

Noxopharm Limited

ABN 50 608 966 123

Audited Financial Statements - 30 June 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Noxopharm Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of Noxopharm Limited during the whole of the financial 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, Chief Executive Officer and Managing Director

Principal activities

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

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$3,578,117 (30 June 2023: loss of \$15,056,373).

During the financial year, the consolidated entity has:

- Prioritised the allocation of resources to the development of the Chroma™ and Sofra™ programs. Noxopharm's preclinical portfolio and the opportunity to enter new and emerging clinical markets offered a strong level of risk mitigation for the company along with increased out-licensing opportunities, and reflected the best use of shareholder funds to maximise value.
- Signed several Material Transfer Agreements (MTAs) with a range of mid-size to multibillion-dollar companies in order for them to evaluate the potential of Noxopharm's Sofra platform. The companies are testing a number of novel and proprietary assets from the platform. Each company is investing its own time and resources to perform the studies required to assess the potential of the assets, and a variety of use cases are being explored.
- Scaled up production of the preclinical SOF-SKN lupus medication to the quality standards that will be required for upcoming regulatory submissions. Noxopharm commenced work on formulation and optimal dosing to maximise SOF-SKN's efficacy and tolerability in patients with autoimmune disease.
- Announced new data showing that the SOF-VAC mRNA vaccine enhancer significantly reduces inflammation driven by mRNA in an animal model. This was an important finding as many side effects of mRNA vaccines are due to inflammation. The mRNA market has significant potential and growth prospects, with increasing interest worldwide in the ability of mRNA technology to target various diseases.
- Secured Orphan Drug Designation (ODD) status from the US Food and Drug Administration for the company's CRO-67 preclinical drug candidate, for the treatment of pancreatic cancer. CRO-67's designation as an orphan drug supports the company's development plan for the asset, and its future commercial value, as Noxopharm continues to build the data package that will be required for regulatory progression.
- Announced further encouraging preclinical data from the proprietary novel CRO-67 dual-cell therapy drug developed under its Chroma platform, which is effective in killing both pancreatic cancer cells and their barrier cells to achieve a more profound anti-cancer treatment outcome. CRO-67 significantly reduced tumour volume *in vivo* by an average of 56.7% versus the untreated controls, and slowed down the rate at which the tumours grew by 48%.
- Received \$100,000 from Tour de Cure to progress encouraging preclinical work on a novel first-in-class brain cancer drug, in conjunction with the University of South Australia.
- Taken various actions to reduce expenditure across the business by streamlining operations and focusing investments following the restructure in late 2023 with the closure of the Veyonda clinical trials. This saw a reduction in operating expenses from \$16.7M in 2023 to \$7M for the current year.
- Renewed its strategic partnership with Hudson Institute of Medical Research for a further 12 months. The partnership and in-licensed technology are key components of the company's Sofra platform, via which Noxopharm is building a promising portfolio of assets.
- Utilised short term borrowings which were repaid in full on receipt of the 2023 research and development rebate.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

Matters subsequent to the end of the financial year

On 21 August 2024, the Company signed a secured loan agreement with Endpoints Capital Pty Ltd for up to \$1,858,697. This is advanced funding against the 2023/24 ATO Research and Development tax rebate claim to meet the Company's short term working capital requirements. The interest rate on this facility is 15.80% per annum and is repayable on receipt of the 2023/24 ATO tax rebate claim. The Company drew down \$1,800,000 of this facility on 5 September 2024.

During September 2024, the Company issued \$2.1 million in Convertible Notes to sophisticated investors. These notes are to be funded in January 2025, are secured over the 2024/25 ATO R&D tax rebate and attract an interest rate of 12% capitalised until the date the Notes are fully repaid or converted into Shares. These notes expire on 2 January 2026, and have a conversion price of \$0.0992 (being a 20% discount to the average 5 day VWAP ending 6 September 2024, namely \$0.1239) or a lower price if the Company undertakes a capital raise at any time before the expiry date. The Notes have a conversion floor price of \$0.07.

As an incentive to participating in the Notes, the investors will receive 420,000 (50,000 per \$250,000 invested) unlisted options at a strike price of \$0.1488, with a three year term expiring on 10 September 2027.

In addition, during September 2024, 4F Investments Pty Limited (a company controlled by Fred Bart, Chairman) indicated its intention to subscribe to a secured Convertible Note for \$500,000 on the same terms and conditions as the \$2.1 million in Notes issued to sophisticated investors in September 2024, subject to approval by shareholders at the AGM. Once shareholder approval has been obtained under sections 10.1 and 10.11 of the ASX Listing Rules, the Convertible Note will be issued to 4F Investments Pty Limited. Once shareholder approval is obtained for the issue of the Note to 4F Investments, 4F Investments Pty Limited will receive as an incentive for participating in the Note of 100,000 unlisted options (50,000 per \$250,000 invested) at a strike price of \$0.1488, with a three year term expiring on 10 September 2027.

Except as noted above, no matter or circumstance has arisen since 30 June 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.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Material Business Risks

Future Funding

While the Company has sufficient forecast cash resources to sustain operations for the next twelve months operations, Beyond this, the ability of the Company to continue as a going concern is principally dependant upon the ability of the company to secure additional working capital. These funds may be made up of loans or by raising capital from equity markets. The Company is carefully managing cash flows in line with available funding. There is a risk that the company may be unable to secure adequate funding to sufficiently fund its core operations

Commercialisation Success

The Company faces the risk that it does not successfully commercialise technologies from its drug development pipeline. There are no guarantees that the Company will be able to negotiate attractive commercial terms for future licence agreements. The Company proactively engages with key stakeholders to manage this risk.

Competition and New Technologies

There is the risk from the effect of the development of similar or superior technologies that may impact the commercialisation of the Company's current technology platforms. This risk is mitigated by strong intellectual property ("IP") protection, being first to market and the continual monitoring of identified competitive IP.

Drug Development Failure

There is the potential for lead drug candidate failure due to issues with safety and toxicity, the generation of non-supportive data to a method of action, efficacy signals or biomarker identification or sub therapeutic PK levels. The Company seeks to reduce this risk by having a robust drug development pipeline and alternative drug candidates. The Company uses a matrix to select the lead drug candidate using *in vitro* and *in vivo* data.

Cyber Security

Like every company in the world Noxopharm's systems, data, and networks are subject and vulnerable to malicious attacks, including computer viruses, spyware, ransomware, and hosts of other emerging security concerns. The company has spent and continues to spend considerable resources to prevent unauthorized accesses, data loss, and cyber malicious attacks, using the best of breed cyber security systems.

