

4DS Memory Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	4DS Memory Limited
ACN:	145 590 110
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

2. Results for announcement to the market

			\$
Total revenue from ordinary activities	up	117.4%	to 316,448
Loss from ordinary activities after tax attributable to the owners of 4DS Memory Limited	down	73.6%	to (914,658)
Loss for the half-year attributable to the owners of 4DS Memory Limited	down	73.6%	to (914,658)
		31 December 2025	30 June 2025
		Cents	Cents
Basic earnings per share		(0.04)	(0.20)
Diluted earnings per share		(0.04)	(0.20)

Comments

The loss for the Group after providing for income tax amounted to \$914,658 (31 December 2024: \$3,461,538).

The loss primarily reflects continued investment in the Group's research and development programs, together with ongoing corporate and administrative expenditure necessary to support operations.

The main contributors to the loss include:

Research and development expenditure, representing the largest portion of operating costs as the Group progresses its research and development activities.

Corporate and administrative expenses, including employee costs, professional services, insurance, and compliance-related expenditure.

Non-cash expenses, such as depreciation and share-based payment charges.

The loss was partially offset by:

Interest income, reflecting returns from investing in term deposits; and

A gain on asset disposal, recognised during the period.

3. Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	0.37	0.43

4. Dividends

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

5. Foreign entities

The Group includes operations in United States. This entity prepares financial statements in accordance with IFRS as issued by the IASB. No material difference exists between these standards and Australian Accounting Standards.

6. Audit qualification or review

This Appendix 4D is based on the attached half-year financial report which has been reviewed by the Group's auditor, PKF Perth. A copy of the auditor's review report can be found on page 15.

7. Attachments

The Interim Report of 4DS Memory Limited for the half-year ended 31 December 2025 is attached.

8. Signed



Signed _____

Date: 27 February 2026

David McAuliffe
Executive Chairman

4DS Memory Limited

ACN 145 590 110

Interim Report

half-year ending on
31 December 2025

4DS Memory Limited
Directors' report
31 December 2025

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of 4DS Memory Limited (referred to hereafter as the 'Company') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

In order to comply with the provisions of the *Corporation Act 2001*, the directors report as follows:

Directors

The following persons were directors of 4DS Memory Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr. David McAuliffe	Executive Chairman
Dr. Guido Arnout	Non-Executive Director
Mr. Howard Digby	Non-Executive Director

Review of operations

Financial Review

The loss for the Group after providing for income tax amounted to \$914,658 (31 December 2024: \$3,461,538).

Management changes

During the half year period, Mr Peter Himes (Chief Strategy Officer) and Mr Ting Yen (Chief Technology Officer) resigned from their respective positions.

Effective from 1 November 2025, the following adjustments to Board and Executive remuneration in were implemented.

- **All Non-Executive Director (NED)** : All NED fees reduced to \$0.
- **Consulting fees** : Payment to Dr Guido Arnout reduced by 50% and with a further reduction to 32% effective from January 2026 onwards.
- **Executive Chairman** : Mr. David McAuliffe's base salary reduced by 50%, from \$200,000 per annum to \$100,000 per annum, plus statutory superannuation.

Operating Review

During the half-year ended 31 December 2025, the Company continued to focus on reviewing the strategic and technical direction of the Company following the completion of its 20nm Sixth Platform Lot development program, while implementing measures to preserve capital and maintain governance stability.

Strategic and Technical Review

On 18 August 2025, the Company announced the completion of a comprehensive root cause analysis of the 20nm Sixth Platform Lot, utilising both physical and chemical analytical techniques. The analysis confirmed that etch residues introduced during manufacturing resulted in electrical shorting of the memory devices. Following receipt of these findings, the Company commenced an evaluation of the most effective strategic and technical development pathways for its technology going forward.

As part of this review, and following extensive discussions with its development partners, the Company announced on 5 September 2025 its decision to disengage from its collaborations with imec and Infineon Technologies LLC. This decision was taken to preserve resources while the Board undertook a broader strategic review to ensure that any future development activities align with the Company's long-term commercialisation objectives.

The strategic review, formally initiated in September 2025, remains ongoing and is focused on stabilising the business, preserving capital, and assessing a range of potential value-accretive pathways. These include opportunities both within and adjacent to the Company's existing technology base, including areas aligned with AI-enablement, where demand for faster, denser and more energy-efficient computing architectures continues to accelerate.

During the period, the Company engaged in preliminary and confidential discussions with parties operating in aligned fields. These discussions remain exploratory in nature and no binding agreements or commitments had been entered into as at 31 December 2025.

