

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Appendix 4D

For the half year ended 31 December 2024

Name of entity: Anatara Lifesciences Ltd

ABN: 41 145 239 872

Half-year ended: 31 December 2024

Previous period: 31 December 2023

Results for announcement to the market

| | | % | | | \$ |
|---|-------|-----|----|--|-------------|
| Revenue from ordinary activities | Up by | 92% | to | | 523,261 |
| Net loss after tax (from ordinary activities) for the period attributable to members* | Up by | 71% | to | | (1,161,074) |
| Net loss after tax for the period attributable to members* | Up by | 71% | to | | (1,161,074) |
| * Increase in loss | | | | | |

Net tangible assets per security

| | 31 December 2024 | 31 December 2023 |
|--|------------------|------------------|
| Net tangible asset backing (per share) | 0.008 | 0.008 |

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 2023: Nil).

Changes in controlled entity

N/A

Other information required by Listing Rule 4.2A

N/A

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Consolidated Interim Financial Statements

For the half year ended 31 December 2024

Anatara Lifesciences Ltd

ABN: 41 145 239 872

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For the half year ended 31 December 2024

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Anatara Lifesciences Ltd

ABN: 41 145 239 872

Corporate Directory

31 December 2024

Directors

- Dr David Brookes (Executive Chairman)
- Mr Nicholas Haslam (Non-Executive Director)
- Mr John Michailidis (Executive Director)

Secretary

- Mr Jonathan Lindh (from 29 November 2024)
- Mr Mr Stephen Denaro (to 29 November 2024)

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

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Directors' report

31 December 2024

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 2024.

Information on directors

The names of each person who has been a director during the half year and to date of the report are:

| Name | Position |
|--------------------|------------------------|
| Dr David Brookes | Executive Chairman |
| Mr Nicholas Haslam | Non-executive director |
| John Michailidis | Executive director |

Directors have been in office since the start of the financial half year to the date of the report unless otherwise stated.

Principal activities

The Group is an Australian listed entity that is developing and commercialising innovative, evidence-based health products where there is significant unmet need. Anatara is focused on building a pipeline of human health products with a particular focus on conditions that involve the complexity of the gastrointestinal tract

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

Review of operations and financial results

- **GaRP project & progress of pivotal Phase II GaRP-IBS trial**

Anatara's GaRP product is a multi-component, multi-coated complementary medicine designed to address underlying factors associated with chronic gastrointestinal conditions such as IBS and IBD. GaRP is the working name for the product from the Group's **G**astrointestinal **R**e**P**rogramming project that was designed to assist restoration and maintenance of the gastrointestinal tract (GIT) lining as a barrier and assist the homeostasis of the microbiome. The product is made of GRAS (Generally Regarded As Safe) components.

Anatara's pivotal Phase II GaRP-IBS clinical trial is a randomised, double blind, placebo-controlled study of the highest quality and rigour and, assuming trial success, will provide an evidence-based validation for the GaRP product in IBS. This furthers commercial discussions for the product for IBS and opens the product use for a wide range of other GIT health indications. Trial success is a validation of GaRP's unique, complex mechanism of action of restoring and maintaining the GIT lining as a barrier while assisting the homeostasis of the microbiome.

Anatara Lifesciences Ltd

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Directors' report

31 December 2024

- **GaRP project & progress of pivotal Phase II GaRP-IBS trial** (continued)

Stage 2 of the GaRP-IBS trial is the planned extension of the Phase II trial that follows the successful completion of Stage 1 which reported on 61 patients with a greater than a 50% reduction in IBS symptoms and with safety profile confirmed. Given the unmet need for an effective treatment for IBS, Anatara anticipates strong commercial interest in the ongoing trial of the effectiveness of the Group's patent protected product, known as "GaRP" (from the Company's **G**astrointestinal **R**e**P**rogramming project).

