Syntara Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Syntara Limited
ABN:	75 082 811 630
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

				$'000
Revenues from ordinary activities and other income for continuing operations	up	337.94%	to	3,070
Loss from ordinary activities after tax attributable to the owners of Syntara Limited	down	54.3%	to	(2,716)
Loss for the half-year attributable to the owners of Syntara Limited	down	54.3%	to	(2,716)

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

Comments
The loss for the Company after providing for income tax amounted to $2,716,000 (31 December 2023: $5,949,000).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	1.16	0.38

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

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

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

7. Foreign entities

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

Not applicable.

8. Audit qualification or review

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

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

9. Attachments

Details of attachments (if any):

The Interim financial report for the half-year of Syntara Limited for the half-year ended 31 December 2024 is attached.

10. Signed

Signed _____ Date: 26 February 2025

Gary Phillips
CEO & Managing Director

Half-year report
31 December 2024

Syntara Limited
ABN 75 082 811 630

Syntara Limited
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31 December 2024

Syntara Limited
Corporate directory
31 December 2024

Directors	Kathleen Metters (Chair) Gary Phillips (Chief Executive Officer) Simon Green Hashan De Silva
Company secretaries	Cameron Billingsley (Effective 6 February 2025) David McGarvey (Resigned 6 February 2025)
Registered office	Unit 2, 20A Rodborough Road Frenchs Forest, NSW 2086 Australia
Share register	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Telephone: 1300 737 760 (in Australia) +61 2 9290 9600 (International) enquiries@boardroomlimited.com.au www.boardroomlimited.com.au
Auditor	William Buck Audit (Vic) Pty Ltd
Stock exchange listing	Syntara Limited shares are listed on the Australian Securities Exchange (ASX code: SNT)
Website	https://syntaratx.com.au/

Your directors present their report of Syntara Limited at the end of, or during, the half-year ended 31 December 2024.

Directors

The following persons were directors of the Company during the half-year and up to the date of this report:

Kathleen Metters (Chair)
Gary Phillips (Chief Executive Officer)
Simon Green
Hashan De Silva

Principal activities

Syntara Limited is a clinical stage drug development company targeting extracellular matrix dysfunction with its world-leading expertise in amine oxidase chemistry and other technologies to develop novel medicines for blood cancers and conditions linked to inflammation and fibrosis.

Syntara is managing three phase 2 clinical studies in diseases of high unmet need with a further two potential phase 1c/2 studies being evaluated for 2025. Lead candidate SNT-5505 is for the bone marrow cancer myelofibrosis which causes a build-up of scar tissue that leads to loss of red and white blood cells and platelets. SNT-5505 has already achieved FDA Orphan Drug Designation and clearance under an Investigational New Drug Application for development in myelofibrosis. After encouraging phase 2a trial results when used as a monotherapy in myelofibrosis, SNT-5505 is now being studied with a JAK inhibitor in a further phase 2 myelofibrosis study. Protocols for another two phase 1c/2 studies with SNT-5505 in patients with a blood cancer called myelodysplastic syndrome are in development and expected to commence recruitment by H1 2025.

Syntara is also advancing topical pan-LOX inhibitors in scar prevention and scar modification programs as part of an ongoing collaboration with Professor Fiona Wood and the University of Western Australia. SNT-4728 is being studied in collaboration with Parkinson's UK as a best-in-class SSAO/MAOB inhibitor to treat sleep disorders and slow progression of neurodegenerative diseases like Parkinson's by reducing neuroinflammation. Other Syntara drug candidates target fibrotic and inflammatory diseases such as kidney fibrosis, NASH, pulmonary fibrosis and cardiac fibrosis.

Syntara developed two respiratory products available in world markets (Bronchitol® for cystic fibrosis and Aridol®- a lung function test), which it sold in October 2023.

Review of Operations

The progress the Company has made on in its main drug development programs are described below.

New drug development

Syntara is now fully focused on development of the Company's pipeline, primarily SNT-5505 in haematological malignancies. During the current half-year the Company made progress in its drug development pipeline as follows:

Oral pan-LOX inhibitor program (SNT-5505) in myelofibrosis

Syntara's primary drug development initiative is its pan-Lysyl Oxidase (pan-LOX) inhibitor program focused on the rare bone cancer myelofibrosis (MF). MF is a cancer with a poor prognosis and limited therapeutic options. Syntara believes that the current treatments can be augmented by use of a pan-LOX inhibitor and the combination should be disease modifying in a market that is conservatively worth in excess of US$1 billion per annum.

