



**ACRUX LIMITED AND CONTROLLED ENTITIES**  
**ABN: 72 082 001 152**

**FINANCIAL REPORT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

This half-year financial report is to be read in conjunction with the Annual Report 2024





**FINANCIAL REPORT**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**  
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## **DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

The Directors of the consolidated entity consisting of Acrux Limited ('Acrux') and its controlled entities (collectively the 'Group') have pleasure in presenting this report for the half-year ended 31 December 2024. Complying with the provisions of the *Corporations Act 2001*, the Directors report as follows:

### **DIRECTORS' NAMES**

The names of the Directors in office during and since the end of the half-year ended 31 December 2024 are:

Ross Dobinson	Non-executive Chairman
Michael Kotsanis	Managing Director & Chief Executive Officer
Geoffrey Brooke	Non-executive Director
Don Brumley	Non-executive Director
Timothy Oldham	Non-executive Director

All Directors have held office from the start of the financial period to the date of this report.

### **REVIEW OF OPERATIONS**

A review of the operations of the Group during the half-year and the results of these operations are as follows:

#### **Principal Activities**

Acrux is a specialty pharmaceutical company with a successful track record of developing, registering and commercialising a portfolio of topically applied generic pharmaceutical products with a primary focus on the US market.

There has been no significant change in the nature of these activities during the reporting period.

#### **Key Events During Half Year**

Acrux is making good progress towards its objective of expanding the number of currently marketed products in order to achieve self sustaining operating revenue.

In the past 6 months, the United States Food and Drug Administration ('FDA') approved 2 ANDA submissions by Acrux, being applications for the registration of a generic version of an existing licensed medication. Dapsone 7.5%, Gel was announced as approved on 27 August 2024 and this was followed by Nitroglycerin 0.4%, Ointment (announced 4 December 2024). Future revenues from the commercialisation of these products are expected to underpin the acceleration of revenue growth. Our distribution partner commenced commercial launch activities with customers for Nitroglycerin 0.4%, Ointment in December (announced 13 December 2024) and the launch of Dapsone 7.5%, Gel is planned for FY25.

Dapsone 5%, Gel was launched in a 60mg pack (announced 3 April 2024) and the 90mg presentation was introduced in December to make this product more attractive to wholesalers and to support an increase in our future market share. Sales of Prilocaine 2.5% and Lidocaine 2.5%, Cream, launched in December 2022, are rebuilding with our partner achieving improved market position in a market with just 2 marketed competitors, down from 5 who were active at the time this product was launched. Evamist® continues to generate modest quarterly revenues.

Of the 6 products which are approved to be marketed in the US, 4 are currently marketed and generating royalty and profit share income and another is planned for launch in the current financial year. Opportunities for these US registered products in other countries are being explored and pursued.

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The Research and Development Tax Incentive Rebate ('RDTI') for FY24 totalling \$2.728 million was received in October and at this time all associated short term borrowings were repaid in full. In December 2024, a further \$0.247 million was received in relation to FY24 following receipt of another favourable Overseas Finding which makes some overseas expenditure on a development project eligible for inclusion in our RDTI claim for FY24 and future years.

**Capital Raising**

A capital raising program was launched in December, raising a total of \$4.0 million before costs. Through a Placement to sophisticated and professional investors \$2.5 million, before costs, was raised with a further \$0.15 million committed by Directors and the issuance of these shares and options was approved by shareholders at the Extraordinary General Meeting ('EGM') held on 3 February 2025. Existing shareholders were invited to participate in the Share Purchase Plan ('SPP'), under the same financial terms as the Placement, raising a further \$1.34 million, before costs.

As outlined in the Options Prospectus dated 17 January 2025 and ratified at the EGM, all subscribers to the Placement and SPP were offered one Attaching Option for each new share issued. These new options are to be listed on the ASX and may be exercised by holders over the next 24 months at 5.25 cents. Along with the options granted to the joint Lead Managers, should these options be fully exercised a further \$8.9 million new capital may be raised over the 24 month period to exercise options.

