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	4
Condensed Consolidated Statement of Changes in Equity	5 - 6
Condensed Consolidated Statement of Financial Position	7
Condensed Consolidated Statement of Cash Flows	8
Notes forming part of the Condensed Consolidated Financial Statements	9 - 21

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**Company Directory**  
**For the six months ended 31 December 2025**

<b>Country of incorporation of company:</b>	New Zealand
<b>Company Number:</b>	6484092
<b>Legal form:</b>	NZ Limited Company
<b>Principal activities:</b>	Pharmaceutical Distribution and Marketing
<b>Registered office:</b>	704 Te Araroa Road RD3 Ruatoria
<b>Directors:</b>	Anna STOVE - Chair Panapa EHAU Teresa FARAC-CIPRIAN Tony BARCLAY
<b>Auditor:</b>	PricewaterhouseCoopers
<b>Bankers:</b>	Kiwibank
<b>Solicitors:</b>	Anderson Lloyd

Rua Bioscience Limited

Condensed Consolidated Statement of Profit or Loss  
and Other Comprehensive Income  
For the six months ended 31 December 2025

	Note	For the six months ended 31 December 2025 (unaudited) \$	For the six months ended 31 December 2024 (unaudited) \$
Revenue from contracts with customers	5	1,333,773	693,829
Other income	6	121,540	195,383
<b>Total revenue and income</b>		<b>1,455,313</b>	<b>889,212</b>
Changes in inventories of finished goods and work in progress	9	(900,794)	(486,650)
Research and development expenses	15	(526,875)	(494,317)
Costs related to capital raise		(3,961)	(158,617)
Other expenses		(1,664,445)	(1,486,008)
Impairment expense	17	(11,725)	(24,569)
<b>Loss before net financing costs</b>		<b>(1,652,487)</b>	<b>(1,760,949)</b>
Finance income	7	27,397	1,810
Finance costs	7	(168,339)	(43,116)
<b>Net finance (cost)/income</b>		<b>(140,942)</b>	<b>(41,306)</b>
<b>Loss before tax</b>		<b>(1,793,429)</b>	<b>(1,802,255)</b>
Income tax expense	8	-	-
<b>Loss after tax</b>		<b>(1,793,429)</b>	<b>(1,802,255)</b>
<b>Other comprehensive loss</b>			
<i>Items that will or may be reclassified to profit or loss:</i>			
- Exchange (losses)/ gains arising on translation of foreign operations		(40,686)	(3,714)
<b>Total comprehensive loss for the period attributable to shareholders</b>		<b>(1,834,115)</b>	<b>(1,805,969)</b>
<b>Earnings per share attributable to the ordinary equity holders of the parent</b>			
<b>Loss from operations</b>			
Basic (\$)		(0.006)	(0.011)
Diluted (\$)		(0.006)	(0.011)

The above statements should be read in conjunction with the accompanying notes.

Rua Bioscience Limited

Condensed Consolidated Statement of Changes in Equity  
For the six months ended 31 December 2025

	Note	Share capital	Foreign currency translation reserve	Warrant equity reserve	Share option reserve	Accumulated losses	Total equity
		\$	\$	\$	\$	\$	\$
Opening balance at 1 July 2025 (audited)*		45,453,462	2,633	28,478	375,106	(40,968,968)	4,890,711
<b>Total comprehensive loss for the period</b>							
- Loss for the period		-	-	-	-	(1,793,429)	(1,793,429)
- Other comprehensive loss		-	(40,686)	-	-	-	(40,686)
<b>Total comprehensive loss for the period</b>		-	<b>(40,686)</b>	-	-	<b>(1,793,429)</b>	<b>(1,834,115)</b>
<b>Transactions with owners</b>							
- Issue of share capital	16	3,016,246	-	-	-	-	3,016,246
- Costs of issuing share capital		(303,669)	-	-	-	-	(303,669)
- Warrants issued		-	-	69,081	-	-	69,081
- Employee share option expense		-	-	-	6,625	-	6,625
<b>Total transactions with owners</b>		<b>2,712,577</b>	-	<b>69,081</b>	<b>6,625</b>	-	<b>2,788,283</b>
<b>Balance at 31 December 2025 (unaudited)</b>		<b>48,166,039</b>	<b>(38,053)</b>	<b>97,559</b>	<b>381,731</b>	<b>(42,762,397)</b>	<b>5,844,879</b>

The above statements should be read in conjunction with the accompanying notes.

