



Noxopharm Reports FY2023 Half Year Results

Sydney, 24 February 2023: Innovative biotech company **Noxopharm Limited (ASX:NOX)** is pleased to release its Financial Report for the half year ended 31 December 2022 today.

Noxopharm finished the period with \$11.1m in cash and is carefully reviewing expenditure in the best interests of the company and its shareholders.

There has been increased investment in R&D of \$5.8m (1HFY22: \$3.10m) to advance the clinical trial programs, drug discovery and preclinical studies. Corporate and administration expenses have decreased slightly during the period, and all areas of expense are being judiciously monitored.

Noxopharm CEO Dr Gisela Mautner said: “We are maintaining our operational tempo by progressing our clinical trials for Veyonda® as quickly as possible, working closely with our partners to finish off the safety phases of our trials before turning to focus on efficacy.

“We are also advancing our preclinical pipeline across the Chroma™ and Sofra™ technology platforms, with research ongoing and the promotion of our work to external stakeholders ramping up.

“In terms of financials, we continue to use our resources responsibly. We are maintaining a disciplined approach to managing costs, while ensuring investments go to where they will support the company’s strategic goals and have the most impact.”

-ENDS-

About Noxopharm

Noxopharm Limited (ASX:NOX) is an innovative Australian biotech company discovering and developing novel treatments for cancer and inflammation.

It has three active drug development programs: its lead clinical-stage drug candidate Veyonda®, plus two innovative technology platforms Chroma™ (oncology) and Sofra™ (inflammation and autoimmunity), which provide the basis for active development of a growing pipeline of new proprietary drugs.

Noxopharm also has a major shareholding in the US biotech company Nyrada Inc (ASX:NYR), which is active in the areas of drug development for cardiovascular and neurological diseases.

To learn more, please visit: noxopharm.com

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

Forward Looking Statements

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

1. Company details

Name of entity:	Noxopharm Limited
ABN:	50 608 966 123
Reporting period:	For the half-year ended 31 December 2022
Previous period:	For the half-year ended 31 December 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	-	-
Loss from ordinary activities after tax attributable to the owners of Noxopharm Limited	down	37.0%	(5,426,703)
Loss for the half-year attributable to the owners of Noxopharm Limited	down	37.0%	(5,426,703)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$5,426,703 (31 December 2021: \$8,612,848).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>6.40</u>	<u>8.26</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

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

10. Audit qualification or review

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

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

11. Attachments

Details of attachments (if any):

The Interim Report of Noxopharm Limited for the half-year ended 31 December 2022 is attached.

12. Signed



Signed _____

Date: 24 February 2023

Noxopharm Limited

ABN 50 608 966 123

Interim Report - 31 December 2022

Directors

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

Mr. Frederick Bart, Non-Executive Chairman
Dr. Graham Kelly, Non-Executive Director (resigned 20 September 2022)
Mr. Peter Marks, Non-Executive Director and Deputy Chairman
Mr. Boris Patkin, Non-Executive Director
Dr. Gisela Mautner, Managing Director and Chief Executive Officer

Principal activities

The Company's principal activity in the course of the financial half-year continues to be drug development, with the primary focus being the clinical development of Veyonda® (NOX66) as an adjuvant therapy in chemotherapy and radiotherapy in the treatment of late-stage cancers.

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

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$5,426,703 (31 December 2021: \$8,612,848).

