

Island Pharmaceuticals Limited  
Appendix 4D  
Half-year report

1. Company details

Name of entity: Island Pharmaceuticals Limited  
ABN: 48 641 183 842  
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 Island Pharmaceuticals Limited	up	32.8% to	(1,533,422)
Loss for the half-year attributable to the owners of Island Pharmaceuticals Limited	up	32.8% to	(1,533,422)

*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 \$1,533,422 (31 December 2023: \$1,155,076).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>2.14</u>	<u>1.20</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.

## 8. Details of associates and joint venture entities

Not applicable.

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## 9. Foreign entities

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

Not applicable.

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## 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 Half-year Financial Report.

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## 11. Attachments

*Details of attachments (if any):*

The Half-year Financial Report of Island Pharmaceuticals Limited for the half-year ended 31 December 2024 is attached.

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## 12. Signed

Authorised for release by the Board.

Signed \_\_\_\_\_



Phillip Lynch  
Executive Chair

Date: 27 February 2025

# Island Pharmaceuticals Limited

ABN 48 641 183 842

## Half-year Financial Report - 31 December 2024

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Island Pharmaceuticals Limited  
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31 December 2024

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Island Pharmaceuticals Limited  
Corporate directory  
31 December 2024

Directors	Mr Phillip Lynch - Executive Chairman (appointed 19 November 2024) Dr David Foster - Executive Director & CEO Mr Christopher Ntoumenopoulos - Non-Executive Director (appointed 19 November 2024) Mr Albert Hansen - Non-Executive Director (resigned 28 January 2025)
Company secretary	Cameron Jones
Registered office	c/- Bio101 Financial Advisory Pty Ltd Suite 201 697 Burke Road Camberwell, VIC 3124
Principal place of business	Suite 201 697 Burke Road Camberwell VIC 3124
Share register	Automic Pty Ltd Deutsche Bank, Tower Level 5 126 Phillip Street Sydney NSW 2000
Auditor	William Buck Level 20 181 William Street Melbourne VIC 3000
Solicitors	K&L Gates Level 25 525 Collins Street Melbourne Victoria 3000
Stock exchange listing	Island Pharmaceuticals Limited shares are listed on the Australian Securities Exchange (ASX code: ILA)
Website	<a href="http://www.islandpharmaceuticals.com">www.islandpharmaceuticals.com</a>

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Island Pharmaceuticals Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

### Directors

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

#### Director

Dr Paul MacLeman - Executive Chairman (resigned 19 November 2024)  
Dr David Foster - Executive Director & CEO  
Dr David Brookes - Non-Executive Director (resigned 19 September 2024)  
Mr Albert Hansen - Non-Executive Director (resigned 28 January 2025)  
Dr Anna Lavelle - Non-Executive Director (resigned 19 November 2024)  
Mr Phillip Lynch - Executive Chairman (appointed 15 November 2024)  
Mr Christopher Ntoumenopoulos (appointed 19 September 2024)

#### Company secretary

Cameron Jones  
Stephanie Vipond (resigned 19 July 2024)

### Principal activities

Island Pharmaceuticals Limited is a mid-clinical stage biotechnology Company listed on the Australian Securities Exchange (ASX: ILA). Island is a drug research and repurposing Company. The Group strategy is to repurpose small molecules as antivirals, which may allow for rapid development of treatments or preventative measures against emerging viruses.

### Significant changes in the state of affairs

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

### Financial update

The loss for the consolidated entity after providing for income tax amounted to \$1,533,422 (31 December 2023: \$1,155,076).

Island's operating cash outflows for the half year was \$1,075,230 (31 December 2023: \$1,351,296) and reported closing cash of \$3,992,215 at 31 December 2024 (30 Jun 2024 \$1,660,377).

### Review of operations

During the reporting period Island progressed its plans to advance ISLA-101 – a drug with a well-known safety profile, being repurposed, initially as a potential preventative or treatment for dengue fever, while advancing the Company's pipeline expansion efforts.

### [ISLA-101 Makes strong clinical progress advancing its phase 2 clinical trial](#)

The Island Pharmaceuticals team worked tirelessly through H1 FY25 to advance ISLA-101 into its Phase 2 PROTECT clinical trial. The PROTECT study is being conducted at the State University of New York (SUNY) Upstate in Syracuse, NY, in collaboration with the US Army. The aim of the PROTECT study is to examine the antiviral potential of ISLA-101 against dengue in a Dengue Human Infection Model (DHIM). In this study healthy subjects are exposed to an attenuated strain of dengue in the presence or absence of ISLA-101. In the Phase 2a cohort subjects were first treated with ISLA-101 and then 3 days later they were exposed to virus. The aim of this cohort is to explore if ISLA-101 may be an effective prophylactic or preventative of dengue infection. If successful, the study will advance to a Phase 2b cohort to study the ability of ISLA-101 to treat subjects that have already been infected with the attenuated dengue virus. Post-period the Phase 2b cohort was initiated in January 2025.

