



30 April 2025

Company Announcements Office  
Australian Securities Exchange

## **QUARTERLY ACTIVITIES REPORT AND APPENDIX 4C**

In accordance with ASX Listing Rule 4.7B, Vectus Biosystems Limited (Vectus or the Company) presents its March 2025 Quarterly Activities Report and Quarterly Cash Flow Report – Appendix 4C.

### **Commentary on Activities for March 2025 Quarter**

During the quarter, Vectus continued to work closely on its commercialisation programme headed up by Martina Molsbergen of the C14 Consulting Group, LLC (C14). C14 has provided a list of active discussions being undertaken on behalf of the Company in relation to its lead compound, VB0004, together with advancing Vectus' other drug candidates A32, A79 and P5 from the Company's extensive drug library.

Vectus has transferred updated data received in relation to VB0004 safety trials to C14, and the Company has established a data room containing a broad portfolio of intellectual property, data and information in relation to Vectus' key assets. C14 has received requests for access to the Company's data room and whilst there is no certainty as to outcomes, there are active discussions in place.

In parallel, Vectus and C14 have an active outreach and communication programme to identify specific potential Chinese pharmaceutical companies that may have an interest in one or more of the Company's pharmaceutical assets. As previously reported, Vectus has successfully validated production of VB0004 in China and the Company is examining the opportunity for a faster approval in China on the basis of its now-validated safety profile of VB0004. Vectus has been advised that there is precedent for this accelerated approval path and is now seeking a collaboration with Chinese companies that may be able to assist in bringing VB0004 forward in the domestic Chinese market.

### ***Phase Ia/Ib Human Clinical Trials***

The Company has now received the relevant information from the previous Phase Ia and Ib human clinical trials. After analysing this data, Vectus is pleased to report that the safety profile previously determined for VB0004 has been further validated by the recent clinical data. This information is now being made available to interested parties, that undertake to execute confidentiality agreements, and is available in the Company's data room.

### ***Finance and Corporate***

Vectus has significantly reduced its operating costs, and is now largely focussed on potential licencing opportunities and a variety of collaborations. The funds expended by the Company during the March 2025 quarter were also in connection with the finalisation of the Phase I clinical trials for VB0004. Payments for commercialisation, Phase I, research, patents, staff costs and a Director's fee for the quarter amounted to \$381,000. Cash-on-hand at 31 March 2025 was \$370,000. Payments to related parties during the recent quarter were the payment of \$124,000 to the estate of the late Chief Executive Officer of Vectus, Dr Karen Duggan, being the balance of entitlements owing, and a Non-Executive Director's fee of \$7,000. The Company continues to evaluate a number of options to address its future capital requirements and is examining the opportunity for potential partners or licencees to fund further clinical studies.

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## **Vectus Biosystems Limited**

**Ron Shnier**

Chairman

This report was authorised by the Company's Board of Directors.

### **About Vectus Biosystems Limited**

The Company is developing treatments for fibrosis, including for three of the largest diseases in the fibrotic market, namely heart, kidney and liver diseases. Vectus successfully completed its Initial Public Offering (IPO) on the Australian Securities Exchange (ASX:VBS) and commenced trading on ASX on 23 February 2016, after raising \$5.1 million. Funds from the IPO and from two subsequent fundraisings were used predominantly to develop the Company's lead compound, VB0004, which aims to treat the hardening of functional tissue and high blood pressure. Vectus has conducted a range of successful pre-clinical trials, which have shown that VB0004 slows down the advances of fibrosis, potentially repairs damaged cell tissue and reduces high blood pressure. VB0004 has progressed through a number of important milestones, including pharmaceutical scale-up and additional toxicity studies, its Human Phase Ia and Ib human trials of VB0004, and the advancement of other drugs in its library. This fits with the Company's strategy of developing, and the performance of early validation work on, its drug candidates to the point where they may become commercially attractive to pharmaceutical partners.