Operating Review

Governance and Annual General Meeting

The Company held its Annual General Meeting on 20 November 2025. During the period leading up to the meeting, the Company received nominations for new director candidates from certain shareholders.

Following the meeting, all shareholder-nominated director resolutions were not carried, and the re-election of existing Non-Executive Director Mr Howard Digby was approved. The outcome of the AGM provided continuity and governance stability while the Company continues its strategic and commercial evaluations.

The Board acknowledges the level of shareholder engagement during this period and reiterates its commitment to acting in accordance with director duties, governance standards, and the Company's continuous disclosure obligations.

Cost Management and Capital Preservation

As part of the strategic review and the Board's ongoing focus on prudent capital management, the Company implemented material cost-reduction measures effective 1 November 2025 as further outlined in Key management personnel disclosure.

Significant changes in the state of affairs

On 16 December 2024, the Company entered into an agreement with Infineon Technologies LLC to design a custom ReRAM memory test chip for 4DS.

The agreement initially covered a 15-month scope of work valued at US\$4.5 million, with an upfront payment of US\$1.5 million due in January 2025 and the remaining balance payable in varying monthly instalments.

On 29 August 2025, the Company terminated the agreement. The termination brings the contractual relationship to an end, with no further payments contemplated at this time. For further information refer to the ASX announcement dated 5 September 2025.

There were no other significant changes in the state of affairs of the Group during the financial half-year.

Key management personnel disclosure

During the half-year ended 31 December 2025, a total of **4,500,000 options** and **21,500,000 options** lapsed following the resignations of Mr Peter Himes and Mr Ting Yen, respectively. As a result of their departure, the vesting conditions attached to these options could no longer be satisfied.

Matters subsequent to the end of the financial half-year

No other matter or circumstance has arisen since 31 December 2025 that has 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.

Rounding of amounts

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


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.

4DS Memory Limited
Directors' report
31 December 2025

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors,

A handwritten signature in black ink that reads "David McAuliffe". The signature is written in a cursive style with a horizontal line underneath it.

David McAuliffe
Executive Chairman

27 February 2026



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AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF 4DS MEMORY LIMITED

In relation to our review of the financial report of 4DS Memory Limited for the half year ended 31 December 2025, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

PKF Perth

PKF PERTH

Simon Fermanis

SIMON FERMANIS
PARTNER

27 February 2026
PERTH,
WESTERN AUSTRALIA

4DS Memory Limited
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31 December 2025

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General information

The financial statements cover 4DS Memory Limited as a Group consisting of 4DS Memory Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is 4DS Memory Limited's functional and presentation currency.

4DS Memory Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 2, 50 Kings Park Road,
West Perth WA 6005
AUSTRALIA

Principal place of business

3155 Skyway Court
Fremont CA 94539
USA

A description of the nature of the Group's operations and its principal activities is 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 27 February 2026.

4DS Memory Limited
Condensed consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025

	Note	31 December 2025	31 December 2024
		\$	\$
Gain on disposal of assets		137,820	-
Interest Income		178,628	145,552
Expenses			
Compliance and regulatory expense		(66,539)	(80,888)
Corporate and administration expense		(355,690)	(372,913)
Depreciation expense		(82,464)	(88,686)
Directors and employee expense		(135,993)	(158,296)
Interest expense		(6,087)	-
Research expenses		(688,017)	(2,526,170)
Share based payments	9	213,349	(248,678)
Other expenses		(104,909)	(119,991)
Operating loss		(909,902)	(3,450,070)
Interest on lease liabilities		(4,756)	(11,468)
Loss before income tax expense		(914,658)	(3,461,538)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of 4DS Memory Limited		(914,658)	(3,461,538)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(3,417)	(7,912)
Other comprehensive income for the half-year, net of tax		(3,417)	(7,912)
Total comprehensive income for the half-year attributable to the owners of 4DS Memory Limited		(918,075)	(3,469,450)
		Cents	Cents
Basic earnings per share		(0.04)	(0.20)
Diluted earnings per share		(0.04)	(0.20)

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

4DS Memory Limited
Condensed consolidated statement of financial position
As at 31 December 2025