Information on directors

Name: Mr. Frederic Bart
Title: Non-Executive Chairman
Experience and expertise: In 1985, Mr Bart was appointed the Managing Director of Textile Industries Australia. The Group employed over 1,200 people and distributed product to many countries worldwide. The Company manufactured and distributed the majority of bed linen in Australia under brands like Sheridan and ACTIL. The Company was sold in 1987.

In 1989, Mr Bart established and chairs a number of private companies under the umbrella of the Bart Group which covered hotels, retail, commercial and residential land development and technologies which still continue to operate. The Group today employs in excess of 1,000 people and is active in many local and overseas markets.

In 2001, Mr Bart became Chairman of Electro Optic Systems Holdings Limited (ASX: EOS). Since that time it has grown to be one of Australia's premier defence companies with activities in many countries worldwide employing over 400 people and is currently included in the S&P/ASX 300.

In September 2000, Mr Bart became a director and Chairman of Audio Pixels Holdings Limited (ASX: AKP). Audio Pixels is developing the first digital speaker in the world and currently has a market capitalisation of over \$181m.

In 2013, Mr Bart became Director and majority shareholder of Immunovative Therapies Limited, a private Israeli company involved in the manufacture of vaccines for the treatment of certain forms of cancer. The Company has undertaken trials in both colorectal and liver cancers.

Other current directorships: Fred Bart is Chairman of ASX listed companies, Audio Pixels Holdings Limited (ASX: AKP) and Phoslock Environmental Technologies (ASX: PET).

Former directorships (last 3 years): Electro Optics Systems Holdings Limited (ASX: ESO) - resigned 27 July 2021, Weebit Nano Limited - resigned 27 June 2023.

Special responsibilities: Member of Audit and Risk Committee
Member of Remuneration Committee

Interests in shares: 7,507,813

Interests in options: Nil

Name: Mr. Peter Marks
Title: Non-Executive Director and Deputy Chairman
Experience and expertise: Mr Peter Marks has over 35 years' experience in corporate advisory and investment banking. Over the course of his career, he has specialised in capital raising IPOs, cross border capital raisings, M&A transactions, corporate underwriting and venture capital transactions for companies based in Australia, the US and Israel. He has been involved in a broad range of transactions with a special focus in the life-sciences, biotechnology, medical technology and high tech as well as the mining sector. Peter has served as both an Executive and Non-Executive Director of a number of different entities, many of which have been listed on the ASX, Nasdaq and AIM markets.

Other current directorships: Peter holds a Bachelor of Economics, Bachelor of Laws and a Graduate Diploma in Commercial Law from Monash University, Australia. He also holds an MBA from the University of Edinburgh, Scotland.
Alterity Therapeutics Limited (ASX:ATH) - since 29 July 2005 (formerly known as Prana Biotechnology Limited, Iris Metals (ASX:IR1) - since December 2020 and Evergreen Lithium Limited (ASX:EG1) since 21 January 2022.
Former directorships (last 3 years): Elsight Limited (ASX:ELS) - resigned 30 November, 2021 and Nyrada Limited (ASX:NYR) - resigned 1 August 2022.
Special responsibilities: Chair of Audit and Risk Committee
Chair of Remuneration Committee
Interests in shares: 900,000
Interests in options: -

Name: Mr. Boris Patkin
Title: Non-Executive Director
Experience and expertise: Boris brings comprehensive market knowledge, thorough research and years of experience in investment markets and business consulting.

As a financial and investment advisor, Boris has an in-depth understanding of industry trends and has valuable insight into domestic and international markets. He specialises in the reconstruction of companies, investments and in international trade and is also an experienced business consultant in the medical and disruptive technology arena.

Other current directorships: Boris has completed a Bachelor of Science (Industrial Chemistry) from UNSW. He is currently a member of MeSAFAA and is a senior advisor with Morgans Financial Ltd.
Non-Executive Chairman of Ausmon Resources Ltd (ASX:AOA) - since 2014
Former directorships (last 3 years): N/A
Special responsibilities: Member of Audit and Risk Committee
Member of Remuneration Committee
Interests in shares: 630,000
Interests in options: 250,000

Name: Dr. Gisela Mautner
Title: Chief Executive Officer and Managing Director
Experience and expertise: Dr Gisela Mautner has more than 20 years of extensive leadership experience in global pharmaceutical organisations, including operational, medical and scientific advisory roles across multiple therapeutic areas. During her career she held senior positions at global pharmaceutical companies like MSD (Merck), Bayer and Amgen in Germany as well as Australia.

She holds a Doctor of Medicine degree and a PhD from Germany, a Master of Public Health (MPH) from Harvard University, and a Master of Business Administration (MBA) from Northwestern University of Chicago.

Gisela was appointed Chief Executive Officer and Managing Director of Noxopharm Limited in 2022, previously serving as Chief Medical Officer since 2019.

Other current directorships: Nyrada Inc. (ASX:NYR) - appointed 1 August 2022
Former directorships (last 3 years): N/A
Interests in shares: -
Interests in options: 2,000,000 performance options, 135,000 unlisted options.

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and exclude directorships of all other types of entities, unless otherwise stated.

Company secretary

Mr. David Franks

David Franks (BEc, CA, FFin, FGIA, JP) has held the position of Company Secretary since 16 January 2017.

David is a Director and Principal of the Automic Group. He is a Chartered Accountant, Fellow of the Financial Services Institute of Australasia, Fellow of the Governance Institute of Australia, Justice of the Peace and Registered Tax Agent.

With over 25 years' experience as a Director and Company Secretary of numerous unlisted and publicly listed entities, David has been involved in a range of industries including energy retailing, transport, financial services, mineral and oil & gas exploration, technology, automotive, software development and commercialisation and healthcare.

David is currently the Company Secretary for COG Financial Services Limited, Cogstate Limited, Dubber Corporation Limited, Evergreen Lithium Limited, Tryptamine Therapeutics Limited (formerly Exopharm Limited), GB Energy Holdings Limited, IRIS Metals Limited, IXUP Limited, JCurve Solutions Limited, Nyrada Inc, Omega Oil & Gas Limited, Superhero Holdings Limited and White Energy Company Limited.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee		Remuneration Committee	
	Attended	Held	Attended	Held	Attended	Held
Mr. Frederic Bart	6	6	1	2	1	1
Mr. Peter Marks	6	6	2	2	1	1
Mr. Boris Patkin	6	6	2	2	1	1
Dr. Gisela Mautner	6	6	-	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The Remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

Remuneration governance

The objective of the remuneration committee is to ensure that pay and rewards are competitive and appropriate for the results delivered. The remuneration committee charter adopted by the Board aims to align rewards with achievement of strategic objectives and the creation of value for shareholders. The remuneration framework applied provides a mix of fixed and variable pay and a blend of short and long-term incentives as appropriate. Issues of remuneration are considered annually or otherwise as required.

Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. The Company's policy is to remunerate Non-Executive Directors at market rates (for comparable companies) for time commitment and responsibilities. Fees for Non-Executive Directors are not linked to the performance of the Company, however to align Directors' interests with shareholders' interests, Directors are encouraged to hold shares in the Company.

Non-Executive Directors' fees and payments are reviewed annually by the Board of Directors. The Board of Directors considers advice from external sources (excluding remuneration consultants) as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. Each director receives a fee for being a director of the company.

The Chairman's fees are determined independently to the fees of other Non-Executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Retirement benefits and allowances

No retirement benefits are payable other than statutory superannuation, if applicable to the Directors of the Company.

Other benefits

No motor vehicle, health insurance or other similar allowances are made available to Directors (other than through salary-sacrifice arrangements).

Executive remuneration

Executive pay and reward consists of base pay, short-term performance incentives, long-term performance incentives and other remuneration such as superannuation. Superannuation contributions are paid into the executive's nominated superannuation fund.

Base Pay

Executives are offered a competitive level of base pay which comprises the fixed (unrisks) component of their pay and rewards. Base pay for senior executives is reviewed annually to ensure market competitiveness. There are no guaranteed base pay increases included in any senior executives' contracts.

Short-term and long-term incentives

The Company currently operates an Executive Share Option Plan ("ESOP") which has been approved by shareholders in the 2016 Annual General Meeting. The Company currently operates a Loan Funded Performance Share Plan ("LFPSP") which has been approved by shareholders in the 2022 Annual General Meeting.

Performance based Remuneration

The purpose of a performance bonus is to reward individual performance in line with company objectives. Consequently, performance based remuneration is paid to an individual where the individual's performance clearly contributes to a successful outcome for the consolidated entity. This is regularly measured in respect of performance against key performance indicators (KPIs).

The Company uses a variety of KPIs to determine achievement, depending on the role of the executive being assessed. These include:

- Successful contract negotiations;
- Company share price consistently reaching a targeted rate on the ASX or applicable market over a period of time;
- Company undertaking R&D activities within specified time frames.

Securities Trading Policy

The trading of Company's securities by employees and Directors is subject to, and conditional upon, the Securities Trading Policy which is available on the Company's website (www.noxopharm.com).

If remuneration consultants are to be engaged to provide remuneration recommendations as defined under section 9B of the Corporations Act 2001, then they are engaged by, and report directly to, the remuneration committee. No remuneration consultants were engaged to provide remuneration services during the financial year.

Remuneration Policy vs Financial Performance

The Company's policy is to remunerate based on industry practice and benchmark industry salaries in conjunction with individuals' performance as this takes into account the risk and liabilities assumed by directors and executives as a result of their involvement in an R&D Biotech company.

Directors and executives are fairly compensated for the extensive work they undertake.

Voting and comments made at the company's 2023 Annual General Meeting ('AGM')

At the 2023 AGM, more than 75% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors and executives of Noxopharm Limited:

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

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary *	Super-annuation	Long service leave	Equity-settled	
2024	\$	\$	\$	\$	\$	\$	\$
<i>Directors:</i>							
Mr. Frederic Bart	40,541	-	-	4,459	-	-	45,000
Mr. Peter Marks	60,000	-	-	-	-	-	60,000
Mr. Boris Patkin	45,000	-	-	-	-	-	45,000
Dr. Gisela Mautner	472,250	-	(31,538)	51,947	7,964	-	500,623
	<u>617,791</u>	<u>-</u>	<u>(31,538)</u>	<u>56,406</u>	<u>7,964</u>	<u>-</u>	<u>650,623</u>

* provision for annual leave - credit due to annual leave cashed out.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary *	Super-annuation	Long service leave	Equity-settled	
2023	\$	\$	\$	\$	\$	\$	\$
<i>Directors:</i>							
Mr. Frederic Bart	40,724	-	-	4,276	-	-	45,000
Dr. Graham Kelly (resigned 20 September 2022)	29,171	-	-	3,063	-	-	32,234
Mr. Peter Marks	60,000	-	-	-	-	-	60,000
Mr. Boris Patkin	45,000	-	-	-	-	11,690	56,690
Dr. Gisela Mautner (appointed 1 February 2022)	410,000	-	31,660	43,050	6,852	-	491,562
	<u>584,895</u>	<u>-</u>	<u>31,660</u>	<u>50,389</u>	<u>6,852</u>	<u>11,690</u>	<u>685,486</u>

* provision for annual leave

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2024	2023	2024	2023	2024	2023
<i>Directors:</i>						
Mr. Frederic Bart	100%	100%	-	-	-	-
Mr. Peter Marks	100%	100%	-	-	-	-
Mr. Boris Patkin	100%	79%	-	-	-	21%
Dr. Gisela Mautner	100%	100%	-	-	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Dr. Gisela Mautner
Title:	Chief Executive Officer and Managing Director
Agreement commenced:	1 February, 2022
Term of agreement:	Open
Details:	Noxopharm Limited
	Annual salary of \$410,000 plus superannuation at statutory rate. Notice period of 90 days by Executive or the Company.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
6 November 2020	6 November 2021	6 November 2024	\$0.5500	\$0.329
31 May 2021	15 December 2021	15 December 2024	\$0.6810	\$0.314
31 May 2021	15 December 2022	15 December 2024	\$0.6810	\$0.313
1 February 2022	*	1 February 2026	\$0.5400	\$0.310

Options granted carry no dividend or voting rights.

* The performance options will vest on the achievement of any of the following:

- i) The Company being purchased in entirety (business sale/share sale); or
- ii) An AUD\$10 million or greater investment in the Company; or
- iii) Entering into a licencing agreement with a large Pharmaceutical Company.

The Directors have estimated 100% likelihood of the vesting criteria being achieved and as a result the full fair value of the options has been expensed.

The number of options over ordinary shares granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2024 are set out below:

Name	Number of options granted during the year 2024	Number of options granted during the year 2023	Number of options vested during the year 2024	Number of options vested during the year 2023
Mr. Boris Patkin	-	-	-	125,000

Additional information

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2024	2023	2022	2021	2020
Share price at financial year end (cents)	6.60	4.30	19.50	64.50	16.50
Share price HIGH for the financial year ended 30 June (cents)	14.10	30.00	69.50	95.00	45.92
Share price LOW for the financial year ended 30 June (cents)	3.40	3.90	17.50	18.50	8.39

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Mr. Frederic Bart	7,253,932	-	253,881	-	7,507,813
Mr. Peter Marks	900,000	-	-	-	900,000
Mr. Boris Patkin	630,000	-	-	-	630,000
	<u>8,783,932</u>	<u>-</u>	<u>253,881</u>	<u>-</u>	<u>9,037,813</u>

Dr. Gisela Mautner holds no shares as at 30 June 2024 (2023: nil).

