

Children's Medical Research Institute

(A company limited by guarantee)

ABN 47 002 684 737

ANNUAL REPORT

For the year ended 31 December 2025

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Children's Medical Research Institute

DIRECTORS' REPORT

For the year ended 31 December 2025

The Directors submit their report with respect to the Children's Medical Research Institute ("CMRI") for the year ended 31 December 2025, in the form required by the *Australian Charities and Not-for-profits Commission Act 2012* ("the ACNC Act"). The Institute is a public company limited by guarantee with 31 members of one class (2024: 33 members). Each member is liable to the extent of \$100 only, in the event of a winding up of the company, meaning a total of \$3,100 would be available for contribution by the members (2024: \$3,300).

Directors

The names of the directors in office during the year ended 31 December 2025 and at the date of this report are as follows:

Director	Date Appointed	Date of Cessation	Board meetings attended whilst director
Professor F J Martin (Chairman and President)	17-Dec-86	-	6 of 6
Mrs C Forster (Vice President)	28-Oct-96	-	5 of 6
Mr J Waine (Treasurer)	07-Mar-16	-	4 of 6
Ms F Crosbie	04-Jul-13	-	5 of 6
Dr L Dalla-Pozza	13-Sep-13	-	6 of 6
Mr B Fink	07-Jun-13	-	6 of 6
The Hon. C Knowles	17-May-07	-	6 of 6
Professor R Reddel	25-Jul-06	-	6 of 6
Professor T Sorrell	06-Jul-20	-	5 of 6
Mr A Wong	11-Nov-13	-	6 of 6
Mr P Goldie	27-Feb-23	-	4 of 6
Mr M Richardson	01-Jun-23	10-Nov-25	4 of 6
Dr S Thom	10-Nov-23	-	6 of 6
Mrs L Penn	05-Sep-24	-	4 of 6

Details of the qualifications, experience and special responsibilities of directors in office at the date of this report, are as follows:

Professor Frank Martin MBBS FRANZCO FRACS AM President

Frank Martin is a visiting ophthalmologist at the Sydney Children's Hospitals Network (SCHN) at Westmead and at Sydney Eye Hospital. He is Director of the Surgical and Anaesthetic Stream at SCHN. He is on the Council of the Asia Pacific Academy of Ophthalmology (APAO) and is President of the Asia Pacific Society of Paediatric Ophthalmology and Strabismus. He is also on the Advisory Committee of the Lowy Medical Research Institute and is a Director at Sydney Ophthalmic Specialists.

Professor Martin is a past President of APAO and of RANCZO and of the International Paediatric Ophthalmology and Strabismus Council (IPOSC). He has been a Children's Medical Research Institute Board member since 1986 and was elected President in April 2000. He serves on the Institute's Audit and Risk Committee, Finance and Investment Committee, Intellectual Property Committee, the CMRI Foundation, and is Chair of the Nominations and Remuneration Committee. He also serves on the Board of Luminesce Alliance and on the Council of the Westmead Research Hub.

Mrs Carolyn Forster OAM Vice-President

Carolyn Forster has been a member of the Canberra Committee of Children's Medical Research Institute since 1973, serving three times as President and twice as Treasurer. She worked in the Federal Parliament for 11 years, in the Senate, the House of Representatives, and the Ministry.

Mrs Forster chaired the ACT Heritage Festival for 11 years, chaired the Board of Phillip College and was a former President of the Women's International Club ACT. She served as President of the Friends of the National Museum of Australia (NMA) for 10 years and previous Canberra Chair and Councillor of The Australian Fund. She is immediate past President of the World Federation of Friends of Museums having served 6 years in the role and Chair of The Church of St. Andrew Conservation and Restoration Foundation. She received an ACT Women's Award in 1996, a Centenary Medal in 2003, and awarded a Medal of the Order of Australia in 2006.

Mrs Forster joined the Board in 1996 and was elected Vice-President in 2000. She is a life member of CMRI and serves on the Institute's Finance and Investment Committee, Audit and Risk Committee, Nominations and Remuneration Committee and CMRI Foundation.

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For the year ended 31 December 2025

Mr Jeremy Waine Treasurer

Jeremy Waine is an investment banking and investment management professional with more than 25 years of experience with leading Australian and international companies. He began his career as a corporate lawyer at King & Wood Mallesons and then moved into investment banking, principal acquisitions and funds management with UBS Investment Bank, CBA, Westpac and GE Capital. He is currently a Director of SWG Capital and D4 Bioventures, corporate advisory and principal investment groups.

Mr Waine has a Bachelor of Commerce and Laws from UNSW, a Graduate Diploma in Applied Finance and Investment from FINSIA and has completed advanced training at both the AGSM in Sydney and MIT in Boston. He has previously served on the Board of other charitable organisations, including the Montefiore Aged Care Group, a leading not-for-profit aged care group.

Mr Waine joined the CMRI Board in 2016 and serves as the Treasurer. He is also Chairman of the Institute's Finance and Investment Committee and a member of the Audit and Risk Committee.

Ms Fiona Crosbie BA LLM

Fiona Crosbie is a partner and immediate past Chair of the international law firm Allens. As a partner of Allens, she practises in competition, consumer and regulatory law. Fiona is a former Chair of the Competition and Consumer Committee of the Law Council of Australia and in 2019 she was awarded an Honorary Doctorate from Macquarie University for her contribution to the legal profession.

Fiona is a member of Chief Executive Women, and in 2021, became a Fellow of the Australian Academy of Law. Fiona was formerly a member of the Financial Regulator Assessment Authority.

Fiona joined the CMRI Board in August 2013. She chairs the Institute's Audit and Risk Committee and is a member of the Nominations and Remuneration Committee.

Dr Luciano Dalla-Pozza MB BS FRACP

Dr Luciano Dalla-Pozza is Director of the Cancer Centre for Children and a Senior Staff Specialist at The Children's Hospital at Westmead. He is a member of key medical subspecialty societies whose mission is focused on the research and care of children and adolescents with cancer including the Australian and New Zealand Children's Cancer Study Group (ANZCHOG), the Australasian Leukaemia and Lymphoma Group, the Children's Oncology Group (USA), and the International BFM Leukaemia Group (Europe).

Dr Dalla-Pozza is a member of the NSW Child Death Review Team (NSW Ombudsman's Office), the Australasian Children's Clinical Trial group of ANZCHOG and the Executive of the Kids Cancer Alliance (NSW Cancer Institute). He is a member of Sydney Cancer Partners Clinical Advisory Group. He is the Children's Hospital at Westmead institutional lead for the Therapeutic Advances in Childhood Leukaemia (TACL) Consortium and Principal Investigator at The Children's Hospital of the AEIOP-BFM 2017 Trial for Children with Acute Lymphoblastic Leukaemia.

