



Noxopharm Reports FY2025 Half Year Results

Sydney, 25 February 2025: Innovative biotech company **Noxopharm Limited (ASX:NOX)** is pleased to release its Financial Report for the half year ended 31 December 2024.

Noxopharm finished the period with \$1.0m in cash, and is reviewing expenditure in the best interests of the company and its shareholders.

There has been investment in R&D of \$1.6m (1HFY24: \$1.5m) to advance drug discovery and preclinical studies. All areas of expense are being carefully monitored.

Noxopharm CEO Dr Gisela Mautner said: “We are maintaining discipline in managing our costs while progressing towards our strategic goals. Our focus right now is on preparing for the upcoming HERACLES clinical trial for our SOF-SKN™ lupus drug candidate, while pursuing further Material Transfer Agreements with other companies to leverage ongoing interest in our Sofra™ technology platform.”

-ENDS-

About Noxopharm

Noxopharm Limited (ASX:NOX) is an innovative Australian biotech company discovering and developing novel treatments for cancer and inflammation, including a pioneering technology to enhance mRNA vaccines.

The company utilises specialist in-house capabilities and strategic partnerships with leading researchers to build a growing pipeline of new proprietary drugs based on two technology platforms – Chroma™ (oncology) and Sofra™ (inflammation, autoimmunity, and mRNA vaccine enhancement).

Noxopharm also has a major shareholding in US registered, Australia based Nyrada Inc (ASX: NYR), a drug discovery and development company specialising in novel small molecule therapies.

To learn more, please visit: noxopharm.com

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Dr Gisela Mautner, CEO and Managing Director of Noxopharm, has approved the release of this document to the market on behalf of the Board of Directors.

Forward Looking Statements

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Noxopharm about circumstances and events that have not yet taken place. Although Noxopharm believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control (including but not limited to the COVID-19 pandemic) that could cause the actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statement.

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1. Company details

Name of entity:	Noxopharm Limited
ABN:	50 608 966 123
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

			\$
Loss from ordinary activities after tax attributable to the owners of Noxopharm Limited	down	50.5% to	(1,235,803)
Loss for the half-year attributable to the owners of Noxopharm Limited	down	50.5% to	(1,235,803)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$1,235,803 (31 December 2023: loss of \$2,497,927).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.48</u>	<u>1.88</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

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8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Currently all accounting policies of the Group are consistent with those adopted by its ultimate holding company, Noxopharm Limited.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Noxopharm Limited for the half-year ended 31 December 2024 is attached.

12. Signed



Signed _____

Date: 25 February 2025

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Noxopharm Limited

ABN 50 608 966 123

Interim Report - 31 December 2024

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Directors

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

Mr. Frederick Bart, Non-Executive Chairman
Mr. Peter Marks, Non-Executive Director and Deputy Chairman
Mr. Boris Patkin, Non-Executive Director
Dr. Gisela Mautner, Managing Director and Chief Executive Officer

Principal activities

The consolidated entity's principal activity in the course of the current financial year continued to be drug development through discovering and developing novel treatments for cancer and inflammation, as well as improving mRNA vaccines, based on two promising preclinical platforms.

There were no other significant changes in the nature of the Company's principal activity during the financial half-year.

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$1,235,803 (31 December 2023: loss of \$2,497,927). The gain on investment held at fair value through profit and loss for the period is the main reason for the reduction in the half year loss for the reporting period.²

During the period, the Company has carried out the following:

- Directed investment and resources to progressing the Sofra and Chroma platforms;
- Announced the HERACLES clinical trial for its novel SOF-SKN™ lupus drug candidate;
- Executed Convertible Note agreements with investors for a total face value of \$2.6M;
- Completed SOF-SKN formulation in advance of the clinical trial, and contracted a specialist company to manufacture SOF-SKN;
- Signed up a Contract Research Organisation (CRO) to support the HERACLES trial;
- Signed several Material Transfer Agreements (MTAs) with a range of companies in order for them to evaluate the potential of the Sofra platform;
- Continued implementing a robust patent intellectual property strategy around its preclinical assets;
- Increased Sofra platform-related marketing and outreach activities to support finding a commercial partner;
- Announced further positive preclinical data from its Chroma platform;
- Received \$1.8 million in advanced funding against its Australian Government R&D Tax Incentive scheme rebate for the 2023-24 financial year from Endpoints Capital Pty Ltd, a specialist in R&D finance to the life sciences industry. The loan was repaid in full upon receipt of the 2024 Australian Government R&D tax incentive scheme rebate of \$2,337,620.

