ZELIRA THERAPEUTICS LTD

ABN 27 103 782 378

APPENDIX 4E Preliminary Final Report

FOR THE YEAR ENDED 30 JUNE 2025

The following information is given to ASX under listing rule 4.3A.

1. Reporting period

Current Period **12 months ended 30 June 2025**

Prior Period **12 months ended 30 June 2024**

2. Results for announcement to the market

				% Change		
Consolidated Group	**Item**		**AUD $**			**AUD $**
Revenue – excluding interest received	**2.1**	down	94,296	99.3%	to	656
Loss after tax attributable to members	**2.2**	up	32,941,032	90.0%	to	(3,627,872)
Net loss attributable to members	**2.3**	up	32,941,032	90.0%	to	(3,627,872)
Dividend	**2.4**	N/A				

Overview

The principal activities of Zelira Therapeutics Limited and its controlled entities ("Group") during the financial year includes the following:

Zelira is a leading global biopharmaceutical company in the research, development and commercialisation of clinically validated cannabinoid-based medicines. Zelira owns a portfolio of proprietary revenue generating products and a pipeline of candidates undergoing clinical development positioned to enter global markets. The Company is focused on developing and clinically validating branded cannabinoid-based medicines in its prescription [Rx] business for the treatment of a variety of medical conditions including insomnia, autism and chronic noncancer pain as well as offering over the counter [OTC] products.

Zelira has established a special purpose vehicle (SPV) to conduct FDA Phase 1, Phase 2 and Phase 3 clinical trials for Zelira's proprietary and patent protected HOPE® 1. Zelira has contributed to the SPV its HOPE® 1 product, IP and real-world data for 55% equity ownership of the SPV. Cash investors will contribute a total of circa US$35 million to fund the SPV and US FDA trials for HOPE® 1 in exchange for a cumulative equity interest of 45% of the SPV. Zelira will manage the SPV as part of its business platform. The SPV has appointed iNGENū CRO Pty Ltd (iNGENū) as its Contract Research Organisation (CRO) to lead the clinical validation and regulatory registration of the study product with the US FDA through the submission of an Investigative New Drug (IND) application.

In May 2023, Zelira completed an IRB approved strategically designed multi-arm, head-to-head study targeting diabetic nerve pain. The clinical trial included a comprehensive comparison against the widely recognised and highly successful multi-billion dollar revenue generating drug Lyrica® (Pregabalin). With the findings underscoring the exceptional efficacy of our treatments in managing pain, with ZLT-L-007 demonstrating the most substantial reduction in pain severity, particularly at the 60-day and 90-day follow-up periods.

Zelira has developed Enhanced Distillate Capture and Dissolution Matrix (EDCDM) technology under the brand name Zyraydi™, that solves the problem of non-uniformity and separation of cannabinoid from powder bed, opening new ways to develop pharmaceutical grade solid oral dosage forms such as capsules and tablets. Zelira will be assessing opportunities for commercialisation of this technology.
Zelira's Rx business generates revenue from its proprietary medication, HOPE.

The Company has two proprietary formulations under the HOPE® brand that are generating revenue in Australia, Washington, D.C., Pennsylvania and Louisiana. Zelira will also be expanding commercialisation of ZENIVOL® – the world's first clinically validated cannabinoid drug for treatment of chronic insomnia into Germany via its German commercialisation partner Adjupharm GmbH following recent approval from German regulatory authority BfArM.

Zelira's OTC products in the oral and dermatology health care sectors are also generating revenue. Zelira, in partnership with SprinJeneCBD, launched a full line of oral care products, currently generating revenue in the US. Zelira also launched in 2021 the RAF FIVE™ brand, which consists of five OTC acne treatment products using a proprietary formulation incorporating cannabidiol (CBD).

Overview of results

A summary of the operating results for the year ended 30 June 2025 is as follows:

- Loss after tax was $3,849,672 representing an 89.52% decrease from FY2024 ($36,739,759).
- Net cash outflow from operating activities was $4,906,854 representing a 11.8% increase from FY2024 ($4,388,590).

Zelira continued to make meaningful progress in clinical validation, development, and funding throughout the 2025 financial year. The Company's 'multiple shots on goal' strategy, alongside its Launch, Learn, and Develop framework, remains central to its success and long-term growth ambitions.