Dr Dalla-Pozza was the Medical Lead, Planning and Development Committee for the Children's Hospital (CHW) Stage 2 redevelopment. He is Co-Chair of the Adult and Paediatric Cancer Care Working Group for the E-Health Single Digital Patient Record. He was Clinical Lead for the Sydney Children's Hospitals Network for the Oncology Information Systems Strategy (NSW Health- Cancer Institute). As the Clinical Lead for the oncology electronic medical record at the Children's Hospital at Westmead he oversaw the implementation of the first fully electronic oncology chemotherapy protocol ordering system in Australia (amongst the very first in the world). He has also chaired the Victorian Paediatric Integrated Cancer Services Steering Committees for the Development of Clinical Pathways for Children and Adolescents with Leukaemia, Solid Tumours and Brain Tumours. In addition, he chaired the Fever Neutropenia Working Group (NSW Kids and Families Clinical Practice Guidelines) and was the Study Chairperson of the ANZCHOG Acute Lymphoblastic Leukaemia Study 8 Clinical trial.

Dr Dalla-Pozza joined the Children's Medical Research Institute Board in September 2013 and is currently a member of the Institute's Intellectual Property Committee.

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For the year ended 31 December 2025

Mr Bruce Fink OAM

Mr Fink's career spans over 30 years across various fields in the media and entertainment industries, including out-of-home advertising, cinema exhibition and television production. He is Chair of the privately held Bickham Court Group of Companies that has a diversified portfolio of investments. He is the co-founder and Executive Chairman of Executive Channel Holdings, successfully completing the sale of the group's Australian operations in 2016. Executive Channel is a digital communication business with screens in office towers operating in the UK, France, Germany, Belgium and Holland.

Mr Fink's philanthropic interests span both health and education in Australia and abroad. He serves on the Board of the Moriah Foundation and was awarded the Medal of the Order of Australia in 2018 for service to the community through charitable organisations.

Mr Fink joined the CMRI Board in May 2013 and is a member of the Institute's Finance and Investment Committee, Digital Strategy Committee, Intellectual Property Committee and CMRI Foundation.

The Hon. Craig Knowles AM

Craig Knowles is the former Australian Consul-General and Senior Trade Commissioner for New Zealand and Pacific. He is also the NSW Government's independent Chair of the NSW Natural Resources Access Regulator (NRAR) and a Board member of Landcom. In addition, he currently serves as Director, Tulich Family Communities Aged Care, and Independent Chairman, Prospect Water Partnership.

Mr Knowles was a senior Minister in the New South Wales Government for 10 years serving in the portfolios of Planning and Housing (1995-99), Health (1999-2003), Infrastructure, Planning and Natural Resources (2003-August 2005); Minister for Forests and Minister for Lands (2003-January 2005) and former Chair of the Murray-Darling Basin Authority.

Mr Knowles is a Fellow of the Australian Property Institute. He joined the Children's Medical Research Institute Board in May 2007 and is currently a member of the Institutes Nominations and Remuneration Committee.

Professor Roger Reddel AO BSc (Med) MBBS PhD FRACP FAHMS FAA

Sir Lorimer Dods Professor and Director

Roger Reddel has been the Executive Director of CMRI and the Sir Lorimer Dods Professor of The University of Sydney since 2007. He is also Head of CMRI's Cancer Research Unit, founder of CellBank Australia and co-founder of ProCan@.

He obtained his medical degrees from the University of Sydney, trained in medical oncology at Royal Prince Alfred Hospital, and is a registered medical practitioner and Fellow of the Royal Australasian College of Physicians. He completed a PhD in cancer cell biology at the Ludwig Institute for Cancer Research in the University of Sydney's Department of Cancer Medicine and received an NHMRC CJ Martin Fellowship and a Fulbright Fellowship to undertake postdoctoral research at the National Cancer Institute, Bethesda, Maryland, USA. He returned to Sydney to establish the Cancer Research Unit at CMRI, with the support of Cancer Council NSW's Bicentennial Fellowship. He has received additional major support from Cancer Council NSW, including being awarded the Carcinogenesis Fellowship for ten years, and Program Grants for ten years. His team has also been supported by Cancer Institute NSW, the Australian Cancer Research Foundation, the Judith Hyam Memorial Trust Fund for Cancer Research, Cure Cancer Australia Foundation, National Breast Cancer Foundation, the Medical Research Future Fund and the National Health and Medical Research Council of Australia.

Professor Reddel was elected as a Fellow of the Australian Academy of Science, the Australian Academy of Health and Medical Sciences, and the Royal Society (NSW). In 2021, he was made an Officer of the Order of Australia. He has also been awarded the Ramaciotti Medal for Excellence in Biomedical Research, the NSW Premier's Award for Outstanding Cancer Researcher of the Year, and the Neil Hamilton Fairley Medal of the Royal Australasian College of Physicians.

Professor Reddel is a member of the CMRI Board and attends the meetings of all CMRI Board Committees.

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For the year ended 31 December 2025

Professor Tania Sorrell AM FAHMS

Professor Tania Sorrell is Professor Emerita and previous Co-Director of the Sydney Infectious Diseases Institute, Faculty of Medicine and Health, University of Sydney; Honorary Senior Physician in Infectious Diseases, Department of Infectious Diseases, Westmead Hospital.

She is known internationally for her work in mycology and infections in the immunocompromised host and, more recently in emerging infectious diseases (both pandemics and antimicrobial resistance). Her research has focussed on the pathogenesis of fungal infections, emerging fungal diseases, new antifungal drug development, new diagnostics, clinical trials of antifungal diagnostic and treatment strategies and COVID19. She has also served on state, national and international advisory committees in Infectious Diseases, Clinical Mycology and therapeutics, the Research and Human Ethics Committees of NHMRC and various committees of WHO.

Professor Sorrell was made a Member of the Order of Australia in 2014 for research and services to Infectious Diseases. She joined the Children's Medical Research Institute board in July 2020.

Mr Albert Y L Wong AM

Originally from Hong Kong, Albert Wong has been involved in the investment banking and stockbroking industry for over 40 years. Over the years, he has served on numerous boards including various ASX listed companies. He is a Director of Aland Equity Group.

Mr Wong's current philanthropic activities include serving on the Boards of UNSW Foundation and GWS Giants Foundation. He was previously on the Board of the Australian Museum Foundation and former President and Honorary Life Governor of the Physics Foundation at the University of Sydney. He was made a Member of the Order of Australia in January 2017.

Mr Wong commissioned and co-wrote a book with Australian historian Dr Will Davies on the role played by the Chinese Anzacs and Chinese Labour Corps in The Great War and lobbying both State and Federal Governments to support awareness of this little-known chapter in Australian history. The book, entitled "The Forgotten – The Chinese Labour Corp and Chinese Anzacs", was officially launched in April 2020 by His Excellency, General David Hurley, Governor General of the Commonwealth of Australia. In March 2021, Mr Wong was unanimously appointed a Fellow of the Royal Society of NSW and invited to join its Philanthropy Committee in August 2022. In October 2022, Mr Wong was selected by the National Library of Australia to be included in its Oral History and Folklore Collection.