\* The 30 June 2025 consolidated financial statements were issued with a disclaimer of opinion by the Group's auditor

Rua Bioscience Limited

Condensed Consolidated Statement of Changes in Equity  
For the six months ended 31 December 2024

	Note	Share capital	Foreign currency translation reserve	Share option reserve	Accumulated losses	Total equity
		\$	\$	\$	\$	\$
Opening balance at 1 July 2024 (audited)*		<u>43,952,936</u>	<u>(6,296)</u>	<u>333,324</u>	<u>(37,513,306)</u>	<u>6,766,658</u>
Total comprehensive loss for the period						
- Loss for the period		-	-	-	(1,802,255)	(1,802,255)
- Other comprehensive loss		-	(3,714)	-	-	(3,714)
Total comprehensive loss for the period		<u>-</u>	<u>(3,714)</u>	<u>-</u>	<u>(1,802,255)</u>	<u>(1,805,969)</u>
Transactions with owners						
- Issue of share capital	16	1,428,229	-	-	-	1,428,229
- Employee share options expense		(147,703)	-	-	-	(147,703)
- Share options vested and exercised		-	-	26,635	-	26,635
Total transactions with owners		<u>1,280,526</u>	<u>-</u>	<u>26,635</u>	<u>-</u>	<u>1,307,161</u>
Balance at 31 December 2024 (unaudited)		<u>45,233,462</u>	<u>(10,010)</u>	<u>359,959</u>	<u>(39,315,561)</u>	<u>6,267,850</u>

The above statements should be read in conjunction with the accompanying notes.

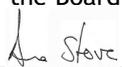
\* The 30 June 2024 consolidated financial statements were issued with a disclaimer of opinion by the Group's auditor

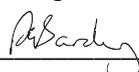
Rua Bioscience Limited

Condensed Consolidated Statement of Financial Position  
As at 31 December 2025

	Note	As at 31 December 2025 (unaudited) \$	As at 30 June 2025 (audited)* \$
<b>Current assets</b>			
Cash and cash equivalents	4	2,166,289	241,421
Trade and other receivables	4	372,287	366,552
Prepayments		353,976	401,740
Inventory	9	681,702	405,106
Assets in disposal groups classified as held for sale	17	878,937	890,662
<b>Total current assets</b>		<b>4,453,191</b>	<b>2,305,481</b>
<b>Non-current assets</b>			
Property, plant and equipment		1,940,664	2,144,010
Goodwill	10	2,194,947	2,194,947
Right-of-use lease assets		37,963	62,167
Other receivables	4	75,000	75,000
<b>Total non-current assets</b>		<b>4,248,574</b>	<b>4,476,124</b>
<b>Total assets</b>		<b>8,701,765</b>	<b>6,781,605</b>
<b>Current liabilities</b>			
Trade and other payables	4	865,961	864,442
Borrowings	4,11	1,768,700	725,307
Employee benefit liabilities		134,605	192,301
Lease liabilities	4,11	12,694	40,749
Liabilities in disposal groups classified as held for sale	4,17	18,430	30,155
Derivative financial liability	4,11	-	-
Deferred grant income		25,000	-
<b>Total current liabilities</b>		<b>2,825,390</b>	<b>1,852,954</b>
<b>Non-current liabilities</b>			
Lease liabilities	4,11	31,496	37,939
<b>Total non-current liabilities</b>		<b>31,496</b>	<b>37,939</b>
<b>Total liabilities</b>		<b>2,856,886</b>	<b>1,890,893</b>
<b>Net assets</b>		<b>5,844,879</b>	<b>4,890,712</b>
<b>Equity</b>			
Share capital	16	48,166,039	45,453,462
Accumulated losses		(42,762,397)	(40,968,968)
Warrant equity reserve		97,559	28,479
Foreign currency translation reserve		(38,053)	2,633
Share option reserve		381,731	375,106
<b>Total equity</b>		<b>5,844,879</b>	<b>4,890,712</b>

