

ASX RELEASE

31 May 2021

APPENDIX 4E – PRELIMINARY FINAL REPORT YEAR ENDED 31 MARCH 2021

COMMENTARY AND ANALYSIS

During the year ending 31 March 2021, Amplia Therapeutics Limited (ASX:ATX), (“Amplia” or the “Company”) made significant progress in the development of its key pharmaceutical asset AMP945, a molecule with promising potential for the treatment of both cancer and fibrotic diseases. The Company remains committed to the development of inhibitors of Focal Adhesion Kinase (FAK). Operational highlights reported during the year include:

- Second Orphan Drug Designation received from FDA for AMP945 in idiopathic pulmonary fibrosis
- Completion of a preclinical safety program and receipt of ethics committee approval to initiate clinical studies of AMP945
- Initiation of dosing in a Phase 1 clinical trial of AMP945 in healthy volunteers
- Establishment of collaboration terms with the Garvan Institute focussed on new treatments for pancreatic cancer
- Establishment of clinical advisory groups for pancreatic cancer and pulmonary fibrosis
- Receipt of further preclinical evidence supporting the potential utility of AMP945 in cancer and fibrosis
- Conduct of preclinical studies to assess the efficacy of AMP886 in various disease models

In July 2020, the Company raised a total of \$4.0m through an underwritten, accelerated, entitlement offer. In addition to being well supported by retail investors, the offer was strongly supported by the Company’s largest shareholder, Platinum Investment Management Ltd. and a new substantial shareholder, Blueflag Holdings Pty Ltd. The proceeds from the offer were used to fund the Phase 1 clinical trial of AMP945, additional non-clinical studies and provide working capital for the Company. In December 2020, the Company received a Research and Development Tax Incentive Refund of \$534k as a result of R&D expenditure incurred during FY2019-2020.

The Group’s loss after tax for the year ended 31 March 2021 was \$2,281k (2020: \$2,219k). This result included non-cash share based compensation of \$214k (2020: \$203k). Since 31 March 2020, the net assets of the Group increased by \$1,734k to \$10,340k as of 31 March 2021.

Research and development expenses increased to \$2,212 (2020: \$1,072k). This reflected the implementation of Phase 1 clinical trials of AMP945 in 2020. General and Administration expenses were higher i.e. \$1,135k (2020: \$858k).

In April 2021, Amplia completed dosing of volunteers in its Phase 1 trial of AMP945. Data analysis is ongoing but initial results show that AMP945 is well tolerated and has good pharmaceutical properties.

In May 2021, the Company issued 16,585,000 shares at 23c per share raising \$3,814,550. The proceeds of this capital raise will be used to fund enabling activities for the planned Phase 2 clinical trials in pancreatic cancer and pulmonary fibrosis and provide working capital.

- End -

This ASX announcement was authorised for release by the Board of Amplia Therapeutics Limited.

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For Further Information

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About Amplia Therapeutics Limited

Amplia Therapeutics Limited is an Australian pharmaceutical company advancing a pipeline of Focal Adhesion Kinase (FAK) inhibitors for cancer and fibrosis. FAK is an increasingly important target in the field of cancer immunology and Amplia has a particular development focus in pancreatic and ovarian cancer. FAK also plays a significant role in a number of chronic diseases, such as idiopathic pulmonary fibrosis (IPF).



APPENDIX 4E

PRELIMINARY FINAL REPORT
GIVEN TO THE ASX UNDER LISTING RULE 4.3A

AMPLIA THERAPEUTICS LIMITED

ACN 165 160 841

FINANCIAL YEAR ENDED 31 MARCH 2021

HIGHLIGHTS OF RESULTS FOR ANNOUNCEMENT TO THE MARKET
(figures are in A\$000s)

OTHER INCOME
PROFIT/(LOSS) BEFORE INCOME TAX
PROFIT/(LOSS) AFTER INCOME TAX
WEIGHTED EARNINGS PER SHARE - CENTS

March 2021 \$000s	March 2020 \$000s	Change \$000s	Change %
1,593	38	1,555	4092%
(2,281)	(2,219)	(62)	3%
(2,281)	(2,219)	(62)	3%
(2.4)	(4.6)	2.2	-47%

	<u>Current Year</u>	<u>Previous Year</u>
Interim Dividend	nil	nil
Final Dividend	nil	nil
	_____	_____
	nil	nil

The Directors have resolved that no dividend will be paid this year.