Mr Wong joined the Children's Medical Research Institute Board in October 2013 and also serves on the Institute's CMRI Foundation.

Mr Philip Goldie

Philip Goldie is a technology industry leader committed to ensuring technology delivers true business and societal benefit. He has a passion for helping good people become great people and leading teams to realise their full potential.

Mr Goldie is the Managing Director for Australian technology company SafetyCulture and is responsible for the companies growth in the Asia Pacific region. Prior to this, Philip was the VP and Country Manager ANZ at Okta for three years establishing Okta as the market leader for identity security technologies. Philip also spent 12 years at Microsoft in various sales, partner and marketing leadership roles.

Mr Goldie was born in the UK and has lived in Australia and New Zealand for 20 years. He is based in Sydney and is passionate about helping to create stronger communities in Sydney and around Australia.

He joined the Children's Medical Research Institute Board in February 2023.

Mr Mark Richardson MBA BSc

Mark Richardson is a highly accomplished professional with an impressive track record in private equity and business leadership.

In 1999, Mark founded Wolseley Private Equity after 12 years at Bain & Company which he helped start in Australia in 1989. Mark's deep understanding of the financial world enabled Wolseley to invest \$400 million of Australian and international Superannuation Funds into 13 primary investments in mid-market private companies. These companies ranged from \$25 million to over \$360 million in revenue, as well as numerous smaller bolt-on investments across the portfolio. Mark has held significant leadership positions in many for profit and not for profit organisations. Mark previously chaired the Western Sydney University Foundation and the Jane Goodall Institute Australia.

Mr Richardson joined the CMRI Board in June 2023 and currently serves as Chair of the Institute's CMRI Foundation. He is also a member of the Institute's Finance and Investment Committee and Audit and Risk Committee. He resigned on 10 November 2025.

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For the year ended 31 December 2025

Dr Sarah Thom

Dr Sarah Thom is Chief Financial Officer of Cochlear Limited, a global leader in implantable hearing solutions, developing and manufacturing electronic hearing devices, including cochlear implants, bone conduction implants, and acoustic implants, with a mission to help people hear and be heard. Prior to Cochlear, Sarah was a Managing Director and Partner at Boston Consulting Group (BCG) and co-lead of BCG's health care business in Australia and New Zealand. In her decade+ with BCG in Australia, she advised clients including health care payers and providers, biomed and medtech businesses, State and Commonwealth government agencies, energy businesses, infrastructure developers and operators, major resource companies, and financial services businesses. She has deep experience defining and delivering large-scale reform and innovation across complex organisations and ecosystems. Sarah has particular expertise in strategy development, data-driven reform design and delivery, digital transformation, major transactions and investment decisions, and operating model and org design.

Dr Thom holds a Ph.D. in astrophysics from the University of Chicago, and a B.S. in physics from the University of Michigan. Prior to joining BCG, she was a research scientist awarded a US National Science Foundation Astronomy & Astrophysics Postdoctoral Fellowship at the University of California supporting her work on cosmology and galaxy evolution.

Dr Thom joined the Children's Medical Research Institute Board in November 2023 and is Chair of the Institute's ProCan® Oversight Committee.

Mrs Linda Penn

Mrs Linda Penn is the owner and Chief Executive Officer of Lowes Menswear, a leading Australian retailer. In addition to her corporate leadership, she serves as Co-Chair of the Gold Dinner Committee, playing a pivotal role in raising essential funds for the Sydney Children's Hospital Foundation.

She holds a double degree in Law and Commerce from the University of New South Wales. After graduating, she practiced in the Corporate and Commercial sector at Mallesons Stephen Jaques for three years. She later joined her family's business, Lowes Menswear, as Chief Marketing Officer, where her vision and leadership transformed the company into the iconic Australian brand it is today.

In 2016, she stepped into the role of CEO, overseeing a strategic restructure that drove record profits and ensured the retention of all employees during the challenges of the pandemic. A passionate philanthropist, Mrs Penn has leveraged Lowes' national reach to partner with various charities, raising awareness and funds for key causes. Her long-standing support for Children's Medical Research Institute began in 1998, when she organised Lowes' centenary ball to commemorate the company's 100th anniversary, which they raised an impressive \$350,000 for the Jeans for Genes campaign.

In 2021, she joined the Gold Dinner Committee as Co-Chair, where her leadership has been instrumental in exceeding fundraising targets to support major developments across the Children's Hospitals Network.

Mrs Penn joined the CMRI Board in September 2024.

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DIRECTORS' REPORT

For the year ended 31 December 2025

Other Committees

The Institute comprises a number of Committees made up of independent members (including Board members) who meet several times throughout the year to assist in the oversight and review of the financial, operational and risk management activities of CMRI, as well as all other aspects of the business.

These Committees include:

- Audit and Risk Committee
- Finance and Investments Committee
- Intellectual Property Committee
- Nominations and Remuneration Committee
- CMRI Foundation
- Digital Strategy Committee

Principal Activities

During the year, the principal activity of the Institute continued to be conducting research into the causes, prevention, relief and cure of disease and illness in children. Our core research activities include genetics and gene therapy, embryology, neuroscience and cancer research. The Institute operates as a Not-for-profit entity.

Income to support this principal activity is derived from many activities including applications for grants from various sources, from public fundraising campaigns and events, and from an endowment fund in the Institute's name which achieved investment returns with acceptable risk.

Short term objectives

The Institute's short-term objectives are to:

- continue and grow its core research activities in paediatric health; and
- continue to target significant funding opportunities to support its current operations and future growth.

Long term objectives

The Institute's long-term objectives are to:

- develop and expand its core research areas and specialised research facilities;
- expand its building space to provide more research capacity and therefore enable acceleration of research activities;
- foster collaborations to improve research outcomes, business efficiencies and promote sustainable growth;
- maintain and grow its endowment funds to support research; and
- maintain and grow its commercial income to support research.

Strategy for achieving short and long-term objectives

To achieve these objectives, the Institute has adopted the following strategies:

- recruitment of specialist staff across its core research activities;
- invest in complementary labs and technology facilities;
- diversification and strengthening of its fundraising activities;
- exploiting industry collaborations to bridge funding gaps and generate new, long-term revenue streams; and
- effective management of its endowment funds to achieve appropriate returns with acceptable risk.

Performance Measures

The Institute measures its performance by various indicators. These include number, quality and impact of its research data publications in peer-reviewed international scientific journals, number of discoveries and patent filings leading to clinical and commercial uses, number of peer-reviewed grants and fellowships obtained, the amount of philanthropy funding received, and the effective management of its endowment funds.

During the reporting period, other than as disclosed in these Financial Statements and Directors' Report, there were no significant changes in the nature of the Institute's activities or in the Institute's state of affairs and it is not envisaged that the Institute's core activities will significantly change in the foreseeable future.

The Institute has plans to materially expand its building space, to enhance research capacity and enable new and expanded partnerships. Capital works will commence when adequate additional funding and regulatory approvals are obtained.