Option holding - Company

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Mr. Frederic Bart	3,846,154	-	-	(3,846,154)	-
Mr. Boris Patkin	250,000	-	-	-	250,000
Dr. Gisela Mautner	2,265,208	-	-	(130,208)	2,135,000
	<u>6,361,362</u>	<u>-</u>	<u>-</u>	<u>(3,976,362)</u>	<u>2,385,000</u>

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Noxopharm Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
6 November 2020 **	6 November 2024	\$0.5500	697,500
31 May 2021	15 December 2024	\$0.6810	250,000
1 February 2022	1 February 2026	\$0.5400	2,000,000
			<u>2,947,500</u>

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

** Issued under the Noxopharm employee share plan.

Shares issued on the exercise of options

No ordinary shares of Noxopharm Limited were issued during the year ended 30 June 2024 and up to the date of this report on the exercise of options granted:

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company has not paid a premium in respect of a contract to insure the officers of the company or any related entity.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of William Buck Audit (Vic) Pty Ltd

There are no officers of the company who are former partners of William Buck Audit (Vic) Pty Ltd.

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.

Auditor

William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Fred Bart
Chairman

27 September 2024

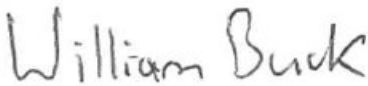
Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Noxopharm Limited

As lead auditor for the audit of Noxopharm Limited for the year ended 30 June 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 audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

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



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



R. P. Burt
Director
Melbourne, 27 September 2024

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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 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 27 September 2024. The directors have the power to amend and reissue the financial statements.

Corporate Governance Statement

The Corporate Governance Statement is available on the Company's website at <http://www.noxopharm.com>

Noxopharm Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024



	Note	Consolidated 2024 \$	2023 \$
Income			
Other income	4	2,407,206	6,092,595
Net gain/ (loss) on investment at fair value through profit and loss	7	1,047,771	(4,452,981)
Expenses			
Corporate administration expenses	5	(1,099,009)	(1,669,278)
Research and development expenses		(2,935,087)	(10,646,584)
Depreciation and amortisation expenses		(1,743)	(154,534)
Consulting, employee & director expenses	5	(2,966,095)	(4,184,596)
Finance costs	5	(31,160)	(40,995)
Loss before income tax expense		(3,578,117)	(15,056,373)
Income tax expense		-	-
Loss after income tax expense for the year attributable to the owners of Noxopharm Limited		(3,578,117)	(15,056,373)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Noxopharm Limited		<u>(3,578,117)</u>	<u>(15,056,373)</u>
		Cents	Cents
Basic earnings per share	22	(1.22)	(5.15)
Diluted earnings per share	22	(1.22)	(5.15)

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

Noxopharm Limited
Statement of financial position
As at 30 June 2024



	Note	Consolidated 2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents		2,319,927	3,008,674
Trade and other receivables	6	2,403,790	6,084,656
Prepayments		44,549	65,657
Total current assets		<u>4,768,266</u>	<u>9,158,987</u>
Non-current assets			
Financial assets at fair value through profit and loss	7	2,009,824	962,052
Plant and equipment		5,668	7,411
Total non-current assets		<u>2,015,492</u>	<u>969,463</u>
Total assets		<u>6,783,758</u>	<u>10,128,450</u>
Liabilities			
Current liabilities			
Trade and other payables	8	917,644	716,981
Employee benefits		328,751	245,167
Total current liabilities		<u>1,246,395</u>	<u>962,148</u>
Non-current liabilities			
Employee benefits		42,219	93,041
Total non-current liabilities		<u>42,219</u>	<u>93,041</u>
Total liabilities		<u>1,288,614</u>	<u>1,055,189</u>
Net assets		<u>5,495,144</u>	<u>9,073,261</u>
Equity			
Issued capital	9	74,635,721	74,635,721
Reserves	10	929,766	6,498,058
Accumulated losses		(70,070,343)	(72,060,518)
Total equity		<u>5,495,144</u>	<u>9,073,261</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 year ended 30 June 2024



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	74,635,721	8,285,254	(58,803,031)	24,117,944
Loss after income tax expense for the year	-	-	(15,056,373)	(15,056,373)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(15,056,373)	(15,056,373)
<i>Transactions with owners in their capacity as owners:</i>				
Vesting of share based payments	-	11,690	-	11,690
Expiry of options	-	(1,798,886)	1,798,886	-
Balance at 30 June 2023	<u>74,635,721</u>	<u>6,498,058</u>	<u>(72,060,518)</u>	<u>9,073,261</u>
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 year	-	-	(3,578,117)	(3,578,117)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(3,578,117)	(3,578,117)
<i>Transactions with owners in their capacity as owners:</i>				
Expiry of options	-	(5,568,292)	5,568,292	-
Balance at 30 June 2024	<u>74,635,721</u>	<u>929,766</u>	<u>(70,070,343)</u>	<u>5,495,144</u>

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

Noxopharm Limited
Statement of cash flows
For the year ended 30 June 2024



	Note	Consolidated	
		2024	2023
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(6,713,004)	(16,045,301)
Interest received		6,930	85,797
Receipt from R&D tax rebate		6,052,925	5,011,681
Receipts from Government Grants		-	25,000
		<u>(653,149)</u>	<u>(10,922,823)</u>
Interest and other finance costs paid		(31,161)	(23,522)
Net cash used in operating activities	21	<u>(684,310)</u>	<u>(10,946,345)</u>
Cash flows from investing activities			
Proceeds from release of security deposits		-	123,512
Net cash from investing activities		<u>-</u>	<u>123,512</u>
Cash flows from financing activities			
Proceeds from related party borrowings		2,000,000	-
Repayment of related party borrowings		(2,000,000)	-
Lease Payments - building		-	(178,095)
Net cash used in financing activities		<u>-</u>	<u>(178,095)</u>
Net decrease in cash and cash equivalents		(684,310)	(11,000,928)
Cash and cash equivalents at the beginning of the financial year		3,008,674	14,010,668
Effects of exchange rate changes on cash and cash equivalents		(4,437)	(1,066)
Cash and cash equivalents at the end of the financial year		<u><u>2,319,927</u></u>	<u><u>3,008,674</u></u>

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

Note 1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, 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.

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

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

New or amended Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations is that none are deemed to have a material impact on the entity

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Noxopharm Limited is a for-profit entity for the purpose of preparing the financial statements. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

These financial statements have been prepared under the historical cost convention, with the exception of the fair valuation of the investment in Nyrada.

Critical accounting estimates

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

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The consolidated entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 18.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Noxopharm Limited ('company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Noxopharm Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

Note 1. Material accounting policy information (continued)

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Other Income recognition

Other income is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Other income is measured at the fair value of the consideration received or receivable.