On 3 July 2024 Island provided an update on its ISLA-101 clinical program, including the filing of the final Single Ascending Dose Clinical Study Report with the US Food & Drug Administration (US FDA), along with a proposed updated protocol for the Phase 2 clinical study.

On 7 August 2024 Island confirmed that the US FDA had cleared the proposed amendment to the ISLA-101 Phase 2 clinical trial protocol, with the study being structured as a Phase 2a/b to include a prophylactic and therapeutic arm split across two cohorts.

On 27 August 2024 Island commenced screening for enrolment of subjects for the ISLA-101 Phase 2a/b clinical study in dengue fever following Institutional Review Board (IRB) approval from the US Army.

On 3 October 2024 Island announced that it had dosed subjects in its Phase 2a/b PROTECT clinical trial.

On 18 November 2024, Island announced progress on its ISLA-101 Phase 2a/b clinical trial in dengue fever. All key data samples had been collected following dosing of all subjects in the Phase 2a (prophylactic) trial as part of Island's ISLA-101 Phase 2a/b PROTECT clinical trial in dengue fever.

On 27 November 2024, Island announced that the Safety Review Committee (SRC) concluded that ISLA-101 had shown safety and anti-dengue activity in the Phase 2a cohort of the PROTECT Phase 2a/b trial. No safety concerns were seen by the SRC that necessitated implementing any defined individual or study changes. SRC recommended that Island proceed with the Phase 2b cohort (the therapeutic cohort) of the Phase 2a/b PROTECT clinical trial, scheduled to be initiated January 2025.

### Pipeline expansion and intellectual property

On 3 July 2024 Island announced that it had executed a non-binding term-sheet with global NASDAQ-listed company, BioCryst Pharmaceuticals, Inc. (Nasdaq: BCRX) to acquire galidesivir, a clinical stage antiviral molecule that has shown antiviral activity against several different viruses, including Ebola, Zika and Marburg viruses.

On 11 September 2024 Island executed a binding Letter of Intent at a cost of US\$50k with BioCryst for the potential acquisition of antiviral molecule, galidesivir, securing Island an exclusive 12-month option to take up the rights.

On 11 December 2024, Island announced that a key patent relating to the Company's lead drug candidate, ISLA-101, had been granted by the United States Patent and Trademark Office (USPTO).

### Corporate - presentations

In July, Island Executive Chairman Dr Paul MacLeman presented to investors and industry at the 18<sup>th</sup> Bioshares Biotech Summit in Fremantle, Western Australia.

In September, Island was awarded the Rising Star 2024 Award by BioNTX as part of the 10<sup>th</sup> Annual iC<sup>3</sup>® Life Sciences & Healthcare Innovation Summit in Texas, USA.

In late September, Dr Paul MacLeman presented to investors at the Pitt Street Research Life Sciences Conference in Sydney.

On 4 October 2024, Dr David Foster presented at the 2024 iC<sup>3</sup> Life Science Summit and represented Island Pharmaceuticals as a Rising Star award winner.

On 8 October 2024, Island held a special investor webinar, where CEO Dr David Foster provided an update on the Phase 2a/b PROTECT clinical trial and the recent Placement.

On 11 October 2024, Island was featured in a Bioshares report titled 'Island Pharmaceuticals Shares Surge on Trial Start and Capital Raise', which highlighted that ISLA-101 had gone through rigorous preclinical studies showing a demonstrated safety profile and promising efficacy.

On 15 October 2024, Pitt Street Research released an initiation research report on Island, noting a valuation range of A\$0.31-\$0.41 per share based on its analysis.

On 18 October 2024, Island advised that its 2024 Annual General Meeting will be held on Tuesday, 19 November 2024 at 9am.

On 13 November 2024, Dr David Foster participated in a Stock Soiree investor event hosted by MarketOpen in Perth, where he showcased Island to potential investors.

On 15 November 2024, Island held a special in-person information session in Melbourne where Dr David Foster provided updates on the ISLA-101 Phase 2a/b PROTECT clinical trial, discussed the galidesivir due diligence program and covered other recent developments.