The net result from continuing operations of the Institute for the year ended 31 December 2025 was a net deficit of \$6,294,035 (2024: net profit of \$1,414,020).

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DIRECTORS' REPORT

For the year ended 31 December 2025

Matters subsequent to the end of the financial year

In the opinion of the Directors, other than the reference above to potentially commencing further building redevelopment works should additional funding become available, no further matter or circumstance has arisen since the end of the reporting period that has significantly affected or may significantly affect the operations of the Institute, the results of those operations or state of affairs of the Institute in subsequent financial years.

A copy of the Auditor's Independence Declaration given to the Directors by the lead auditor for the audit undertaken by KPMG is included on page 8.

Signed in accordance with a resolution of the directors.



FJ Martin
Chairman and President



J Waine
Treasurer

5 June 2026



Auditor's Independence Declaration under subdivision 60- C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Directors of Children's Medical Research Institute

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Warwick Shanks

Partner

Sydney

5 June 2026

Children's Medical Research Institute
STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
For the year ended 31 December 2025

	<i>Note</i>	2025 \$	2024 \$
Revenue			
Revenue from continuing operations	4	35,036,162	40,180,285
Building redevelopment grant and donations	4	8,087,983	6,411,408
Total revenue		43,124,145	46,591,693
Expenses			
Research	5	(41,465,620)	(38,557,713)
Fundraising	5	(5,211,468)	(4,940,180)
Administration	5	(4,296,792)	(4,617,720)
Total expenses		(50,973,880)	(48,115,613)
Loss before investment transactions		(7,849,735)	(1,523,920)
Net fair value gain on financial assets at fair value through profit or loss		1,555,700	2,937,940
Net (loss)/profit from continuing operations		(6,294,035)	1,414,020
Other comprehensive income/(loss)		-	-
Total comprehensive (loss)/income for the year		(6,294,035)	1,414,020

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

Children's Medical Research Institute

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	2025 \$	2024 \$
Current assets			
Cash and cash equivalents	6	12,164,624	16,417,714
Trade and other receivables	7	779,693	1,478,134
Inventories	8	240,938	215,935
Prepayments and other assets	9	1,495,166	1,152,093
Other financial assets	11	105,845	6,072,561
Total current assets		14,786,266	25,336,437
Non-current assets			
Trade and other receivables	7	-	65,544
Investment property	10	3,603,115	3,178,115
Other financial assets	11	65,260,861	73,414,387
Property, plant and equipment	12	56,116,425	54,100,620
Intangible assets	13	1,325,537	1,817,838
Total non-current assets		126,305,938	132,576,504
Total assets		141,092,204	157,912,941
Current liabilities			
Trade and other payables	14	1,920,003	2,688,672
Deferred revenue	15	3,550,795	4,979,227
Employee entitlements	16	4,936,786	5,350,301
Total current liabilities		10,407,584	13,018,200
Non-current liabilities			
Trade and other payables	14	314,632	260,582
Deferred revenue	15	3,555,374	11,388,034
Employee entitlements	16	782,368	919,844
Total non-current liabilities		4,652,374	12,568,460
Total liabilities		15,059,958	25,586,660
Net assets		126,032,246	132,326,281
Equity			
Capital reserve	17(a)	49,601,604	43,372,286
Retained funds	17(b)	76,430,642	88,953,995
Total equity		126,032,246	132,326,281

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

Children's Medical Research Institute
STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Capital Reserve \$ Note 17(a)	Retained Funds \$ Note 17(b)	Total Equity \$
Opening Balance at 1 January 2024	38,734,005	92,178,256	130,912,261
Total comprehensive income for the year	-	1,414,020	1,414,020
Transfer building redevelopment income to Capital reserve from Retained funds	5,493,944	(5,493,944)	-
Transfer of funds for building depreciation to Retained funds	(855,663)	855,663	-
Balance at 31 December 2024	43,372,286	88,953,995	132,326,281
Opening Balance at 1 January 2025	43,372,286	88,953,995	132,326,281
Total comprehensive loss for the year	-	(6,294,035)	(6,294,035)
Transfer building redevelopment income to Capital reserve from Retained funds	7,108,790	(7,108,790)	-
Transfer of funds for building depreciation to Retained funds	(879,472)	879,472	-
Balance at 31 December 2025	49,601,604	76,430,642	126,032,246

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

Children's Medical Research Institute
STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	<i>Note</i>	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from fundraising		14,806,583	23,613,008
Receipts from government and other grants		13,863,026	11,251,595
Receipts from commercialisation and sponsored research		1,401,686	2,338,750
Receipts from sales and services provided by core facilities		1,169,816	1,432,130
Other receipts		2,912,095	2,827,175
Payments to suppliers and employees		(49,994,604)	(46,785,033)
Net cash used in operating activities		(15,841,398)	(5,322,375)
Cash flows from investing activities			
Interest received		848,950	905,724
Dividends and distributions received		3,575,161	3,523,218
Proceeds from sale of investments		12,445,826	28,472,324
Acquisition of investments		(3,000,000)	(16,000,000)
Acquisition of property, plant and equipment		(142,948)	(5,427,368)
Payments for building redevelopment, net interest earned		(7,832,660)	(5,731,443)
Payments for intangibles		(306,021)	(247,698)
Redemption of term deposits greater than 3 months, net		6,000,000	8,657,260
Net cash from investing activities		11,588,308	14,152,017
Net (decrease)/increase in cash and cash equivalents		(4,253,090)	8,829,642
Cash and cash equivalents at the beginning of the year		16,417,714	7,588,072
Cash and cash equivalents at the end of the year	6	12,164,624	16,417,714

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

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

1 BASIS OF PREPARATION

The financial statements are presented in the Australian currency.

(i) Compliance with Australian Accounting Standards - Simplified Disclosure Requirements

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures made by the Australian Accounting Standards Board and the ACNC Act.

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and investment property at fair value.

(iii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Institute's accounting policies.

The financial statements were authorised for issue by the Institute's Board of Directors on 5 June 2026.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Revenue Recognition

The Institute determines whether the revenue transaction is a contract with a customer under AASB 15 (Revenue from Contracts with Customers) or if conditions under AASB 15 are not met, then the Institute considers whether AASB 1058 (Income of Not-For-Profit Entities) applies.

AASB 15 requires revenue to be recognised when the Institute satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset.

Revenue is recognised by applying a five-step model as follows:

- 1 Identify the contract with the customer
- 2 Identify the performance obligation/s
- 3 Determine the transaction price
- 4 Allocate the transaction price
- 5 Recognise revenue

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of amounts collected on behalf of third parties. Other income is recognised as revenue when the right to receive payment is established.

The main types of revenue received by the Institute are recognised on the following bases:

(i) Government and other grants

(ii) Fundraising Income

Revenue from donations and fundraising is recognised in profit or loss when the Institute gains control of the contribution and/or has satisfied the specific performance obligation/s attached to the contribution.