**Business Strategy**

Acrux's key business strategy is to progress and expand its pipeline of topically applied generic pharmaceutical products in order to create a diversified portfolio of products which is capable of generating a consistent stream of regulatory submissions, product approvals, market launches and ultimately a self sustaining revenue stream.

Acrux currently has 4 marketed products in the US:

- Prilocaine 2.5% and Lidocaine 2.5%, Cream, is a topically applied anaesthetic. Currently there are 2 approved and marketed ANDA competitors for this product and IQVIA reports the addressable market for the 12 months to December 2024 is USD20.89 million
- Evamist®, is an Estradiol Spray which is used to treat symptoms of menopause
- Dapsone 5%, Gel, is a treatment for acne vulgaris and was launched at the end of FY24. There are 8 active competitors for this product and IQVIA reports the addressable market for the 12 months to December 2024 at USD13.93 million
- Nitroglycerin 0.4%, Ointment, treats moderate to severe pain caused by chronic anal fissure and was launched by our partner at the end of 2024. There are currently 2 active competitors for this product and IQVIA reports the addressable market for the 12 months to December 2024 is USD23.80 million

Furthermore Dapsone 7.5%, Gel, is FDA approved and is planned for launch in FY25. Dapsone 7.5%, Gel treats acne vulgaris in patients 9 years of age and older and there are currently 9 active competitors for this product. IQVIA reports the addressable market for the 12 months to December 2024 is USD43.89 million.

Including these revenue generating products, Acrux currently has 16 products in its portfolio which are at various stages of development ranging from:

- formulation and process development
- demonstration of bioequivalence with the brand name product
- submission of the dossier to the regulator for review
- regulatory approval and
- approved and commercialised.



### Operating Results

The consolidated loss after tax for the 6 months to December 2024 was \$3.425 million (2023 prior corresponding period loss: \$3.239 million) and this reflects both commercial revenue and the timing of project expenses incurred in progressing the Group's generic development pipeline towards commercialisation.

#### Revenue

Total reported Revenue is detailed in the table below.

	<b>Half year ended 31 December 2024 \$'000</b>	<b>Half year ended 31 December 2023 \$'000</b>
Product licensing income	120	481
Sales Revenue –API	-	3,928
R&D Incentive Rebate	1,565	1,285
Interest Received	25	83
<b>Total Revenue</b>	<b>1,710</b>	<b>5,777</b>

Reported Product licensing income for the half year ended 31 December 2024 reflects partner sales of Evamist®, Dapsone, 5% Gel, Nitroglycerine 0.4%, Ointment, and Prilocaine 2.5% and Lidocaine 2.5%, Cream and will be supplemented in the second half by the launch of Dapsone 7.5%, Gel and the range extension of Dapsone 5%, Gel.

In previous reporting periods the Group has reported revenue in relation to the procurement and on sale of Active Pharmaceutical Ingredients ('API') used in the commercial manufacture of Prilocaine 2.5% and Lidocaine 2.5%, Cream to our commercial partner. Acrux is no longer responsible for this procurement and accordingly this revenue and the associated Cost of Goods Sold has ceased.

In October, Acrux reported receipt of \$2.728 million RDTI in relation to the year ended 30 June 2024 and a further \$0.247 million was received in December following acceptance of a new Overseas Finding which expanded the Company's current and future eligible expenditure to include some overseas expenses for a new development project. \$1.565 million RDTI Income has been reported for the period ended 31 December 2024. Of this balance, \$1.318 million is an estimate of the amount which is receivable for the reporting period ending 31 December 2024, based on eligible project development expenditure incurred and \$0.247 million was received in the current period but relating to FY24.

#### Cost of Goods Sold

As noted in the Revenue section above, Acrux is no longer responsible for the procurement of materials used in the commercial manufacture of Prilocaine 2.5% and Lidocaine 2.5%, Cream. Accordingly, the reduction of Sales Revenue relative to the prior corresponding period is fully offset by a reduction in Cost of Goods Sold.