Learn Events and Achievements

HOPE® surpasses 12 million dispensed doses in Pennsylvania with a clean safety record

- Since launch 6 years ago, HOPE® 1 and HOPE® 2 have now surpassed 12 million doses commercially dispensed through over 220,000 purchases in Pennsylvania
- No serious adverse events (SAEs) have been recorded in any jurisdiction where HOPE® is available, continuing to demonstrate the strong safety profile of the formulations.

Advancing clinical evidence with real-world and observational studies

- In May 2025, Zelira announced the publication of an IRB-approved observational study for ZLT-L-007, which demonstrated statistically significant superiority over Lyrica® (Pregabalin) in reducing pain intensity, improving sleep, and alleviating neuropathic symptoms in patients with diabetic neuropathy.
- This study further reinforces the Company's evidence-based approach and commitment to clinical validation.

Develop Events and Achievements

FDA Clinical Validation Pathway – HOPE® 1

- During FY25, Zelira advanced preparations for formal FDA clinical trials via the HOPE® SPV.
- In April 2025, the Company achieved a milestone with the full conversion of US$3.25 million in convertible notes into equity, ensuring long-term alignment of capital partners and bolstering the funding base for the FDA program.

Zenivol® capsule transition progresses

- Zelira continued work to transition Zenivol® from an oil-based formulation into a Zyraydi™-powered capsule.
- Development is progressing as planned, with formulation and manufacturing partner discussions ongoing.
- This transition is expected to enhance patient compliance and scalability.

Corporate

Strengthened SPV funding

- The HOPE® SPV secured additional funding support, with a US$681,000 tranche received in January 2025.
- Post-financial year end, further funding initiatives remain underway to progress toward the target US$35 million capitalisation, of which Zelira intends to retain a controlling 55% interest.

R&D Tax Incentive and Loan Facility

- In February 2025, Zelira received an A$1,152,779 cash refund under the Australian Federal Government's R&D Tax Incentive Scheme.
- Post-year end, Zelira also secured a $650,000 R&D loan facility against the anticipated FY25 rebate, strengthening working capital and enabling continued investment in the HOPE® clinical program.

Patent portfolio expansion

- In July 2025, Zelira was granted patents for HOPE® 1 and HOPE® 2 formulations targeting autism spectrum disorder by both the Australian Government Commission of Patents and the US Patent and Trademark Office (USPTO).
- These patents strengthen Zelira's intellectual property portfolio in CNS therapeutics and materially enhance the long-term value of the HOPE® platform.

Significant Changes in the State of Affairs

Refer above.

3. Consolidated Statement of Profit or Loss and Other Comprehensive Income

Refer to attached financial statements.

4. Consolidated Statement of Financial Position

Refer to attached financial statements.

5. Consolidated Statement of Cashflow

Refer to attached financial statements.

6. Dividends Paid or Recommended

The Directors have not recommended or paid a dividend**.**

7. Details of any Dividend or distribution reinvestment plans

The Company does not have any distribution reinvestment plans.

8. Statement of movements in Retained Earnings

Refer to attached financial statements.

9. Net tangible assets per security

	30 June 2025	30 June 2024
Number of securities	11,897,155	11,347,155
Net tangible assets per security in cents	(0.40)	(0.42)

10. Control gained over entities

The Company did not gain control over any entities during the period.

11. Details of associates and joint venture entities

The Company does not have any associates or joint venture entities.

12. Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position

Refer to attached financial statements.

13. Foreign entities disclosures

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

14. Additional information

Loss per Share on continuing operations	30 June 2025	30 June 2024
Basic (loss) earnings per share in cents	(33.52)	(322.27)
Diluted (loss) earnings per share in cents	(33.52)	(322.27)

After Balance Date Events

On 24 July 2025, the Company announced it had secured an R&D Loan Facility of $650,000, being less than 80% of the estimated R&D Tax Incentive for the financial year ending 30 June 2025. The Facility is secured against the anticipated R&D Tax Incentive Rebate for FY2025 and will be used for the advancement of the HOPE SPV clinical trial and general working capital.

Other than disclosed above, there are no events of a material nature or transaction, that have arisen since year end and the date of this report that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or its state of affairs.

15. Audit

The results are in the process of being audited.