On 19 November 2024, the Island 2024 Annual General Meeting (AGM) was held in Sydney and was accessible virtually.

On 20 November 2024, Dr David Foster presented at Monsoon's Twilight Investor Briefing, providing updates on the ISLA-101 Phase 2a/b clinical trial in dengue fever, and progress on Island's pipeline expansion program.

On 27 November 2024, Island held an online briefing session for investors where Dr David Foster discussed the positive Safety Review Committee findings from the Phase 2a component of Island's Phase 2a/b clinical trial in dengue fever.

On 30 November 2024, Island was featured in a detailed analysis in an issue of Bioshares titled 'Island Pharmaceuticals Achieves Endpoints in Phase 2a Study in Dengue Fever'.

On 5 December 2024, Pitt Street Research released a research report on Island following the ISLA-101 Phase 2a dengue fever clinical trial results.

On 20 December 2024, Island released the Notice of Meeting for the Extraordinary General Meeting.

### Corporate – people and funding

On 19 July 2024 the Company announced the resignation of Joint Company Secretary Ms Stephanie Vipond for maternity leave. Cameron Jones remains as Company Secretary and is responsible for communications between the Company and the ASX pursuant to ASX Listing Rule 12.6.

On 19 September 2024 Island announced changes to its Board of Directors, including the appointment of Mr Chris Ntoumenpoulos as Non-Executive Director. In tandem Dr David Brookes announced his retirement from the Board to focus on other business activities.

On 3 October 2024, Island announced it had received firm commitments for a placement of A\$3.5m at A\$0.07 per share, plus attaching options for every share acquired. This new investment ensures Island is well-funded, enabling the achievement of critical near-term inflection points and pipeline build.

On 11 November 2024, Island announced that Dr Paul MacLeman and Dr Anna Lavelle had advised of their intentions to retire from the Island Board at the Company's 2024 Annual General Meeting.

On 15 November 2024, Island announced that Mr Phillip Lynch had been appointed Executive Chairman, effective following the 2024 Annual General Meeting.

On 2 December 2024, Island advised that, owing to work commitments, Dr Leigh Farrell had resigned from his position as a member of the Company's Scientific Advisory Board (SAB).

On 4 December 2024 the Company completed a two-tranche placement to existing and new investors to raise approximately A\$3.5 million at 7 cents (A\$0.07) per share with an attaching unlisted option for each share issued (Placement). The attaching unlisted options have an exercise price of 7 cents (A\$0.07). 50% of the options will expire on 4 December 2025 (12 months from issue) and the remaining 50% will expire on 4 December 2026 (24 months from issue). The Placement was approved by shareholders at the Annual General Meeting on 19 November 2024 and was managed by Island directly, with no broking fees paid to external parties.

Post-period Al Hansen departed the Board following the EGM on 28 January 2025.

### **Dividends**

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

### **Matters subsequent to the end of the financial half-year**

The Company held an Extraordinary General Meeting (EGM) on 28 January 2025 and results of the resolutions put to the members at the meeting are as follows:

- Phillip Lynch was re-elected as a Director of the Company, who was retiring and being eligible, offered himself for re-election
- Albert Hansen was not re-elected as a Director
- Shareholders approved the issue of 3,000,000 options over fully paid shares in the Company to Director, Phillip Lynch, exercisable at \$0.15 expiring 3 years after issue



Island Pharmaceuticals Limited  
Directors' report  
31 December 2024

As at the date of this report, \$644,310 has been received due to the exercise of 10,738,502 options (ASX: ILAO) post period end. The same number of ordinary shares have been issued as a result of the exercise.


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

  
\_\_\_\_\_  
Phillip Lynch  
Executive Chair

27 February 2025

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

### To the directors of Island Pharmaceuticals Limited

As lead auditor for the review of Island Pharmaceuticals 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 Island Pharmaceuticals Limited and the entities it controlled during the period.

William Buck

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

N. S. Benbow

**N. S. Benbow**  
Director

Melbourne, 27 February 2025

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Island Pharmaceuticals Limited  
Consolidated statement of profit or loss and other comprehensive income  
For the half-year ended 31 December 2024