On the 13th of December 2024, the Group announced a recruitment pause for the trial with 63 participants enrolled and the ongoing processing of those identified as potential participants to be completed by the following week. Following that final week of processing, we now have an additional 8 enrolments actively involved in the trial, with the Stage 2 enrolment number confirmed as 71 Intent-To-Treat participants. The current trial participant numbers are in line with Group expectations and the usual activities are ongoing at the trial sites. The final patient number considerations are currently being assessed, with recruitment remaining in "pause."

- **Commencement of anti-obesity project**

In the December quarter, the Group commenced a new project based on an in-house concept and design to address weight management and control. The anti-obesity project has been designed to develop an oral medication to assist weight reduction and sustaining weight control in conjunction with other contemporary treatments and approaches. The Group is allocating approximately \$250,000 to proof-of-concept studies for the anti-obesity project. The planned *in-vivo* pre-clinical experiments are in the final stages of preparation for ethics submission and, once the appropriate approvals are in place, these studies are anticipated to take approximately 6 months through to completion.

- **Ongoing Corporate Activities & Operations**

The results from Stage 1 of the GaRP-IBS trial signalled a promising new era in the quest to alleviate the burdens of IBS and related disorders. Confirmation of these results from Stage 2 of the trial will provide both the desired evidence-based claim to differentiate GaRP as an IBS treatment and, a more valuable foundation to engage with global companies interested in expanding their portfolio of medicines for gastrointestinal and related disorders. Discussions remain ongoing with potential partners interested in delivering a new, safe and effective treatment for IBS into a highly unsatisfied market. The indications for the GaRP product are potentially much broader than IBS alone in GIT health and validation of the mechanism of action of the product for other conditions is a Group objective following the GaRP-IBS trial.

On the 20th of September 2024, the Group announced that notification of a decision to grant a European patent from the European Patent Office (EPO) for the title and documents relating to its **G**astrointestinal **R**e**P**rogramming product (known as "GaRP") had been received. The decision from the EPO took effect from the publication of the grant in the European Patent Bulletin 24/38 on the 18th of September 2024. The EU patent for GaRP has a patent number 4041285 and was filed on 9th October 2020. Priority is claimed to Australian patent application AUA 2019903822 filed on 11 October 2019. Therefore, the date of expiry will be priority date plus 20 years, i.e. 11 October 2039.

Anatara Lifesciences Ltd

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Directors' report

31 December 2024

- **Ongoing Corporate Activities & Operations** (continued)

Patent application processes for the GaRP product are ongoing and continue in a number of other jurisdictions, including the important USA market.

Additionally, the Group continues to actively assess other opportunities in the human healthcare space and is appraising projects suitable to add to the Group's portfolio, even with the commencement of the anti-obesity project.

The Group is securing a supply chain of material for commercial readiness of the GaRP product and assessing manufacturing options for global commercialisation.

- **Corporate Activities & Secretary change**

Anatara completed a successful capital raising of \$1.0m in May 2024, reflecting strong support from existing institutional and sophisticated investors, with the issue price of \$0.04 being less than a 5% discount to the 5-day VWAP as at close of trade the day before raise. Director participation in the Placement of \$70,000 was approved by shareholders via an EGM on 5th July 2024 which finalised the capital raise process.

The Group's AGM was held on the 14th of November 2024 in Adelaide as hybrid meeting with in person and virtual attendance.

An investor webinar and Q&A was conducted virtually on the 2nd of December 2024 and was well attended by institutional, broker and retail participants.

The Group announced on 29 November 2024 that Mr. Jonathan Lindh is appointed as Company Secretary. This followed the retirement of the long term Company Secretary, Mr. Stephen Denaro.

- **Summary of HY2024 cashflows**

The Group's cash at the end of the half year ended 31 December 2024 was \$1.051 million (30 June 2024: \$0.982 million). Net cash outflow from operating activities during the half year was \$0.900 million, compared to a \$0.289 million cash outflow from operating activities in the half year ended 31 December 2023.

On 15 November 2024 the Group announced a Share Placement with firm commitment to raise \$0.66 million through issuing 13,200,000 ordinary shares. On 15 November 2024 the Group announced an update that the placement had increased by \$0.09 million and confirmed the successful placement would raise \$0.75 million.

