

**ARGENT BIOPHARMA LTD
AND CONTROLLED ENTITIES
ABN 30 116 800 269**

APPENDIX 4 D

REPORTING PERIOD

Interim financial period to 31 December 2024

PREVIOUS REPORTING PERIOD

Interim financial period to 31 December 2023

Half year information given to ASX under listing rule 4.2A.3

This information contained in this report should be read in conjunction with the most recent annual report.

	31-Dec-24	30-Jun-24
NET TANGIBLE ASSETS PER ORDINARY SHARE (cents)	(0.21)	(0.13)

RESULTS FOR ANNOUNCEMENT TO MARKET

	31-Dec-24 \$	Change %	31-Dec-23 \$
Revenue from ordinary activities	4,283	99% decline	599,534
Loss after income tax from ordinary activities attributable to members	(12,161,780)	72 % decrease	(7,076,380)
Net loss for the period attributable to members	(12,161,780)	72 % decrease	(7,076,380)
Dividend per share	n/a		n/a
Record date for determining entitlement to dividends	n/a		n/a
No dividends have been paid or declared during the year			

DETAILS OF SUBSIDIARIES

During the period, there were no newly incorporated nor newly acquired entities. As of December 2024, MGC Pharmaceuticals (sro) is no longer part of the group. There were no other changes relating to subsidiary holdings from the prior year end 30 June 2024.

DIVIDENDS	n/a	n/a
DIVIDENDS REINVESTMENT PLAN	n/a	n/a
ASSOCIATED AND JOINT VENTURE ENTITIES	n/a	n/a

FOREIGN ENTITIES ACCOUNTING STANDARD

Subsidiaries are incorporated in the United Kingdom, Slovenia and Malta, where International Financial Reporting Standards are applied.

AUDIT DISPUTE OR QUALIFICATION

Not subject to a modified opinion, however an emphasis of matter paragraph has been included in the independent auditor's review report in relation to the Group's going concern assessment (refer to note 2 of the interim financial report).



ABN 30 116 800 269
ARGENT BIOPHARMA LTD

INTERIM FINANCIAL REPORT

31 DECEMBER 2024

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Corporate Directory

Directors

Roby Zomer Managing Director and CEO
Layton Mills Non-Executive Director
Daniel Robinson Non-Executive Director

Company Secretary

Rowan Harland

Registered Office and Principal Place of Business

Suite 1, 295 Rokeby Road
Subiaco WA 6008
Tel: +61 8 6555 2950

Solicitors

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Auditors

Hall Chadwick
Level 40, 2 Park Street
Sydney NSW 2000

Securities Exchange Listing

Argent BioPharma Ltd securities are listed on the Australian Securities Exchange (ASX) and the OTC Markets, QB Tier.

ASX Code: RGT

OTCQB Code: RGTLF

Share Registry

Computershare Investor Services Pty Limited
Level 17
221 St Georges Terrace
Perth WA 6000

Website

www.argentbiopharma.com

Directors' Report

The directors submit the consolidated interim financial report for Argent BioPharma and its controlled entities (the "Group" or "Argent BioPharma") for the half-year ended 31 December 2024.

Directors

The names of directors who held office during or since the end of the half-year, all still currently hold office:

Director	Title	Appointment Date
Roby Zomer	Managing Director & CEO	15 February 2016
Layton Mills	Non-Executive Director	1 June 2023
Daniel Robinson	Non-Executive Director	1 December 2023

Operating Results

The consolidated operating losses for the Group after providing for income tax from continuing operations amounted to A\$12.2 m (31 Dec 2023: A\$7.1m).

Dividends Paid or Recommended

No dividends have been paid or declared for payment during the financial period.

Review of Operations

Half Year Highlights:

- Collaboration with SINTEF for Advanced Chronic Wound Management:** Argent BioPharma collaborated with SINTEF, one of Europe's largest independent research organisations, to address the critical and unmet clinical challenge of chronic wound management, through nano-formulations as part of the Company's ongoing expansion into new therapeutic areas. The collaboration is targeting chronic wound infections with an array of various nano-encapsulated active ingredients. The precise selection and dosing of these active ingredients are being methodically evaluated. The greater part of the ingredients have not served previously as designated anti-microbial agents, thus aligning with antimicrobial stewardship. A significant aspect of this project is the design of nano-formulations for the selected agents which are intended to be identified in the initial screening experiments. Nano-formulation is expected to enhance the pharmacological characteristics and efficacy of the resulting preparation via improved drug delivery, increased penetration through biofilms, and sustained release of active compounds, thereby addressing the challenges posed by antibiotic resistance and local tissue health deterioration.
- Delisting From London Stock Exchange:** As part of the ongoing review into the Company's operations, the Company made the decision to delist from the London Stock Exchange, maintaining its listing on the Australian Securities Exchange and OTCQB. The decision came following a detailed review of both the listing requirements and costs associated with transferring to the equity shares (commercial company) category of the Official List maintained by the FCA. The delisting was effective from 8:00AM (GMT), Tuesday, 31 December 2024.

