

Anatara Lifesciences Ltd

Appendix 4D

For the Half Year Ended 31 December 2023

Name of entity: Anatara Lifesciences Ltd
ABN: 41 145 239 872
Half-year ended: 31 December 2023
Previous period: 31 December 2022

Results for announcement to the market

		%		\$
Revenue from ordinary activities	Down	31.1%	to	272,748
Net loss after tax (from ordinary activities) for the period attributable to members*	Down	28.9%	to	(679,189)
Net loss after tax for the period attributable to members*	Down	28.9%	to	(679,189)

*Decrease in loss

Net tangible assets per security

	31 December 2023	31 December 2022
	\$	\$
Net tangible asset backing (per share)	0.008	0.01

Explanation of results

An explanation of the key financial elements contributing to the revenue and result above can be found in the review of operations included within the directors' report.

Distributions

No dividends have been paid during the financial half year. The directors do not recommend that a dividend be paid in respect of the financial half year (31 December 2022: Nil).

Changes in controlled entities

N/A

Other information required by Listing Rule 4.2A

N/A

Anatara Lifesciences Ltd

Consolidated Financial Statements

For the Half Year Ended 31 December 2023

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For the Half Year Ended 31 December 2023

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Anatara Lifesciences Ltd

Corporate Directory

31 December 2023

Directors

Mr David Brookes
Executive Chair

Mr Nicholas Haslam
Non-Executive Director

Mr John Michailidis
Executive Director

Secretary

Mr Stephen Denaro

Registered office and principal place of business

c/- Perks, Level 8, 81 Flinders Street, Adelaide SA 5000
Telephone: +61 (0)4 3802 7172

Share register

Computershare Investor Services Pty Ltd
Level 1, 200 Mary Street, Brisbane QLD 4000
Telephone: +61 (0)7 3237 2100

Auditor

Grant Thornton Audit Pty Ltd
Level 3, 170 Frome Street, Adelaide SA 5000
Telephone: +61 (0)8 8372 6666

Solicitors

Thomson Geer
Level 16, Waterfront Place, 1 Eagle Street, Brisbane QLD 4000
Telephone: +61 (0)8 8236 1300

Bankers

Commonwealth Bank of Australia
Melbourne VIC 3000
Telephone: +61 (0)2 9378 2000

Stock exchange listing

Anatara Lifesciences Ltd shares are listed on the Australian Securities Exchange (ASX code: ANR)

Website

www.anataralifesciences.com

Directors' Report

31 December 2023

The directors present their report, together with the consolidated financial statements of Anatara Lifesciences Ltd ("the Company") and its controlled entity ("the Group") for the half year ended 31 December 2023.

Directors

The following persons held office as directors of the Company during the whole of the financial half year and up to the date of this report, except where otherwise stated:

Names	Position	Appointed/Resigned
Dr David Brookes	Executive Chair	
Mr Nicholas Haslam	Non-Executive Director	
John Michailidis	Executive Director	Appointed 2 October 2023
Dr Jane Ryan	Non-Executive Director	Resigned 2 October 2023

Principal activities and significant changes in nature of activities

The Group is an Australian listed entity that is developing and commercialising innovative, evidence-based products for gastrointestinal health where there is significant unmet need. Lead products are the Gastrointestinal ReProgramming dietary supplement (GaRP) for humans and Detach® for animals.

There were no significant changes in the nature of the Group's principal activities during the financial half year.

Review of operations and financial results

i. Human and animal health projects

Anatara Lifesciences (ASX: ANR or "the Company"), a developer of evidence-based solutions for gastrointestinal diseases in humans and animals, continued to progress the Gastrointestinal ReProgramming (GaRP) trial for Irritable Bowel Syndrome (IBS) as a principle activity in human health towards commercialising the GaRP product. Stage 1 of the Phase II study was completed successfully meeting endpoints and the results announced to the market are detailed below (within this report). The Company considers the results extremely encouraging and consistent with the understanding of the project and product. Anatara's GaRP product is a multi-component, coated complementary medicine designed to address underlying factors associated with chronic gastrointestinal conditions such as IBS and IBD. The product is made of GRAS (Generally Regarded As Safe) components and is designed to assist restoration and maintenance of the GIT lining and the homeostasis of the microbiome.