Where such amounts are conditional upon satisfaction of a specific performance obligation i.e. purchase of research equipment, such amount is reclassified to deferred revenue until such is expended. In the case of bequests, revenue is recognised when the right to receive payment is confirmed and the revenue can be reliably measured.

(iii) Dividends and Distributions

Dividends and distributions from managed funds are recognised as revenue upon receipt.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(a) Revenue Recognition (continued)

(iv) Interest Income

Interest income is recognised using the effective interest method when the right to receive payment is established.

(v) Building redevelopment capital grants

Building redevelopment capital grants are recognised when specific performance obligation/s are met in accordance with the funding agreement and to the extent of the qualifying costs incurred. Any unspent funds are recognised as deferred income until fully expended in accordance with the terms of the grant.

(b) Information Relating to the Charitable Fundraising Act, 1991

(i) Committee income and expenditure

The amount shown as income from Committees represents the funds remitted to the Institute by fundraising Committees after having deducted Committee fundraising expenses. This amount does not include income from the sale of merchandise by Committees.

All registered Committees are required to submit financial statements prepared in accordance with accounting standards and the provisions of the Charitable Fundraising Act 1991, and independently audited by a registered company auditor or a person approved by the Office of Charities. At 31 December 2025, there were 14 registered Committees (2024: 16).

(ii) Costs of Fundraising – Other

Other costs of Fundraising include all other aspects of fundraising which have not been allocated to specific appeals. This includes salaries, general advertising, general public relations and promotional activities.

(iii) Jeans for Genes® and Great Cycle Challenge™

All funds raised and expenses involved for Jeans for Genes® Day held on 7 August 2025 are reflected in the figures for the year ended 31 December 2025. Figures for Jeans for Genes® for the period ended 31 December 2024 reflect income and expenses for the Jeans for Genes® Day held on 2 August 2024. Figures for Great Cycle Challenge™ for the period ended 31 December 2025 reflect income and expenses for the event held in October 2025 and for the period ended 31 December 2024 reflect income and expenses for the event held in October 2024.

(iv) Comparisons of Income and Expenditure (Note 23)

(i) Total costs of services include all research costs, direct and indirect as well as research support and facilities costs. It excludes fundraising and non-research administration costs.

(ii) Total expenditure includes all expenses for fundraising, research, administration and finance costs, excluding building redevelopment costs.

(iii) Total income received represents the sum of the gross proceeds from fundraising activities, grants income, investments, commercialisation proceeds and miscellaneous income, excluding building redevelopment income.

(c) Income Tax

The Institute is exempt from income tax.

(d) Fringe Benefit Tax Concessions

The Institute is classified as a Health Promotion Charity and is exempt from fringe benefits tax up to certain limits for FBT years commencing after 1 April 1998.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Depreciation of Property, Plant and Equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost or revalued amount of each item of property, plant and equipment over its expected useful life. The expected useful lives are as follows:

Leasehold Building and Improvements	□	50 years
Plant, Furniture and Equipment		3-10 years

During previous financial years, the Institute has contributed to the purchase of equipment by collaborators such as the University of Sydney or other members of the Westmead Research Hub. The Institute has unrestricted right of use of the equipment. The amounts paid have been capitalised and are to be written off over the expected life of the 'right to use' of the equipment. The expected life has been determined to be 5 years. This equipment is included under Property, Plant and Equipment.

(f) Cash and Cash Equivalents

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

(g) Current and Non-Current Trade and Other Receivables

Trade receivables are non-interest bearing and are generally due for settlement within 30 days. Carrying value approximates fair value due to the short-term nature of the receivables. An allowance is made for impairment credit loss at the amount equal to the expected lifetime credit losses. The Institute uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses. No expense has been recognised for the current year or the previous year for specific debtors for which such evidence exists. □

(h) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of 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 Australian Taxation Office (ATO) is included with other receivables or payables in the Statement of Financial Position.

(i) Inventories

Finished goods held for resale are stated at the lower of cost and net realisable value.

(j) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal.

A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(j) Non-current assets or disposal groups classified as held for sale (continued)

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

(k) Financial Instruments

(i) Classification

The Institute classified its financial assets in the following measurement categories:

- (i) those to be measured subsequently at fair value through profit or loss ("FVPL"), and;
- (ii) those to be measured at amortised cost.

The classification depends on the Institute's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Recognition and Derecognition

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

(iii) Measurement

At initial recognition, the Institute measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset.

The Institute subsequently measures all debt investments that do not qualify for measurement at amortised cost and all equity investments at fair value.

Where the Institute's management has elected to present fair value gains and losses on debt and equity investments in profit or loss, interest and dividends from such investments continue to be recognised in profit or loss as other income when the Institute's right to receive payment is established.

Impairment losses (and reversal of impairment losses) on debt and equity investments measured at FVPL are not reported separately from other changes in fair value.

(iv) Impairment

Impairment assessment of financial assets is based on AASB 9 Financial Instruments. The Institute assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVPL and equity instruments carried at FVPL. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Institute recognises an impairment loss on a financial asset if either of the following occurs:

- (i) Decline in the market value of the financial asset versus its adjusted cost of at least 20%;
- (ii) Continuous decline in the market value of the financial asset in a 12 month period.

(l) Leasehold Building and Improvements

The Westmead laboratories of the Institute are located on land owned by the New South Wales Department of Health and in 1992 the Institute entered a 50-year lease for the property at a rental of \$1 per annum, with an option to renew for another 50 years. Accordingly, the buildings and improvements are being amortised over the unexpired term of the lease or the life of the relevant assets, whichever is shorter.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(l) Leasehold Building and Improvements (continued)

Building redevelopment costs must be accounted for in accordance with AASB 116 Property, Plant and Equipment. Under this standard, costs that can be reliably measured and that are expected to result in future economic benefits to the Institute can be capitalised and recognised as Works in Progress.

Once the building is completed and ready for use, these costs are transferred to Buildings and depreciated over the term of the lease or the life of the asset, whichever is shorter.

(m) Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Rental from investment property is recognised as other revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(n) Intangible Assets

(i) Patents

Patents typically have a useful life of 20 years and are carried at cost. Amortisation is calculated on a straight-line basis over their useful life.

(ii) Trademarks

Trademarks are carried at cost and are not amortised based on the assumption that they have an indefinite useful life.

(iii) Capitalised Software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis over 3 years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the entity has an intention and ability to use the asset.

Similarly, an impairment assessment is performed each year on Intangible assets and where there is an indication of such impairment, the Institute restates the asset to its recoverable amount. In cases, where it can be ascertained that no future benefits can be recognised from the intangible asset, the asset is written off at net book value and the loss is recognised in profit and loss.

(o) Impairment

Property, plant and equipment, investment property, intangibles and financial assets are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. These 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. The recoverable amount is the higher of an asset's fair value less cost to sell or value in use. In the case of property, plant and equipment value in use is taken to be the replacement cost of the asset concerned.