	Note	31 December 2025 \$	30 June 2025 \$
Assets			
Current assets			
Cash and cash equivalents		3,342,999	10,198,573
Financial Investments	4	5,450,000	-
Trade and other receivables		83,160	85,894
Other assets		138,002	56,729
Total current assets		<u>9,014,161</u>	<u>10,341,196</u>
Non-current assets			
Plant and equipment		8,423	85,473
Right-of-use assets		52,051	114,513
Total non-current assets		<u>60,474</u>	<u>199,986</u>
Total assets		<u>9,074,635</u>	<u>10,541,182</u>
Liabilities			
Current liabilities			
Trade and other payables	5	1,147,491	1,534,030
Borrowings		106,054	-
Lease liabilities		60,680	131,312
Employee benefits		96,771	80,758
Total current liabilities		<u>1,410,996</u>	<u>1,746,100</u>
Non-current liabilities			
Employee benefits		13,633	13,652
Total non-current liabilities		<u>13,633</u>	<u>13,652</u>
Total liabilities		<u>1,424,629</u>	<u>1,759,752</u>
Net assets		<u>7,650,006</u>	<u>8,781,430</u>
Equity			
Issued Capital	6	76,657,618	76,657,618
Reserves		7,020,653	7,237,419
Accumulated losses		(76,028,265)	(75,113,607)
Total equity		<u>7,650,006</u>	<u>8,781,430</u>

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

4DS Memory Limited
Condensed consolidated statement of changes in equity
For the half-year ended 31 December 2025

	Issued capital \$	Share-based payment reserve \$	Foreign exchange reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	66,918,893	6,536,200	(61,773)	(65,435,431)	7,957,889
Loss after income tax expense for the half-year	-	-	-	(3,461,538)	(3,461,538)
Other comprehensive income for the half-year, net of tax	-	-	(7,912)	-	(7,912)
Total comprehensive income for the half-year	-	-	(7,912)	(3,461,538)	(3,469,450)
Transactions with owners in their capacity as owners:					
Share-based payments (note 9)	-	248,678	-	-	248,678
Balance at 31 December 2024	66,918,893	6,784,878	(69,685)	(68,896,969)	4,737,117
	Issued capital \$	Share-based payment reserve \$	Foreign exchange reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	76,657,618	7,298,819	(61,400)	(75,113,607)	8,781,430
Loss after income tax expense for the half-year	-	-	-	(914,658)	(914,658)
Other comprehensive income for the half-year, net of tax	-	-	(3,417)	-	(3,417)
Total comprehensive income for the half-year	-	-	(3,417)	(914,658)	(918,075)
Transactions with owners in their capacity as owners:					
Share-based payments (note 9)	-	(213,349)	-	-	(213,349)
Issue of shares on exercise of options (note 6)	-	-	-	-	-
Balance at 31 December 2025	76,657,618	7,085,470	(64,817)	(76,028,265)	7,650,006

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

4DS Memory Limited
Condensed consolidated statement of cash flows
For the half-year ended 31 December 2025

	31 December 2025	31 December 2024
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(513,812)	(671,331)
Payments for research expense	(841,010)	(2,514,137)
Payments for business development	(101,470)	(172,167)
Interest received	185,360	174,526
	<u>(1,270,932)</u>	<u>(3,183,109)</u>
Cash flows from investing activities		
Payments for investments - term deposits	(5,450,000)	-
Payments for plant and equipment	-	(9,193)
Proceeds from disposal of property, plant and equipment	194,869	-
	<u>(5,255,131)</u>	<u>(9,193)</u>
Cash flows from financing activities		
Payment of lease payments	(75,388)	(71,010)
Repayment to lender (insurance premium)	(70,802)	-
Refund of options un-exercised	(180,000)	-
	<u>(326,190)</u>	<u>(71,010)</u>
Net decrease in cash and cash equivalents	(6,852,253)	(3,263,312)
Cash and cash equivalents at the beginning of the financial half-year	10,198,573	7,864,294
Effects of exchange rate changes on cash and cash equivalents	(3,321)	4,595
	<u>(3,342,999)</u>	<u>4,605,577</u>
Cash and cash equivalents at the end of the financial half-year	<u>3,342,999</u>	<u>4,605,577</u>

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

Note 1. General Information

Statement of compliance

The half-year financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standard AASB 134 '*Interim Financial Reporting*' and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods computation adopted in the preparation of the half-year financial statements are consistent those adopted and disclosed in the Company's annual financial report for the financial year 30 June 2025 except as discussed in **note 2 Adoption of new and revised Australian Accounting Standards**. The accounting policies are consistent with Australian Accounting Standards and with IFRS.

Going Concern

The consolidated financial statements have been prepared on going concern basis. In arriving at this position, the directors have had regard to the fact that the Company has, or in the directors' opinion will have access to, sufficient cash to fund administrative and other committed expenditure for a period of not less than 12 months from the date of this report.

As at 31 December 2025, the net assets of the Group totalled \$7,650,006 (30 June 2025: \$8,781,430) and cash on hand totalled \$3,342,999 (30 June 2025: \$10,198,573) and short term investments of \$5,450,000(30 June 2025: \$nil) .