Government research and development tax incentives

Government grants, including research and development incentives are recognised at fair value when there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to research and development expenditure are recognised as income over the periods necessary to match the grant costs they are compensating. The incentive is recognised as income as it is not tied to offsetting assessable income in tax.

Research and development costs

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably, the asset is available for use or sale, the Company can demonstrate there is a market for the asset, expenditures for the development of the asset can be reliably measured and the Company has the necessary assets to complete the development and to use and sell the asset.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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 2024 rebate for \$2.3M has been accrued into income for the year ended 30 June 2024 (2023: \$5.9M).

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 claim 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.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Non-recognition of carried forward tax losses

The balance of future income tax benefit arising from timing differences and carried-forward losses 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 Inc. 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 market price of 5.9 cents as at 30 June 2024.

Nyrada Inc. performance shares (level 3): The 12,000,600 Nyrada performance shares were externally valued considering Level 3 hierarchy fair value inputs such as - the spot price of 5.9 cents, a risk free interest rate of 4.085% (based on Australian government bond rate as a proxy), a historical volatility factor of 138.97% and the Monte Carlo approach for estimating the probability of the market based vesting conditions being achieved. The milestones to be achieved for each tranche is as follows:

Tranche 1:

- i) The trading price for Nyrada Chess Depositary Interests (CDI's) on the ASX achieving at least \$0.40 for 5 consecutive trading days; and
- ii) The Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead neuroprotectant drug candidate is ready to proceed to pre-clinical safety and toxicology studies ("non-CDI price-based milestone").

Tranche 2:

- i) The trading price for Nyrada Chess Depositary Interests (CDI's) on the ASX achieving at least \$0.40 for 5 consecutive trading days; and
- ii) The Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead peripheral neuropathic pain drug candidate is ready to proceed to pre-clinical safety and toxicology studies ("non-CDI price-based milestone").

Both tranches of options expire 25 November 2024.

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 annual report.

Note 4. Income

	Consolidated	
	2024	2023
	\$	\$
Interest income	6,930	82,509
Federal Government Grants	-	25,000
R&D tax incentives [^]	2,400,276	5,985,086
	<u>2,407,206</u>	<u>6,092,595</u>

[^] The Research and Development Tax Incentive programme provides tax offsets for expenditure on eligible R&D activities. Under the programme, Noxopharm, having expected aggregated annual turnover of under \$20 million, is entitled to a refundable R&D credit of 48.5% (2023: 48.5%) on the eligible R&D expenditure incurred on eligible R&D activities. One of the conditions the company must meet is ensuring more than 50% of total R&D activity costs will be incurred in Australia.

The refundable R&D tax offset is accounted for under AASB 120 Accounting for Government Grants and Disclosure of Government Assistance.

Note 5. Expenses

	Consolidated	
	2024	2023
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Corporate Administration expenses</i>		
Corporate administration expenses	708,279	719,705
Audit, accounting and company secretarial fees	191,509	176,112
Insurances	75,927	423,903
Legal fees	26,721	63,224
Loss on disposal plant and equipment	-	59,939
ASX and filing fees	38,635	64,273
Marketing and advertising	57,938	192,122
	<u>1,099,009</u>	<u>1,699,278</u>
<i>Consulting, Employee and Director Expenses</i>		
Consulting expenses	-	20,418
Employee related expenses	2,541,065	3,642,361
Superannuation and other employee related expenses	275,030	355,343
Director expenses (excluding executive directors)	150,000	154,784
Share-based payment expense - Noxopharm Limited [^]	-	11,690
	<u>2,966,095</u>	<u>4,184,596</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable	31,160	40,995

[^] Refer to note 23 for further information on share based payments.

Note 6. Current assets - trade and other receivables

	Consolidated	
	2024	2023
	\$	\$
GST receivable	35,419	108,635
R&D rebate receivable	2,323,371	5,976,021
Consulting fee receivable	45,000	-
	<u>2,403,790</u>	<u>6,084,656</u>

Note 7. Non-current assets - financial assets at fair value through profit and loss

	Consolidated	
	2024	2023
	\$	\$
Investment in Nyrada Inc.- ordinary shares	1,969,022	934,451
Investment in Nyrada Inc.- performance shares	40,802	27,601
	<u>2,009,824</u>	<u>962,052</u>

Refer to note 13 for further information on fair value measurement.

The investment in Nyrada Inc. ("Nyrada") is the fair value as at 30 June 2024 related to 33,373,245 Nyrada shares received and held upon Nyrada's listing on the ASX, and the fair value as at 30 June 2024 related to the 12,000,600 performance shares received and held at 30 June 2024.

Refer to note 2 Critical accounting judgements, estimates and assumptions including valuation techniques applied for the group's value of its investment in Nyrada shares reflecting its Level 1 and level 3 investments.

During the year, the fair value of the investment in Nyrada increased by \$1,047,742, with this amount recognised through profit and loss.

Note 8. Current liabilities - trade and other payables

	Consolidated	
	2024	2023
	\$	\$
Trade and other payables	649,446	447,948
Accrued expenses	186,076	168,416
Bank credit cards	9,182	21,292
Other payables	72,940	79,325
	<u>917,644</u>	<u>716,981</u>

Refer to note 12 for further information on financial instruments.

Note 9. Equity - issued capital

	Consolidated			
	2024	2023	2024	2023
	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>

Note 9. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 July 2022	292,237,950	74,635,721
Balance	1 July 2023	292,237,950	74,635,721
Balance	30 June 2024	<u>292,237,950</u>	<u>74,635,721</u>

Note 10. Equity - reserves

	Consolidated	
	2024	2023
	\$	\$
Options reserve	<u>929,766</u>	<u>6,498,058</u>

Option reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Note 11. Equity - dividends

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

Note 12. Financial instruments

Financial risk management objectives

The Board is responsible for overseeing the establishment and implementation of the risk management system, and reviews and assesses the effectiveness of the consolidated entity's implementation of that system on a regular basis.

The consolidated entity's activities cause no material exposure to market risk (including currency risk and interest rate risk) and credit risk. The only material exposure is liquidity risk and price risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risk to which it is exposed.

The consolidated entity's financial instruments consist of cash and cash equivalents, financial assets held at fair value through profit and loss and trade and other payables.

	Consolidated	
	2024	2023
	\$	\$
Cash and cash equivalents	2,319,927	3,008,674
Trade and other payables	(917,643)	(716,981)
Investment in Nyrada ordinary shares	1,969,022	934,451
Investment in Nyrada performance shares	40,802	27,601
	<u>3,412,108</u>	<u>3,253,745</u>

Price risk

The consolidated entity is exposed to price risk through its investment in Nyrada Inc. A change in share price (market risk) could impact the value of the investment held by the consolidated entity in Nyrada Inc.