German Distribution Approval

Argent has successfully secured approval from BfArM (The Federal Institute for Drugs and Medical Devices – Bundesinstitut für Arzneimittel und Medizinprodukte) for the import and distribution of CogniCann (25 mg/17 mg per ml, 10 ml oromucosal spray). This approval allows clinicians and general practitioners to prescribe CogniCann for specific health conditions, expanding access to innovative treatments.

Additionally, the approval process for CannEpil (100 mg/5 mg per ml, 50 ml) is currently underway, aiming to secure BfArM authorization for its distribution and prescription. This marks another significant step in Argent's efforts to enhance the availability of its medical cannabis portfolio in key markets.

Directors' Report

Funding

In July 2024, the Company successfully raised US\$2,000,000 through a private placement, issuing 2,500,000 new ordinary shares at an issue price of US\$0.80 (~A\$1.20) per share. This placement included a 1-for-2 attaching option, exercisable at US\$1.20 (~A\$1.80). Notably, the subscription price of US\$0.80 represented a significant 400% premium to the 15-day VWAP of the Company's securities, underscoring strong investor confidence.

Additionally, the Company reached an agreement with Mercer Street Capital Partners LLC to refinance 300,000 notes from the 2020 Convertible Notes facility. As part of this agreement, the minimum conversion price was amended to not less than A\$0.30, following which the refinanced notes were converted into ordinary shares.

In October 2024, the Company secured an additional A\$200,000 through a private placement, issuing 666,667 new ordinary shares at an issue price of A\$0.30 per share. These funds were allocated to support activities within the Company's drug development pipeline, including advancements in CannEpi[®] and Cimetra[®] across the US and EU markets.

Subsequent to 31 December 2024, Argent BioPharma successfully raised an additional US\$4,500,000 (before costs) through a placement of 11,250,000 fully paid ordinary shares at US\$0.40 (~A\$0.64) per share. Participants in this placement were also issued one free attaching warrant for every two Placement Shares subscribed, exercisable at US\$0.55 (~A\$0.88) with a three-year expiry period.

The Placement was conducted in two tranches:

- Tranche 1: 5,000,000 Placement Shares and 2,500,000 Warrants were issued immediately, utilizing the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A.
- Tranche 2: 6,250,000 Placement Shares and 3,125,000 Warrants will be issued subject to shareholder approval at an upcoming general meeting.

These capital-raising initiatives reflect the Company's continued progress in securing strategic funding to advance its key projects and long-term objectives.

Events Subsequent to Reporting Date

Refer to note 13 of the consolidated interim financial report for details of events that occurring after the reporting period.

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on the following page for the half-year ended 31 December 2024.

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



Roby Zomer
Managing Director & CEO
Dated 28 February 2025

**ARGENT BIOPHARMA LTD
ABN 30 116 800 269
AND ITS CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF ARGENT BIOPHARMA LTD**

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Argent Biopharma Ltd. As the lead audit partner for the review of the financial report of Argent Biopharma Ltd 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:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Anthony Travers

ANTHONY TRAVERS

Partner

Dated: 28 February 2025

ADELAIDE	BRISBANE	DARWIN	MELBOURNE	PERTH	SYDNEY
Level 9	Level 4	Level 1	Level 14	Level 11	Level 40
50 Pirie Street	240 Queen Street	48-50 Smith Street	440 Collins Street	77 St Georges Tce	2 Park Street
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Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352

www.hallchadwick.com.au

**Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2024**

		31-Dec-24 A\$	31-Dec-23 A\$
Revenue from contracts with customers	3	4,283	599,534
Cost of sales		(3,761)	(527,222)
Gross profit		522	72,312
Other operating income		348,968	354,420
Administrative expenses	11	(7,663,147)	(5,917,933)
Research and Development expenses		(630,173)	(1,129,929)
Other operating expenses		(822,974)	(349,106)
Reversal of (impairment expense)	5	(1,374,644)	1,338,087
Operating loss		(10,141,448)	(5,632,149)
Finance costs		(31,180)	(466,659)
Finance income		2,243	316
Other expenses		(2,151,093)	(1,073,587)
Other income		159,698	78,029
Loss before income tax		(12,161,780)	(7,094,051)
Income tax expense		-	-
Loss for the half-year		(12,161,780)	(7,094,051)
Attributable to:			
Members of the parent entity		(12,161,780)	(7,076,380)
Non-controlling interest		-	(17,671)
		(12,161,780)	(7,094,051)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on the translation of foreign operations		97,194	121,007
Other comprehensive income (net of tax)		97,194	121,007
Total comprehensive loss		(12,064,586)	(6,973,044)
Total comprehensive loss attributable to:			
Members of the parent entity		(12,064,586)	(6,899,167)
Non-controlling interest		-	(73,877)
		(12,064,586)	(6,973,044)
Earnings per share			
Basic loss for the half-year attributable to ordinary equity holders of the parent		(24.00)	(30.64)
Diluted loss for the half-year attributable to ordinary equity holders of the parent		(24.00)	(30.64)