SNT-5505 is an orally taken drug that inhibits the lysyl oxidase family of enzymes and was developed from the Company's amine oxidase chemistry platform. In pre-clinical models of myelofibrosis SNT-5505 reversed the bone marrow fibrosis that drives morbidity and mortality in myelofibrosis and reduced many of the abnormalities associated with this disease. SNT-5505 was granted Orphan Drug Designation by the US Food and Drug Administration (FDA) in July 2020.

A phase 1c/2a clinical trial (named MF-101), cleared by the FDA under the Investigational New Drug scheme, aimed to demonstrate that SNT-5505 is safe and well tolerated as a monotherapy in myelofibrosis patients who are intolerant, unresponsive or ineligible for treatment with approved JAK inhibitor drugs. The trial had additional secondary endpoints to explore the impact of inhibiting lysyl oxidase enzymes on a number of important disease parameters such as bone marrow fibrosis, cytopenia and spleen volume.

The phase 1c stage of the clinical trial MF-101 was completed successfully and a dose was selected to progress into the phase 2a stage of the study, with completion of the recruitment of 24 targeted patients during the prior half-year. During the prior half-year Syntara released interim data on the first ten patients to have completed the full 24 weeks of treatment. These results were presented at American Society of Hematology (ASH) in San Diego in December 2023.

In December 2023 Syntara announced the commencement of dosing of a new combination arm of the clinical trial MF-101, following a Type C Meeting with the US Food and Drug Administration (FDA) earlier in the year. Subsequent to examination by the FDA of a package of safety and efficacy information from the monotherapy arm of the trial the FDA provided guidance on the number of patients, treatment dosage, study duration and endpoints for a study in combination with a JAK inhibitor as standard of care. Syntara subsequently submitted a clinical trial protocol amendment to global regulators, including the FDA, adding an arm to the existing study (MF-101) and utilising existing trial sites. The trial design was streamlined to initiate the combination arm at the same dose currently used in the monotherapy arm and the amended trial protocol was cleared by the FDA without amendment under the Investigational New Drug (IND) scheme. This second arm of the phase 2a trial MF-101 aims to demonstrate that SNT-5505 is safe and effective in myelofibrosis patients who are sub-optimally controlled on the market leading JAK inhibitor, ruxolitinib (RUX).

In December 2024, Syntara announced encouraging interim results from its ongoing Phase 2 clinical trial evaluating SNT-5505, a pan-LOX inhibitor, in combination with RUX for the treatment of MF, highlighting SNT-5505's potential to address the high unmet need in MF treatment, particularly in patients with suboptimal responses to existing therapies.

The study, which includes 16 patients with intermediate-2 or high-risk MF, is designed to assess safety and efficacy over 52 weeks. Patients enrolled had a high disease burden, with a median baseline symptom score of 23 and extensive prior exposure to RUX, averaging over three years.

The data was selected for an oral presentation at the 2024 ASH annual meeting, which took place from 7-10 December 2024 in San Diego and is the largest haematology scientific conference held globally, attended by over 30,000 scientists, clinicians, companies and investors from more than 100 countries. A copy of the presentation is available on the Company's website.

The interim data revealed significant improvements in both symptom relief and spleen volume reduction, key efficacy measures in MF trials. At the 12-week mark, 46% of evaluable patients achieved a ≥50% reduction in Total Symptom Score (TSS50), a benchmark used by regulatory bodies such as the FDA. This figure increased to 80% by 38 weeks, indicating sustained and improving benefits over time. Spleen volume reductions were also notable, with 30% of patients achieving a 25% reduction (SVR25) and 20% achieving a 35% reduction (SVR35) at 38 weeks. Importantly, these reductions continued to improve at later time points, a unique feature that distinguishes SNT-5505 from other MF therapies currently in development or on the market.

The combination therapy was well-tolerated, with no treatment-related serious adverse events reported. Haematological parameters, including haemoglobin levels and platelet counts, remained stable across the cohort.

Syntara plans to release additional interim data in the first half of 2025 and finalise results in the second half of the year. The Company aims to discuss the design of a pivotal Phase 2c/3 study with the FDA after receiving 52-week data from a subset of patients in March 2025. Concurrently, Syntara will explore global and regional partnerships to support the next stages of development.

Oral pan-LOX inhibitor program (SNT-5505) in myelodysplastic syndrome

The scientific rationale for MDS trials is based on a scientific collaboration with the University of Heidelberg who published their work in Nature Communication in early in 2023 on the role of lysyl oxidase enzymes in MDS and the effect of combining hypomethylating agent 5-azacytidine with Syntara's pan-lysyl oxidase inhibitor, SNT-5505. The authors concluded that the significant increase in red blood cell production evidenced in their studies makes a strong case for trialling SNT-5505 combined with the current standard of care in MDS patients (5-azacytidine), especially those who are anaemic. MDS and CMML are forms of blood cancer that often progress to acute myeloid leukemia (AML). Current treatments, such as 5-azacitidine, have limited long-term efficacy, with many patients relapsing after initial response, highlighting the need for new therapies.