The condensed consolidated financial statements on pages 4 to 21 were approved and authorised for issue by the Board of Directors on 26 February 2026 and were signed on its behalf by:

 (Director)

 (Director)

*The above statements should be read in conjunction with the accompanying notes.*

\* The 30 June 2025 consolidated financial statements were issued with a disclaimer of opinion by the Group's auditor

Rua Bioscience Limited

Condensed Consolidated Statement of Cash Flows  
For the six months ended 31 December 2025

	Note	For the six months to 31 Dec 2025 (unaudited) \$	For the six months to 31 Dec 2024 (unaudited) \$
<b>Cash flows from operating activities</b>			
Receipts from customers		1,333,007	525,992
Grant income received		196,002	169,876
Sundry income received		13,227	77,673
Payments to suppliers and employees		(3,062,596)	(2,716,538)
<b>Net cash outflows from operating activities</b>		<b>(1,520,360)</b>	<b>(1,942,997)</b>
<b>Cash flows from investing activities</b>			
Interest income		1,106	1,809
Proceeds from the sale of property, plant and equipment		1,213	-
<b>Net cash inflows from investing activities</b>		<b>2,319</b>	<b>1,809</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of share capital		2,819,678	1,428,229
Share issue costs		(303,669)	(147,703)
Proceeds from borrowings		1,523,281	468,888
Repayment of borrowings		(588,401)	(107,056)
Repayment of lease liabilities		(46,223)	(35,032)
Warrants issued		69,082	-
Interest paid - lease liabilities		(2,857)	(16,238)
Interest paid - financial liabilities at amortised cost		(30,677)	-
<b>Net cash inflows from financing activities</b>		<b>3,440,214</b>	<b>1,591,088</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,922,173</b>	<b>(350,100)</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>241,420</b>	<b>895,131</b>
Exchange gains/(losses) on cash and cash equivalents		2,696	(6,385)
<b>Cash and cash equivalents at end of the period</b>	<b>4</b>	<b>2,166,289</b>	<b>538,646</b>

*The above statements should be read in conjunction with the accompanying notes.*

## Rua Bioscience Limited

### Notes forming part of the Condensed Consolidated Financial Statements For the six months ended 31 December 2025

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#### 1. Reporting Entity

The condensed consolidated financial statements comprise the results of Rua Bioscience Limited and its subsidiary (together, “the Group”).

Rua Bioscience Limited (“the Company”) is a company incorporated and domiciled in New Zealand and registered under the Companies Act 1993. The address of the Company’s registered office and principal place of business is 704 Te Araroa Road, RD 3, Ruatoria.

The Company is principally engaged in the business of research and development, and pharmaceutical distribution and marketing.

#### 2. Basis of preparation

##### *(a) Statement of compliance*

These unaudited interim consolidated financial statements have been prepared for the six months ended 31 December 2025. These interim consolidated financial statements provide an update on the interim performance of the Group and should be read in conjunction with the full year consolidated financial statements presented for the year ended 30 June 2025 from which the same accounting policies and methods of computation have been followed.

The interim consolidated financial statements are prepared in accordance with:

- NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.
- Generally Accepted Accounting Practice in New Zealand (NZ GAAP).
- The accounting policies and methods of computation in the most recent annual financial statements.
- The Financial Markets Conduct Act 2013, and NZX equity listing rules.