The accompanying notes form part of these consolidated interim financial statements.

Consolidated Statement of Financial Position

As at 31 December 2024

	Note	31-Dec-24 A\$	30-Jun-24 A\$
CURRENT ASSETS			
Cash and cash equivalents		718,387	702,870
Inventory		328,942	875,120
Trade and other receivables		342,653	476,530
Prepayments		655,163	685,713
Total Current Assets		2,045,145	2,740,233
NON-CURRENT ASSETS			
Plant and equipment	4	41,611	5,661,603
Investments accounted for using the equity method	5	-	1,326,871
Right-of-use assets	10	972,046	1,058,673
Total Non-Current Assets		1,013,657	8,047,147
TOTAL ASSETS		3,058,803	10,787,380
CURRENT LIABILITIES			
Trade and other payables		4,570,774	2,719,163
Deferred revenue	7	-	553,606
Financial liabilities at fair value through profit or loss	6	8,379,515	8,679,515
Lease liabilities	10	239,137	223,813
Total Current Liabilities		13,189,426	12,176,097
NON-CURRENT LIABILITIES			
Provision		17,437	16,753
Deferred income	7	-	3,598,439
Lease liabilities	10	733,547	820,911
Total Non-Current Liabilities		750,984	4,436,103
TOTAL LIABILITIES		13,940,411	16,612,200
NET ASSETS		(10,881,608)	(5,824,820)
EQUITY			
Contributed equity	8	129,575,600	123,288,573
Share based payment reserve	9	1,347,336	1,298,937
Foreign currency translation reserve		25,659	(71,535)
Consolidation reserve		-	-
Accumulated losses		(141,830,202)	(129,668,423)
Equity attributable to equity holders of the parent		(10,881,608)	(5,152,448)
Non-controlling interest		-	(672,372)
TOTAL EQUITY		(10,881,608)	(5,824,820)

The accompanying notes form part of these consolidated interim financial statements.

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2024

	Contributed Equity	Share Based Payment Reserve	Foreign Currency Translation Reserve	Consolidation Reserve	Accumulated losses	Non- controlling interest	Total
	A\$	A\$	A\$	A\$	A\$	A\$	A\$
Balance at 1 July 2023	103,690,800	8,142,037	315,406	(382,404)	(119,168,919)	(628,755)	(8,031,835)
Other comprehensive income	-	-	177,214	-	-	(56,207)	121,007
Loss after income tax expense	-	-	-	-	(7,076,380)	(17,670)	(7,094,051)
Total comprehensive loss for the period	-	-	177,214	-	(7,076,380)	(73,877)	(6,973,044)
Shares issued during the period (net of share issue costs)	15,157,381	-	-	-	-	-	15,157,381
Derecognition of Panax Pharma s.r.o.	-	-	-	382,404	-	18,528	400,932
Share based payments	-	118,311	-	-	-	-	118,311
Balance at 31 December 2023	118,848,181	8,260,348	492,620	-	(126,245,299)	(684,104)	671,746
Balance at 1 July 2024	123,288,573	1,298,937	(71,535)	-	(129,668,423)	(672,372)	(5,824,820)
Other comprehensive income	-	-	97,194	-	-	-	97,194
Loss after income tax expense	-	-	-	-	(12,161,780)	-	(12,161,780)
Total comprehensive loss for the period	-	-	97,194	-	(12,161,780)	-	(12,064,586)
Shares issued during the period (net of share issue costs)	5,986,911	-	-	-	-	-	5,986,911
Exercise of performance rights	116	(116)	-	-	-	-	-
Share based payments	-	48,515	-	-	-	-	48,515
Derecognition of MGC Pharmaceuticals (sro)	-	-	-	-	-	672,372	672,372
Conversion of convertible note	300,000	-	-	-	-	-	300,000
Balance at 31 December 2024	129,575,600	1,347,336	25,659	-	(141,830,202)	-	(10,881,608)

The accompanying notes form part of these consolidated interim financial statements.