As announced on 15 November 2024, the Group launched a Share Purchase Plan to raise \$0.5 million and subsequently announced on 20 December the results which raised \$0.275 million.

In Q1FY25, the application for the 2024 Research & Development Tax Rebate resulted in a refund of \$0.626 million in August. All expenditure was as anticipated as Stage 1 of the GaRP trial was finalised and the Interim Analysis conducted.

Anatara Lifesciences Ltd

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Directors' report

31 December 2024

Significant changes in state of affairs

During the period, a total of 22,240,000 shares were issued pursuant to the placements on 9 July 2024, 23 November 2024 and 23 December 2024 and the Share Purchase Plan on 23 December 2024.

There have been no significant changes in the state of affairs of the Group during the 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.

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 2024 has been received and can be found on page 7 of the consolidated financial report.

Signed in accordance with a resolution of the Board of Directors.



Director

Dr David Brookes, Executive Chair

Dated this 24th day of February 2025

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170 Frome Street
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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 half-year ended 31 December 2024. 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 review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 24 February 2025

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Anatara Lifesciences Ltd

ABN: 41 145 239 872

Interim consolidated statement of profit or loss and other comprehensive income

For the half year ended 31 December 2024

| | Note | 31 December 2024 \$ | 31 December 2023 \$ |
|---|------|---------------------------|---------------------------|
| Other income | 5 | 523,261 | 272,748 |
| General and administrative expenses | 6 | (775,918) | (617,846) |
| Research and development expenses | 6 | (912,890) | (337,794) |
| Operating loss | | (1,165,547) | (682,892) |
| Finance income | | 4,473 | 3,703 |
| Loss before income tax | | (1,161,074) | (679,189) |
| Income tax | | - | - |
| Loss for the half year | | (1,161,074) | (679,189) |
| Other comprehensive income | | - | - |
| Other comprehensive income for the half year, net of tax | | - | - |
| Total comprehensive loss for the half year | | (1,161,074) | (679,189) |

| Loss per share attributable to the ordinary equity holders of the Company | Note | 31 December 2024 | 31 December 2023 |
|--|------|---------------------|---------------------|
| From continuing operations: | | | |
| Basic loss per share (cents) | 11.a | (0.59) | (0.54) |
| Diluted loss per share (cents) | 11.a | (0.59) | (0.54) |

The accompanying notes form part of these financial statements.

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Interim consolidated statement of financial position

As at 31 December 2024

| | Note | 31 December 2024 \$ | 30 June 2024 \$ |
|---------------------------------------|------|---------------------------|--------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 7 | 1,051,721 | 982,107 |
| Trade and other receivables | 8 | 607,634 | 671,092 |
| Other financial assets - term deposit | | 50,000 | - |
| Other assets | | 50,736 | 17,429 |
| Total current assets | | 1,760,091 | 1,670,628 |
| Non-current assets | | | |
| Property, plant and equipment | | 328 | 794 |
| Total non-current assets | | 328 | 794 |
| Total assets | | 1,760,419 | 1,671,422 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | | 371,711 | 269,691 |
| Employee benefits | | 26,839 | 34,472 |
| Total current liabilities | | 398,550 | 304,163 |
| Non-current liabilities | | | |
| Employee benefits | | 5,360 | 2,686 |
| Total non-current liabilities | | 5,360 | 2,686 |
| Total liabilities | | 403,910 | 306,849 |
| Net assets | | 1,356,509 | 1,364,573 |
| Equity | | | |
| Issued capital | 9 | 24,174,731 | 23,176,613 |
| Reserves | 10 | 432,922 | 278,030 |
| Accumulated losses | | (23,251,144) | (22,090,070) |
| Total equity | | 1,356,509 | 1,364,573 |

The accompanying notes form part of these financial statements.