The Group is a for-profit entity for the purposes of complying with NZ GAAP.

The consolidated interim financial statements are presented in New Zealand dollars (\$), which is the company’s functional and also the Group’s presentational currency. All financial information presented has been rounded to the nearest dollar, except where otherwise indicated.

##### *(b) Significant accounting policies*

The accounting policies and computation methods used in the preparation of the consolidated interim financial statements are consistent with those used as at 30 June 2025 and 31 December 2024.

##### *(c) Basis of measurement*

The consolidated interim financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Borrowings (fair value disclosed) - note 4
- Financial assets and liabilities at amortised cost (fair value disclosed) - note 4
- Derivative liabilities subsequently measured at fair value through profit or loss - note 4

## Rua Bioscience Limited

### Notes forming part of the Condensed Consolidated Financial Statements For the six months ended 31 December 2025

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#### 2. Basis of preparation (continued)

##### *(d) New standards, interpretations and amendments effective or applied for the first time*

The Group has not adopted any significant new standards, interpretations and amendments in the interim period with a material impact on the financial statements.

##### *(e) Accounting estimates and judgements made*

Besides those listed below, there have been no material revisions to the nature and amount of estimates of, and judgements in relation to, amounts reported in prior periods.

- Management and the Board have applied judgements in assessing for indicators of impairment with respect to the Group's goodwill. Refer to note 11.
- To determine the cash flows in applying the effective interest method to the Group's new borrowings (refer note 12), management judgement has been applied to determine the most expected maturity event and corresponding total repayments made.

##### *(f) Going concern*

These condensed consolidated financial statements for the six months ended 31 December 2025 have been prepared on the going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due for a period of at least 12 months from the date of signing these condensed financial statements.

Given the Group's net operating loss of \$1,793,429 and net operating cash outflow of \$1,520,360 for the six months ended 31 December 2025 the Board and management have prepared operating cash flow forecasts for the next 12 months. These indicated that the Group will have sufficient cash to meet its minimum expenditure commitments and support its current levels of activity as long as the growth targets within these operating cash flow forecasts are met.

The Group's liquid net assets position has been improved by the successful completion of a pro-rata 1 for 3 renounceable rights offer, announced on 3 November 2025, and a placement of shares as a result of oversubscription that was completed in December 2025. The rights offer and oversubscription resulted in the Group receiving \$2,022,750 after all costs of the issue are taken into account. The Group remains committed to raising further equity to meet the business requirements to reach profitability and become self-sustaining only if the operating cash flow forecast growth is insufficient.

## Rua Bioscience Limited

### Notes forming part of the Condensed Consolidated Financial Statements For the six months ended 31 December 2025

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#### 2. Basis of preparation (continued)

##### (f) *Going concern (continued)*

Accordingly, the Directors are focussed on plans to increase the cash flow of the business and have also evaluated the following factors in determining that the going concern assumption is appropriate:

- (i) *Sales and operational improvements:* The Group's operational forecasts include assumptions regarding a number of opportunities in key markets. As at the date of signing these consolidated financial statements, the Group has achieved the following:
  - Further expanded the product portfolio into Germany, with the launch of New Zealand cultivated products in August 2025 reinforcing the Group's position in Europe's largest medicinal cannabis market;
  - Introduced New Zealand grown genetics into key clinic chains and distributors in Australia;
  - Recently released additional products into the New Zealand market expanding the portfolio to four products;
  - 
  - Successfully launched dried flower products into Czechia in September 2025
- (ii) *Debt facility:* Management and the Board were successful with the Group's existing shareholders and secured additional funding (debt) to meet operational cashflow requirements. As at 31 December 2025, \$1,060,000 had been provided to the group under this debt facility. Of this amount \$756,000 had been received during the six months ended 31 December 2025, \$304,000 had been received in the prior financial year.
- (iii) *Facility sale:* The Group is actively pursuing a buyer for its Gisborne facility which includes the leasehold buildings held as available for sale in addition to manufacturing and extraction equipment. The Group continues to expect the sale and settlement of these assets and is actively engaged with a number of interested parties. Upon settlement, the consideration will firstly be applied to the Group's loan against the building, inclusive of accrued contractual interest and additional \$100,000 bullet payment (refer to note 11), with the net proceeds amount then being available to the Group.