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

- Noxopharm progressed its Veyonda program in the half year, with important safety milestones reached in all three clinical trials;
- For DARRT-2, the trial enrolled a third cohort of patients with a 1600mg dose. A safety steering committee meeting found this to be safe and no further dose escalation would occur. Part 2 of the trial, which will evaluate safety and efficacy signals is expected to begin during H1 of the 2023 calendar year;
- In the CEP-2 sarcoma trial, enrolment began for the next cohort of patients to be given 1800mg dose, and patients started treatment at this higher level. Three US trial sites were also added: Washington University, in St Louis and two Mayo sites in Florida and Minnesota;
- Regarding the IONIC phase 1 trial, a safety committee review found Veyonda safe at the 1200mg dose. Enrolment continued with the next patient cohort receiving a dose of 1800mg. All trial sites have been activated;
- In terms of intellectual property, Noxopharm reached several important milestones in protecting Veyonda's patent portfolio;
- Noxopharm also made significant progress in its preclinical pipeline during the half year as part of its multi-platform strategy to develop ground-breaking therapies;
- The Company announced new preclinical data from its long-term work with UNSW Sydney under the Chroma™ technology platform. Noxopharm conducted an 18-month study as part of an ongoing collaboration to test its new CRO-67 drug targeting pancreatic cancer via a novel dual-cell therapy approach. The major findings were that CRO-67 killed tumour cells as well as barrier cells in samples taken from six patients who had their tumours surgically removed;
- The Company continued to invest in its Sofra™ technology platform, and benefited from Noxopharm's strategic partner, Melbourne's Hudson Institute of Medical research receiving a \$1.5M grant from Australia's National Health and Medical research Council to support innovative research into novel treatments for autoimmune disease. The grant supports Noxopharm's pipeline and development of first-in-class drug candidates.

Significant changes in the state of affairs

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

Auditor's independence declaration

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

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

On behalf of the directors



24 February 2023

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NOXOPHARM LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 there have been:

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

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136



N. S. Benbow

Director

Melbourne, 24 February 2023

Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	16
Independent auditor's review report to the members of Noxopharm Limited	17

General information

The financial statements cover Noxopharm Limited as a consolidated entity consisting of Noxopharm Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Noxopharm Limited's functional and presentation currency.

Noxopharm Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 20, Tower A, The Zenith
821 Pacific Highway
CHATSWOOD NSW 2067

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 23 February 2023.

Noxopharm Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



		Consolidated	
	Note	31 December 2022	31 December 2021
		\$	\$
Revenue			
Net gain/(loss) on investment at fair value through profit and loss	7	199,326	(3,861,519)
Interest income		63,913	33,968
Research service fees		-	11,000
Other government grants		25,000	-
Research and development tax incentive		3,320,701	1,777,838
Expenses			
Corporate administration expenses		(899,988)	(922,148)
Research and development expenses		(5,794,787)	(3,093,832)
Depreciation expense		(143,493)	(131,788)
Loss on disposal of property, plant and equipment	8	(59,939)	-
Foreign exchange loss		(2,892)	(28,333)
Consulting, employee and director expenses		(2,126,937)	(2,386,036)
Finance costs		(7,607)	(11,998)
Loss before income tax expense		(5,426,703)	(8,612,848)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Noxopharm Limited		(5,426,703)	(8,612,848)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Noxopharm Limited		(5,426,703)	(8,612,848)
		Cents	Cents
Basic earnings per share	13	(1.86)	(2.99)
Diluted earnings per share	13	(1.86)	(2.99)

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

		Consolidated	
	Note	31 December	30 June 2022
		2022	2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	4	11,121,916	13,981,469
Trade and other receivables	5	3,563,434	5,213,381
Other assets	6	1,475,091	1,609,279
Total current assets		<u>16,160,441</u>	<u>20,804,129</u>
Non-current assets			
Financial assets at fair value through profit and loss	7	5,614,359	5,415,033
Plant and equipment	8	8,341	84,782
Right-of-use assets		10,109	137,102
Term deposit pledged for bank guarantee		123,512	123,512
Total non-current assets		<u>5,756,321</u>	<u>5,760,429</u>
Total assets		<u>21,916,762</u>	<u>26,564,558</u>
Liabilities			
Current liabilities			
Trade and other payables	9	2,638,748	1,766,522
Lease liability		12,103	160,624
Employee benefits		331,149	324,502
Total current liabilities		<u>2,982,000</u>	<u>2,251,648</u>
Non-current liabilities			
Employee benefits		231,831	194,966
Total non-current liabilities		<u>231,831</u>	<u>194,966</u>
Total liabilities		<u>3,213,831</u>	<u>2,446,614</u>
Net assets		<u>18,702,931</u>	<u>24,117,944</u>
Equity			
Issued capital	10	74,635,721	74,635,721
Reserves		6,677,508	8,285,254
Accumulated losses		(62,610,298)	(58,803,031)
Total equity		<u>18,702,931</u>	<u>24,117,944</u>