(p) Current and Non-Current Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Institute prior to the end of the reporting period and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(q) Employee Entitlements

(i) Wages, salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date, are recognised in employee entitlements in respect of employee's services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for annual leave to be settled in more than 12 months are measured using present values. Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable.

(ii) Long service leave

A liability for long service leave is recognised and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Related on-costs have also been included in the liability.

3 NEW, REVISED OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS PREVIOUSLY ADOPTED

The Institute has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. These new or amended Accounting standards and Interpretations did not result in any adjustments to the amounts recognised or disclosures in the financial statements. Consequently, no further disclosures have been included. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. These are also not expected to have a material impact on future financial statements.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025	2024
	\$	\$
4 REVENUE FROM CONTINUING OPERATIONS		
<i>Research</i>		
Research grants	9,218,988	7,422,958
Equipment grants	258,838	314,694
Infrastructure grants	3,308,578	1,404,100
Commercially sponsored research	1,222,414	1,615,567
Core facility sales and services	976,542	971,452
Other research income	362,255	447,266
	15,347,615	12,176,037
<i>Fundraising</i>		
Public contributions received	15,128,238	23,860,664
	15,128,238	23,860,664
<i>Administration</i>		
Interest income	242,354	577,100
Distributions and dividends received	3,759,266	3,614,637
Other income/(loss)	558,689	(48,153)
	4,560,309	4,143,584
Total revenue from continuing operations	35,036,162	40,180,285
<i>Building redevelopment</i>		
Building redevelopment grant and donations	8,087,983	6,411,408
	8,087,983	6,411,408
Total revenue	43,124,145	46,591,693
5 EXPENSES		
<i>Research</i>		
Personnel costs	22,456,320	22,156,039
Consumables and other research costs	12,642,611	11,069,764
Depreciation and amortisation	6,366,689	5,331,910
	41,465,620	38,557,713
<i>Fundraising</i>		
Personnel costs	2,661,260	2,479,014
Other fundraising costs	2,550,208	2,461,166
	5,211,468	4,940,180
<i>Administration</i>		
Personnel costs	3,288,621	3,529,115
Other administration costs	1,008,171	1,088,605
	4,296,792	4,617,720
Total expenses	50,973,880	48,115,613

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025	2024
	\$	\$
6 CASH AND CASH EQUIVALENTS		
Cash at bank	12,164,526	11,389,713
Short-term deposits	98	5,028,001
	12,164,624	16,417,714
Short-term deposits		
Deposits include amounts at call and various term deposits with maturity dates less than 3 months, bearing interest at an average rate of 4% p.a. at the reporting date (2024: 5.06% p.a.).		
Cash and cash equivalents disclosed above and in the statement of cash flows include restricted funds, which are held in trust for the following purposes:		
(i) operations of the Westmead Research Hub \$267,636 (2024: \$214,028); and		
(ii) NSW Health Capital Works Grant of \$3,555,374 (2024: \$5,388,034).		
	2025	2024
	\$	\$
7 TRADE AND OTHER RECEIVABLES		
Current		
Trade debtors	576,175	959,971
Accrued income and receivables	80,515	168,950
GST receivable	123,003	349,213
	779,693	1,478,134
Non-current		
Accrued income and receivables	-	65,544
	-	65,544
8 INVENTORIES		
Finished goods (held for sale)	240,938	215,935
	240,938	215,935
9 PREPAYMENTS AND OTHER ASSETS		
Prepayments	1,495,166	1,152,093
	1,495,166	1,152,093
10 INVESTMENT PROPERTY		
Investment property	3,603,115	3,178,115
	3,603,115	3,178,115

In August 2023, the Institute acquired an investment property in Haberfield, NSW for \$3,178,115 as part of its Investment Portfolio. As at 31 December 2025, the fair value of the property was assessed, resulting in a net fair value gain of \$425,000 recognised in profit or loss for the year. The fair value of the investment property was determined using market based valuation techniques, having regard to recent sales of comparable properties in similar locations. These valuation inputs are considered Level 2 inputs, as they are based on observable market data. The valuation was reviewed and approved by the Directors.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025	2024
	\$	\$
11 OTHER FINANCIAL ASSETS		
<i>Current Financial assets at fair value through profit or loss</i>		
Shares and preference shares in financial institutions	105,845	72,561
Long-term deposits	-	6,000,000
	105,845	6,072,561

Long-term deposits

Long-term deposits include the NSW Health Capital Works Grant and interest earned in relation to CMRI's Stage 2 Building Project \$0 (2024: \$6,000,000), which are placed in term deposits with maturity dates greater than 3 months.

	2025	2024
	\$	\$
<i>Non-current Financial assets at fair value through profit or loss</i>		
Shares in unlisted entities	206	206
Investment in unit trusts	65,260,655	73,414,181
	65,260,861	73,414,387

Equity in Tessellate Bio Holdings B.V.

In June 2020, CMRI acquired 30,500 non-voting common shares of EUR 0.001 each in of the start-up company, Tessellate Bio B.V. which aims to undertake research and development related to molecules that modulate the FANCM pathway to treat ALT-driven cancers, as well as develop viable products based on this research. At that time, CMRI held a 2.70% stake in Tessellate Bio B.V. CMRI also entered into two licence agreements with Tessellate Bio B.V. Under the terms of these intellectual property licences, CMRI is eligible to receive milestone payments and running royalties, subject to customary offsets and deductions.

In August 2025, Tessellate implemented a group restructure by establishing a new Dutch holding company, Tessellate Bio Holdings B.V., above Tessellate Bio B.V. The restructure was effected by way of a share for share exchange with no cash consideration. All shareholders, including CMRI, exchanged their existing shares in Tessellate Bio B.V. for equivalent shares in the new holding company on a like for like basis.

Tessellate Bio Holdings B.V. now holds 100% of Tessellate Bio B.V. The transaction was implemented as a non cash contribution at fair market value. CMRI did not receive or pay any consideration. Following the restructure, CMRI holds 30,500 non voting shares in Tessellate Bio Holdings B.V., on a fully diluted basis. The operating business with respect to ALT program continues to sit within Tessellate Bio B.V. as a wholly owned subsidiary.

CMRI's intellectual property licence arrangements with the Tessellate group remain in force following the 2025 restructure.

Equity in Bloomsbury Genetic Therapies Limited (BGTx)

In August 2023, CMRI acquired 743,750 fully paid ordinary shares of £0.00001 each in Bloomsbury Genetic Therapies Limited (BGTx), a spin out established by University College London, in exchange for certain intellectual property rights relating to an AAV based gene therapy vector expressing the human OTC gene for the treatment of patients with OTCD.