Blood cancers are on the rise and now represent the second most common cause of cancer-related deaths in Australia. Myelodysplastic syndromes are a significant subset of these blood cancers where abnormal tissue growth leads to bone marrow failure, often featuring low blood counts leading to infections, transfusion dependence and risk of progression to acute myeloid leukemia, a more aggressive form of blood cancer. Five-year overall survival rate for transfusion dependent MDS is only 37%.

On 14 February 2024 Syntara announced a new phase 2 trial in MDS in conjunction with the University of Newcastle and Australasian Leukaemia and Lymphoma Group, subsequent to the awarding of a $0.83 million grant process by the Australian Medical Research Future Fund. Syntara's contribution to the MDS study is $0.7 million over the three years the dose escalation and expansion phases are expected to run, as well as supplying the study drug and LOX assays on tissue samples taken during the study.

This MDS trial in low/intermediate risk patients will feature a dose escalation phase where up to 9 MDS patients who are transfusion dependent will be treated with a fixed dose of SNT-5505 and two different doses of a hypomethylating agent followed by a dose expansion phase where 30 patients will be treated for 6 months on the dose combination selected in the first phase, based on tolerability and efficacy. Endpoints will include the reduction in transfusion dependency, haematological parameters and quality of life. Results from the dose escalation phase including safety and preliminary efficacy endpoints are anticipated by end of calendar year 2025.

On 8 August 2024, Syntara announced that Heidelberg University's Medical Center Mannheim has received a A$2.5 million grant from Deutsche Krebshilfe (German Cancer Aid) to conduct a Phase 1b/2 clinical trial of SNT-5505 in patients with high-risk MDS and chronic myelomonocytic leukemia (CMML). This study, known as the AZALOX trial, is expected to begin in the first half of 2025, running parallel to a previously announced Australian Phase 1c/2 study that will focus on low-to-intermediate-risk MDS patients.

The trial will be conducted at seven specialist centres in Germany, which have agreed to participate, and it has been prioritised by the German MDS Study Group. The trial will first involve a dose-escalation phase, with up to 12 patients receiving two doses of SNT-5505 in combination with the hypomethylating agent 5-azacitidine over six months. This will be followed by an expansion phase where 30 patients will receive the selected dose for another six months. Syntara will provide supplies of SNT-5505 for the study.

Oral pan-LOX inhibitor program (SNT-5505) in other cancers

While Syntara's primary focus is the development of SNT-5505 for myelofibrosis the drug has potential in several other cancers including MDS (see above), hepatocellular carcinoma (liver cancer) and pancreatic cancer. Syntara has a number of scientific collaborations with centres of excellence across the world who have shown interest in SNT-5505.

In August 2023, the Company announced publication in the prestigious journal Nature Cancer of preclinical results showing SNT-5505 increases survival by 35% compared to chemotherapy treatment alone in the treatment of pancreatic ductal adenocarcinomas. Research in mouse models, led by a team at the Garvan Institute of Medical Research in Sydney, Australia, also showed SNT-5505 combined with chemotherapy reduced the spread of the cancer to other organs such as the liver by 45%. Pancreatic ductal adenocarcinoma is one of the most aggressive forms of pancreatic cancer with a five-year survival rate of less than 10%.

In earlier research performed by the Wilmot Cancer Institute, University of Rochester, the combination of SNT-5505 and standard of care in preclinical models demonstrated a novel therapeutic strategy for liver cancer.

Topical pan-LOX inhibitor program (SNT-6302)

Syntara has a second pan-LOX program that has developed a drug for topical application with the potential for use in scar revision, keloid scarring and scar prevention post-surgery. The Syntara discovery, SNT-6302, has shown promising pre-clinical results which have been published in Nature Communications. SNT-6302 inhibits the enzymes that play a critical role in the development of scar tissue and has successfully completed phase 1a/b clinical trials. Syntara, with the University of Western Australia (UWA) and the Fiona Stanley Hospital, has progressed the program into a trial in established scars and is planning further trials.