Management of the consolidated entity manages this risk by monitoring the performance of Nyrada and its underlying share price. As this is considered a long term investment and this other price risk due to market movements is out of the control of the consolidated entity, there is no direct strategy to mitigate this risk other than to carefully monitor the underlying share price.

Note 12. Financial instruments (continued)

The below table shows a sensitivity analysis on the value of the investment in Nyrada ordinary shares if the Nyrada share price fluctuates by +/-20%.

The table below also shows an estimated sensitivity analysis for both tranches of Nyrada performance shares if the value fluctuates by +/- 20%. Note this is an estimated impact and does not consider movements in the probabilities of meeting the market conditions used in the Monte Carlo simulation to arrive at the valuation of these performance shares.

Consolidated - 2024	% change	Average price increase		Average price decrease		
		Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Nyrada Inc. ordinary shares	20%	393,804	393,804	(20%)	(328,170)	(328,170)
Nyrada Inc. performance shares -Tranche 1	20%	4,080	4,080	(20%)	(3,400)	(3,400)
Nyrada Inc. performance shares -Tranche 2	20%	4,080	4,080	(20%)	(3,400)	(3,400)
		<u>401,964</u>	<u>401,964</u>		<u>(334,970)</u>	<u>(334,970)</u>

Consolidated - 2023	% change	Average price increase		Average price decrease		
		Effect on profit before tax	Effect on equity	% change	Effect on profit before tax	Effect on equity
Nyrada Inc. ordinary shares	20%	186,890	186,890	(20%)	(155,742)	(155,742)
Nyrada Inc. performance shares -Tranche 1	20%	2,760	760	(20%)	(2,300)	(2,300)
Nyrada Inc. performance shares -Tranche 2	20%	2,760	2,760	(20%)	(2,300)	(2,300)
		<u>192,410</u>	<u>190,410</u>		<u>(160,342)</u>	<u>(160,342)</u>

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company is exposed to liquidity risk via its trade and other payables.

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet the commitments associated with its financial instruments. Responsibility for liquidity risk rests with the Board who manage liquidity risk by monitoring undiscounted cash flow forecasts and actual cash flows provided to them by the Company's Management at Board meetings to ensure that the Company continues to be able to meet its debts as and when they fall due. Contracts are not entered into unless the Board believes that there is sufficient cash flow to fund the additional activity.

Note 12. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	649,446	-	-	-	649,446
Other payables	-	259,016	-	-	-	259,016
Total non-derivatives		908,462	-	-	-	908,462

Consolidated - 2023	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	447,948	-	-	-	447,948
Other payables	-	247,742	-	-	-	247,742
Total non-derivatives		695,690	-	-	-	695,690

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

The fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate to their carrying amounts largely due to being liquid assets or liabilities that will be settled within 12 months.

Note 13. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed 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

Level 3: Unobservable inputs for the asset or liability

Consolidated - 2024	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Assets				
Nyrada Inc. ordinary shares	1,969,022	-	-	1,969,022
Nyrada Inc. performance shares	-	-	40,802	40,802
Total assets	1,969,022	-	40,802	2,009,824

Note 13. Fair value measurement (continued)

Consolidated - 2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Assets</i>				
Nyrada Inc. ordinary shares	934,451	-	-	934,451
Nyrada Inc. performance shares	-	-	27,601	27,601
Total assets	934,451	-	27,601	962,052

There were no transfers between levels during the financial year.

Accounting policy for fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The valuation techniques used for instruments categorised in levels 1 and 3 are described below:

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 market price of 5.9 cents as at 30 June 2024 (2023: 2.8 cents).

Nyrada performance shares (level 3): The 12,000,600 Nyrada performance shares were externally valued considering Level 3 hierarchy fair value inputs such as - the spot price of 5.9 cents (2023: 2.8 cents), a risk free interest rate of 4.085% (2023: 4.175%) (based on Australian government bond rate as a proxy), a historical volatility factor of 138.97% (2023: 103.16%) and the Monte Carlo approach for estimating the probability of the market based vesting conditions being achieved. The inputs used in the current period valuation reflect the maturity date of 25 November 2024 for these performance shares.

The table below shows the unobservable inputs used in measuring the level 3 fair value of financial instruments in the statement of financial position and the estimated impact of changes to these inputs.

Note 13. Fair value measurement (continued)

Financial instruments with level 3 valuation techniques	Significant unobservable inputs	Estimated impact on fair value measurement
Nyrada performance shares - tranche 1	Volatility of returns of Nyrada CDI's	A +20% increase in the volatility will increase the value of the asset by \$4,080 and profit by \$4,080. A -20% decrease in the volatility will decrease the value of the asset by (\$3,400) and profit (\$3,400).
Nyrada performance shares - tranche 1	Risk free interest rate	A +/-20% movement in the risk free interest rate used in the valuation will have no material impact of on the fair value of the asset or profit.
Nyrada performance shares - tranche 2	Volatility of returns of Nyrada CDI's	A +20% increase in the volatility will increase the value of the asset by \$4,080 and profit by \$4,080 A -20% decrease in the volatility will decrease the value of the asset by (\$3,400) and profit (\$3,400).
Nyrada performance shares - tranche 2	Risk free interest rate	A +/-20% movement in the risk free interest rate used in the valuation will have no material impact of on the fair value of the asset or profit.

Note 14. Key management personnel disclosures

Other key management personnel

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the consolidated entity, directly or indirectly, during the financial year:

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

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2024	2023
	\$	\$
Short-term employee benefits	586,253	616,555
Post-employment benefits	56,406	50,389
Long-term benefits	7,964	6,852
Share-based payments	-	11,690
	650,623	685,486

Note 15. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck Audit (Vic) Pty Ltd, the auditor of the company:

	Consolidated	
	2024	2023
	\$	\$
<i>Audit services - William Buck Audit (Vic) Pty Ltd</i>		
Audit or review of the financial statements	68,852	60,925

Note 16. 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.

The licence agreement was extended for an additional twelve months during the year ended 30 June 2024.

Note 17. Related party transactions

Parent entity

Noxopharm Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 19.

Key management personnel

Disclosures relating to key management personnel are set out in note 14 and the remuneration report included in the directors' report.

Transactions with related parties

There were no transactions with related parties during the reporting period.

Receivable from and payable to related parties

As at 30 June 2024 there is a trade receivable of \$45,000 owing from Audio Pixels Holdings Limited (a company which Fred Bart is the Chairman), for consulting services provided by Shawn van Boheemen.