Record Date for determining entitlement to Dividend n/a

Payment date of Dividend n/a

The company's Annual General Meeting will be held 27 August 2021 at 12:00 midday
Venue: Collins Square, Tower 5, 727 Collins Street, Docklands VIC 3008

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	31 March 2021	31 March 2020
	\$000s	\$000s
REVENUE	-	-
OTHER INCOME		
Government Covid-19 bonuses	58	-
Interest income	1	4
R&D tax incentive	1,534	34
TOTAL OTHER INCOME	1,593	38
EXPENDITURE		
Research & development expenses	(2,212)	(1,072)
Patent and associated expenses	(312)	(123)
General and administration expenses	(1,135)	(858)
Depreciation & amortisation	(1)	(1)
Share based compensation (directors, employees & non-employees)	(214)	(203)
TOTAL EXPENDITURE	(3,874)	(2,257)
LOSS BEFORE INCOME TAX EXPENSE	(2,281)	(2,219)
Income tax (expense)	-	-
LOSS AFTER INCOME TAX	(2,281)	(2,219)
OTHER COMPREHENSIVE INCOME		
Foreign currency translation	-	-
Income tax thereon	-	-
OTHER COMPREHENSIVE INCOME/(LOSS) NET OF INCOME TAX	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(2,281)	(2,219)
EARNINGS PER SHARE		
Basic and diluted earnings per share (weighted)	(2.4) cents	(4.6) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2021	31 March 2020
	\$000s	\$000s
Current Assets		
Cash & cash equivalents	1,848	1,108
R&D incentive accrual	1,000	34
Other current assets	87	36
Total current assets	2,935	1,178
Non Current Assets		
Property, plant & equipment	5	1
Intangible assets	7,938	7,938
Total non current assets	7,943	7,939
Total Assets	10,878	9,117
Current Liabilities		
Accounts payable & accrued liabilities	538	511
Total current liabilities	538	511
Non Current Liabilities	-	-
Total Liabilities	538	511
Net Assets	10,340	8,606
Equity		
Paid in capital	136,554	132,903
Foreign currency translation reserve	(1,819)	(1,819)
Share option reserve	811	447
Accumulated losses	(125,206)	(122,925)
Total Equity	10,340	8,606

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued Capital \$000s	Accumulated Losses \$000s	Share Option Reserve \$000s	Foreign Currency Translation \$000s	Total Equity \$000s
CONSOLIDATED ENTITY					
At 1 April 2019	130,946	(120,918)	456	(1,819)	8,665
(Loss) after income tax for the year	-	(2,219)	-	-	(2,219)
Other comprehensive income/(loss) net of tax	-	-	-	-	-
Total comprehensive (loss) after tax	-	(2,219)	-	-	(2,219)
Transactions with owners in their capacity as owners					
Issue of shares	2,149	-	-	-	2,149
Cost of issuing shares	(192)	-	-	-	(192)
Transfer due to expiry of options	-	212	(212)	-	-
Amortisation of share options	-	-	203	-	203
	1,957	212	(9)	-	2,160
At 31 March 2020	132,903	(122,925)	447	(1,819)	8,606
(Loss) after income tax for the year	-	(2,281)	-	-	(2,281)
Other comprehensive income net of tax	-	-	-	-	-
Total comprehensive (loss) after tax	-	(2,281)	-	-	(2,281)
Transactions with owners in their capacity as owners					
Issue of shares	4,203	-	-	-	4,203
Cost of issuing shares	(552)	-	150	-	(402)
Transfer due to expiry of options	-	-	-	-	-
Amortisation of share options	-	-	214	-	214
	3,651	-	364	-	4,015
At 31 March 2021	136,554	(125,206)	811	(1,819)	10,340