SSAO inhibitor program (SNT-4728)

The Syntara discovery SNT-4728 is a potent inhibitor of the inflammatory enzyme SSAO (semicarbazide-sensitive amine oxidase) and, also in the brain, MAOB (monoamine oxidase B). In November 2023 the first Australian patient was dosed in a randomised double-blind placebo controlled Phase 2 study of patients with isolated Rapid Eye Movement Sleep Behaviour Disorder (iRBD) who are at risk of Parkinson's disease. Previous research has identified that the development of iRBD, where otherwise healthy people start acting out their dreams, is the strongest predictor for the development of Parkinson's and dementia with Lewy Bodies. A recent multicentre study found that over 70% of iRBD patients transitioned to a neurodegenerative disease.

The study will examine whether targeting inflammation in the brain of people with iRBD might provide a viable neuroprotective strategy to prevent the disease. iRBD patients have very few treatment options available so this study provides hope for an effective treatment with potential to move towards the longer term goal of stopping neurodegeneration.

Working in collaboration, experts from the University of Sydney and the University of Oxford are recruiting 40 patients with iRBD to participate in a 3-month Phase 2 trial to evaluate whether SNT-4728 can reduce neuroinflammation as measured by state of the art nuclear scanning techniques.

Syntara expects to commence recruitment in the UK centre in the first half of the 2025 calendar year when the regulatory approval steps are complete. The trial will continue throughout 2025 with results expected in 2026.

SNT-4728 has passed all long term toxicity studies and has been well tolerated in all clinical studies including two Phase 2 studies in other indications. The study is substantially funded by leading charity Parkinson's UK with up to £2.9 million (~A$5.0 million) to be paid to Syntara to run the Phase 2 trial. The Parkinson's Virtual Biotech will receive a return of up to four times its funding from royalties on future revenue Syntara receives from commercialising SNT-4728.

Early-stage programs

The Lysyl Oxidase Like 2 (LOXL2) enzyme is fundamental to the fibrotic cascade that follows chronic inflammation in kidney fibrosis, the liver disease NASH, cardiac fibrosis and idiopathic pulmonary fibrosis (IPF) and it also plays a role in some cancers. The Syntara drug discovery group developed a small molecule inhibitor to the LOXL2 enzyme (SNT-5382) that has completed phase 1 clinical trials and 3-month toxicology studies.

Financial Highlights

The loss for the Group after providing for income tax for the half-year period ended 31 December 2024 amounted to $2.7 million (31 December 2023 $5.9 million). Total current assets at the beginning of the period amounted to $9.7 million. At 31 December 2024, total current assets had increased to $21.0 million. Of this amount, $18.0 million was represented by cash and cash equivalents. Total liabilities at the beginning of the period amounted to $22.7 million This decreased to $2.9 million at the end of the period.

Capital raising activities

In July 2024, the Company successfully raised A$5.0 million through a two-tranche institutional placement. The funds were secured through the issuance of 178,571,429 fully paid ordinary shares priced at $0.028.

In December 2024, the Company received firm commitments for a capital raising of A$15.0 million through a two-tranche placement priced at A$0.06 per share, supported by institutional and high-net-worth investors. Tranche 1 saw the issue of approximately 205,971,256 fully paid ordinary shares, raising $12.4 million under the Company's 15% placement capacity (ASX Listing Rule 7.1). Tranche 2, comprising a further 44,028,744 new fully paid ordinary shares to raise another $2.6 million, required and received shareholder approval at General Meeting held on 17 February 2025. The meeting was held to approve the shares to be issued in excess of the placement capacity, as well as the participation of KP Rx in the capital raising (a fund managed by a director of the Company).

Receipt of FY2024 R&D Tax Incentive

In October 2024, the Company received a $4.56 million R&D tax incentive refund for the 2024 financial year. This funding, part of the Australian Government's program to support eligible research and development activities, will contribute to advancing Syntara's clinical development pipeline, including its Phase 2 trial of SNT-5505 for myelofibrosis. The R&D tax incentive provides non-dilutive funding, allowing the Company to further its programs while maintaining financial flexibility.

Amounts owed from the sale of the mannitol respiratory business

Syntara sold its mannitol respiratory business unit (MBU) in the fourth quarter of 2023 to Arna Pharma Pty Ltd (Arna Pharma). A post completion transition period has now ended and the MBU and Frenchs Forest facility are now fully separated from Syntara. Syntara's research laboratories and corporate offices are now subleased at Frenchs Forest from Arna Pharma.

Arna Pharma challenged the contractual payment obligations claimed by Syntara from the sale. Since that time the parties have made some progress in reconciling the amounts owing and some payments have been made (refer below). The Company continues to pursue amounts owning by the acquiror and expects to receive further payments over the course of the financial year. There remains significant uncertainty in relation to the quantum and timing of amounts that will be received.