#### Operating Expenses

At \$5.292 million Total Operating Expenses were \$0.582 million higher than the prior corresponding period. This increase is principally attributable to the timing of external research and development project expenses (+\$0.173 million), the costs of which vary throughout the product development cycle depending on the stage of development of the project, +\$0.07 million interest accrued in relation to the short term RDTI Funding and +\$0.248 million relating to CPI based salary increases and increased provisions due to a higher than usual number of staff members qualifying for Long Service Leave

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**Dividends**

No dividends have been declared or paid in the period to 31 December 2024 (2023: nil).

**After balance date events**

On 3 February 2025 an EGM was conducted in relation the capital raising commenced in December and all resolutions were supported by shareholders. Full details of the EGM resolutions are contained in the Notice of Meeting which was circulated to shareholders and announced to the ASX on 3 January 2024, and included:

- approval to issue 163,957,905 Placement, SPP and Lead Manager Options, exercisable on or before 19 February 2027 at 5.25 cents, subject to acceptance of the Options Offer;
- Approval for Directors to participate in the Placement on the same terms and conditions as other Placement participants and to contribute a total of \$0.15 million, of which 3,714,284 ordinary shares were issued on 13 February 2025; and
- Ratification of the prior issue of Placement shares.

Following receipt of valid acceptances of the Options Offer by the due date, 151,642,766 Options were issued on 19 February 2025. The due date for outstanding acceptances has been extended to 31 March 2025 and it is planned that the remaining approved Options will be issued at that time.

On 7 February 2025 it was announced that Michael Kotsanis is planning to retire from his role as CEO and Managing Director. To ensure an orderly transition, Michael will continue his responsibilities until a successor has been appointed.

No further matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect, the Group's operations, results or state of affairs, or may do so in future periods.

**Auditor's independence declaration**

A copy of the Auditor's Independence Declaration in relation to the review for the period is provided with this report.

**Rounding of amounts**

The Group is a group of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in this Directors' Report and financial statements have been rounded to the nearest one thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the Directors made pursuant to s306(3) of the *Corporations Act 2001*.

On behalf of the Directors

**Ross Dobinson**  
Non-executive Chairman  
25 February 2025

**ACRUX LIMITED AND CONTROLLED ENTITIES  
ABN 72 082 001 152**

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF ACRUX LIMITED AND CONTROLLED ENTITIES**

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the review of the financial report of Acrux Limited for the half-year ended 31 December 2024, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the review.



J J MITCHELHILL  
Partner



PITCHER PARTNERS  
Melbourne

25 February 2025



**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Note	Consolidated Half Year Ended	
		31 December 2024 \$'000	31 December 2023 \$'000
<b>Revenue</b>			
Revenue from licensing agreements		120	4,409
Other revenue		1,590	1,368
<b>Total Revenue</b>	1	<b>1,710</b>	<b>5,777</b>
<b>Less: Cost of Goods Sold</b>		-	<b>3,928</b>
<b>Less: Operating Expenses</b>			
Employee benefits expense		2,647	2,499
Directors' fees		107	98
Securities based payment expense		156	182
Depreciation and amortisation expense		237	258
Occupancy expense		136	109
External research and development expense		1,320	1,147
Professional fees		67	83
Other expense		622	334
<b>Total Operating Expenses</b>		<b>5,292</b>	<b>4,710</b>
<b>Loss Before Income Tax</b>		<b>(3,582)</b>	<b>(2,861)</b>
Income tax expense		(157)	378
Net loss for the half year		(3,425)	(3,239)
<b>Total comprehensive loss for the half year</b>		<b>(3,425)</b>	<b>(3,239)</b>
Total Comprehensive Loss attributable to members of the parent company		(3,425)	(3,239)
<b>Loss Per Share:</b>			
Basic loss per share		(1.14) cents	(1.12) cents
Diluted loss per share		(1.14) cents	(1.12) cents

The accompanying notes form part of these financial statements.