The Company announced on 28th September 2023 that the interim futility statistical analysis of Stage 1 of Phase II GaRP-IBS trial had been reviewed by the DSMB (Data Safety Monitoring Board) on 27 September 2023. The conclusion given was that Stage 1 had successfully met the study objectives of confirming safety and the optimum dose for the single dose expanded Stage 2 of the trial, with a preliminary indication of meaningful efficacy. The data from 61 participants over 3 arms (placebo, low and high dose) strongly supported continuing the trial using the Low Dose. There were no concerning safety signals and the DSMB were satisfied that continuation of the current trial protocol was supported.

As well there was a clinically meaningful reduction in trial participants' IBS-SSS Scores which is the targeted primary endpoint.

The Company announced in October 2023 a positive analysis of the secondary endpoints of Quality of Life (QoL) and the Hospital Anxiety and depression Score (HADS). The improvement of the QoL scores was anticipated to reflect the trend of improvement in the primary endpoint of IBS-SSS. Analysis of improvement in HADS revealed highly significant improvement in anxiety and depression scores on Low Dose ($p < 0.05$) for the overall treatment. The Company considered this a remarkable result while cautioning on the low numbers involved at this stage of the full trial.

Directors' Report

31 December 2023

Review of operations and financial results (continued)

i. Human and animal health projects (continued)

Stage 2 of the trial design is to confirm/establish statistical significance for primary and secondary endpoints through greater numbers. Anatara is now preparing for Stage 2 of the Phase II GaRP-IBS trial which will commence recruiting in Q3FY24.

Following the GaRP interim trial results, Anatara continues to engage with global pharma companies interested in expanding their portfolio of complementary medicines. The trial is garnering interest from global leaders in the gastroenterology field due to the strong evidence-based design of the GaRP trial.

The Company continues to actively assess other opportunities in the human healthcare space and is appraising projects suitable to add to the Company's portfolio. There are also ongoing discussions for potential uses of Anatara's established products and know-how for animal health indications.

The Company continued to work towards solidifying the regulatory framework in key jurisdictions (EU, USA, AU) in order to progress the development of the product towards commercialisation. In addition, manufacturing scale-up and packaging work has been initiated in order to be best placed to commercialise as quickly as regulatory authorities will allow. The product continues to remain stable after extensive and regular testing, offering long shelf life.

In addition, the Company's website was upgraded along with the commencement of new company and product branding, in line with Anatara's commercialisation plans.

ii. Board changes

The Company announced on 2nd October that Dr Jane Ryan has retired as Non-Executive Director effective immediately. Mr John Michailidis was simultaneously appointed as an Executive Director while remaining in the role of COO (Chief Operating Officer).

iii. Summary of HY2024 cashflows

The Company's cash at the end of the half year ended 31 December 2023 was \$1.035 million (30 June 2023: \$0.351 million). Net cash outflow from operating activities during the half year was \$0.289 million, compared to a \$1.007 million cash outflow from operating activities in the half year ended 31 December 2022.

As announced on the 3rd of November 2023, the Company launched a 2 for 5 pro-rata non-renounceable Entitlement Offer to raise \$1.055 million and subsequently announced on the 7th & 18th December 2023 the finalisation of the offer raising the full \$1.055 million before capital raising costs.

In Q1FY24, the application for the 2023 Research & Development Tax Rebate resulted in a refund of \$0.923 million in August. All expenditure was as anticipated as Stage 1 of the GaRP trial was finalised and the Interim Analysis conducted.

Other items

Significant changes in state of affairs

During the period, a total of 47,969,742 shares were issued pursuant to the entitlement offer announced on 8 December 2023.

There were no other significant changes in the Group's state of affairs during the financial half year.

Events after the reporting date

No matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Directors' Report
31 December 2023

Auditor's Independence Declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2023 has been received and can be found on page 5 of the consolidated financial report.

This report is signed in accordance with a resolution of the Board of Directors.

Director: 

Director: 

Dated this 27th day of February 2024

Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Auditor's Independence Declaration

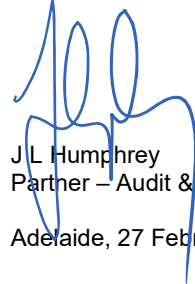
To the Directors of Anantara Lifesciences Ltd

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Anantara Lifesciences Ltd for the year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 27 February 2024