In June 2024, the Company set aside a provision for most of the debt owed by Arna Pharma, taking a conservative approach to this doubtful debt. The provision has since been adjusted to account for received payments and Arna Pharma issued invoices. This has resulted in a write back of bad debt expense of $2.1 million.

After amounts already paid by Arna Pharma (~$4.1 million at 31 December 2024), the amounts currently claimed by Syntara at 31 December 2024 total $3.0 million.

Security deposits

The Company received a security deposit of $0.9 million in relation to the terminated lease over its Frenchs Forest facility.

Matters subsequent to the end of the financial half-year

On 6 February 2025, the Company announced the appointment of Mr Cameron Billingsley as Company Secretary after receiving Mr David McGarvey's resignation.

On 22 January 2025, the Company issued 186,100 Ordinary Shares from the exercise of performance rights held by an employee.

On 20 February 2025, the Company issued 44,028,744 Ordinary shares at $0.06 per share after shareholder approval was obtained at the Extraordinary General Meeting. The shares were the second tranche of the capital raise announced 12 December 2024.

On 25 February 2025, after obtaining shareholder approval, the Company issued 8,999,715 options to the Joint-Lead Managers (JLMs) of the capital raise announced in December 2024. Each option is exercisable into one new fully paid ordinary share in the capital of the Company, with an exercise price of $0.1063 and an expiry date of 14 February 2028.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor’s independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

On behalf of the directors.

Gary Phillips
CEO & Managing Director

26 February 2025

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Syntara Limited

As lead auditor for the review of Syntara Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

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

William Buck

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

N. S. Benbow
Director
Melbourne, 26 February 2025

Syntara Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

	Note	31 December 2024 $'000	31 December 2023 $'000
Revenue			
Interest income		54	76
Other income	4	3,016	625
Total revenue and other income		3,070	701
Expenses			
Employee costs		(3,277)	(3,483)
Administration & corporate		(1,122)	(1,355)
Depreciation and amortisation expense		(112)	(79)
Rent, occupancy & utilities		(48)	(139)
Clinical trials		(2,634)	(2,657)
Drug development		(755)	(646)
Safety, medical and regulatory affairs		(74)	(7)
Foreign exchange gains & losses		11	378
Other expenses		(190)	(141)
Finance costs		(16)	(351)
Total expenses		(8,217)	(8,480)
Loss before income tax expense from continuing operations		**(5,147)**	**(7,779)**
Income tax expense		-	-
Loss after income tax expense from continuing operations		(5,147)	(7,779)
Profit after income tax expense from discontinued operations	5	2,431	1,830
Loss after income tax expense for the half-year attributable to the owners of Syntara Limited		**(2,716)**	**(5,949)**
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Syntara Limited		**(2,716)**	**(5,949)**
Total comprehensive income for the half-year is attributable to:			
Continuing operations		(5,147)	(7,779)
Discontinued operations	5	2,431	1,830
		(2,716)	(5,949)

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

Syntara Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

	Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Syntara Limited		
Basic earnings per share	(0.38)	(1.07)
Diluted earnings per share	(0.38)	(1.07)
Earnings per share for profit from discontinued operations attributable to the owners of Syntara Limited		
Basic earnings per share	0.16	0.25
Diluted earnings per share	0.16	0.25
Earnings per share for loss attributable to the owners of Syntara Limited		
Basic earnings per share	(0.18)	(0.82)
Diluted earnings per share	(0.18)	(0.82)

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

Syntara Limited
Statement of financial position
As at 31 December 2024

	Note	31 December 2024 $'000	30 June 2024 $'000
Assets			
Current assets			
Cash and cash equivalents		18,071	3,520
Trade and other receivables	6	2,559	5,904
Receivable from purchase of mannitol business unit	7	375	350
Total current assets		21,005	9,774
Non-current assets			
Trade and other receivables	6	-	56
Property, plant and equipment		281	383
Intangible assets		159	168
Total non-current assets		440	607
Total assets		21,445	10,381
Liabilities			
Current liabilities			
Trade and other payables	8	2,276	4,317
Borrowings		161	157
Employee benefits		430	515
		2,867	4,989
Liabilities directly associated with discontinued operations		-	462
Total current liabilities		2,867	5,451
Non-current liabilities			
Borrowings		-	84
Employee benefits		100	166
Total non-current liabilities		100	250
Total liabilities		2,967	5,701
Net assets		18,478	4,680
Equity			
Issued capital	9	415,570	399,324
Reserves		2,719	24,951
Accumulated losses		(399,811)	(419,595)
Total equity		18,478	4,680

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

Syntara Limited
Statement of changes in equity
For the half-year ended 31 December 2024