Anatara Lifesciences Ltd

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Interim consolidated statement of changes in equity

As at 31 December 2024

| 2024 | Note | Issued capital \$ | Reserves \$ | Accumulated losses \$ | Total \$ |
|---|------|----------------------|----------------|-----------------------------|-------------|
| Balance as at 1 July 2024 | | 23,176,613 | 278,030 | (22,090,070) | 1,364,573 |
| (Loss) for the half year | | - | - | (1,161,074) | (1,161,074) |
| Total comprehensive (loss) for the half year | | - | - | (1,161,074) | (1,161,074) |
| Transactions with owners in their capacity as owners | | | | | |
| Issuance of shares | 9.a | 1,094,500 | - | - | 1,094,500 |
| Less: Capital raising costs | 9.a | (96,382) | - | - | (96,382) |
| Options issued | 10.b | - | 97,500 | - | 97,500 |
| Performance rights issued | 10.b | - | 57,392 | - | 57,392 |
| Total transactions with owners in their capacity as owners | | 998,118 | 154,892 | - | 1,153,010 |
| Balance as at 31 December 2024 | | 24,174,731 | 432,922 | (23,251,144) | 1,356,509 |

The accompanying notes form part of these financial statements.

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Interim consolidated statement of changes in equity

As at 31 December 2024

| 2023 | Issued capital | Reserves | Accumulated losses | Total |
|---|-------------------|----------------|---------------------|------------------|
| | \$ | \$ | \$ | \$ |
| Balance as 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 | | | | |
| Issuance of shares | 1,055,334 | - | - | 1,055,334 |
| Less: Capital raising costs | (82,932) | - | - | (82,932) |
| Share based payment expense - options | - | 9,049 | - | 9,049 |
| Share based payment expense - performance rights | - | 54,780 | - | 54,780 |
| Options expired / lapsed | - | (153,047) | 153,047 | - |
| Options forfeited | - | (13,630) | - | (13,630) |
| Total transactions with owners in their capacity as owners | 972,402 | (102,848) | 153,047 | 1,022,601 |
| Balance as at 31 December 2023 | 22,341,120 | 244,850 | (21,318,017) | 1,267,953 |

The accompanying notes form part of these financial statements.

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Interim consolidated statement of cash flows

For the half year ended 31 December 2024

| | Note | 31 December 2024 \$ | 31 December 2023 \$ |
|---|------|---------------------------|---------------------------|
| Cash flows from operating activities: | | | |
| Payments to suppliers and employees (inclusive of GST) | | (1,530,105) | (1,231,134) |
| Other income | | - | 17,923 |
| Interest received | | 3,795 | 3,025 |
| Government grants and tax incentives | | 626,806 | 921,143 |
| Net cash (used in) operating activities | | (899,504) | (289,043) |
| Cash flows from investing activities: | | | |
| Payments to acquire term deposits | | (50,000) | - |
| Net cash (used in) investing activities | | (50,000) | - |
| Cash flows from financing activities: | | | |
| Proceeds from issue of shares and other equity securities | | 1,094,500 | 1,055,334 |
| Share issue transaction costs | | (75,382) | (82,932) |
| Net cash provided by financing activities | | 1,019,118 | 972,402 |
| Net increase in cash and cash equivalents | | 69,614 | 683,359 |
| Cash and cash equivalents at beginning of the half year | | 982,107 | 351,184 |
| Cash and cash equivalents at end of the half year | 7 | 1,051,721 | 1,034,543 |

The accompanying notes form part of these financial statements.

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Notes to the consolidated financial statements

For the half year ended 31 December 2024

1. Introduction

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 24 February 2025.

2. Basis of preparation

This consolidated interim financial report for the half year reporting period ending 31 December 2024 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 2024, 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.

Material accounting policy information adopted in the preparation of these consolidated financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Notes to the consolidated financial statements

For the half year ended 31 December 2024

3. Material accounting policy information

a. Revenue and other income

i. 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.

ii. 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.