In October 2025, the intellectual property licence agreement between CMRI and BGTx was terminated with immediate effect following the occurrence of an insolvency event at BGTx, in accordance with the terms of the licence. As a result of the termination, all licence rights granted to BGTx have ceased, and CMRI no longer has any entitlement to further equity issuances, milestone payments or sales based royalties under the licence. BGTx is currently being wound up but remains registered on the UK companies register.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

11 OTHER FINANCIAL ASSETS (continued)

Reconciliations

Reconciliations of the non-current fair values at the beginning and end of the current and previous financial years are set out below:

	2025 \$	2024 \$
Opening fair value	73,414,387	82,780,495
Additions	3,123,319	16,119,776
Disposals proceeds, net of gain/(loss)	(12,047,356)	(27,515,185)
Unrealised revaluation movements	770,511	2,029,301
Closing fair value	65,260,861	73,414,387

12 PROPERTY, PLANT AND EQUIPMENT

Leasehold buildings and improvements at cost	56,207,333	48,802,329
Less: accumulated depreciation	(18,844,269)	(17,230,142)
	37,363,064	31,572,187

	2025 \$	2024 \$
Construction works in progress – at cost	9,469,367	9,765,581
Plant, furniture and equipment – at cost	41,572,127	43,253,173
Less: accumulated depreciation	(32,318,175)	(31,445,267)
	9,253,952	11,807,906
Works in progress – at cost	30,042	954,946
	56,116,425	54,100,620

In accordance with AASB 116, \$9.5 million of the total Stage 2 Building Redevelopment expenditure has been capitalised as Construction works in progress and will be depreciated upon completion over the term of the lease or life of the asset, whichever is shorter.

Reconciliations

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current reporting period are set out below:

	Buildings & Improvements (\$)	Construction works in progress (\$)	Plant & Equipment (\$)	Grand Total (\$)
Carrying amount at 1 January 2025	31,572,187	9,765,581	11,807,906	53,145,674
Additions	-	7,108,789	1,211,603	8,320,392
Disposals	-	-	(2,892,648)	(2,892,648)
Depreciation expense	(1,614,127)	-	(872,908)	(2,487,035)
Works in progress			30,042	30,042
Transfers to/(from) Construction - works in progress	7,405,003	(7,405,003)	-	-
Carrying amount at 31 December 2025	37,363,063	9,469,367	9,283,995	56,116,425

Construction - works in Progress are Stage 2 building redevelopment costs, while Works in progress are equipment and other project costs yet to be commissioned and depreciated over their useful lives. During the financial year, CMRI capitalised \$7.4 million of construction work in progress to Buildings and Construction. This transfer reflects the completion of the relevant phases of the construction projects and their readiness for their intended use.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025	2024
	\$	\$
13 INTANGIBLE ASSETS		
Capitalised software – at cost	3,540,508	3,540,508
Less: accumulated amortisation	(3,540,508)	(3,158,424)
	-	382,084
Patents – at cost	1,232,760	1,485,760
Less: accumulated amortisation	(200,759)	(331,900)
	1,032,001	1,153,860
Trademarks - at cost	293,536	281,894
	1,325,537	1,817,838

Reconciliations

Reconciliations of the carrying amounts of each class of intangibles at the beginning and end of the current reporting period are set out below:

	Capitalised Software (\$)	Patents & Trademarks (\$)	Grand Total (\$)
Carrying amount at 1 January 2025	382,084	1,435,754	1,817,838
Additions	-	306,021	306,021
Disposals	-	(547,379)	(547,379)
Amortisation expense	(382,084)	131,141	(250,943)
Carrying amount at 31 December 2025	-	1,325,537	1,325,537

	2025	2024
	\$	\$
14 TRADE AND OTHER PAYABLES		
Current		
Trade creditors	190,797	1,030,312
Other creditors	14,004	4,816
Accrued expenses	1,715,202	1,653,544
	1,920,003	2,688,672
Non-current		
Other creditors	314,632	260,582
	314,632	260,582

Non-current Other creditors includes funds held in trust for the operations of the Westmead Research Hub.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025	2024
	\$	\$
15 DEFERRED REVENUE		
<i>Current</i>		
Contract liabilities	3,550,795	4,979,227
	3,550,795	4,979,227
<i>Non-current</i>		
Contract liabilities	3,555,374	11,388,034
	3,555,374	11,388,034

Contract liabilities relate to consideration received in advance from granting bodies and/or funders. The balance of the contract liabilities at 31 December 2025 was impacted by the timing of payments received for grants and other contributions, where the satisfaction of the sufficiently specific performance obligations within the contract had not been met at 31 December 2025. Revenue from the contract liabilities will be recognised when the sufficiently specific performance obligations have been met, which is expected to be within the next 12 months.

In January 2019, the Office of Health and Medical Research (OHMR) awarded \$21 million to CMRI for its Stage 2 Building Redevelopment Project, which is now referred to as the Gene Technologies Building (GTB) within the Westmead Health Precinct. CMRI made a co-contribution of \$1 million in 2019 and a further \$1 million in 2021.

The non-current contract liabilities represent the balance of the Stage 2 Building Redevelopment funding received plus interest earned from term deposits. The funds are recorded as deferred revenue until such time that specific performance obligations are met, and qualifying costs are incurred.

Reconciliations

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

	2025	2024
	\$	\$
<i>Current</i>		
Opening balance	4,979,227	4,997,086
Payments received in advance	4,408,326	3,374,166
Transfer to revenue during the year	(5,836,758)	(3,392,025)
Closing balance	3,550,795	4,979,227
<i>Non-current</i>		
Opening balance	11,388,034	17,119,477
Payments received in advance	255,323	679,965
Transfer to revenue during the year	(8,087,983)	(6,411,408)
Closing balance	3,555,374	11,388,034

16 EMPLOYEE ENTITLEMENTS

Current

Provision for annual leave	1,727,984	2,389,376
Provision for long service leave	3,208,802	2,960,925
	4,936,786	5,350,301

Non-current

Provision for long service leave	782,368	919,844
	782,368	919,844

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025	2024
	\$	\$
17 EQUITY		
(a) Capital reserve		
Balance at the beginning of the year	43,372,286	38,734,005
Transfer building redevelopment income from Retained funds	7,108,790	5,493,944
Transfer of funds for building depreciation to Retained funds	(879,472)	(855,663)
Balance at the end of the year	49,601,604	43,372,286
(b) Retained funds		
Balance at the beginning of the year	88,953,995	92,178,256
Total comprehensive income/(loss) for the year	(6,294,035)	1,414,020
Transfer building redevelopment income to Capital reserve	(7,108,790)	(5,493,944)
Transfer of funds for building depreciation from Capital reserve	879,472	855,663
Balance at the end of the year	76,430,642	88,953,995

(c) Nature and purpose of reserves

(i) Capital reserve

The Board has approved setting aside funds related to building redevelopment to a Capital reserve. This includes recognition of funds received for that purpose or any allocation of operating funds. As the buildings are depreciated, funds are transferred from the Capital reserve to Retained funds to cover this cost.

(ii) Retained funds

Retained funds are an accumulation of prior and current year retained earnings. These funds may be used to purchase investments in a portfolio intended to generate investment returns in perpetuity; or for capital purchases, including building works; or for operating expenses.