Signed in accordance with a resolution of the Board of Directors of Zelira Therapeutics Limited:

Dr. Oludare Odumosu
Managing Director
Dated this 29th day of August 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	NOTE	2025 $	2024 $
Continuing operations			
Revenue	1	656	94,952
Cost of sales		(8,826)	(84,668)
Gross (loss)/profit		(8,170)	10,284
Other income	2	1,161,779	929,044
Compliance and regulatory expenses		(283,080)	(284,379)
Consultants and professional fees		(505,387)	(983,150)
Administration expenses		(484,518)	(417,965)
Director and employee expenses		(664,353)	(883,578)
Travel and accommodation expense		(4,649)	(17,270)
Share based payments		1,187,409	(35,775)
Research and development		(2,664,603)	(2,810,200)
Commercialisation expenses		(13,143)	(27,649)
Depreciation and amortisation expense		(270,479)	(479,038)
Finance costs		(407,213)	(739,272)
Other expenses		(98,490)	(9,510)
Impairment of goodwill		-	(30,747,083)
Impairment of inventory		(794,775)	(244,218)
Loss from continuing operations before income tax expense		(3,849,672)	(36,739,759)
Income tax expense		-	-
Loss for the year		(3,849,672)	(36,739,759)
Loss attributable to minority interests		(221,800)	(170,855)
Loss attributable to members of the parent entity		(3,627,872)	(36,568,904)
		(3,849,672)	(36,739,759)
Other Comprehensive Income *Items that may be reclassified to profit or loss*			
Foreign currency translation - attributable to minority interests		(48,077)	-
Foreign currency translation - attributable to members of the parent entity		(117,606)	(561,582)
Total Comprehensive Loss for the Year		(4,015,355)	(37,301,341)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	NOTE	2025 $	2024 $
CURRENT ASSETS			
Cash and cash equivalents		5,663	586,161
Trade and other receivables	3	130,790	308,234
Related party receivables		-	2,113,527
Inventories	4	477,913	1,252,311
TOTAL CURRENT ASSETS		614,366	4,260,233
NON-CURRENT ASSETS			
Right-of-use assets		97,522	211,779
Other financial assets		43,845	43,457
Property, plant and equipment		24,328	13,429
Intangible assets	5	520,634	654,519
TOTAL NON-CURRENT ASSETS		686,329	923,184
TOTAL ASSETS		1,300,695	5,183,417
CURRENT LIABILITIES			
Trade and other payables		3,449,577	3,407,452
Lease liabilities		151,270	146,063
Convertible notes	6	1,990,170	3,539,965
TOTAL CURRENT LIABILITIES		5,591,017	7,093,480
NON-CURRENT LIABILITIES			
Lease liabilities		-	149,580
Loans		-	2,113,527
TOTAL NON-CURRENT LIABILITIES		-	2,263,107
TOTAL LIABILITIES		5,591,017	9,356,587
NET LIABILITIES		**(4,290,322)**	**(4,173,170)**
EQUITY			
Issued capital	7	45,520,144	45,515,996
Reserves		34,983,469	31,305,248
Accumulated losses		(84,964,041)	(81,336,169)
Parent entity interest		(4,460,428)	(4,514,925)
Minority interest		170,106	341,755
TOTAL EQUITY		**(4,290,322)**	**(4,173,170)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Issued Capital	Accumulated Losses	Foreign Currency Reserve	Performance Rights Reserve	Share Based Payments Reserve	Contribution Reserve	Convertible Notes Reserve	Total	Minority Interest	Total Equity
	$	$	$	$	$	$	$	$	$	$
Balance as 1 July 2023	**45,515,996**	**(44,767,265)**	**(570,179)**	**27,454,564**	**2,275,556**	**1,893,400**	**-**	**31,802,072**	**(90,272)**	**31,711,800**
Loss for the year	-	(36,568,904)	-	-	-	-		(36,568,904)	(170,855)	(36,739,759)
Other comprehensive loss	-	-	(561,582)	-	-	-		(561,582)	-	(561,582)
Total comprehensive loss for the year	-	(36,568,904)	(561,582)	-	-	-		(37,130,486)	(170,855)	(37,301,341)
Share-based payments	-	-	-	(303,901)	339,676	-	-	35,775	-	35,775
Convertible notes issued	-	-	-	-	-	-	775,664	775,664	-	775,664
Transaction with minority interest	-	-	-	-	-	2,050	-	2,050	602,882	604,932
Balance at 30 June 2024	**45,515,996**	**(81,336,169)**	**(1,131,761)**	**27,150,663**	**2,615,232**	**1,895,450**	**775,664**	**(4,514,925)**	**341,755**	**(4,173,170)**
Balance as 1 July 2024	45,515,996	(81,336,169)	(1,131,761)	27,150,663	2,615,232	1,895,450	775,664	(4,514,925)	341,755	(4,173,170)
Loss for the year	-	(3,627,872)	-	-	-	-	-	(3,627,872)	(221,800)	(3,849,672)
Other comprehensive loss	-	-	(117,606)	-	-	-	-	(117,606)	(48,077)	(165,683)
Total comprehensive loss for the year	-	(3,627,872)	(117,606)	-	-	-	-	(3,745,478)	(269,877)	(4,015,355)
Issue of shares – At the Market Facility	4,148	-	-	-	-	-	-	4,148	-	4,148
Share-based payments	-	-	-	(1,407,575)	220,166	-	-	(1,187,409)	-	(1,187,409)
Convertible notes issued	-	-	-	-	-	-	(493,469)	(493,469)	-	(493,469)
Transaction with minority interest	-	-	-	-	-	5,476,705	-	5,476,705	98,228	5,574,933
Balance at 30 June 2025	**45,520,144**	**(84,964,041)**	**(1,249,367)**	**25,743,088**	**2,835,398**	**7,372,155**	**282,195**	**(4,460,428)**	**170,106**	**(4,290,322)**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 $	2024 $
Cash Flows from Operating Activities		
Receipts from customers	22,633	198,715
Payments to suppliers and employees	(3,653,409)	(3,607,436)
Payments for research and development	(946,498)	(941,925)
Interest received	370	564
Interest paid	(329,950)	(38,508)
Net cash (used in) operating activities	(4,906,854)	(4,388,590)
Cash Flows from Investing Activities		
Government grants and tax incentives	1,152,779	919,735
Net cash from/(used in) investing activities	1,152,779	919,735
Cash Flows from Financing Activities		
Proceeds from related party loan	2,098,007	-
Proceeds from issue of convertible notes	1,093,976	3,924,034
Proceeds from the issue of shares, net of transaction costs	(2,401)	-
Net cash from financing activities	3,189,582	3,924,034
Net (decrease)/increase in cash and cash equivalents	(564,493)	455,179
Effect of exchange rate fluctuations on cash held	(16,005)	(15,224)
Cash and cash equivalents at beginning of financial year	586,161	146,206
Cash and cash equivalents at end of financial year	5,663	586,161