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial half-year

As announced by the Company on 27 September 2024 and 5 November 2024, the Company intended to issue \$2.6 million in Convertible Notes to professional and sophisticated investors, who are also shareholders of the Company. The \$2.6 million in convertible note funding was received in January 2025, and the convertible notes subsequently issued. These convertible notes are secured over the 2024/25 Australian Government R&D Tax Incentive scheme rebate, attract an interest rate of 12% capitalised until the date the notes are fully repaid or converted into shares. Expiring on 2 January 2026, the notes have a conversion price of A\$0.0992 (being a 20% discount to the average five-day VWAP ending 6 September 2024, namely A\$0.1239) – or a lower price if the company undertakes a capital raise at any time before the expiry date. The note has a conversion floor price of A\$0.07. As an incentive for participating in the issuance of the notes, the investors will receive a total of 520,000 unlisted options (50,000 per A\$250,000 invested) at a strike price of A\$0.1488, with a three-year term expiring on 10 September 2027.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Auditor's independence declaration

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

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

On behalf of the directors



Fred Bart
Chairman

25 February 2025

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Noxopharm Limited

As lead auditor for the review of Noxopharm Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

R. P. Burt

R. P. Burt
Director
Melbourne, 25 February 2025

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General information

The financial statements cover Noxopharm Limited as a consolidated entity consisting of Noxopharm 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 Noxopharm Limited's functional and presentation currency.

Noxopharm 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 5
126 Phillip Street
SYDNEY NSW 2000

Principal place of business

60 Linksley Ave
GLENHAVEN NSW 2156

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 February 2025.

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Noxopharm Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024



		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Income			
Net (loss)/gain on investment at fair value through profit and loss	6	1,127,262	(209,840)
Interest income		5,340	6,906
Research and development tax incentive		1,156,153	1,211,958
Expenses			
Corporate administration expenses		(340,280)	(521,179)
Research and development expenses		(1,550,683)	(1,451,017)
Depreciation expense		(879)	(876)
Foreign exchange loss		(35,422)	(9,785)
Consulting, employee and director expenses		(1,523,713)	(1,497,597)
Finance costs		(73,581)	(26,497)
Loss before income tax expense		(1,235,803)	(2,497,927)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Noxopharm Limited		(1,235,803)	(2,497,927)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Noxopharm Limited		<u>(1,235,803)</u>	<u>(2,497,927)</u>
		Cents	Cents
Basic earnings per share	11	(0.42)	(0.85)
Diluted earnings per share	11	(0.42)	(0.85)

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

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Noxopharm Limited
Statement of financial position
As at 31 December 2024



		Consolidated	
	Note	31 December 2024 \$	30 June 2024 \$
Assets			
Current assets			
Cash and cash equivalents		1,041,925	2,319,927
Trade and other receivables	4	1,220,354	2,403,790
Financial assets at fair value through profit or loss	5	3,137,085	-
Prepayments		62,003	44,549
Total current assets		<u>5,461,367</u>	<u>4,768,266</u>
Non-current assets			
Financial assets at fair value through profit and loss	6	-	2,009,824
Plant and equipment		4,790	5,668
Total non-current assets		<u>4,790</u>	<u>2,015,492</u>
Total assets		<u>5,466,157</u>	<u>6,783,758</u>
Liabilities			
Current liabilities			
Trade and other payables	7	794,579	917,644
Employee benefits		316,297	328,751
Total current liabilities		<u>1,110,876</u>	<u>1,246,395</u>
Non-current liabilities			
Employee benefits		31,951	42,219
Total non-current liabilities		<u>31,951</u>	<u>42,219</u>
Total liabilities		<u>1,142,827</u>	<u>1,288,614</u>
Net assets		<u>4,323,330</u>	<u>5,495,144</u>
Equity			
Issued capital	8	74,635,721	74,635,721
Reserves		685,064	929,767
Accumulated losses		(70,997,455)	(70,070,344)
Total equity		<u>4,323,330</u>	<u>5,495,144</u>

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

Noxopharm Limited
Statement of changes in equity
For the half-year ended 31 December 2024