	Note	31 Dec 2024 \$	31 Dec 2023 \$
<b>Revenue and other income</b>			
Grant income		-	10,000
R&D Grant Income	4	96,842	949,051
Interest Income		323	3,769
Total revenue and other income		<u>97,165</u>	<u>962,820</u>
<b>Expenses</b>			
Research and development expenses		(705,822)	(1,280,794)
Corporate and administration expenses		(454,644)	(483,912)
Share based payment expense		(56,799)	-
Employee benefits expense		(148,777)	(140,250)
Professional services expenses		(237,920)	(226,600)
Effect of changes in foreign exchange rates		682	26,514
Finance costs		(27,307)	(12,854)
Total expenses		<u>(1,630,587)</u>	<u>(2,117,896)</u>
<b>Loss before income tax expense</b>		(1,533,422)	(1,155,076)
Income tax expense		-	-
<b>Loss after income tax expense for the half-year attributable to the owners of Island Pharmaceuticals Limited</b>		(1,533,422)	(1,155,076)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(615)	7,459
Other comprehensive income for the half-year, net of tax		(615)	7,459
<b>Total comprehensive income for the half-year attributable to the owners of Island Pharmaceuticals Limited</b>		<u>(1,534,037)</u>	<u>(1,147,617)</u>
		<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings per share		(1.07)	(1.42)

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

Island Pharmaceuticals Limited  
Consolidated statement of financial position  
As at 31 December 2024

	Note	31 Dec 2024 \$	30 Jun 2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		3,992,215	1,660,377
Trade and other receivables		140,260	890,667
Prepayments		177,546	13,427
<b>Total current assets</b>		<u>4,310,021</u>	<u>2,564,471</u>
<b>Total assets</b>		<u>4,310,021</u>	<u>2,564,471</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5	385,283	571,701
Borrowings		-	421,968
Employee benefits		34,335	51,955
<b>Total current liabilities</b>		<u>419,618</u>	<u>1,045,624</u>
<b>Total liabilities</b>		<u>419,618</u>	<u>1,045,624</u>
<b>Net assets</b>		<u>3,890,403</u>	<u>1,518,847</u>
<b>Equity</b>			
Issued capital	6	26,257,139	22,393,812
Reserves		366,742	325,091
Accumulated losses		<u>(22,733,478)</u>	<u>(21,200,056)</u>
<b>Total equity</b>		<u>3,890,403</u>	<u>1,518,847</u>

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

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Island Pharmaceuticals Limited  
Consolidated statement of changes in equity  
For the half-year ended 31 December 2024

	Issued capital \$	Foreign exchange reserve \$	Share-based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	19,900,792	1,383	1,646,455	(19,763,257)	1,785,373
Loss after income tax expense for the half-year	-	-	-	(1,155,076)	(1,155,076)
Other comprehensive income for the half-year, net of tax	-	7,459	-	-	7,459
Total comprehensive income for the half-year	-	7,459	-	(1,155,076)	(1,147,617)
<i>Transactions with owners in their capacity as owners:</i>					
Transfer of fair value on expired options	-	-	(285,100)	285,100	-
Balance at 31 December 2023	<u>19,900,792</u>	<u>8,842</u>	<u>1,361,355</u>	<u>(20,633,233)</u>	<u>637,756</u>
	Issued capital \$	Foreign exchange reserve \$	Share-based payment reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	22,393,812	1,454	323,637	(21,200,056)	1,518,847
Loss after income tax expense for the half-year	-	-	-	(1,533,422)	(1,533,422)
Other comprehensive income for the half-year, net of tax	-	(615)	-	-	(615)
Total comprehensive income for the half-year	-	(615)	-	(1,533,422)	(1,534,037)
<i>Transactions with owners in their capacity as owners:</i>					
Vesting off share-based payments	-	-	62,799	-	62,799
Issue of ordinary shares	3,500,000	-	-	-	3,500,000
Issue of ordinary shares upon exercise of options	342,794	-	-	-	342,794
Transfer of fair value on exercised options	20,533	-	(20,533)	-	-
Balance at 31 December 2024	<u>26,257,139</u>	<u>839</u>	<u>365,903</u>	<u>(22,733,478)</u>	<u>3,890,403</u>

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

Island Pharmaceuticals Limited  
Consolidated statement of cash flows  
For the half-year ended 31 December 2024