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2023

		31 December 2023	31 December 2022
	Note	\$	\$
Other income	4	272,748	395,928
General and administrative expenses	5	(617,846)	(879,182)
Research and development expenses	5	(337,794)	(473,609)
Operating loss		(682,892)	(956,863)
Finance income		3,703	2,494
Finance expenses		-	(1,348)
Finance costs - net		3,703	1,146
Loss before income tax		(679,189)	(955,717)
Income tax expense		-	-
Loss for the half year		(679,189)	(955,717)
Other comprehensive income			
Other comprehensive income for the half year, net of tax		-	-
Total comprehensive loss for the half year		(679,189)	(955,717)
Loss per share attributable to the ordinary equity holders of the company			
From continuing operations:			
Basic loss per share (cents)	10(a)	(0.54)	(1.21)
Diluted loss per share (cents)	10(a)	(0.54)	(1.21)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As At 31 December 2023

		31 December 2023	30 June 2023
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	1,034,543	351,184
Trade and other receivables	7	292,414	1,004,078
Other financial assets		50,000	50,000
Other assets		52,132	10,853
TOTAL CURRENT ASSETS		1,429,089	1,416,115
NON-CURRENT ASSETS			
Property, plant and equipment		1,469	3,258
TOTAL NON-CURRENT ASSETS		1,469	3,258
TOTAL ASSETS		1,430,558	1,419,373
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		140,926	474,462
Employee benefits		19,705	19,705
TOTAL CURRENT LIABILITIES		160,631	494,167
NON-CURRENT LIABILITIES			
Employee benefits		1,974	665
TOTAL NON-CURRENT LIABILITIES		1,974	665
TOTAL LIABILITIES		162,605	494,832
NET ASSETS		1,267,953	924,541
EQUITY			
Issued capital	8	22,341,120	21,368,718
Reserves	9	244,850	347,698
Accumulated losses		(21,318,017)	(20,791,875)
TOTAL EQUITY		1,267,953	924,541

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2023

	Note	Issued capital \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2023		21,368,718	347,698	(20,791,875)	924,541
(Loss) for the half year		-	-	(679,189)	(679,189)
Total comprehensive (loss) for the half year		-	-	(679,189)	(679,189)
Transactions with owners in their capacity as owners					
Issue of shares	8(a)	1,055,334	-	-	1,055,334
Less: Capital raising costs	8(a)	(82,932)	-	-	(82,932)
Share based payment expense - options	9(b)	-	9,049	-	9,049
Share based payment expense - performance rights	9(b)	-	54,780	-	54,780
Options expired/lapsed	9(b)	-	(153,047)	153,047	-
Options forfeited	9(b)	-	(13,630)	-	(13,630)
Total transactions with owners in their capacity as owners		972,402	(102,848)	153,047	1,022,601
Balance at 31 December 2023		22,341,120	244,850	(21,318,017)	1,267,953

		Ordinary Shares \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2022		19,908,471	439,488	(18,983,656)	1,364,303
(Loss) for the half year		-	-	(955,717)	(955,717)
Total comprehensive (loss) for the half year		-	-	(955,717)	(955,717)
Transactions with owners in their capacity as owners					
Issue of shares		1,389,691	-	-	1,389,691
Less: Capital raising costs		(196,820)	-	-	(196,820)
Share based payment expense - options		-	98,619	-	98,619
Share based payment expense - performance rights		-	20,000	-	20,000
Options expired/lapsed		-	(214,970)	214,970	-
Options forfeited		-	(5,902)	-	(5,902)
Total transactions with owners in their capacity as owners		1,192,871	(102,253)	214,970	1,305,588
Balance at 31 December 2022		21,101,342	337,235	(19,724,403)	1,714,174

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Half Year Ended 31 December 2023

	31 December 2023	31 December 2022
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Payments to suppliers and employees (inclusive of GST)	(1,231,134)	(1,513,167)
Other income	17,923	-
Interest received	3,025	1,479
Government grants and tax incentives	921,143	504,584
Net cash (used in) operating activities	<u>(289,043)</u>	<u>(1,007,104)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	-	(1,726)
Proceeds from sale of property, plant and equipment	-	585
Net cash (used in) investing activities	<u>-</u>	<u>(1,141)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares and other equity securities	1,055,334	1,389,691
Share issue transaction costs	(82,932)	(143,270)
Principal elements of finance lease payments	-	(11,531)
Net cash provided by financing activities	<u>972,402</u>	<u>1,234,890</u>
Net increase in cash and cash equivalents held	683,359	226,645
Cash and cash equivalents at the beginning of the half year	<u>351,184</u>	<u>1,120,204</u>
Cash and cash equivalents at the end of the half year	6 <u><u>1,034,543</u></u>	<u><u>1,346,849</u></u>

Notes to the Financial Statements

For the Half Year Ended 31 December 2023

The consolidated interim financial report covers Anatara Lifesciences Ltd ("the Company") and its controlled entities ("the Group"). Anatara Lifesciences Ltd is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The separate interim financial statements of the parent entity, Anatara Lifesciences Ltd, have not been presented within this financial report as permitted by the *Corporations Act 2001* and Australian Accounting Standards requirements.