18 SUPERANNUATION AND OTHER COMMITMENTS

During 2025, the Institute paid staff superannuation contributions to MLC Masterkey Business Super and other superannuation funds designated by employees. The Institute contributes various percentages of each employee's income. In addition, the Institute pays death and disability insurance and salary continuance insurance for its permanent employees.

There is a legally enforceable obligation for the Institute to contribute a minimum amount to the MLC fund or other designated funds and the Institute has complied with this obligation.

Contributions during the year amounted to \$2,818,801 (2024: \$2,726,916).

19 CAPITAL COMMITMENTS

In January 2019, the Office of Health and Medical Research (OHMR) awarded \$21 million to CMRI for its Stage 2 Building Redevelopment Project, which is now referred to as the Gene Technologies Building (GTB) within the Westmead Health Precinct. CMRI made a co-contribution of \$1 million in 2019 and a further \$1 million in 2021.

As at 31 December 2025, \$20.4 million of the available funding has been utilised to complete milestone deliverables which include detailed planning and design, early and enabling works procurement, and shovel readiness activities ahead of future main works.

Unspent funds are currently invested in term deposits with varying maturity dates considering the cashflow requirements of committed project phases, completion of milestone deliverables and associated forecast expenditure.

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

20 RELATED PARTIES

(a) Directors

The following persons were directors of the Children's Medical Research Institute at any time during the year:

Prof FJ Martin (President)	The Hon. C. Knowles
Ms C Forster (Vice President)	Mr P Goldie
Mr J Waine (Treasurer)	Prof R Reddel
Ms F Crosbie	Prof T Sorrell
Dr L Dalla-Pozza	Mr A Wong
Mr B Fink	Dr S Thom
Mr M Richardson (Resigned 10 Nov 2025)	Mrs L Penn

The non-executive directors received no remuneration and provided their services on an honorary basis. Professor Reddel is the sole executive director.

	2025	2024
	\$	\$
(b) Key management personnel compensation		
Key management remuneration	1,393,992	1,434,408

21 COMPLIANCE WITH CHARITABLE FUNDRAISING ACT, 1991

In accordance with the requirements of the Regulations to the Charitable Fundraising Act 1991, the Children's Medical Research Institute has maintained proper and effective internal control over the conduct of all appeals conducted by it. It is not practicable, however, for the Institute to establish complete accounting control over all unsolicited income prior to its receipt by the New South Wales office. The directors believe that the controls in place are adequate, and the risk of material amounts of unsolicited income not being recorded by the Institute is low.

	2025	2024
	\$	\$
22 FUNDRAISING INCOME AND EXPENDITURE ACCOUNTS		
<i>Gross proceeds from fundraising</i>		
Bequests	1,691,327	10,295,449
Relationship fundraising including major gifts	4,601,413	6,335,180
Great Cycle Challenge™	2,131,413	2,365,367
Jeans for Genes®	2,419,771	1,653,517
Trusts and foundations	1,841,020	1,603,645
Community fundraising and events	235,013	158,403
Individual giving and Regular giving	1,255,835	530,535
Committees	384,485	463,159
Product sales	239,022	246,108
Corporate partnerships	328,939	209,301
	15,128,238	23,860,664
<i>Less: Total costs of fundraising</i>		
Direct costs of campaigns and appeals	2,315,811	2,199,338
Other costs, including salaries	2,895,657	2,740,842
	5,211,468	4,940,180
Net surplus from fundraising	9,916,770	18,920,484

Children's Medical Research Institute
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

	2025		2024	
	\$'000	%	\$'000	%
23 COMPARISONS OF INCOME AND EXPENDITURE				
Total cost of fundraising / gross income from fundraising	5,211 / 15,128	34.4%	4,940 / 23,861	20.7%
Net surplus from fundraising / gross income from fundraising	9,917 / 15,128	65.6%	18,920 / 23,861	79.3%
Total costs of services / total expenditure	39,606 / 50,970	81.3%	38,558 / 48,116	80.1%
Total costs of services / total income received	39,606 / 35,036	118.4%	38,558 / 40,180	96.0%
			2025	2024
			\$	\$

24 AUDITOR REMUNERATION

Auditor remuneration	63,000	61,300
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25 EVENTS SUBSEQUENT TO THE END OF THE REPORTING DATE

There were no other matters or circumstances that have arisen which have significantly affected, or may significantly affect, the operations of the Institute, the results of those operations or the state of affairs of the Institute in future financial periods.

26 OTHER INFORMATION

The Institute is a public company limited by guarantee and domiciled in Australia.

Its registered office and principal place of business is at:
214 Hawkesbury Road
WESTMEAD NSW 2145

Children's Medical Research Institute
DIRECTORS' DECLARATION
For the year ended 31 December 2025

In the directors' opinion:

- (a) the financial statements and notes set out on pages 9 to 27 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012*, including:
 - (i) complying with Australian Accounting Standards – Simplified Disclosure Requirements and the Australian Charities and Not-for-profits Commission Regulation 2013; and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2025 and of its performance for the reporting period ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c)
 - (i) the statement of comprehensive income gives a true and fair view of the results of fundraising appeals for the year ended 31 December 2025;
 - (ii) the statement of financial position gives a true and fair view of the state of affairs with respect to fundraising appeals;
 - (iii) it complies with the provisions of the *Charitable Fundraising Act (NSW) 1991*, *Collections Act (QLD) 1966*, *Collections for Charitable Purposes Act (SA) 1939*, *Fundraising Act (VIC) 1998* and the *Charitable Collections Act (WA) 1946* (collectively referred to as the "Acts") and the regulations under the Acts and the conditions attached to the authority; and
 - (iv) the internal controls exercised by the Children's Medical Research Institute are appropriate and effective in accounting for all income received and applied from any fundraising appeals.

This declaration is made in accordance with a resolution of the directors.



FJ Martin
Chairman and President



J Waine
Treasurer

5 June 2026



Independent Auditor's Report

To the members of Children's Medical Research Institute

Opinion

We have audited the **Financial Report**, of Children's Medical Research Institute (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2025, and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards – Simplified Disclosures Framework* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR)* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.

The **Financial Report** comprises:

- Statement of financial position as at 31 December 2025.
- Statement of profit or loss and other comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.
- Notes, including material accounting policies.
- Directors' declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Company in accordance with the auditor independence requirements of the *ACNC Act 2012* and the ethical requirements of the *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other information

Other Information is financial and non-financial information in Children's Medical Research Institute's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we 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.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- Preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards - Simplified Disclosures Framework*, the ACNC and ACNCR and sections 23(1)(d) and 24B of the *Charitable Fundraising Act (NSW) 1991* and section 21 of the *Charitable Fundraising Regulation (NSW) 2021*.
- Implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- Assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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.

As part of an audit in accordance with *Australian Auditing Standards*, we exercise professional judgement and maintain professional scepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the registered Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the registered Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Report, including the disclosures, and whether the Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors of the registered Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kfma

KPMG

Warwick Shanks

Partner

Sydney

5 June 2026