Vectus has also developed technology aimed at improving the speed and accuracy of measuring the amount of DNA and RNA in samples tested in laboratories. The technology, called Accugen, is owned by the Company's wholly-owned subsidiary Accugen Pty Limited. The technology offers a time, cost and accuracy benefit compared to currently-available systems. Vectus' current stage of investment in Accugen is a commercialisation programme that may include direct sales, distribution partnerships and licencing opportunities.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

**Vectus Biosystems Limited**

ABN

**54 117 526 137**

Quarter ended ("current quarter")

**31 March 2025**

### Consolidated statement of cash flows

#### 1 Cash flows from operating activities

1.1 Receipts from customers

1.2 Payments for

(a) patent and research expenses

(b) staff costs and directors' fees

(c) occupancy cost

(d) corporate overheads

(e) legal and professional fees

(f) other operating items

1.3 Dividends received

1.4 Interest and other items of a similar nature received

1.5 Interest and other costs of finance paid

1.6 Income tax refund received (including R&D tax offset)

1.7 Government grants and tax incentives

1.8 Others (provide details if material)

**1.9 Net cash from / (used in) operating activities**

| Current<br>quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|-------------------------------|---------------------------------------|
| -                             | -                                     |
| (205)                         | (570)                                 |
| (176)                         | (498)                                 |
| -                             | (24)                                  |
| (44)                          | (284)                                 |
| (21)                          | (150)                                 |
| -                             | 23                                    |
| -                             | -                                     |
| 6                             | 16                                    |
| -                             | -                                     |
| -                             | 977                                   |
| -                             | -                                     |
| -                             | -                                     |
| (440)                         | (510)                                 |

## Consolidated statement of cash flows

|  | Current<br>quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|--|-------------------------------|---------------------------------------|
| <b>2 Cash flows from investing activities</b>  |                               |                                       |
| 2.1 Payments to acquire or for:  |                               |                                       |
| (a) entities   | -                             | -                                     |
| (b) businesses   | -                             | -                                     |
| (c) property, plant and equipment  | -                             | (30)                                  |
| (d) investments  | -                             | -                                     |
| (e) intellectual property  | -                             | -                                     |
| (f) other non-current assets   | -                             | -                                     |
| 2.2 Proceeds from disposal of:   |                               |                                       |
| (a) entities   | -                             | -                                     |
| (b) businesses   | -                             | -                                     |
| (c) property, plant and equipment  | -                             | 101                                   |
| (d) investments  | -                             | -                                     |
| (e) intellectual property  | -                             | -                                     |
| (f) other non-current assets   | -                             | -                                     |
| 2.3 Loans to other entities  | -                             | -                                     |
| 2.4 Dividends received (see note 3)  | -                             | -                                     |
| 2.5 Other (provide details if material)  | -                             | -                                     |
| <b>2.6 Net cash from / (used in) investing activities</b>                                      | -                             | 71                                    |
| <b>3 Cash flows from financing activities</b>  |                               |                                       |
| 3.1 Proceeds from issues of equity securities<br>(excluding convertible debt securities)       | -                             | -                                     |
| 3.2 Proceeds from issue of convertible debt securities   | -                             | -                                     |
| 3.3 Proceeds from exercise of options  | -                             | -                                     |
| 3.4 Transaction costs related to issues of equity securities<br>or convertible debt securities | -                             | -                                     |
| 3.5 Proceeds from borrowings   | -                             | -                                     |
| 3.6 Repayment of borrowings  | -                             | -                                     |
| 3.7 Transaction costs related to loans and borrowings  | -                             | -                                     |
| 3.8 Dividends paid   | -                             | -                                     |
| 3.9 Other (provide details if material)  | -                             | -                                     |
| <b>3.10 Net cash from / (used in) financing activities</b>                                     | -                             | -                                     |