The Group has also seen a significant increase in operating revenue in the six months ended 31 December 2025 giving further confidence in the Group's operating model. The Group also forecasts a number of significant operating milestones over the coming 12 months including:

- Continued expansion of product offerings in Australia, Germany, Czechia and New Zealand; and
- Establishment of Rua genetics in several countries including:
  - o Canada under license with Apollo Green; and
  - o Trial crops in New Zealand and Australia.

These will further the Group's plans to achieve a sustainable operating model in line with its projections.

## Rua Bioscience Limited

### Notes forming part of the Condensed Consolidated Financial Statements For the six months ended 31 December 2025

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#### 2. Basis of preparation (continued)

##### *(f) Going concern (continued)*

The Directors believe that the Group will be successful in achieving the above, and on this basis, are of the view that it is appropriate to continue to adopt the going concern assumption in the preparation of these consolidated financial statements.

Should the Group be unsuccessful in achieving its revenue forecasts, or if actual revenue growth is lower than projected, the proceeds from the sale of the facility are less than expected the Group may be unable to manage its minimum cash expenditure requirements.

These events and conditions identified indicate that material uncertainties continue to exist that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

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

#### 3. Segment Reporting

The Group operates in one segment, its primary business being research and development and the sale of pharmaceutical products in New Zealand, Europe and Australia.

The chief operating decision maker has been identified as the Chief Executive Officer (CEO), as they make all the key strategic resource allocation decisions related to the Group's segment.

The Group derives revenue from customers through the sale of goods in New Zealand, Europe, and Australia. The Group's revenues are analysed by geography on the basis of the jurisdiction in which the goods are sold and have been disaggregated in this way in note 5.

Rua Bioscience Limited

Notes forming part of the Condensed Consolidated Financial Statements  
For the six months ended 31 December 2025

4. Financial instruments and Financial Risk Management, and Capital Management

(i) Categories and fair values of the Group's financial instruments

	Financial Assets at Amortised Cost	Financial Liabilities at Amortised Cost	Financial Liabilities at Fair Value through profit or loss	Total Carrying Amount	Fair Value
	\$	\$		\$	\$
<b>31 December 2025 (unaudited)</b>					
Cash and cash equivalents	2,166,289	-	-	2,166,289	(a)
Trade and other receivables	372,287	-	-	372,287	(a)
Trade and other payables	-	(865,961)	-	(865,961)	(a)
Lease liabilities <sup>(c)</sup>	-	(44,190)	-	(44,190)	(b)
Borrowings	-	(1,768,700)	-	(1,768,700)	(a)
Derivative financial liabilities (note 11)	-	-	-	-	n/a
<b>Total</b>	<b>2,538,576</b>	<b>(2,678,851)</b>	<b>-</b>		
<b>30 June 2025 (audited)</b>					
Cash and cash equivalents	241,421	-	-	241,421	(a)
Trade and other receivables	289,065	-	-	289,065	(a)
Trade and other payables	-	(688,412)	-	(688,412)	(a)
Borrowings	-	(725,307)	-	(725,307)	(a)
Lease liabilities <sup>(c)</sup>	-	(78,688)	-	(78,688)	(b)
<b>Total</b>	<b>530,486</b>	<b>(1,492,407)</b>	<b>-</b>		

(a) Due to their short-term nature, the carrying value of these financial instruments approximates their fair value.

(b) Not required to be disclosed per NZ IFRS 7.