**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

	Note	Consolidated	
		31 December 2024 \$'000	30 June 2024 \$'000
<b>Current Assets</b>			
Cash and cash equivalents		3,325	2,945
Receivables		1,380	2,889
Other current assets		182	147
<b>Total Current Assets</b>		<b>4,887</b>	<b>5,981</b>
<b>Non-Current Assets</b>			
Plant and equipment		488	597
Intangible assets		-	-
Deferred tax asset		729	572
Lease assets		1,687	1,813
<b>Total Non-Current Assets</b>		<b>2,904</b>	<b>2,982</b>
<b>Total Assets</b>		<b>7,791</b>	<b>8,963</b>
<b>Current Liabilities</b>			
Payables		1,347	1,074
Provisions		889	868
Borrowings		-	1,487
Lease liabilities		304	293
<b>Total Current Liabilities</b>		<b>2,540</b>	<b>3,722</b>
<b>Non-Current Liabilities</b>			
Provisions		35	41
Lease liabilities		1,807	1,924
<b>Total Non-Current Liabilities</b>		<b>1,842</b>	<b>1,965</b>
<b>Total Liabilities</b>		<b>4,382</b>	<b>5,687</b>
<b>Net Assets</b>		<b>3,409</b>	<b>3,276</b>
<b>Equity</b>			
Contributed equity	2	118,414	115,012
Reserves		8,707	8,551
Retained earnings / (Accumulated losses)		(123,712)	(120,287)
<b>Total Equity</b>		<b>3,409</b>	<b>3,276</b>

The accompanying notes form part of these financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	Contributed equity \$'000	Reserves \$'000	Retained earnings /(losses) \$'000	Total Equity \$'000
<b>Balance at 1 July 2023</b>	114,884	8,299	(114,487)	8,696
Loss attributable to members of the consolidated entity	-	-	(3,239)	(3,239)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half year	-	-	(3,239)	(3,239)
<b>Transactions with owners:</b>				
Capital Raising, net of costs	-	-	-	-
Employee share scheme	102	79	-	181
<b>Balance at the half year ended 31 December 2023</b>	<b>114,986</b>	<b>8,378</b>	<b>(117,726)</b>	<b>5,638</b>
<b>Balance at 1 July 2024</b>	115,012	8,551	(120,287)	3,276
Loss attributable to members of the consolidated entity	-	-	(3,425)	(3,425)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the half year	-	-	(3,425)	(3,425)
<b>Transactions with owners:</b>				
Capital Raising, net of costs	3,425	-	-	3,425
Employee share scheme	(23)	156	-	133
<b>Balance at the half year ended 31 December 2024</b>	<b>118,414</b>	<b>8,707</b>	<b>(123,712)</b>	<b>3,409</b>

The accompanying notes form part of these financial statements.


**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024**

	<b>Consolidated Half Year Ended</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>		
Receipts from client contracts	157	2,190
Payments to suppliers and employees	(4,446)	(6,505)
Interest received	23	122
Research and development tax incentive rebate received	2,975	2,869
<b>Net cash used in operating activities</b>	<b>(1,291)</b>	<b>(1,324)</b>
<b>Cash flows from investing activities</b>		
Payment for property, plant and equipment	(23)	(156)
<b>Net cash used in investing activities</b>	<b>(23)</b>	<b>(156)</b>
<b>Cash flows from financing activities</b>		
Lease liability principal repayments	(106)	(94)
Finance costs	(160)	(93)
Proceeds from short term financing	467	-
Repayment of short term financing	(1,954)	-
Proceeds from capital raising, net of costs	3,447	-
<b>Net cash provided by / (used in) financing activities</b>	<b>1,694</b>	<b>(187)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>380</b>	<b>(1,667)</b>
Cash and cash equivalents at beginning of half year	2,945	6,232
<b>Cash at the end of the period</b>	<b>3,325</b>	<b>4,565</b>

The accompanying notes form part of these financial statements



## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

### General information

#### Statement of compliance

This half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Accounting Standard IAS 34 Interim Financial Reporting. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

#### Basis of preparation

The condensed consolidated financial statements for the half-year ended 31 December 2024 have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

All amounts are presented in Australian dollars unless otherwise noted.