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended 31 March 2021 <u>\$000s</u>	Year Ended 31 March 2020 <u>\$000s</u>
Cash flows related to operating activities		
Interest received	2	3
R&D incentive received	568	-
Government COVID-19 bonuses	58	-
Payments to suppliers	(2,936)	(1,568)
Payments to employees	(608)	(522)
Net Operating Cash Flows	(2,916)	(2,087)
Cash flows related to investing activities		
Payment for purchases of property, plant and equipment	(5)	-
Proceeds from disposal of property, plant and equipment	-	-
Net investing cash flows	(5)	-
Cash flows related to financing activities		
Issue of ordinary shares & exercise of options	4,065	2,149
Capital raising, listing & other costs	(402)	(192)
Net financing cash flows	3,663	1,957
Net increase/(decrease) in cash held	742	(130)
Cash at beginning of period	1,108	1,241
Foreign exchange effect on cash & cash equivalents balances	(2)	(3)
Cash at end of period	1,848	1,108
Reconciliation of cash		
Cash & cash equivalents in Statement of Financial Position	1,848	1,108

NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

STATEMENT OF ACCOUNTING POLICIES - BASIS OF PREPARATION OF FINANCIAL REPORT

This financial report (unaudited) is a general purpose financial report prepared in accordance with the Corporations Act 2001. This financial report does not include notes of the type normally included in an Annual Report (audited) and should be read in conjunction with the most recent annual financial report (audited).

Intangible assets have been accounted for at cost. The carrying value of intangible assets is reviewed for impairment purposes. Any necessary adjustments are made in the period to which they relate. Intangible assets will be amortised over their life. However, as they are yet to be commercialised there is no definitive period for which to calculate the definitive life and are being carried at cost. No impairment was considered necessary and are being carried forward at cost.

The accounting policies applied in preparing the financial statements for the year ended 31 March 2021 are consistent with those applied in preparing the comparative information presented in these financial statements and are the same as those applied by the Consolidated Entity in its consolidated financial report (audited) as at and for the year ended 31 March 2020.

	31 March 2021	31 March 2020
	<u>\$000s</u>	<u>\$000s</u>
Profit / (loss) before income tax has been determined after:		
Income		
R&D incentive - received	534	34
R&D incentive - accrued	1,000	-
Government Covid-19 bonuses	58	-
Expenses		
Depreciation - office furniture & equipment	1	1
Employee benefits	678	505
Foreign exchange gain/(loss)	(1)	(2)
Share based compensation - employees & directors	214	203
The remuneration of the auditors was:		
- audit services	50	45
- tax services	7	7
- other services	-	-

DETAILS OF INVESTMENTS IN CONTROLLED ENTITIES

	31 March 2021		31 March 2020	
	Ownership Interest	Investment	Ownership Interest	Investment
Amplia Therapeutics (UK) Limited	100%	\$180	100%	\$180
- issued share capital of GBP100 fully paid				
ACN 612 556 948 Pty Ltd (formerly Amplia Therapeutics P/L)	100%	\$0	100%	\$0
- issued capital \$10 is unpaid at 31 March 2020				

EARNINGS PER SHARE (EPS)

Details of basic and diluted EPS in accordance with paragraph 9 and 18 of AASB 133:

Earnings used in the calculation of basic EPS	(2,281)	(2,219)
Earnings used in the calculation of diluted EPS	(2,281)	(2,219)

	Number	Number
Weighted average number of shares outstanding during the year		
Basic EPS	94,692,802	48,470,801
Diluted EPS	94,692,802	48,470,801

Options have not been included in the weighted average number of ordinary shares outstanding for the purpose of calculating the diluted EPS as they do not meet the requirements for inclusion under AASB 133.

Options are non-dilutive as the Group result was a loss. Prior period comparatives have been updated in this consolidated financial statements.