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	74,635,721	6,498,058	(72,060,518)	9,073,261
Loss after income tax expense for the half-year	-	-	(2,497,927)	(2,497,927)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,497,927)	(2,497,927)
<i>Transactions with owners in their capacity as owners:</i>				
Expiry of options	-	(5,568,292)	5,568,292	-
Balance at 31 December 2023	<u>74,635,721</u>	<u>929,766</u>	<u>(68,990,153)</u>	<u>6,575,334</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	74,635,721	929,766	(70,070,344)	5,495,143
Loss after income tax expense for the half-year	-	-	(1,235,803)	(1,235,803)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(1,235,803)	(1,235,803)
<i>Transactions with owners in their capacity as owners:</i>				
Expiry of options (note 12)	-	(308,692)	308,692	-
Vesting of share-based payments (note 12)	-	63,990	-	63,990
Balance at 31 December 2024	<u>74,635,721</u>	<u>685,064</u>	<u>(70,997,455)</u>	<u>4,323,330</u>

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

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Noxopharm Limited
Statement of cash flows
For the half-year ended 31 December 2024



	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(3,530,528)	(3,895,458)
Interest paid	(73,581)	(26,497)
Interest received	5,340	6,906
Receipt from R&D income tax rebate	2,337,620	6,052,925
	<u>(1,261,149)</u>	<u>2,137,876</u>
Net cash (used in)/from operating activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Proceeds from short term borrowings	1,800,000	-
Proceeds from related party borrowings	-	2,000,000
Repayment of short term borrowings	(1,800,000)	-
Repayment of related party borrowings	-	(2,000,000)
	<u>-</u>	<u>(2,000,000)</u>
Net cash from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(1,261,149)	2,137,876
Cash and cash equivalents at the beginning of the financial half-year	2,319,927	3,011,970
Effects of exchange rate changes on cash and cash equivalents	(16,853)	9,785
	<u>1,041,925</u>	<u>5,159,631</u>
Cash and cash equivalents at the end of the financial half-year		

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

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Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose 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 2024 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.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the interim financial statements of the consolidated entity.

Going concern

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

The Company made a loss after tax of \$1,235,803 during the half-year ended 31 December 2024 (31 December 2023: \$2,497,927). There is net operating cash outflow of \$1,261,149 for half-year ended 31 December 2024 (31 December 2023: inflow of \$2,137,876). Cash and cash equivalents as at 31 December were \$1,041,925 (30 June 2024: \$2,319,927).

Notwithstanding the above operating results, the financial statements have been prepared on the basis that the Company is a going concern, which contemplates normal business activity, realisation of assets and the settlement of liabilities in the normal course of business for the following reasons:

- During January 2025, the group received \$2.6m through secured convertible loan notes issued to sophisticated investors;
- A further \$1.25m has been committed through an unsecured convertible loan funding arrangement which is available to utilise;
- Management continues to assess and identify operating expenditures which may be optimised. Further the Company has significant flexibility to delay or scale down R&D activities and expenditure to ensure alignment to its prevailing cash positions;
- Potential to raise capital as equity; and
- Potential to access R&D financing against anticipated research and development tax incentive rebate;

Having assessed the potential uncertainties relating to the Company's ability to effectively fund exploration activities and operating expenditures, the Directors believe that the Company will continue to operate as a going concern for the foreseeable future. The Directors are therefore, based upon the aforementioned factors, confident that the going concern basis of preparation is appropriate as at the date of this report.

The financial statements do not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company does not continue as a going concern.

Note 2. Critical accounting judgements, estimates and assumptions

Research and Development Rebate

With the successful track record of the consolidated entity in obtaining the Research and Development rebate from the ATO, the estimated rebate for the 6 month's ended 31 December 2024 for \$1,141,904 has been accrued into income for this reporting period.