	Issued Capital $'000	Reserves $'000	Accumulated losses $'000	Total $'000
Balance at 30 June 2023	389,699	24,313	(404,453)	9,559
Loss after income tax expense for the half-year	-	-	(5,949)	(5,949)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(5,949)	(5,949)
				-
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	2,241	-	-	2,241
Employee share options	-	418	-	418
Balance at 31 December 2023	391,940	24,731	(410,402)	6,269

	Issued capital $	Reserves $	Accumulated losses $	Total $
Balance at 30 June 2024	399,324	24,951	(419,595)	4,680
Loss after income tax expense for the half-year	-	-	(2,716)	(2,716)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,716)	(2,716)
Transactions with owners in their capacity as owners:				
Expiry, cancellation and/or lapsing of legacy share based payment arrangements	-	(22,500)	22,500	-
Contributions of equity, net of transactions costs	16,222	-	-	16,222
Employee share options expense	-	292	-	292
Employee share options exercised	24	(24)	-	-
Balance at 31 December 2024	415,570	2,719	(399,811)	18,478

The above statement of changes in equity should be read in conjunction with the accompanying notes

Syntara Limited
Statement of cash flows
For the half-year ended 31 December 2024

	31 December 2024 $'000	31 December 2023 $'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	30	991
Payments to suppliers and employees (inclusive of goods and services tax)	(8,579)	(12,649)
	(8,549)	(11,658)
Australian government R&D tax credit	4,558	5,193
Grant received for clinical trial of SNT-4728	-	1,667
Interest received	48	(55)
Net cash inflow / (outflow) from operating activities	(3,943)	(4,853)
Cash flows from investing activities		
Payments for security deposits	(96)	-
Proceeds from security deposits	934	-
Proceeds from sale of assets	1,451	194
Net cash outflow from investing activities	2,289	194
Cash flows from financing activities		
Proceeds from issue of shares	17,358	2,385
Transaction costs related to issue of shares	(1,097)	-
Lease liability payments	(88)	(1,213)
Payments to financier	-	(20)
Short term loan in relation to R&D tax credit	-	4,400
Repayment of short term loan	-	(4,400)
Net cash inflow / (outflow) from financing activities	16,173	1,152
Net increase / (decrease) in cash and cash equivalents	14,519	(3,507)
Cash and cash equivalents at the beginning	3,521	9,230
Effect of movement in exchange rates on cash held	31	(29)
Cash and cash equivalents at the end of the financial period	18,071	5,694

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

Note 1. General information

This half-year report covers Syntara Limited. The financial statements are presented in the Australian currency.

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

Syntara Limited
ABN: 75 082 811 630
Unit 2, 20A Rodborough Road
Frenchs Forest, NSW 2086
Australia

On 4 December 2023 the Company changed its name from Pharmaxis Ltd to Syntara Limited.

This half year financial report does not include all the notes of the type normally included in the annual financial statements. Accordingly, this report is to be read in conjunction with the financial statements for the year ended 30 June 2024 and any public announcements made by Syntara Limited during the half year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

A description of the nature of the entity's operations and its principal activities is included in the review of operations and activities in the directors' report which is not part of these financial statements.

The half-year report was authorised for issue by the directors on 26 February 2025. The Company has the power to amend and reissue the financial statements.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete, and available globally at minimum cost to the group. Press releases, financial statements and other information are available on our website: www.SyntaraTX.com.au.

Note 2. Basis of preparation of half-year report

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Government research and development tax incentives

Government grants, including research and development incentives are recognised at fair value when there is reasonable assurance that the grant will be received and all grant conditions will be met.

With the successful track record of the Company in obtaining the Research and Development rebate from the ATO, an estimated rebate of $2.0 million has been accrued as income for the half-year ended 31 December 2024 (31 December 2023: nil).

Note 2. Basis of preparation of half-year report (continued)

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

Share-based payment transactions

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

New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the 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.

The following Accounting Standards and Interpretations are most relevant to the Company:

This financial report for the interim half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001. Syntara is a standalone corporation although it was previously referenced as consolidated. Its subsidiaries were transferred as part of the sale of the mannitol business in October 2023.

These half-year financial statements does not include all the notes of the type normally included in annual financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Syntara Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Significant accounting estimates and judgements

The preparation of the interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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 Company's last annual financial statements for the year ended 30 June 2024.

Note 3. Operating segments

In accordance with AASB 5, the current and prior year earnings related figures have been adjusted to remove the impact of discontinued operations as outlined in note 5. Previously, the discontinued operation was one of the two segments reported. Due to the sale, segment information is no longer required and not disclosed in this financial report.