	Cents	Cents
Basic EPS - cents	(2.4)	(4.6)
Diluted EPS - cents	(2.4)	(4.6)

NET TANGIBLE ASSET BACKING PER SHARE

Net tangible asset backing per share - cents	2.2	1.0
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NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	31 March 2021 \$000s	31 March 2020 \$000s
DIVIDENDS		
Interim Dividend	nil	nil
Final Dividend	nil	nil
	<u>nil</u>	<u>nil</u>
CONSOLIDATED ACCUMULATED LOSSES		
Accumulated losses at the beginning of the financial year	(122,925)	(120,918)
Net profit attributable to members	(2,281)	(2,219)
Transfer due to expiry of options	-	212
Accumulated losses at the end of the financial year	<u>(125,206)</u>	<u>(122,925)</u>
ORDINARY SHARES ON ISSUE		
	NUMBER	NUMBER
Number of shares on issue at 1 April 2020	66,463,185	41,023,303
Placement of shares @ 10c per share 14 June 2019	-	3,600,000
Rights Issue @ 10c per share 31 July 2019	-	6,847,282
Placement of shares to Directors & Management @ 10c per share 31 August 2019	-	1,700,000
Placement of shares @ 7c per share 24 January 2020	-	13,292,600
Rights Issue - Institutional Offer @ 10c/share 10/07/20	19,876,602	-
Rights Issue - Retail Offer @ 10c/share 04/08/20	20,001,705	-
Shares allotted to Directors to satisfy Director fees @ 12.69c per share as approved by shareholders 18 September 2020	1,099,508	-
Exercise of options @ 14c at various dates during the period	531,609	-
Number of shares on issue 31 March 2020	<u>107,972,609</u>	<u>66,463,185</u>

OPTIONS

There were 13,542,079 (31 March 2020: 10,353,688) options outstanding at reporting date. During the period 3,720,000 (31 March 2020: 7,273,688) options were issued and 531,609 (31 March 2020: nil) were exercised. No options expired unexercised.

INTANGIBLE ASSETS

The Company has assessed the intangible assets for impairment. The Company believes the value of the licenses exceed the deemed total acquisition value of \$7,937,932. Hence, the Company continues to believe that it is appropriate to carry forward the value of the licenses at the deemed total acquisition value i.e. \$7,972,932.

COVID-19

In March 2020, the World Health Organisation declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. The Company conducts manufacturing of its drug candidates using overseas suppliers. Continued outbreaks of COVID-19 may cause business disruption to supplies of product. There is uncertainty around the consequences of such disruptions and as such, the Company is unable to determine if such disruptions would have a material impact to its operations.

COMMITMENTS AND CONTINGENT LIABILITIES AND ASSETS

Under the in-license agreement with Cancer Research Technology Limited ("CRT") the Company must use commercially reasonable efforts to develop AMP945 by filing an Investigational New Drug ("IND") application or commencing a Phase I clinical trial. This obligation was met in October 2020 when the Company initiated a Phase 1 trial of AMP945. For AMP886, the Company agreed to file an IND or commence a Phase I trial within three years. In March 2021, CRT agreed to extend the timeframe in which the Phase 1 trials for AMP886 be initiated. Under the license agreement there is an annual maintenance fee of between US\$15,000 to US\$20,000 per annum. Additionally, under this agreement there are various remaining milestone payments totaling US\$50,000 for the commencement of a further Phase I clinical trial and US\$150,000 for the allowance of the two IND's. Further milestone payments would only become due and payable upon commencing Phase II & III studies, regulatory approvals and ultimately commercialisation.

POST REPORTING DATE EVENTS

On 10 May 2021 the Company issued 16,585,000 shares @ 23c per share raising \$3,814,550. The proceeds of this capital raise will be used to fund enabling activities for the Company's planned Phase 2 clinical trials in pancreatic cancer and pulmonary fibrosis and provide working capital. The Company has committed to prime contracts totaling approximately \$1,800,000 to be executed over the next 12 months.

Other than the above, there are no matters or circumstances which have arisen since the end of the financial year which will significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic entity in subsequent periods.

GOING CONCERN

The financial statements have been prepared on a going concern basis after taking into consideration the net loss for the twelve months of \$2,281k and the cash and cash equivalents balance of \$1,848k. The going concern basis contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the Company is dependent on it maintaining sufficient funds for its operations and commitments. The Directors continue to monitor these ongoing funding requirements and are of the opinion that the financial statements have been appropriately prepared on a going concern basis.

AUDIT STATUS

The accounts are currently in the process of being audited.