The company is entitled to claim grant credits from the Australian Government in recompense for its research and development program expenditure. The program is overseen by AusIndustry, which is entitled to audit and/or review claims lodged for the past 4 years. In the event of a negative finding from such an audit or review AusIndustry has the right to rescind and clawback those prior claims, potentially with penalties. Such a finding may only occur in the event that those expenditures do not appropriately qualify for the grant program. In their estimation, considering also the independent external expertise they have contracted to draft and claim such expenditures, the directors of the company consider that such a negative review has a remote likelihood of occurring.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Non-recognition of carried forward tax losses

The balance of future income tax benefit arising from tax losses and timing differences have not been recognised as an asset because recovery is not regarded as probable. The cumulative future income tax benefit which has not been recognised as an asset will only be obtained if:

- i) The Group derives future assessable income of a nature and amount sufficient to enable the benefit to be realised,
- ii) The Group continues to comply with the conditions for the deductibility imposed by law, and
- iii) No changes in tax legislation adversely affecting the Group realising the benefit.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

The consolidated entity's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The valuation techniques used for instruments categorised in levels 1 and 3 are described below:

Valuation of investment in Nyrada Inc.

Nyrada ordinary shares (level 1): The 33,373,245 Nyrada ordinary shares held by the consolidated entity were valued at fair value, using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. The price used for valuing these ordinary shares was the ASX listed price of 9.4 cents as at 31 December 2024.

Nyrada performance shares (level 3): The 12,000,600 Nyrada performance shares expired on 25 November 2024 without the performance hurdles being achieved. These performance shares consequently have nil value, and a loss of \$40,802 was recorded to the profit and loss on expiry.

Note 3. Operating segments

The consolidated entity continues to operate in one segment, being the clinical development in the field of both oncology and non-oncology in the pan-pacific region. The segment details are therefore fully reflected in the body of the interim report.

Note 4. Current assets - trade and other receivables

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
GST receivable	33,450	35,419
R&D income tax incentive receivable	1,141,904	2,368,371
	<u>1,175,354</u>	<u>2,403,790</u>
Other receivables	45,000	-
	<u>1,220,354</u>	<u>2,403,790</u>

The R&D income tax incentive receivable is comprised of \$1,141,904 accrued for the six months ended 31 December 2024. The estimated receivable reflects the group's identified research and development expenditure incurred during the period through to reporting date.

Note 5. Current assets - financial assets at fair value through profit or loss

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
Investment in Nyrada Inc. ordinary shares	<u>3,137,085</u>	<u>-</u>

The investment in Nyrada Inc. reflects the fair value of the 33,373,245 Nyrada ordinary shares held on the ASX. The 12,000,600 performance rights held in Nyrada by the Company expired during the reporting period without the performance hurdles being achieved and are now recorded at \$nil value.

Refer to Note 2 Critical accounting judgements, estimates and assumptions - valuation of investment in Nyrada for further information in relation to the valuation technique and measurement of the respective Nyrada shares.

This investment was reclassified as a current asset during the reporting period to reflect that it is a short term investment that can be sold during the next twelve months if the Company requires the funds to meet working capital requirements.

Note 6. Non-current assets - financial assets at fair value through profit and loss

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
Investment in Nyrada Inc. -ordinary shares	-	1,969,022
Investment in Nyrada Inc. -performance shares	-	40,802
	<u>-</u>	<u>2,009,824</u>

Refer to Note 5 above for information in relation to valuation and reclassification to current assets during the reporting period.

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Note 7. Current liabilities - trade and other payables

	Consolidated	
	31 December 2024	30 June 2024
	\$	\$
Trade payables	631,879	649,446
Other payables	162,700	268,198
	<u>794,579</u>	<u>917,644</u>

Note 8. Equity - issued capital

	Consolidated			
	31 December 2024	30 June 2024	31 December 2024	30 June 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>292,237,950</u>	<u>292,237,950</u>	<u>74,635,721</u>	<u>74,635,721</u>

Ordinary shares

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

Every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

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

Note 9. Contingent liabilities and licence agreement

The consolidated entity has entered into a licence agreement whereby it is obliged to make royalty payments on future sales and make future cash milestone payments if certain events occur. This agreement includes the following:

- milestone payment based on the initiation of the first Phase III clinical trial for each product;
- milestone payments based on first grant of a marketing authorisation for each product; and
- royalty payments based on net sales.

As at 31 December 2024, the milestones per the licence agreement have not been met and no royalty payments are due and payable.