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. REVENUE

	2025	2024
	$	$
Sales of goods	656	94,952
	656	94,952

Disaggregation of revenue

The disaggregation of revenue from the sale of goods is as follows:

Sale of Zenivol® and HOPE® – Australia	140	78,110
Sale of Oral care products – US	476	3,563
Other sales – US	40	13,279
	656	94,952

2. OTHER INCOME

	2025	2024
	$	$
Research and development incentive[1]	1,152,779	919,735
Rental income	9,000	9,000
Interest Income	-	309
	1,161,779	929,044

1. Research and development incentive relates to the Group's current period research and development (R&D) activities being registered by Innovation and Science Australia for the R&D Tax Incentive. The R&D refund was received by the Company in February 2025

3. TRADE AND OTHER RECEIVABLES

	2025	2024
	$	$
Trade receivables	4,687	12,991
GST receivable	20,383	20,518
Prepayments	98,573	110,032
Other current assets	7,147	164,693
	130,790	308,234

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

4. INVENTORIES

	2025	2024
	$	$
Raw materials – at cost	458,007	1,200,003
Work in progress – at cost	-	3,926
Finished goods – at cost	19,906	48,382
	477,913	1,252,311

5. INTANGIBLES

	Trademarks	Favourable leases	Goodwill	Total
	$	$		$
Opening balance at 30 June 2023	756,106	54,413	30,747,083	31,557,602
Accumulated amortisation	(117,736)	(38,264)	-	(156,000)
Impairment	-	-	(30,747,083)	(30,747,083)
Closing balance at 30 June 2024	638,370	16,149	-	654,519
Accumulated amortisation	(117,736)	(16,149)	-	(133,885)
Closing balance at 30 June 2025	520,634	-	-	520,634