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 \$1,161,074 (31 December 2023: loss of \$679,189) and had operating cash outflows of \$899,504 for the half year ended 31 December 2024 (31 December 2023: outflows of \$289,043). As at 31 December 2024, the Group held cash and cash equivalents of \$1,051,721 (30 June 2024: \$982,107).

The continuation of the Group as a going concern is dependent upon its ability to generate sufficient net cash inflows from operating and financing activities and manage the level of expenditure within available cash resources.

The directors consider that the going concern basis of accounting is appropriate, as the Group has the following options:

- The ability to issue share capital under the *Corporations Act 2001*, by a share purchase plan, share placement or rights issue;
- The option of selling interests in the Group's assets; and
- The option of relinquishing or disposing of rights and interests in certain assets.

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.

Anatara Lifesciences Ltd

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Notes to the consolidated financial statements

For the half year ended 31 December 2024

3. Material accounting policy information (continued)

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.

4. 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 2024.

5. Other revenue and other income

| Other income | Note | 31 December | 31 December |
|---------------------------|------|----------------|----------------|
| | | 2024 | 2023 |
| | | \$ | \$ |
| R&D tax incentive | 5.a | 523,261 | 254,825 |
| Grant income | | - | 16,164 |
| Other income | | - | 1,759 |
| Total other income | | 523,261 | 272,748 |

a. 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 2024, the Group has recognised a receivable of \$523,261 (31 December 2023: \$254,825).

Anatara Lifesciences Ltd

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Notes to the consolidated financial statements

For the half year ended 31 December 2024

6. Breakdown of expenses by nature

| | 31 December 2024 | 31 December 2023 |
|--|---------------------|---------------------|
| | \$ | \$ |
| General and administrative expenses | | |
| Accounting and audit fees | 57,288 | 57,291 |
| Advertising and promotions | 65,749 | 39,660 |
| Consulting fees | 4,659 | 36,546 |
| Depreciation | 466 | 1,788 |
| Employee benefits | 375,622 | 323,929 |
| Insurance | 27,958 | 27,731 |
| Investor relations | 36,242 | 39,050 |
| Legal expenses | 3,526 | 13,513 |
| Listing and share registry | 55,524 | 37,564 |
| Occupancy | | 23 |
| Share-based payment expense | 84,053 | (4,581) |
| Superannuation | 38,856 | 30,805 |
| Travel and entertainment | 7,960 | 2,123 |
| Other expenses | 18,015 | 12,404 |
| Total general and administrative expenses | 775,918 | 617,846 |

| | 31 December 2024 | 31 December 2023 |
|--------------------------------|---------------------|---------------------|
| | \$ | \$ |
| Research expenses | | |
| Project research | 912,890 | 337,794 |
| Total research expenses | 912,890 | 337,794 |

7. Cash and cash equivalents

| | 31 December 2024 | 31 December 2023 |
|--|---------------------|---------------------|
| | \$ | \$ |
| Cash and cash equivalents | 1,051,721 | 1,034,543 |
| Total cash and cash equivalents | 1,051,721 | 1,034,543 |

Anatara Lifesciences Ltd

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Notes to the consolidated financial statements

For the half year ended 31 December 2024

8. Trade and other receivables

| | 31 December 2024 \$ | 30 June 2024 \$ |
|--|---------------------------|--------------------|
| Current | | |
| GST receivable | 85,076 | 44,989 |
| Research and development tax incentive refund | 522,558 | 626,103 |
| Total current trade and other receivables | 607,634 | 671,092 |

9. Issued capital

| | 31 December 2024 \$ | 30 June 2024 \$ |
|---|---------------------------|--------------------|
| 213,383,727 Ordinary Shares (30 June 2024: 191,143,727) | 25,615,377 | 24,520,876 |
| Less: share issue costs | (1,440,646) | (1,344,263) |
| Total issued capital (net of transaction costs) | 24,174,731 | 23,176,613 |

a. Movements in ordinary shares

| | No. of shares \$ | Total \$ |
|---|---------------------|-------------------|
| Shares balance as at 1 July 2024 | 191,143,727 | 23,176,613 |
| Shares issued during the half year: | | |
| Issue at \$0.040 pursuant to Placement (9.7.24) | 1,750,000 | 70,000 |
| Issue at \$0.050 pursuant to Placement (22.11.24) | 15,000,000 | 750,000 |
| Issue at \$0.050 pursuant to Placement (23.12.24) | 5,490,000 | 274,500 |
| Less: Transaction costs arising on share issues | - | (96,382) |
| Balance at 31 December 2024 | 213,383,727 | 24,174,731 |

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.