Note 10. Events after the reporting period

As announced by the Company on 27 September 2024 and 5 November 2024, the Company intended to issue \$2.6 million in Convertible Notes to professional and sophisticated investors, who are also shareholders of the Company. The \$2.6 million in convertible note funding was received in January 2025, and the convertible notes subsequently issued. These convertible notes are secured over the 2024/25 Australian Government R&D Rax Incentive scheme rebate, attract an interest rate of 12% capitalised until the date the notes are fully repaid or converted into shares. Expiring on 2 January 2026, the notes have a conversion price of A\$0.0992 (being a 20% discount to the average five-day VWAP ending 6 September 2024, namely A\$0.1239) – or a lower price if the company undertakes a capital raise at any time before the expiry date. The note has a conversion floor price of A\$0.07. As an incentive for participating in the issuance of the notes, the investors will receive a total of 520,000 unlisted options (50,000 per A\$250,000 invested) at a strike price of A\$0.1488, with a three-year term expiring on 10 September 2027.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 11. Earnings per share

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Loss after income tax attributable to the owners of Noxopharm Limited	<u>(1,235,803)</u>	<u>(2,497,927)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>292,237,950</u>	<u>292,237,950</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>292,237,950</u>	<u>292,237,950</u>
	Cents	Cents
Basic earnings per share	(0.42)	(0.85)
Diluted earnings per share	(0.42)	(0.85)

There are no options issued and currently in the money that could potentially dilute basic earning per shares in the future.

Note 12. Share-based payments

Loan Funded Shares

During the reporting period the Company granted 2,200,000 Loan Funded Shares under the Company's Employee Loan Funded Share plan, split as follows:

1. 1,850,000 Loan Funded Shares granted to employees on 12 July 2024; and.
2. 350,000 Loan Funded Shares granted to Gisela Mautner on 19 November 2024.

The material terms of these Loan Funded Shares are as follows:

1. The employees have the opportunity to purchase the Loan Funded Shares at a market price of \$0.071 per Loan Funded Share, being the closing share price at 31 December 2023.
2. The Loan is interest free, limited recourse loan for a period of up to seven years. The limited recourse nature of the Loan means that if the employees Loan Funded Shares do not vest for any reason, or their market value is less than the outstanding loan value when they are required to repay the Loan, the employees liability will be limited to the value of the Shares. That is, the Company cannot require the employees to repay an amount greater than the market value of the Loan Funded Shares.
3. In order to benefit from the Incentive Plan, employees must remain employed or continue to provide services to the Company and satisfy the Vesting Conditions.
4. To the extent that the Vesting Conditions are met, employees will be able to repay the Loan and dispose of the Shares. Employees can choose to repay the Loan at any time the employees Loan Funded Shares have vested up until the Loan becomes repayable being up to 7 years.
5. The Vesting Conditions are as follows:

A share Price Hurdle of \$0.088 being a 25% premium to the 5 day VWAP ending 31 December 2023 by 31 December 2024 (this hurdle must be reached on at least 20 trading days, not necessarily consecutive, by 31 December 2024).

Vesting period commences on the grant date, being 1 July 2024 and ends on 31 December 2024. As at 31 December 2024, the vesting condition has been met for all 2,200,000 Loan Funded Shares.

The issues of the Loan Funded Shares have been accounted for under AASB2 *Share Based Payments*, and the expense recognised over the vesting period. The total expense booked to profit and loss in the current reporting period was \$63,990.

The Loan Funded Shares entitle the holder the same voting and dividend rights as are attached to the ordinary shares in Noxopharm Limited.

Note 12. Share-based payments (continued)

For the employee loan funded shares granted during the current financial half-year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
12/07/2024	31/12/2024	\$0.07	\$0.07	90.00%	-	4.04%	\$0.014
19/11/2024	31/12/2024	\$0.11	\$0.07	108.00%	-	4.35%	\$0.108

As at 31 December 2024, no Loan Funded Shares have been exercised.

Existing share options

During the reporting period 697,500 employee options expired resulting in a reclassification of \$230,342 to retained earnings. In addition 250,000 directors' options expired, resulting in a decrease to the option reserve and a reclassification to retained earnings of \$78,350.

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Noxopharm Limited
Directors' declaration
31 December 2024



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

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A handwritten signature in black ink, appearing to read "Fred Bart", written over a horizontal line.

Fred Bart
Chairman

25 February 2025

Independent auditor's review report to the members of Noxopharm Limited

Report on the half-year financial report



Our conclusion

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 Noxopharm Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

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. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional 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.

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Responsibilities of the directors for the 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 Australian Accounting Standards and the *Corporations Act 2001* and for such internal control 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 Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations 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.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

R. P. Burt

R. P. Burt
Director

Melbourne, 25 February 2025