(c) Includes Lease liabilities with disposal groups held for sale (note 17)

Rua Bioscience Limited

Notes forming part of the Condensed Consolidated Financial Statements  
For the six months ended 31 December 2025

5. Revenue from contracts with customers

During the six-month period ended 31 December 2025, the Group:

- Commenced sales of goods in Czechia and the United Kingdom;
- Introduced new products into the New Zealand market.

Revenue streams recognised by the Group include:

	For the six months ended 31 Dec 2025 (unaudited) \$	For the six months ended 31 Dec 2024 (unaudited) \$
Sale of goods - New Zealand	535,746	184,279
Sale of goods - Australia	672,047	224,909
Sale of goods - other International markets	125,980	284,641
<b>Total</b>	<b>1,333,773</b>	<b>693,829</b>

6. Other income

Other income streams recognised by the Group include:

	Note	For the six months ended 31 Dec 2025 (unaudited) \$	For the six months ended 31 Dec 2024 (unaudited) \$
<b>Government grant income</b>			
Research and development grant income		75,817	73,225
Other government grant income		32,495	44,484
		<b>108,312</b>	<b>117,709</b>
Sundry income		13,228	77,674
<b>Total</b>		<b>121,540</b>	<b>195,383</b>

Rua Bioscience Limited

Notes forming part of the Condensed Consolidated Financial Statements  
For the six months ended 31 December 2025

7. Finance income and costs

Finance income and costs incurred by the Group comprise:

	Note	For the six months ended 31 Dec 2025 (unaudited)	For the six months ended 31 Dec 2024 (unaudited)
<b>Finance income</b>		\$	\$
Interest income - financial assets at amortised cost		1,106	1,810
Gain on loan modification	11	26,291	-
<b>Total finance income</b>		<b>27,397</b>	<b>1,810</b>

*Significant transactions during the six months to 31 December 2025:*

**Gain on loan modification income** in the period relates to the impact of the Group renegotiating its existing short-term lending (refer note 11).

	Note	For the six months ended 31 Dec 2025 (unaudited)	For the six months ended 31 Dec 2024 (unaudited)
<b>Finance costs</b>			
Interest expense - leases		2,857	7,065
Interest expense - financial liabilities at amortised cost	11	165,482	36,051
<b>Total finance costs</b>		<b>168,339</b>	<b>43,116</b>

8. Income tax

Significant management judgement has been exercised to determine that future taxable profits for the Group are beyond a reliable forecast horizon and that no net deferred tax asset should be recognised.

An amount of deferred tax asset of \$8,983,500 (30 June 2025: \$8,604,612) has not been recognised, comprising of: (i) A deferred tax asset arising from carried forward tax losses of \$8,983,500 (30 June 2025: \$8,604,612); and (ii) other temporary differences of \$nil (30 June 2025: \$nil).

## Rua Bioscience Limited

### Notes forming part of the Condensed Consolidated Financial Statements For the six months ended 31 December 2025

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#### 9. Inventory

*Significant transactions during the six months to 31 December 2025*

The Group has reported write-downs of inventory to net realisable value of \$102,373 (2024: \$13,150) in the consolidated statement of profit or loss and other comprehensive income.

#### 10. Intangible assets and Goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis or where there are specific indicators of impairment in the period.

In assessing for indicators of impairment, the Board has considered the following factors:

- The Group's business performance in the period to date, and expected performance for the remaining six months of the financial year;
- The Group's progress to date with respect to its recent capital raise (refer to note 2(g));
- The likelihood that the Group will successfully sell its facility (refer to note 17); and
- The Group's market capitalisation as at 31 December 2025.

The Board and Management believe these factors are substantially the same as at 30 June 2025 and are of the view that there were no indicators as at 31 December 2025 which would require goodwill to be tested at that date. As such, there was no impairment recognised in respect of the Group's goodwill.