The interim financial report was authorised for issue by the Directors on 27 February 2024.

1 Basis of Preparation

This consolidated interim financial report for the half year reporting period ending 31 December 2023 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of the Group. As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

(a) Revenue and other income

Grant revenue

Transactions involving government grants received are accounted for by applying AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*. Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Research and development tax incentive

In relation to research and development tax incentive, as the estimate is able to be reliably measured, the research and development tax incentive is measured on an accruals basis.

Notes to the Financial Statements

For the Half Year Ended 31 December 2023

2 Summary of Significant Accounting Policies

(b) Going concern

The interim financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the interim financial statements, the Group incurred a loss of \$679,189 (31 December 2022: loss of \$955,717) and had operating cash outflows of \$289,043 (31 December 2022: outflows of \$1,007,104) for the half year ended 31 December 2023. As at 31 December 2023, the Group held cash and cash equivalents of \$1,034,543 (30 June 2023: \$351,184). In the process of approving the Group's internal forecast and business plan for upcoming financial years, the board has considered the cash position of the Group within the next 12 months from the date of this report. The Group's internal forecast and business plan for the upcoming financial year includes capital raising.

The directors have assessed that the Company could raise additional capital to meet the Group's contractual commitments and working capital requirements. Notwithstanding the uncertainty over either of these events occurring, based on the above considerations the board has assessed the resources and opportunities available to the Group, and consequently believe that the Group will be able to repay its debts as and when they fall due and are of the opinion that the interim financial statements have been appropriately prepared on a going concern basis.

In the event that these measures are unsuccessful, there would be a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The interim financial report does not include any adjustments related to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

(c) Adoption of new and revised accounting standards

The Group has adopted all 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.

3 Critical Accounting Estimates and Judgments

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2023.

Notes to the Financial Statements

For the Half Year Ended 31 December 2023

4 Other Revenue and Income

		31 December 2023	31 December 2022
	Note	\$	\$
Other Income			
- Research and development tax incentive	(i)	254,825	371,328
- Other grants		16,164	24,600
- Other income		1,759	-
Total other income		272,748	395,928

(i) R&D tax incentive

The Group's research and development (R&D) activities are eligible under an Australian government tax incentive for eligible expenditure. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Amounts are recognised when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured.

For the half year ended 31 December 2023, the Group has recognised a receivable of \$254,825 (31 December 2022: \$371,328).

5 Breakdown of expenses by nature

		31 December 2023	31 December 2022
	Note	\$	\$
General and administrative expenses			
Accounting and audit fees		57,291	87,000
Advertising and promotions		39,660	-
Consulting fees		36,546	102,401
Depreciation		1,788	12,893
Employee benefits		323,929	386,438
Insurance		27,731	31,935
Investor relations		39,050	25,899
Legal expenses		13,513	11,286
Listing and share registry		37,564	33,801
Occupancy		23	4,446
Share-based payment expense	9(b)	(4,581)	39,166
Superannuation		30,805	43,641
Travel and entertainment		2,123	13,389
Other		12,404	86,887
Total general and administrative expenses		617,846	879,182
Research expenses			
Project research		337,794	473,609
Total research expenses		337,794	473,609

Notes to the Financial Statements

For the Half Year Ended 31 December 2023

6 Cash and Cash Equivalents

	31 December 2023	30 June 2023
	\$	\$
Cash at bank and in hand	1,034,543	351,184
Total cash and cash equivalents	1,034,543	351,184

7 Trade and Other Receivables

	31 December 2023	30 June 2023
	\$	\$
CURRENT		
Trade receivables	4,028	-
GST receivable	33,561	80,842
Research and development tax incentive refund	254,825	923,236
Total current trade and other receivables	292,414	1,004,078

8 Issued Capital

	31 December 2023	30 June 2023
	\$	\$
167,893,727 (30 June 2023: 119,923,985) Ordinary shares	23,590,877	22,535,542
Less: share issue costs	(1,249,757)	(1,166,824)
Total issued capital	22,341,120	21,368,718

(a) Movements in ordinary shares

	Number of Shares	Total \$
Balance at 1 July 2023	119,923,985	21,368,718
Shares issued during the half year		
Issue at \$0.022 pursuant to Entitlement Offer (08-12-2023)	29,905,116	657,913
Issue at \$0.022 pursuant to Placement (08-12-2023)	13,532,851	297,723
Issue at \$0.022 pursuant to Shortfall Offer (18-12-2023)	4,531,775	99,698
Less: Transaction costs arising on share issues	-	(82,932)
Balance at 31 December 2023	167,893,727	22,341,120

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

Notes to the Financial Statements

For the Half Year Ended 31 December 2023

9 Reserves

(a) Share-based payments reserve

The consolidated statement of financial position line item "reserves" comprises the "share-based payments reserve".