Estimates and judgements

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal to the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2025 except that the management has changed the judgment to disclose the term deposits with original maturities exceeding three months as financial investments rather than cash equivalents.

As a result of this reassessment, these deposits are now presented as **financial investments**, rather than **cash and cash equivalents**. This change reflects management's updated view that such deposits are held for investment purposes rather than for meeting short-term liquidity needs and therefore do not meet the definition of cash equivalents under the applicable accounting standards.

Rounding off of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191 and in accordance with that Corporations Instrument amounts in the half-year financial reports are rounded off to the nearest dollar, unless otherwise indicated.

Note 2. Adoption of new and revised Australian Accounting Standards

The group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standard Board (AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2025.

New Pronouncement	Effective Date	Application
AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability	Annual periods beginning on or after 1 January 2025	Requires entities to assess whether a currency lacks exchangeability for foreign currency transactions and translations. New guidance on determining exchangeability and measurement when official rates are not available. Additional disclosures about restrictions and assumptions used.

New and revised Australian Accounting Standards and Interpretations on issue but yet effective.

New Pronouncement	Effective Date	Application
AASB 18 Presentation and Disclosure in Financial Statements	1 January 2027	The presentation of newly defined subtotals in the statement of profit or loss The disclosure of management defined performance measures (MPM) Enhanced requirements for grouping information (i.e., aggregation and disaggregation)

Note 3. Operating segments

Operating segments are identified, and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group’s chief operating decision maker which, for the Group, is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the statement of profit or loss and other comprehensive income and statement of financial position.

The Company has identified its operating segments based on internal reports reviewed by the Board and management. There was only one operating segment being research and development of Interface Switching ReRAM technology for today’s most challenging compute intensive and AI processor applications.

Note 4. Financial Investments

	31 December 2025	30 June 2025
	\$	\$
<i>Current assets</i>		
Term deposits	5,450,000	-

Term deposits with original maturities exceeding three months are classified as financial investments rather than cash equivalents. These deposits are not held for the purpose of meeting short-term cash commitments and are subject to a higher risk of changes in value due to interest rate fluctuations or withdrawal penalties. Accordingly, they are presented as part of financial assets in the statement of financial position and reported under investing activities in the statement of cash flows.

4DS Memory Limited
Notes to the condensed consolidated financial statements
31 December 2025

Note 5. Trade and other payables

	31 December 2025	30 June 2025
	\$	\$
<i>Current liabilities</i>		
Trade payables	12,619	192,691
Other payables and accrued expenses	1,134,872	1,341,339
	<u>1,147,491</u>	<u>1,534,030</u>

The directors consider that the carrying amount of trade and other payables approximates their fair values.

The balance under *other payables and accrued expenses* include accrued expenses of **\$1,091,968** payable to Imec for services rendered during the year ended **30 June 2025**. The amount remains unsettled as Management is still negotiating the final payable amount.

Note 6. Issued Capital

	31 December 2025	30 June 2025	31 December 2025	30 June 2025
	Shares	Shares	\$	\$
Issued capital	2,060,898,718	2,060,898,718	81,185,006	81,185,006
Capital raising costs	-	-	(4,527,388)	(4,527,388)
	<u>2,060,898,718</u>	<u>2,060,898,718</u>	<u>76,657,618</u>	<u>76,657,618</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2025	2,060,898,718		76,657,618
Balance	31 December 2025	<u>2,060,898,718</u>		<u>76,657,618</u>
Details	Date	Shares	Issue price	\$
Balance	1 July 2024	1,763,434,918		66,918,893
Placement shares	23 January 2025	152,777,777	\$0.036	5,500,000
Placement shares	10 February 2025	13,888,889	\$0.036	500,000
Share Purchase Plan shares	21 February 2025	72,221,974	\$0.036	2,600,000
Exercise of unlisted options	29 May 2025	29,260,645	\$0.036	1,053,383
Exercise of unlisted options	3 June 2025	7,569,692	\$0.036	272,509
Exercise of unlisted options	6 June 2025	3,789,017	\$0.036	136,405
Exercise of unlisted options	6 June 2025	500,000	\$0.036	27,500
Exercise of unlisted options	10 June 2025	17,383,332	\$0.036	625,800
Exercise of unlisted options	23 June 2025	72,474	\$0.036	2,609
Issue of options related to capital raising cost		-		(350,379)
Capital raising cost		-		(629,102)
Balance	30 June 2025	<u>2,060,898,718</u>		<u>76,657,618</u>

Note 7. Dividends

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

4DS Memory Limited
Notes to the condensed consolidated financial statements
31 December 2025

Note 8. Key management personnel disclosures

Directors

The following persons were Directors of 4DS Memory Limited during the financial half-year:

Mr David McAuliffe	Executive Chairman
Mr Howard Digby	Non-Executive Director
Dr Guido Arnout	Non-Executive Director

Effective from 1 November 2025, the following changes to Board remuneration in effect.