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

Noxopharm Limited
Statement of changes in equity
For the half-year ended 31 December 2022



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	72,622,560	8,487,119	(40,333,304)	40,776,375
Loss after income tax expense for the half-year	-	-	(8,612,848)	(8,612,848)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(8,612,848)	(8,612,848)
<i>Transactions with owners in their capacity as owners:</i>				
Exercise of options	2,013,161	(808,294)	-	1,204,867
Expiry of options	-	(197,083)	197,083	-
Vesting of share-based payments	-	169,844	-	169,844
Balance at 31 December 2021	<u>74,635,721</u>	<u>7,651,586</u>	<u>(48,749,069)</u>	<u>33,538,238</u>
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 half-year	-	-	(5,426,703)	(5,426,703)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(5,426,703)	(5,426,703)
<i>Transactions with owners in their capacity as owners:</i>				
Expiry of options (note 14)	-	(1,619,436)	1,619,436	-
Vesting of share-based payments	-	11,690	-	11,690
Balance at 31 December 2022	<u>74,635,721</u>	<u>6,677,508</u>	<u>(62,610,298)</u>	<u>18,702,931</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 half-year ended 31 December 2022



	Consolidated	
	31 December 2022	31 December 2021
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	-	12,100
Payments to suppliers and employees	(7,795,788)	(11,206,376)
Interest paid	(7,607)	(11,998)
Interest received	63,223	49,909
Receipt from R&D income tax rebate	5,036,681	-
	<u>(2,703,491)</u>	<u>(11,156,365)</u>
Net cash used in operating activities		
Net cash from investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Proceeds from issue of shares, net of costs	-	1,204,867
Repayment of lease liabilities	(158,346)	(124,517)
	<u>(158,346)</u>	<u>1,080,350</u>
Net cash from/(used in) financing activities		
Net decrease in cash and cash equivalents	(2,861,837)	(10,076,015)
Cash and cash equivalents at the beginning of the financial half-year	13,981,469	26,795,785
Effects of exchange rate changes on cash and cash equivalents	2,284	(28,334)
	<u>11,121,916</u>	<u>16,691,436</u>
Cash and cash equivalents at the end of the financial half-year		

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

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity did not adopt any new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') during the current reporting period.

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 rebate for the 6 month's ended 31 December 2022 for \$3.3m has been accrued into income for this reporting period.

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

Share-based payment transactions

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

Non-recognition of carried forward tax losses

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

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

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

Provision for the impairment of inventories

The provision for impairment of inventories assessment requires continued assessment and analytical testing and takes into account current inventory levels, demand forecasts and other factors that affect inventory obsolescence. Management has determined that no inventory obsolescence provision is required for the period ended 31 December 2022.

Fair value measurement hierarchy

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

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

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

Valuation of investment in Nyrada Inc.

Nyrada ordinary shares (level 1): The 33,373,245 Nyrada ordinary shares held by the consolidated entity were valued at fair value, using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. The price used for valuing these ordinary shares was the ASX price of 14.5 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 14.5 cents, a risk free interest rate of 3.353% (based on Australian government bond rate as a proxy), a historical volatility factor of 71.98% 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 CDIs on 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 CDIs on 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").

Changing inputs to the Level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

Reconciliation of movement in fair value measurements using significant unobservable inputs (level 3)..

The following table presents the changes in level 3 items for the period ended 31 December 2022 for recurring fair value measurements:

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

	\$
Opening Balance 1 July 2022	909,645
Amounts recognised in profit and loss	<u>(134,406)</u>
Closing balance 31 December 2022	<u><u>775,239</u></u>

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.

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.

* 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.