## Rua Bioscience Limited

### Notes forming part of the interim consolidated financial statements For the six months ended 31 December 2025

#### 11. Borrowings

Borrowings drawn down in the six-month period ended 31 December 2025 include:

- (i) **Short-term lending** - The Group also renegotiated its existing short-term lending which was previously due to mature as at 30 June 2025 on 19 December 2025.

The renegotiations resulted in:

- A new maturity date of 30 June 2026;
- An option to convert the loan into a variable number of ordinary shares of the company provided to the lender ('conversion feature'), with the exercise price based on the 20-day *volume-weighted-average-price* ('VWAP') prior to exercise.

The renegotiations were accounted for as a substantial modification requiring the derecognition of the carrying value of the original loan, and recognition of the new renegotiated loan at its fair value - resulting in a gain of \$26,291, recognised within Finance income (*note 7*) in the consolidated statement of profit or loss.

The conversion feature of the new renegotiated loan represents an embedded derivative at fair value through profit and loss. Management have determined that the fair value of the conversion feature upon modification of the loan, and at reporting date, was immaterial.

The embedded derivative will continue to be subsequently fair valued through until exercise or expiry of the conversion feature, with any fair value gains or losses recognised in the consolidated statement of profit or loss.

All other terms and conditions under the loan remains unchanged.

- (ii) **Inventory finance** - During the period ended 31 December 2025, the Group entered into a number of additional lending arrangements to assist in managing working capital cash flows. The loans have a 12-month maturity and accrue interest on a monthly basis. The loans are secured over the Group's inventory holdings. An additional \$756,000 was drawn down in the period ended 31 December 2025.

Lenders were also issued additional warrants for no further consideration which give the holders the right to purchase ordinary shares at a fixed price 12 months after the loan draw down date. The warrants expire 3 years after they become exercisable.

The arrangements are accounted for as compound financial instruments with the warrant component recognised directly in equity. The Group recognised an additional \$70,621 as warrant equity in the consolidated statement of financial position.

	Note	31 Dec 2025 (unaudited)	30 June 2025 (audited)
		\$	\$
Short-term lending		397,890	376,121
Inventory finance		985,385	280,789
Supplier finance arrangements - inventory		263,387	68,397
Supplier finance arrangements - insurance		122,038	-
		1,768,700	725,307

Rua Bioscience Limited

Notes forming part of the interim consolidated financial statements  
For the six months ended 31 December 2025

12. Related party transactions

*Six Months to 31 December 2025 and 31 December 2024*

The Group has no ultimate parent entity. There are no individual shareholders holding more than 20% of the ordinary shares of the Group at the interim reporting date.

During the period the Group entered into the below transactions with entities related to shareholders and key management personnel.

	Nature of transactions	Transaction amount	Amounts receivable (payable)
<b>31 December 2025</b>		<b>For the six months ended 31 Dec 2025 (unaudited) \$</b>	<b>31 December 2025 (unaudited) \$</b>
Zenoch Management Limited	Purchases	24,750	-
Teresa Ciprian	Loan <sup>(1)</sup>	-	(54,000)
	Interest expense	6,643	-
Tony Barclay	Loan <sup>(1)</sup>	-	(18,000)
	Interest expense	1,772	-

<sup>(1)</sup> Inventory finance loan (per note 11).

	Nature of transactions	Transaction amount	Amounts receivable (payable)
<b>31 December 2024</b>		<b>For the six months ended 31 Dec 2024 (unaudited) \$</b>	<b>31 December 2024 (unaudited) \$</b>
Bentleys (QLD) Pty Ltd	Purchases	353	-
Zenoch Management Limited	Purchases	28,875	-

During the period the following key management personnel also purchased ordinary shares and other equity instruments of the Company for cash consideration:

	For the six months ended 31 December 2025 (unaudited)		
	\$	# of shares	# of warrants
Tony Barclay (Director)	32,000	1,200,000	100,642
Teresa Ciprian (Director)	13,125	175,000	-
Anna Stove (Director)	19,366	774,632	-
	<b>64,491</b>	<b>1,349,632</b>	<b>100,642</b>

Rua Bioscience Limited

Notes forming part of the interim consolidated financial statements  
For the six months ended 31 December 2025

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13. Related party transactions (*continued*)

Key management personnel compensation

Compensation of key management personnel (being those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors) was as follows:

	For the six months ended 31 December 2025 (unaudited)	For the six months ended 31 December 2024 (unaudited)
	\$	\$
Directors' fees	124,044	118,419
Short-term employee benefits	132,162	130,238
Defined contribution plan payments	4,121	4,122
Share-based payment expense	69,625	26,635
<b>Total key management personnel compensation</b>	<b>329,952</b>	<b>279,414</b>

14. Contingent liabilities

There were no contingent liabilities at the end of the period (30 June 2025: nil).

15. Research and development costs

All research and development costs are expensed as incurred. The Group's research and development operations are not actively in pursuit of commercial licenses and as such, the Group does not consider itself to be in the development phase.

Rua Bioscience Limited

Notes forming part of the interim consolidated financial statements  
For the six months ended 31 December 2025

16. Share Capital

	31 December 2025 (unaudited) Number	30 June 2025 (audited) Number
Opening shares	223,648,012	159,750,579
Shares issued <sup>(1)</sup> , <sup>(2)</sup>	114,393,693	63,897,433
<b>Total share capital</b>	<b>338,041,705</b>	<b>223,648,012</b>

<sup>(1)</sup> During the six months ended 31 December 2025:

- 16,799,999 ordinary shares were issued in August and September 2025 in order to fund short-term working capital;
- 92,627,157 ordinary shares were issued on 18 December 2025 as part of a pro-rata 1-for-3 renounceable rights offer and placement of oversubscription;
- 4,966,537 ordinary shares were issued as a share-based payment to reward the Group's staff for past performance and incentivise future performance.

<sup>(2)</sup> During the year ended 30 June 2025:

- 3,968,254 ordinary shares were issued on 20 September 2024 as bridging capital prior to the Group's capital raise;
- 47,119,179 ordinary shares were issued on 6 December 2024 as part of the Group's capital raise in the period;
- 12,810,000 ordinary shares were issued as part of the pro-rata rights offer following the Group's capital raise

Rua Bioscience Limited

Notes forming part of the interim consolidated financial statements  
For the six months ended 31 December 2025

17. Assets held for sale

As reported in the Group's 30 June 2025 financial statements, the continues to market its manufacturing facility with a view that the asset group remains available for sale.

As at 31 December, the disposal group is comprised of:

	Note	31 December 2025	30 June 2025 (audited)
<i>Assets classified as held for sale</i>			
Property, plant and equipment		860,507	860,507
Right-of-use assets		18,430	30,155
<b>Total assets held for sale</b>		<b>878,937</b>	<b>890,662</b>
<i>Liabilities classified as held for sale</i>			
Lease liabilities	4,11	(18,430)	(30,155)
<b>Total liabilities classified as held for sale</b>		<b>(18,430)</b>	<b>(5,988)</b>
<b>Total net assets held for sale</b>		<b>860,507</b>	<b>860,507</b>

An impairment expense of \$11,725 was recognised on right-of-use assets in the disposal group held for sale as the carrying value of the asset exceeded its fair value less costs to sell after the associated lease liability was remeasured (refer note 9).

Assets classified as held for sale during the period ended 31 December 2025 were measured at the lower of their carrying value and fair value less costs to sell.

The fair value of the building and right-of-use asset associated with the lease of the land upon which the building sits was derived using the sales comparison approach. The key input under this approach was the recent observable selling prices for assets of similar nature, adjusted for condition and location.

18. Events after the reporting date

There were no material events after the reporting date.