The Board considers that the Company has only operated in one Segment being research and development of drugs focusing on novel medicines for blood cancers and conditions linked to inflammation and fibrosis. The Company operates in one geographical area being Australia. The financial information presented in the statement of financial performance and statement of financial position represents the information for the business segment.

Note 4. Other income

	31 December 2024 $'000	31 December 2023 $'000
Grant income [1]	979	378
R&D Tax Incentive [2]	2,002	-
Other income	35	247
	3,016	625

[1] Grant income received from Parkinson's UK based on costs incurred by the Company in relation to the SNT-4728 Rapid Eye Movement Sleep Behaviour Disorder (iRBD) clinical trial.

[2] R&D Tax Incentive income represents estimated rebate attributable to the period 1 July 2024 to 31 December 2024. This was not accrued in the same period of the half year ended 31 December 2023.

Note 5. Discontinued operations

(a) Background

On 2 October 2023 the Company announced the sale of its mannitol respiratory business unit (MBU) to Arna Pharma Pty Ltd, (Arna Pharma) an Australian company that is part of an alliance of companies with healthcare and pharmaceutical operations in Australia and major world markets. The transaction completed on 18 October 2023 with Arna Pharma taking over the day to day operations of the MBU from that date. A post completion transition period has now ended and the MBU and Frenchs Forest facility are now fully separated from Syntara. Syntara's research laboratories and corporate offices are now subleased at Frenchs Forest from Arna Pharma.

In July 2024 the Company announced that Arna Pharma had challenged the contractual payment obligations claimed by Syntara from the sale. Since that time the parties have made some progress in reconciling the amounts owing and some payments have been made (as outlined above). The Company continues to pursue amounts owning by the acquiror and expects to receive further payments. There remains significant uncertainty in relation to the quantum and timing of amounts that will be received. After amounts already paid by Arna Pharma (~$4.10 million), the amounts currently claimed by Syntara at 31 December 2024 total $3.06 million.

b) Financial performance and cash flow information

	31 December 2024 $'000	31 December 2023 $'000
Revenue for sale of goods	-	546
Total revenue	-	546
Discontinued expense write-back/(expenses) [1]	330	(3,857)
Bad debt expense write-back [2]	2,101	-
Profit before tax	2,431	(3,311)
Gain on sale of business unit	-	5,141
Profit (loss) from discontinued operation	2,431	1,830

Note 5. Discontinued operations (continued)

	31 December 2024 $	31 December 2023 $
Net cash flow from operating activities	317	(1,331)
Net cash flow from investing activities	1,500	194
Net cash flow from financing activities	-	(20)
	1,817	(1,157)

The sale agreement provides that the Company will be paid ongoing royalties from Arna Pharma in relation to three product groups:

- Bronchitol and Aridol – low double digits on Arna Pharma's operating profit for seven years from 1 February 2024.
- Other products manufactured using the spray drier at Frenchs Forest – mid-double digit on operating profit dropping to low double digit after three years, commencing on first sale.
- Other products manufactured at either Frenchs Forest or Arna Pharma's other manufacturing facility – low to mid-single digit royalties on operating profit for eight years from first product sale.

Royalties payable to the Company are reduced to the extent the gross profit of the MBU over the first two years from Completion fail to meet agreed dollar minimum targets.

The Company has not recognised royalties in the current period and has not at this time recognised future royalties as an asset on the basis of uncertainty.

No value has been attributed to the future royalty payments due to uncertainty as to revenue, operating profitability and timing.

(1) In June 2024, the Company had established a provision for potential costs associated with the cessation of contracts with certain suppliers and staff. Following a reassessment, it was determined that these costs are no longer likely to be incurred, resulting in a net $0.3 million reversal of the provision at reporting date.

(2) In June 2024, the Company set aside a provision for most of the debt owed by Arna Pharma, taking a conservative approach to this doubtful debt. The provision has since been adjusted to account for received payments and Arna Pharma issued invoices in the half-year period to 31 December 2024. This has resulted in a write back of bad debt expense of $2.1 million.

c) Assessment of Tax

The directors have assessed the tax consequences arising from the favourable adjustments to the profit or loss statement in the half year arising from accounting for the MBU unit, and owing to the previous cost base for establishing the unit, current year losses and the availability of carry-forward losses that either satisfy carry-forward tax criteria, are comfortable that no tax obligation exists in respect of these favourable adjustments.