The Group is a group of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument, amounts in the half-year financial report are rounded to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's Annual Report for the financial year ended 30 June 2024. The accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The Group has applied all new and revised Australian Accounting Standards and Interpretations that are applicable to reporting periods beginning on or after 1 July 2024. Application of new and revised Australian Accounting Standards did not materially impact on this half year financial report.

#### Going concern basis of preparation

This financial report has been prepared on a going concern basis contemplating continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Following successful execution of the Placement and SPP elements of capital raising during December 2024 which raised \$3.838 million, before costs and Directors' Placement commitments, the Group reports total Cash and cash equivalents of \$3.325 million being an increase of \$0.380 million over 30 June 2024.

The Group incurred a loss after tax from ordinary activities of \$3.425 million for the half-year ended 31 December 2024 (31 December 2023: \$3.239 million) and as at balance date held Total current assets of \$4,887 million (30 June 2024: \$5,981 million).

The ability of the Group to continue as a going concern is dependent on the generation of future revenues sufficient to support progression of the development pipeline and other operating activities. Operating and financing revenues are expected to grow in future reporting periods following the recent launches of Dapsone 5%, Gel and Nitroglycerin 0.4%, Ointment and the planned launch of Dapsone 7.5%, Gel for early in 2025 which will bring the number of Acrux's currently marketed and revenue generating products to 5.

## ACRUX LIMITED AND CONTROLLED ENTITIES (ABN: 72 082 001 152)



Further cash is to be received in FY25 in relation to Share Placement funds committed by Directors (\$0.15 million). Additionally over the period until 19 February 2027, the exercising of the Attaching Options at 5.25 cents per Option has the potential to generate \$8.9 million new capital over 24 months.

These sources of funds are expected to support cashflows from operating activities in the future and enable the Group to continue operating as a going concern.

The Directors believe the Group can meet its financial obligations as and when they fall due based on cashflow projections which have been prepared for a period of twelve months beyond the date of approval of these financial statements and which incorporate the following key assumptions:

- Revenue growth of FDA approved products currently on market or planned for launch;
- Continuing eligibility of product development expenditure for RDTI rebate; and
- The ability to execute other financial and funding transactions as and if required.

Directors closely monitor revenue and expenditure against projections and should cash inflows be materially lower than forecasted cash management strategies which could be implemented include:

- Deferral of project development activities and associated expenditure;
- Management of operating and capital expenses;
- Monetisation of other assets or revenue streams; and
- Execution of other financial and funding transactions.

On this basis this financial report has been prepared on a going concern basis and no adjustments have been made relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

Should the Group not achieve the assumptions detailed above and other initiatives were not implemented there would be a material uncertainty which would cast significant doubt as to whether the Group may be able to meet its debts as and when they fall due, and therefore continue as a going concern. In that circumstance the Group may be required to realise assets and extinguish liabilities other than in the ordinary course of business and at amounts which differ to those stated in the financial statements.

### 1. SEGMENT REPORTING

The Group operates as a single operating segment. Internal management reporting systems present financial information as a single segment which derives its revenue from developing and commercialising topically applied prescription pharmaceutical products.

	<b>31 December 2024 \$'000</b>	<b>31 December 2023 \$'000</b>
<b>Geographical segment information</b>		
Australia	1,590	1,368
Europe and other countries	-	-
United States	120	4,409
	<b>1,710</b>	<b>5,777</b>
<b>Revenue by product group and services provided</b>		
Income received from licensing agreements	120	4,409
R&D Tax Incentive Rebate	1,565	1,285
Interest received	25	83
	<b>1,710</b>	<b>5,777</b>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)**

**2. CONTRIBUTED EQUITY**

	Number of Ordinary Shares	\$'000
<b>(a) Issued and paid up capital</b>		
Ordinary Shares fully paid	402,249,205	
<b>(b) Movements in ordinary shares on issue</b>		
Beginning balance, 1 July 2024	290,716,856	115,012
Conversion of rights under Omnibus Equity Plan	1,860,156	133
Issue of shares – Placement, after costs	71,428,547	2,231
Issue of shares – Share Purchase Plan, after costs	38,243,646	1,194
Total shares issued during the reporting period	111,532,349	3,402
Closing balance, 31 December 2024	402,249,205	118,414

Further to the issuance of ordinary shares in relation to the Placement and the Share Purchase Plan, 3,714,284 Placement shares were issued to Directors on 13 February 2025, after their participation was ratified at the EGM held on 3 February 2025.