**Consolidated statement of cash flows**

|  | Current<br>quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|--|-------------------------------|---------------------------------------|
| <b>4 Net increase / (decrease) in cash and cash equivalents for the period</b> |                               |                                       |
| 4.1 Cash and cash equivalents at beginning of period                           | 810                           | 809                                   |
| 4.2 Net cash from / (used in) operating activities<br>(item 1.9 above)         | (440)                         | (510)                                 |
| 4.3 Net cash from / (used in) investing activities<br>(item 2.6 above)         | -                             | 71                                    |
| 4.4 Net cash from / (used in) financing activities<br>(item 3.10 above)        | -                             | -                                     |
| 4.5 Effect of movement in exchange rates on cash held                          | -                             | -                                     |
| <b>4.6 Cash and cash equivalents at end of period</b>                          | <b>370</b>                    | <b>370</b>                            |

**5 Reconciliation of cash and cash equivalents**

Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts

|   | Current<br>quarter<br>\$A'000 | Previous<br>quarter<br>\$A'000 |
|---|-------------------------------|--------------------------------|
| 5.1 Cash on hand and at bank                                      | 370                           | 810                            |
| 5.2 Term Deposits   | -                             | -                              |
| 5.3 Bank overdrafts   | -                             | -                              |
| 5.4 Other (provide details)                                       | -                             | -                              |
| <b>5.5 Cash and cash equivalents at end of quarter (item 4.6)</b> | <b>370</b>                    | <b>810</b>                     |

**6 Payments to related parties of the entity and their associates**

|   | Current<br>quarter<br>\$A'000 |
|---|-------------------------------|
| 6.1 Aggregate amount of payments to related parties and their associates included in item 1 | 131                           |
| 6.2 Aggregate amount of payments to related parties and their associates included in item 2 | -                             |

## 7 Financing facilities

*Note: The term "facility" includes all forms of financing arrangements available to the entity*

Add notes as necessary for an understanding of the sources of finance available to the entity

|  | <b>Total<br/>facility<br/>\$A'000</b> | <b>Amount<br/>drawn<br/>\$A'000</b> |
|--|---------------------------------------|-------------------------------------|
| 7.1 Loan facilities                                      | 200                                   | -                                   |
| 7.2 Credit standby arrangements                          | -                                     | -                                   |
| 7.3 Other (please specify)                               | -                                     | -                                   |
| 7.4 Total financing facilities                           | 200                                   | -                                   |
| 7.5 Unused financing facilities available at quarter end |                                       | 200                                 |

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

The loan facility of up to \$200,000 has been entered into with Director Maurie Stang. Any drawdown of the facility can be repaid without penalty if Vectus secures alternative funding. And any drawdown of the loan is to be repaid from future receipts from the ATO of research and development (R&D) cash-back or from other funds received. Any remaining balance of the loan must be repaid within one year. It is expected that the first drawdown of the facility will be made in June 2025.

## 8 Estimated cash available for future operating activities

|  | <b>\$A'000</b> |
|--|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9)                        | (440)          |
| 8.2 Cash and cash equivalents at quarter end (item 4.6)                              | 370            |
| 8.3 Unused finance facilities available at quarter end (item 7.5)                    | 200            |
| 8.4 Total available funding (item 8.2 + item 8.3)                                    | 570            |
| <b>8.5 Estimated quarters of funding available</b><br>(item 8.4 divided by item 8.1) | 1.30           |

- 8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

As previously announced, the level of expenditure has been very significantly reduced as the Phase Ib human clinical trials have been finalised. The Company has re-located to new premises that provide far lower costs and Vectus has come to arrangements that will defer certain significant operating costs through 2025. In addition, as reported, the reduction in the Company's R&D activities is leading to a large decrease in Vectus' cash outgoings and therefore extending the Company's cash runway. The March 2025 quarter contained a number of one-off expenditure items that are not anticipated to be repeated in the current and future quarters.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

The Company continues to evaluate a number of options to address its future capital requirements, and is actively pursuing licencing opportunities, which if successful may provide upfront payments to Vectus and annuity revenue going forward.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

The Company expects to be able to continue its operations, and to meet its business objectives, based on its reduced overheads and the matters outlined in 8.6.2.

## **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: **30 April 2025**

**Authorised for release to the market by the Vectus Board of Directors.**

### **Notes:**

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.