6. CONVERTIBLE NOTES

	2025	2024
	$	$
Opening balance	3,539,965	-
Conversion of Director loan to convertible note	2,113,527	-
Proceeds from issue of convertible notes	1,093,976	3,925,353
Equity portion on issue of convertible notes	(500,991)	(785,071)
Equity portion – unwound	668,497	437,820
Conversion of SPV convertible notes to equity	(5,080,814)	-
Foreign currency differences	156,010	(38,137)
Closing balance	1,990,170	3,539,965

In August 2023, Zelira executed definitive agreements with the 2011 Forman Trust and Mr Malik Majeed, to raise a total of US$3.25 million funding for Zelira to initiate HOPE® FDA clinical trials (the 'SPV Convertible Notes'). The SPV Convertible Notes funds were received in the following four tranches:

- US$1,069,000 in August 2023
- US$819,000 in January 2024
- US$681,000 in May 2024
- US$681,000 in January 2025 bringing the total funds received via the SPV Convertible Notes to US$3.25 million.

The key terms of the SPV Convertible Notes are as follows:

- Interest accrues on each instrument at 10% per annum;
- 12-month term for each SPV Convertible Note;
- Origination fee of 0.5%;
- The SPV Convertible Notes will be secured by a first ranking security over the assets of the SPV; and
- The SPV Convertible Notes are convertible into a fixed number of shares, equating to a cumulative value of 4.02% of shares of the SPV

6. CONVERTIBLE NOTES (CONT.)

On 28 April 2025, the Company announced the full conversion of the SPV Convertible Notes, including accrued interest, into equity in the Hope®1 SPV. The details of the conversion (in US$) was as follows:

Holder	Principal Amount	Accrued Interest	Conversion Shares
2011 Forman Trust	$3,000,000	$288,520	42,281
Mr Malik Majeed	$250,000	$38,356	3,707
Total	$3,250,000	$326,876	45,988

On 28 June 2024, the Company entered into a US$1,400,000 Loan Note with Mr Osagie Imasogie, Chairman of the Board. The key terms of the Loan Note are as follows:

- Interest at 20% per annum paid monthly in cash
- Maturity on 28 June 2026
- The Loan Note is unsecured
- Drawdown of the Loan Note is required within 2 business days and as such the Company recognised a receivable at 30 June 2024

The funds from the Loan Note were used to support the advancement of the HOPE® SPV clinical trial and general working capital requirements. The funds were received by the Company on 4 July 2024.

In November 2024, at the Annual General Meeting, shareholders approved the conversion of the Loan Note to a Convertible Loan Note with a USD$0.40 conversion price. This represented over a 100% premium to the closing price on 28 June 2024.

As the convertible notes can be converted to equity at any time, at the option of the holder, all convertible notes have been recognised as current in accordance with AASB 132 Financial Instruments: Presentation.

7. ISSUED CAPITAL

	2025	2024
	$	$
	45,520,144	45,515,996

	Year to 30 June 2025 No.	Year to 30 June 2024 No.	Year to 30 June 2025 $	Year to 30 June 2024 $
Movements in ordinary shares on issue				
At start of period	11,347,155	11,347,155	45,515,996	45,515,996
Issue of shares – At the Market Facility	550,000	-	-	-
Sale of shares – At the Market Facility	-	-	31,008	-
Transaction costs	-	-	(26,860)	-
At end of period	11,897,155	11,347,155	45,520,144	45,515,996

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

8. EARNINGS/(LOSS) PER SHARE

		2025	2024
		$	$
(a)	(Loss) used in the calculation of basic and dilutive loss per share	(3,849,672)	(36,568,904)
Basic loss per Share		Number of Shares	Number of Shares
(b)	Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share:	11,483,144	11,347,155
	Basic (loss) per share (cents per share)	(33.52)	(322.27)
Diluted loss per Share		Number of Shares	Number of Shares
(b)	Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share:	11,483,144	11,347,155
	Basic (loss) per share (cents per share)	(33.52)	(322.27)

The number of ordinary shares used in the calculation of Diluted Loss per Share is the same as the number used in the calculation of Basic Loss per Share in the year ended 30 June 2025 and the prior year ended 30 June 2024, as options and performance rights are not considered dilutive as a loss was incurred in both years.