Loans to/from related parties

On 30 August 2023, the Company signed an unsecured standby loan facility agreement with 4F Investments Pty Limited, a related party of Mr Frederic Bart (Chairman), for up to \$2,000,000. The interest rate on the facility was 16% per annum and was repayable on receipt of the 30 June 2023 ATO Research & Development income tax rebate claim. The loan facility was drawn down, with \$2,000,000 being receipted on 31 October 2023. The facility was then re-paid on 16 November 2023 upon receipt of the R&D income tax rebate claim. A \$10,000 establishment fee was incurred upon execution of the agreement, and \$14,027 in interest was incurred for the period in which the facility was drawn down. All costs were paid and there is no financial liability outstanding at 30 June 2024 in relation to the agreement.

Note 18. Parent entity information

Set out below is the supplementary information about the parent entity in accordance with the Corporations Act 2001.

Statement of profit or loss and other comprehensive income

	Parent	
	2024	2023
	\$	\$
Loss after income tax	(2,486,556)	(14,096,970)
Total comprehensive income	(2,486,556)	(14,096,970)

Statement of financial position

	Parent	
	2024	2023
	\$	\$
Total current assets	4,768,266	9,158,988
Total assets	9,908,660	12,161,792
Total current liabilities	1,246,394	962,148
Total liabilities	1,288,613	1,055,189
Equity		
Issued capital	74,635,721	74,635,721
Options reserve	929,767	6,498,058
Accumulated losses	(66,945,441)	(70,027,176)
Total equity	<u>8,620,047</u>	<u>11,106,603</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024.

Contingent liabilities

Except as outlined in note 16, the parent entity had no contingent liabilities as at 30 June 2024 and 2023.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments at 30 June 2024 and 2023.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1.

Note 19. Interests in subsidiaries and associates

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024	2023
		%	%
Norbio Holding Pty Ltd	Australia	100.00%	100.00%
Noxopharm US Corporation	USA	100.00%	100.00%
Pharmorage Pty Limited	Australia	100.00%	100.00%

Note 20. Matters subsequent to the end of the financial year

On 21 August 2024, the Company signed a secured loan agreement with Endpoints Capital Pty Ltd for up to \$1,858,697. This is advanced funding against the 2023/24 ATO Research and Development tax rebate claim to meet the Company's short term working capital requirements. The interest rate on this facility is 15.80% per annum and is repayable on receipt of the 2023/24 ATO tax rebate claim. The Company drew down \$1,800,000 of this facility on 5 September 2024.

During September 2024, the Company issued \$2.1 million in Convertible Notes to sophisticated investors. These notes are to be funded in January 2025, are secured over the 2024/25 ATO R&D tax rebate and attract an interest rate of 12% capitalised until the date the Notes are fully repaid or converted into Shares. These notes expire on 2 January 2026, and have a conversion price of \$0.0992 (being a 20% discount to the average 5 day VWAP ending 6 September 2024, namely \$0.1239) or a lower price if the Company undertakes a capital raise at any time before the expiry date. The Notes have a conversion floor price of \$0.07.

As an incentive to participating in the Notes, the investors will receive 420,000 (50,000 per \$250,000 invested) unlisted options at a strike price of \$0.1488, with a three year term expiring on 10 September 2027.

In addition, during September 2024, 4F Investments Pty Limited (a company controlled by Fred Bart, Chairman) indicated its intention to subscribe to a secured Convertible Note for \$500,000 on the same terms and conditions as the \$2.1 million in Notes issued to sophisticated investors in September 2024, subject to approval by shareholders at the AGM. Once shareholder approval has been obtained under sections 10.1 and 10.11 of the ASX Listing Rules, the Convertible Note will be issued to 4F Investments Pty Limited. Once shareholder approval is obtained for the issue of the Note to 4F Investments, 4F investments Pty Limited will receive as an incentive for participating in the Note of 100,000 unlisted options (50,000 per \$250,000 invested) at a strike price of \$0.1488, with a three year term expiring on 10 September 2027.

Except as noted above, no matter or circumstance has arisen since 30 June 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 21. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2024	2023
	\$	\$
Loss after income tax expense for the year	(3,578,117)	(15,056,373)
Adjustments for:		
Depreciation and amortisation	1,743	154,534
Share-based payments	-	11,690
Foreign exchange differences	4,437	1,066
Net loss on disposal of plant and equipment	-	59,939
Fair value (gain)/ loss on investment in Nyrada Inc.	(1,047,771)	4,452,981
Non-cash finance costs	-	17,473
Accrued interest	-	3,288
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	3,701,973	(477,434)
Decrease/(increase) in inventory	-	1,146,492
Increase/(decrease) in trade and other payables	200,663	(1,078,740)
Increase/(decrease) in employee entitlements	32,762	(181,261)
Net cash used in operating activities	<u>(684,310)</u>	<u>(10,946,345)</u>

Note 22. Earnings per share

	Consolidated	
	2024	2023
	\$	\$
Loss after income tax attributable to the owners of Noxopharm Limited	<u>(3,578,117)</u>	<u>(15,056,373)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	292,237,950	292,237,950
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	(1.22)	(5.15)
Diluted earnings per share	(1.22)	(5.15)

The 2,947,500 (2023: 29,424,012) options on issue could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented.

Note 23. Share-based payments

During the year, the Company has not granted any share-based payments:

Set out below are summaries of options outstanding at the end of the financial year:

2024

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
23/07/2019	23/07/2023	4,722,222	-	-	(4,722,222)	-
30/11/2019	17/12/2023	451,041	-	-	(451,041)	-
14/08/2020	14/08/2023	21,303,249	-	-	(21,303,249)	-
06/11/2020	06/11/2024	697,500	-	-	-	697,500
31/05/2021	15/12/2024	250,000	-	-	-	250,000
01/02/2022	01/02/2026	2,000,000	-	-	-	2,000,000
		29,424,012	-	-	(26,476,512)	2,947,500

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2024 Number	2023 Number
23/07/2019	23/07/2023	-	4,722,222
30/11/2019	17/12/2023	-	451,041
14/08/2020	14/08/2023	-	21,302,249
06/11/2020	06/11/2024	697,500	697,500
31/05/2021	12/12/2024	250,000	250,000
		947,500	27,423,012

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.2 years.

Accounting policy for share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Note 23. Share-based payments (continued)

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Entity name	Entity type	Place formed or incorporated	% of share capital held *	Tax Residency Jurisdiction
Noxopharm Limited	Body corporate	Australia	-	Australia
Norbio Holdings Pty Ltd	Body corporate	Australia	100.00%	Australia
Noxopharm US Corporation	Body corporate	United States	100.00%	United States
Pharmorage Pty Ltd	Body corporate	Australia	100.00%	Australia

* Represents the economic interest in the entity as consolidated in the consolidated financial statements.

Basis of preparation

This Consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and include information for each entity that was part of the Consolidated Entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Group has applied the following interpretations:

Australian tax residency

The Group has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

Where necessary, the Group has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Partnerships and Trusts

None of the entities noted above were trustees of trusts within the Group, partners in a partnership within the Group or participants in a joint venture within the Group.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Fred Bart".