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Notes to the consolidated financial statements

For the half year ended 31 December 2024

10. 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

| | Number of options \$ | Number of performance rights \$ | Total \$ |
|--|----------------------------|--|----------------|
| Balance at 1 July 2024 | 31,419,784 | 1,817,788 | 278,030 |
| Options issued to Directors (9.7.25) | 4,500,000 | - | 76,500 |
| Options issued as part of Lead Manager Fees (23.12.24) | 1,000,000 | - | 21,000 |
| Issue of performance rights (9.8.24) | - | 886,312 | 35,452 |
| Issue of performance rights (18.11.24) | - | 359,640 | 21,940 |
| Balance at 31 December 2024 | 36,919,784 | 3,063,740 | 432,922 |

Fair value of options and rights 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.

Anatara Lifesciences Ltd

ABN: 41 145 239 872

Notes to the consolidated financial statements

For the half year ended 31 December 2024

10. Reserves (continued)

b. Movement in options and performance rights (continued)

Options

- Dividend Yield (%) 0.00
- Expected volatility (%) 82.86
- Risk free interest rate (%) 4.10
- Expected life of options (years) 4
- Weighted average price per share (\$) 0.045

The weighted average fair value of the options granted during the six month period ended 31 December 2024 is \$0.019.

Performance Rights were issued based on performance by employees during the period. Issue price of performance rights were \$nil and vest immediately and expire 3 years from the date of issue. The fair value of the performance rights granted during the period were assessed as equal to the share price on the date of the performance right being granted.

11. 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 2024 and 31 December 2023.

a. Basic / diluted loss per share

| | 31 December 2024 | 31 December 2023 |
|------------------------|------------------|------------------|
| Basic loss per share | (0.59) | (0.54) |
| Diluted loss per share | (0.59) | (0.54) |

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

| | 31 December 2024 \$ | 31 December 2023 \$ |
|--|---------------------------|---------------------------|
| Loss attributable to the ordinary equity holders of the Group used in calculating loss per share - from continuing operations: | (1,161,074) | (679,189) |

Anatara Lifesciences Ltd

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Notes to the consolidated financial statements

For the half year ended 31 December 2024

11. Loss per share (continued)

c. Weighted average number of shares used as denominator

| | 31 December 2024 \$ | 31 December 2023 \$ |
|--|---------------------------|---------------------------|
| Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share | 196,198,700 | 125,642,830 |

12. Events occurring after the reporting date

The consolidated financial report was authorised for issue on 24 February 2025 by the board of directors.

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.

13. 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 Australia
5000

Anatara Lifesciences Ltd

ABN: 41 145 239 872

The directors of the Company declare that:

The financial statements and notes for the half year ended 31 December 2024 are in accordance with the *Corporations Act 2001* and:

- comply with Accounting Standard AASB 134 *Interim Financial Reporting*; and
- give a true and fair view of the financial position as at 31 December 2024 and of the performance for the half year ended on that date.

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

Dr David Brookes, Executive Chair

Dated this 24th day of February 2025

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 2024, 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 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 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 \$1,161,074 and had operating cash outflows of \$899,504 for the half year ended 31 December 2024. As stated in Note 3(b), these events or conditions, along with other matters as set forth in Note 3(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.

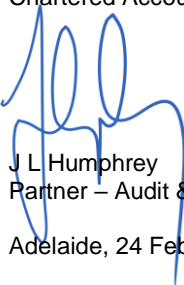
Auditor's responsibility for the review of the financial report

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 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.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 24 February 2025