	Note	31 Dec 2024 \$	31 Dec 2023 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees (inclusive of GST)		(1,940,783)	(1,751,410)
Interest received		323	3,769
R&D tax incentive received		865,230	386,345
Other government grants		-	10,000
		<u>                    </u>	<u>                    </u>
Net cash used in operating activities		<u>(1,075,230)</u>	<u>(1,351,296)</u>
		<u>                    </u>	<u>                    </u>
Net cash from investing activities		-	-
		<u>                    </u>	<u>                    </u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	6	3,500,000	-
Proceeds from issue of shares upon exercise of options		342,794	-
Proceeds from issue of options		6,000	-
Proceeds from borrowings		-	386,300
Repayment of borrowings		(449,275)	(78,958)
Interest and other finance costs paid		-	(3,905)
		<u>                    </u>	<u>                    </u>
Net cash from financing activities		<u>3,399,519</u>	<u>303,437</u>
		<u>                    </u>	<u>                    </u>
Net increase/(decrease) in cash and cash equivalents		2,324,289	(1,047,859)
Cash and cash equivalents at the beginning of the financial half-year		1,660,377	1,998,263
Effects of exchange rate changes on cash and cash equivalents		7,549	25,644
		<u>                    </u>	<u>                    </u>
Cash and cash equivalents at the end of the financial half-year		<u><u>3,992,215</u></u>	<u><u>976,048</u></u>

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

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### Note 1. General information

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

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.

Island Pharmaceuticals Limited (the 'Company') is a Company domiciled in Australia. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 December 2024 comprise the Company and its subsidiary entities (together referred to as the "Group" and individually as "Group entities").

The financial statements were authorised for issue, in accordance with a resolution of directors, on 27 February 2025.

### Note 2. 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, there was no impact on the amounts recognised in current or prior period and no expected significant changes in future periods.

The adoption of these new or amended Accounting Standards and Interpretations did not have an impact on the interim financial statements of the Consolidated Entity.

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

### Note 3. Operating segments

During the year the Group continued to operate a single segment, being research and development activities principally in the geographic regions of Australia and the United States of America.

### Note 4. R&D Grant Income

	31 Dec 2024	31 Dec 2023
	\$	\$
R&D Grant Income	96,842	949,051

During the period ending 31 December 2024 the Company received its FY2024 R&D refund of \$865,230. The R&D grant revenue recorded at 31 December 2024 relates to the partially accrued FY2025 R&D refund of \$96,842.

**Note 5. Trade and other payables**

	31 Dec 2024	30 Jun 2024
	\$	\$
Trade payables	156,623	311,807
Accrued expenses	191,963	156,823
Other payables	6,754	9,727
Owing to key management personnel	29,943	93,344
	<u>385,283</u>	<u>571,701</u>

**Note 6. Issued capital**

	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>181,596,795</u>	<u>126,767,093</u>	<u>26,257,139</u>	<u>22,393,812</u>

The following movements in ordinary shares were recorded during the half-year ended.

	31 Dec 2024	30 Jun 2024	31 Dec 2024	30 Jun 2024
	Shares	Shares	\$	\$
Opening Balance	126,767,093	81,268,468	22,393,812	19,900,792
Issue of ordinary shares	50,000,000	32,507,388	3,500,000	1,950,448
Issue of ordinary shares upon exercise of options	4,829,702	12,991,237	342,794	779,413
Transfer of fair value on exercise of options	-	-	20,533	-
Less: Share placement costs	-	-	-	(132,140)
Less: Cost of raising capital	-	-	-	(104,701)
	<u>181,596,795</u>	<u>126,767,093</u>	<u>26,257,139</u>	<u>22,393,812</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.

Upon a poll each share shall have one vote.

**Share buy-back**

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

**Options**

During the period 50,000,000 options were issued as approved by shareholders at the 2024 AGM in connection with Placement in October 2024. The options are exercisable at \$0.07, 50% expiring 12 months from issue (19 November 2025) and 50% expiring 24 months from issue (19 November 2026).

**Note 7. Commitments and contingencies**

The directors are of the opinion that there are no significant commitments and contingencies requiring disclosure for the Company as at 31 December 2024 (30 Jun 2024: nil).

**Note 8. Events after the reporting period**

The Company held an Extraordinary General Meeting (EGM) on 28 January 2025 and results of the resolutions put to the members at the meeting are as follows:



**Note 8. Events after the reporting period (continued)**

- Phillip Lynch was re-elected as a Director of the Company, who was retiring and being eligible, offered himself for re-election
- Albert Hansen was not re-elected as a Director
- Shareholders approved the issue of 3,000,000 options over fully paid shares in the Company to Director, Phillip Lynch, exercisable at \$0.15 expiring 3 years after issue

As at the date of this report, \$644,310 has been received due to the exercise of 10,738,502 options (ASX: ILAO) post period end. The same number of ordinary shares have been issued as a result of the exercise.

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.

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Island Pharmaceuticals 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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Phillip Lynch  
Executive Chair

27 February 2025

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## Independent auditor's review report to the members of Island Pharmaceuticals 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 Island Pharmaceuticals 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.

## 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



**N. S. Benbow**

Director

Melbourne, 27 February 2025