Fred Bart
Chairman

27 September 2024

Independent auditor's report to the members of Noxopharm Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Noxopharm Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Research and development receivable and revenue	Area of focus (refer also to notes 2, 4 and 6)	How our audit addressed the key audit matter
	<p>During the financial year and as disclosed in note 4, the Group recorded income of \$2.4m related to reimbursable R&D tax incentives inclusive of the FY24 estimated claim of \$2.3m. The income was recognised in accordance with the Group's accounting policy.</p> <p>As at 30 June 2024, an income tax R&D receivable related to the FY24 estimated claim of \$2.3m is recorded on the statement of financial position as disclosed in note 6.</p> <p>Despite there being a history of the claims being approved and subsequently received there remains a risk that the R&D receivable is overstated with expenses inappropriately included in the claim and revenue therefore overstated, or expenses included within both the R&D and other government grant claims therefore allowing the Group to "double-dip".</p> <p>This matter was considered a Key Audit Matter due to the complexity and judgement applied in calculating the R&D claim and the material nature of the claim.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none">— Income recognised from the FY24 R&D claim was tested substantively to assess it was recognised correctly as per AASB 120 <i>Accounting for Government Grants and Disclosure of Government Assistance</i> and the Group's accounting policy;— Performed substantive testing of a sample of FY24 R&D expenditure incurred and employment payroll costs which are included in the FY24 R&D claim;— The R&D tax incentive claim workings were assessed by our specialist William Buck R&D team for its appropriateness with respect ATO guidelines to consider if expenditure is deemed eligible; and— Vouched the prior period receivable amount to cash at bank in relation to the FY23 claim. <p>We assessed the adequacy of the financial statement disclosures concerning the Group's accounting policies with respect to the current claim and the disclosure within the notes to the financial report.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Noxopharm Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in pages 5 to 10 of the directors' report for the year ended 30 June 2024.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

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



R. P. Burt
Director

Melbourne, 27 September 2024

The shareholder information set out below was applicable as at 31 August 2024

NOX ordinary shares

	Number of holders	% by number of holders	Total number of shares	% by number of shares issued
1 to 1,000	382	10.89%	204,961	0.07%
1,001 to 5,000	891	25.18%	2,487,019	0.85%
5,001 to 10,0000	588	17.02%	4,722,797	1.62%
10,0001 to 100,000	1,249	35.76%	44,315,732	15.16%
100,001 and above	393	11.15%	240,507,441	82.30%
	<u>3,503</u>		<u>292,237,950</u>	

Unlisted options exercise price of \$0.55, expiry 6 Nov 2024

	Number of holders	% by number of holders	Total number of options	% by number of options issued
10,001 to 100,000	4	50.00%	217,500	31.18%
100,001 and above	4	50.00%	480,000	68.82%
	<u>8</u>		<u>697,500</u>	

Unlisted options exercise price of \$0.681, expiry 15 Dec 2024

	Number of holders	% by number of holders	Total number of options	% by number of options issued
100,001 and above	<u>1</u>	100.00%	<u>250,000</u>	100.00%

Unlisted options exercise price of \$0.54, expiry 1 Feb 2025

	Number of holders	% by number of holders	Total number of options	% by number of options issued
100,001 and above	<u>1</u>	100.00%	<u>2,000,000</u>	100.00%

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
MILLIGENE PTY LTD (THE GE + PR KELLY FAMILY A/C)	34,249,106	11.72
MRS ELEANORE GOODRIDGE	13,050,000	4.47
LINK TRADERS (AUST) PTY LTD	10,586,522	3.62
CITICORP NOMINEES PTY LTD	7,932,804	2.71
MR FRED BART	7,507,813	2.57
RGT CAPITAL FUND NO 5 (NOXO) PTY LTD	6,500,333	2.22
KALE CAPITAL CORPORATION LIMITED	4,997,437	1.71
JAMBER INVESTMENTS PTY LTD (THE AMBER SCHWARZ FAM A/C)	4,066,400	1.39
RHLC PTY LIMITED (RHLC S/F A/C)	3,000,000	1.03
MR LIZHONG YU	2,918,000	1.00
BLACKCOURT (NSW) PTY LIMITED (LAWSAM SUPER FUND A/C)	2,686,376	0.92
MR ROBERT THOMAS LIN	2,500,000	0.86
OGEN NOMINEES PTY LTD	2,300,000	0.79
HALCYON NOMINEES PTY LTD (HALCYON SUPER FUND A/C)	2,000,000	0.68
CITICORP NOMINEES PTY LIMITED (120296 INFITUDE A/C)	1,982,237	0.68
MRS SOPHIE ETHEL GELSKI	1,942,424	0.66
MR MICHAEL SHABAT & MS MEITAL HANA SHABAT (M&M SHABAT SUPER FUND A/C)	1,843,000	0.63
HELIUM MANAGEMENT PTY LTD (HELIUM S/F A/C)	1,751,246	0.60
BERNE NO 132 NOMINESS PTY LTD (331898 A/C)	1,660,357	0.57
MS JIN QIN WANG	1,600,000	0.55
	115,074,055	39.38

Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
MILLIGENE PTY LTD (THE GE + PR KELLY FAM TRUST) AND OTHERS	34,249,106	11.72

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands 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.

Options

All quoted and unquoted options do not carry any voting rights.

There are no other classes of equity securities.

ASX Listing Rule 3.13.1 and 14.3

The Company advises that the Annual General Meeting (AGM) of the Company is scheduled for Tuesday 19 November 2024 at 1.00pm (AEDT). The location of the AGM is subject to COVID-19 restrictions, including regulatory requirements. Further details, including any hybrid or virtual meeting arrangements, will be confirmed closer to the AGM.

Further to Listing Rule 3.13.1, Listing Rule 14.3, nominations for election of directors at the AGM must be received not less than 30 Business Days before the meeting, being no later than Monday 7 October 2024.

Corporate Directory

Board of Directors	Frederic Bart, Non-Executive Chairman Peter Marks, Non-Executive Director and Deputy Chairman Boris Patkin, Non-Executive Director Gisela Mautner – Chief Executive Officer and Managing Director
Company Secretary	David Franks
Registered Office	Level 5, 126 Philip Street Sydney, NSW 2000
Principal Place of Business	60 Linksley Ave Glenhaven NSW 2156
Website	www.noxopharm.com
Share Register	Automatic Pty Ltd Level 5, 126 Phillip Street Sydney, NSW 2000
Auditors	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne, VIC 3000
Stock Exchange	Australian Securities Exchange 20 Bridge Street Sydney, NSW 2000
ASX Code	NOX