* 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 3. Operating segments

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

Note 4. Current assets - cash and cash equivalents

	Consolidated	
	31 December	30 June 2022
	2022	2022
	\$	\$
Cash at bank	7,121,916	5,981,469
Cash - short term deposit	4,000,000	8,000,000
	<u>11,121,916</u>	<u>13,981,469</u>

Note 5. Current assets - trade and other receivables

	Consolidated	
	31 December	30 June 2022
	2022	2022
	\$	\$
Trade receivables	-	5,584
GST receivable	247,820	201,893
R&D income tax incentive receivable	3,311,636	5,002,616
Interest receivable	3,978	3,288
	<u>3,563,434</u>	<u>5,207,797</u>
	<u>3,563,434</u>	<u>5,213,381</u>

The R&D income tax incentive receivable is comprised of \$3,311,636 accrued for the six months ended 31 December 2022. The estimated receivable reflects the group's identified research and development expenditure incurred during the period to date.

Note 6. Current assets - other assets

	Consolidated	
	31 December	30 June 2022
	2022	2022
	\$	\$
Prepayments	415,438	462,787
Inventories	1,059,653	1,146,492
	<u>1,475,091</u>	<u>1,609,279</u>

The inventories are mainly materials that are used in the research and development process. These materials are recognised as an expense as and when they are utilised in the research and development process.

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

	Consolidated	
	31 December	
	2022	30 June 2022
	\$	\$
Investment in Nyrada Inc. - ordinary shares	4,839,120	4,505,388
Investment in Nyrada Inc. - performance shares	775,239	909,645
	<u>5,614,359</u>	<u>5,415,033</u>

The investment in Nyrada Inc. reflects the fair value of the 33,373,245 Nyrada shares held on the ASX, and the fair value of 12,000,600 performance shares held. There have been no additions or disposals in the group's investment shares or performance rights during the period to 31 December 2022.

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

Note 8. Non-current assets - plant and equipment

A number of assets were disposed of as a result of the leases ending on the Gordon offices. This resulted in a loss on disposal of \$59,939.

Note 9. Current liabilities - trade and other payables

	Consolidated	
	31 December	
	2022	30 June 2022
	\$	\$
Trade payables	1,504,512	810,470
Accrued expenses	1,025,221	815,932
Other payables and accruals	109,015	140,120
	<u>2,638,748</u>	<u>1,766,522</u>

Note 10. Equity - issued capital

	Consolidated			
	31 December		31 December	
	2022	30 June 2022	2022	30 June 2022
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>292,237,950</u>	<u>292,237,950</u>	<u>74,635,721</u>	<u>74,635,721</u>

Ordinary shares

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

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.

Share buy-back

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

Note 11. Contingent liabilities and licence agreement

The consolidated entity has given bank guarantees as at 31 December 2022 of \$118,818 (2021: \$118,818) to its landlords.

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

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

As at 31 December 2022, the milestones per the licence agreement have not been met and no royalty payments are due and payable.

Note 12. Events after the reporting period

No matter or circumstance has arisen since 31 December 2022 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 13. Earnings per share

	Consolidated	
	31 December	31 December
	2022	2021
	\$	\$
Loss after income tax attributable to the owners of Noxopharm Limited	<u>(5,426,703)</u>	<u>(8,612,848)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>292,237,950</u>	<u>288,410,592</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>292,237,950</u>	<u>288,410,592</u>
	Cents	Cents
Basic earnings per share	(1.86)	(2.99)
Diluted earnings per share	(1.86)	(2.99)

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

Note 14. Share-based payments

During the reporting period the Company did not grant any share-based payments:

During the reporting period 781,667 employee options expired resulting in a writeback of \$1,619,436 between reserves and retained earnings.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to be 'G. B. J.', written over a horizontal line.

24 February 2023

Noxopharm Limited Independent auditor's review report

REPORT ON THE REVIEW OF THE HALF-YEAR FINANCIAL REPORT

Conclusion

We have reviewed the accompanying half-year financial report of Noxopharm Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Noxopharm Limited is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half year ended on that date; and
- b. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of Management for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

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



N. S. Benbow
Director

Melbourne, 24 February 2023

Corporate Directory

31 December 2022

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 20, Tower A, The Zenith 821 Pacific Hwy Chatswood, NSW 2067
Principal Place of Business	Level 20, Tower A, The Zenith 821 Pacific Hwy Chatswood, NSW 2067
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