The share-based payment reserve records items recognised as expenses on valuation of share options and performance rights issued to key management personnel, other employees and eligible contractors.

(b) Movement in options and performance rights

	Note	Number of options	Number of performance rights	Total \$
Balance at 1 July 2023		6,895,000	206,612	347,698
Options expired/lapsed during the period		(150,000)	-	(153,047)
Options forfeited during the period		(225,000)	-	(13,630)
Issue of performance rights (01-08-2023)	(i)	-	1,611,176	54,780
Share-based payment expenses of options issued in prior years		-	-	9,049
Balance at 31 December 2023	(ii)	6,520,000	1,817,788	244,850

- (i) On 8 August 2023, 1,611,176 performance rights were issued to employees, as part of their performance bonus of \$54,780 recognised in expenses in the prior year.
- (ii) This number of options balance does not include options issued during the year that are not in relation to share based payments.

Fair value of options granted

The value attributed to options issued is an estimate calculated using an appropriate mathematical formula based on an option pricing model. The choice of models and the resultant option value require assumptions to be made in relation to the likelihood and timing of the conversion of the options to shares and the value and volatility of the price of the underlying shares.

Management has assessed the fair value of options determined at grant date, using the Black-Scholes option pricing model that takes into account the exercise price, term of the option, security price at grant date and expected price volatility of the underlying security, the expected dividend yield, the risk-free interest rate for the term of the security and certain probability assumptions.

No options were granted during the half year ended 31 December 2023.

Notes to the Financial Statements

For the Half Year Ended 31 December 2023

10 Loss Per Share

Both the basic and diluted loss per share have been calculated using the profit attributable to shareholders of Anatara as the numerator, i.e. no adjustments to profits were necessary during the six month periods to 31 December 2023 and 31 December 2022.

(a) Basic/diluted loss per share

	31 December 2023 Cents	31 December 2022 Cents
Basic loss per share	(0.54)	(1.21)
Diluted loss per share	(0.54)	(1.21)

(b) Reconciliation of loss used in calculating basic and diluted loss per share

	31 December 2023 \$	31 December 2022 \$
Loss attributable to the ordinary equity holders of the Group used in calculating loss per share:		
From continuing operations	(679,189)	(955,717)

(c) Weighted average number of shares used as denominator

	31 December 2023 \$	31 December 2022 \$
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	125,642,830	78,868,520

On the basis of the Group's losses, the outstanding options as at 31 December 2023 are considered to be antidilutive and therefore were excluded from the diluted weighted average number of ordinary shares calculation.

11 Events Occurring After the Reporting Date

The consolidated financial report was authorised for issue on 27 February 2024 by the board of directors.

No matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

12 Statutory Information

The registered office and principal place of business of the company is:

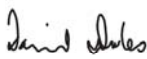
Anatara Lifesciences Ltd
c/- Perks, Level 8, 81 Flinders Street
Adelaide SA 5000
Australia

Directors' Declaration

The directors of the Company declare that:

- 1. The consolidated financial statements and notes, as set out on pages 5 to 15, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date.
- 2. 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.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 

Director 

Dated this 27th day of February 2024

Independent Auditor's Review Report

To the Members of Anantara Lifesciences Ltd

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Anantara Lifesciences Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, and 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, other selected explanatory notes, 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 Anantara Lifesciences Ltd does not comply with the *Corporations Act 2001* including:

- a giving a true and fair view of the Anantara Lifesciences Ltd's financial position as at 31 December 2023 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 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.

Material uncertainty related to going concern

We draw attention to Note 2(b) in the financial report, which indicates that the Group incurred a net loss of \$679,189 and had operating cash outflows of \$289,043 for the half year ended 31 December 2023. As at December 2023, the Group held cash and cash equivalents of \$1,034,543. As stated in Note 2(b), these events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year 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 responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 2023 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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 27 February 2024