- **All Non-Executive Director (NED)** : All NED fees reduced to \$0.
- **Consulting fees** : Payment to Dr Guido Arnout reduced by 50% and with a further reduction to 32% effective from January 2026 onwards.
- **Executive Chairman** : Mr. David McAuliffe's base salary reduced by 50%, from \$200,000 per annum to \$100,000 per annum, plus statutory superannuation.

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, during the financial half-year, including those who resigned during the period:

Mr Ting Yen	Chief Technology Officer (tendered 5 September 2025 and resigned on 5 December 2025)
Mr Peter Himes	Chief Commercial Officer (resigned on 31 October 2025)

During the half-year ended 31 December 2025, a total of 4,500,000 options and 21,500,000 options lapsed following the resignations of Mr Peter Himes and Mr Ting Yen, respectively. As a result of their departure, the vesting conditions attached to these options could no longer be satisfied.

Note 9. Share-based payments

There were no share-based payment arrangements entered into during the half-year ended 31 December 2025.

For the period ended 31 December 2025 a share-based payment reversal of \$213,349 (31 December 2024: expense of \$248,678) was recognised in the profit or loss statement.

On 5 September 2025, 4,800,000 options were forfeited because the employees did not meet the required service or non-market performance conditions. As a result, the previously recognised expense of \$160,170 relating to these options was reversed.

On 4 December 2025, a further 20,000,000 options were forfeited due to employees failing to satisfy the required service or non-market performance conditions. Accordingly, the previously recognised expense of \$33,095 associated with these options was reversed.

In addition, 1,500,000 options were forfeited during the period as the relevant employees did not meet the necessary service or non-market performance conditions. Consequently, the previously recognised expense of \$35,550 related to these options was reversed.

	31 December 2025	31 December 2024
	\$	\$
Vesting of previous periods options issued	15,466	248,677
Reversal of share-based payment	(228,815)	-
	<u>(213,349)</u>	<u>248,677</u>

4DS Memory Limited
Notes to the condensed consolidated financial statements
31 December 2025

Note 9. Share-based payments (continued)

Set out below are summaries of options granted:

	Number of options	
	31 December 2025	31 December 2024
Outstanding at the beginning of the financial half-year	73,000,000	49,607,184
Granted	-	-
Forfeited	(26,300,000)	-
Exercised	-	-
	<hr/>	<hr/>
Outstanding at the end of the financial half-year	<u>46,700,000</u>	<u>49,607,184</u>

Note 10. Commitments and Contingent

Sales Bonus Pool Commitment

The incentive is in the form of participation in a cash bonus pool (Sale Bonus Pool), the size of which will be determined by the value received by shareholders upon a liquidity event, such as takeover of the Company or a sale of the Company's intellectual property.

Upon a liquidity event occurring, the following (Eligible Participants) will each be entitled to receive a proportion of the Sale Bonus Pool, with the balance to be allocated to Eligible Participants at the discretion of the Board.

The size of the Sales Bonus Pool shall be calculated as follows:

Sales Bonus Pool	
Sales value between US\$120m to US\$350m	5% of the sales value
Sales value between US\$350m to US\$550m	US\$17.5m plus 6.25% of the excess above US\$350m
Sales value above US\$550m	US\$30m plus 7.5% of the excess above US\$550m

Eligible Participants	Structure %
David McAuliffe	17.5%
Howard Digby	7.5%
Guido Arnout	15.0%
Onyx Corporate Pty Ltd	5.0%
Peter Webse	5.0%

There have been no other significant changes in commitments and contingent since the last reporting date.

Note 11. Events after the reporting period

No other matter or circumstance has arisen since 31 December 2025 that has 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.

4DS Memory Limited
Directors' declaration
31 December 2025

- (a) the attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
- (i) giving a true and fair view of the Consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



David McAuliffe
Executive Chairman

27 February 2026



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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF 4DS MEMORY LIMITED
Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of 4DS Memory Limited (the company) and controlled entities (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, and notes to the financial statements, including material accounting policy information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2025, or during the half year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of 4DS Memory Limited is not in accordance with the Corporations Act 2001 including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

Independence

We are independent of the company in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.



Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PKF Perth

PKF PERTH

Simon Fermanis

SIMON FERMANIS

PARTNER

27 FEBRUARY 2026

PERTH,

WESTERN AUSTRALIA