Note 6. Trade and other receivables

	31 December 2024 $'000	30 June 2024 $'000
Current assets		
Trade receivables	11	-
R&D tax incentive	2,002	4,558
Prepayments	282	295
Net goods and services input tax credits receivable	119	130
Security deposits	145	921
	2,559	5,904
Non-current assets		
Security deposits	-	56
	2,559	5,960

R&D Tax Incentive represents an accrual at 31 December 2024 for research and development tax credit as at reporting date. The R&D Tax Incentive for 30 June 2024 was received in the half year period ended 31 December 2024.

Note 7. Receivable from purchaser of mannitol business unit

	31 December 2024 $'000	30 June 2024 $'000
Current assets		
Receivable from sale of mannitol business unit	3,058	5,135
Less: Allowance for expected credit losses	(2,683)	(4,785)
	375	350

In July 2024 the Company announced that Arna Pharma had recently challenged amounts claimed by Syntara primarily related to the fixed payments of the agreement. Other contractual payment obligations were also in dispute. While Syntara is confident in its position, Arna Pharma's approach creates some uncertainty as to the timing and recoverability of certain amounts owing. Syntara has therefore appointed external counsel to actively pursue available legal remedies, if required, but for financial reporting purposes has conservatively provided for the majority of the amount owed to it by Arna Pharma as a doubtful debt.

Note 8. Trade and other payables

	31 December 2024 $'000	30 June 2024 $'000
Current liabilities		
Trade payables [(1)]	355	614
Unearned income - Parkinsons UK Grant	899	1,877
Other payables	1,022	1,826
	2,276	4,317

[(1)] Other payables include accruals for annual leave. The entire obligation is presented as current, since the Company does not have an unconditional right to defer settlement.

Note 9. Issued capital

	31 December 2024 Shares	30 June 2024 Shares	31 December 2024 $'000	30 June 2024 $'000
Ordinary shares - fully paid	1,579,112,961	1,194,031,776	415,570	399,324

Movements in ordinary share capital

Details	Shares	Issue price	$'000
Balance at 1 July 2024	1,194,031,776		399,324
Exercise of employee options [2]	538,500	$0.00	24
Issuance of shares (August 2024)	178,571,429	$0.03	5,000
Issuance of shares (December 2024)	205,971,256	$0.06	12,358
Transaction costs arising on share issues	-	$0.00	(1,136)
Balance at 31 December 2024	1,579,112,961		415,570

[2] These related to the exercise of options issued under the Performance Rights Plan, which were issued with a zero exercise price.

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

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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

Note 10. Commitments and contingent liabilities

Contingent liabilities

The Company has nil contingent liabilities at 31 December 2024. (30 June 2024: nil).

Commitments

The Company has in place a number of contracts with consultants and contract research organisations in relation to its business activities. The terms of these contracts are for relatively short periods of time and/or allow for the contracts to be terminated with relatively short notice periods. The actual committed expenditure arising under these contracts is therefore not material.

Note 11. Events occurring after the end of the reporting period

On 22 January 2025, the Company issued 186,100 Ordinary Shares from the exercise of performance rights held by an employee.

On 6 February 2025, the Company announced the appointment of Mr Cameron Billingsley as Company Secretary after receiving Mr David McGarvey's resignation.

On 20 February 2025, the Company issued 44,028,744 Ordinary shares at $0.06 per share after shareholder approval was obtained at the Extraordinary General Meeting. The shares were the second tranche of the capital raise announced 12 December 2024.

Note 11. Events occurring after the end of the reporting period (continued)

On 25 February 2025, after obtaining shareholder approval, the Company issued 8,999,715 options to the Joint-Lead Managers (JLMs) of the capital raise announced in December 2024. Each option is exercisable into one new fully paid ordinary share in the capital of the Company, with an exercise price of $0.1063 and an expiry date of 14 February 2028.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Syntara Limited
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached is true and correct.

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

On behalf of the directors

Gary Phillips
CEO & Managing Director

26 February 2025

William Buck
ACCOUNTANTS & ADVISORS

Independent auditor's review report to the members of Syntara Limited

Report on the half-year financial report

Our conclusion

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 Syntara Limited (the Company), does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001.*

What was reviewed?

We have reviewed the accompanying half-year financial report of the Company, which comprises:

- the statement of financial position as at 31 December 2024,
- the statement of profit or loss and other comprehensive income for the half-year then ended,
- the statement of changes in equity for the half-year then ended,
- the statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

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.

Other matter

The financial report of the Company, for the year ended 30 June 2024, was audited by another auditor who expressed an unmodified opinion on that report on 30 August 2024. The unmodified opinion included a paragraph in respect of material uncertainty related to going concern.

Responsibilities of the directors for the financial report

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

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 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.

William Buck

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

N. S. Benbow
Director
Melbourne, 26 February 2025