All Placement and Share Purchase Plan subscribers are eligible to apply for an equal number of listed attaching options which may be converted into ordinary shares over the following 2 years through payment of 5.25 cents per share.

**3. KEY MANAGEMENT PERSONNEL**

Remuneration arrangements of Key Management Personnel are disclosed in the Annual Report.

Following approval at the Annual General Meeting held on 21 November 2024, 4,101,998 rights were issued to Non-executive Directors in partial lieu of salary and wages. These rights vest on a quarterly basis over a period of one year, subject only to continuity of service. As at 31 December 2024 none of the rights issued to Directors in November 2024 have vested.

Director Name	Number of Rights Issued
Geoff Brooke	896,668
Don Brumley	896,668
Ross Dobinson	1,411,994
Tim Oldham	896,668

**4. CONTINGENCIES**

There were no contingencies as at 31 December 2024 (31 December 2023: nil).



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2024 (continued)**

**5. AFTER BALANCE DATE EVENTS**

On 3 February 2025 an EGM was conducted in relation the capital raising commenced in December and all resolutions were supported by shareholders. Full details of the EGM resolutions are contained in the Notice of Meeting which was circulated to shareholders and announced to the ASX on 3 January 2024, and included:

- approval to issue 163,957,905 Placement, SPP and Lead Manager Options, exercisable on or before 19 February 2027 at 5.25 cents, subject to acceptance of the Options Offer;
- Approval for Directors to participate in the Placement on the same terms and conditions as other Placement participants and to contribute a total of \$0.15 million, of which 3,714,284 ordinary shares were issued on 13 February 2025; and
- Ratification of the prior issue of Placement shares.

Following receipt of valid acceptances of the Options Offer by the due date, 151,642,766 Options were issued on 19 February 2025. The due date for outstanding acceptances has been extended to 31 March 2025 and it is planned that the remaining approved Options will be issued at that time.

On 7 February 2025 it was announced that Michael Kotsanis is planning to retire from his role as CEO and Managing Director. To ensure an orderly transition, Michael will continue his responsibilities until a successor has been appointed.

No further matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect, the Group's operations, results or state of affairs, or may do so in future periods.



**DIRECTORS' DECLARATION**

The Directors declare that:

(a) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

(b) in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in black ink, appearing to read "Ross Dobinson", with a long horizontal flourish extending to the right.

**Ross Dobinson**  
Non-executive Chairman  
Melbourne  
25 February 2025



ACRUX LIMITED AND CONTROLLED ENTITIES  
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ACRUX LIMITED AND CONTROLLED ENTITIES

**Report on the Half-Year Financial Report**

*Conclusion*

We have reviewed the half-year financial report of Acrux Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2024, the condensed consolidated statement of profit and loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, and notes comprising material accounting policy information 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 accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

*Material Uncertainty Related to Going Concern*

We draw attention to the going concern basis of preparation note in the financial report which discloses that the Group incurred a net loss for the half-year ended 31 December 2024 of \$3.425 million, and has current assets of \$4.887 million. As stated in going concern basis of preparation note, these conditions, along with other matters as set forth in that note, indicate that a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities at the amounts stated in the financial statements in the normal course of business. Our conclusion is not modified in respect of this matter.

ACRUX LIMITED AND CONTROLLED ENTITIES  
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ACRUX LIMITED AND CONTROLLED ENTITIES

*Responsibilities of the Directors for the Financial Report*

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

*Auditor's Responsibilities for the Review of the Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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



J J MITCHELHILL  
Partner



PITCHER PARTNERS  
Melbourne

25 February 2025