Consolidated Statement of Cash Flows

For the half year ended 31 December 2024

	31-Dec-24 A\$	31-Dec-23 A\$
<i>Cash flows from operating activities</i>		
Receipts from customers	101,061	903,571
Payments to suppliers and employees	(3,840,069)	(7,955,966)
Payments for research expenses	(545,238)	(829,611)
Interest received	10,187	-
Interest paid	(571)	(23,666)
Net cash used in operating activities	(4,274,630)	(7,905,672)
<i>Cash flows from investing activities</i>		
Purchase of plant and equipment	(2,260)	(16,852)
Net cash used in investing activities	(2,260)	(16,852)
<i>Cash flows from financing activities</i>		
Proceeds from issue of shares	4,623,912	14,875,306
Payment of lease liabilities	(135,461)	(120,896)
Payment of capital raising costs	(189,090)	(594,694)
Net cash provided by financing activities	4,299,361	14,159,716
Net (decrease)/increase in cash and cash equivalents held	22,471	6,237,192
Cash and cash equivalents at beginning of period	702,870	239,821
Foreign exchange movement of cash	(6,954)	5,255
Cash and cash equivalents at end of period	718,387	6,482,268

The accompanying notes form part of these consolidated interim financial statements.

Notes to the Consolidated Interim Financial Statements

NOTE 1. CORPORATE INFORMATION

The consolidated interim financial report of Argent BioPharma Ltd ('Argent BioPharma' or the 'Company') and its controlled entities (the "Group") for the half-year ended 31 December 2024 was authorised for issue in accordance with a resolution of the directors dated 28 February 2025.

Argent BioPharma Ltd is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (primary market) and the OTCQB (secondary market).

NOTE 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Statement of Compliance

The consolidated interim financial report is a condensed general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2024 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Basis of Preparation

The consolidated interim financial statements have been prepared on the basis of historical cost, except for the revaluation of certain financial assets and liabilities. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the consolidated interim financial report for the half-year ended 31 December 2024 are consistent with those adopted and disclosed in the Group's 2024 annual financial report for the financial year ended 30 June 2024.

Going Concern

At 31 December 2024, the Group had a cash and cash equivalents balance of A\$718,387 and had a net working capital deficit of A\$2,764,766. This does not include the convertible notes with a fair value of A\$8,379,515 which are currently under negotiation for change of conversion terms in order to improve the Group's working capital. The Group incurred a loss for the half year ended 31 December 2024 of A\$12,161,780 and had net cash outflows from operating and investing activities of A\$4,276,890.

The Group's cashflow forecasts for the 12 months from the date of this report indicate that the Group will require additional capital to meet its expenditure requirements and carry out its planned activities. Due to the ongoing capital raising activity and the continued support from the existing convertible note holder, the Directors are confident that additional capital can be raised as needed to meet current commitments and support further planned activities.

Based on the matters detailed above, the Directors are satisfied that the going concern basis of preparation is appropriate and that the Group will be able to realise its assets and settle its obligations in the ordinary course of business over the next 12 months.

The consolidated interim financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business. In the event that the Group is unable to obtain additional funding, there is significant uncertainty as to whether the Group will be able to meet its debts as and when they fall due and thus continue as a going concern. The consolidated interim financial report does not include any adjustments relating to the recoverability and classification of the recorded asset amounts, nor to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform changes in presentation for the current financial period.

a) New and amended Accounting Standards and Interpretations adopted by the Group

The Group has adopted all new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective from 1 July 2024.

The adoption of these new and amended Accounting Standards and Interpretations did not result in any significant changes to the Group's accounting policies.

The Group has not early adopted any new or amended Accounting Standards or Interpretations issued but not yet effective.

b) Significant Accounting Judgments, Estimates and Assumptions

In preparing these consolidated interim financial statements, significant judgements made by management in applying the Company's accounting policies and key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 30 June 2024.

NOTE 3. REVENUE

	31-Dec-24 A\$	31-Dec-23 A\$
Revenue from contracts with customers		
Pharma sales	-	541,164
Non-pharma sales	4,283	58,370
	4,283	599,534

NOTE 4. PLANT AND EQUIPMENT

	31-Dec-24 A\$	30-Jun-24 A\$
Plant and equipment		
- gross carrying amount at cost	97,153	9,786,051
- accumulated depreciation	(55,542)	(4,124,448)
	41,611	5,661,603

Plant and equipment movement		
Opening balance at 1 July	5,661,603	6,864,412
Additions	2,260	140,123
Disposals	-	(19,784)
Impairment of PPE	(5,265,273)	-
Depreciation	(493,343)	(1,076,489)
Foreign exchange	136,364	(246,659)
	41,611	5,661,603

As part of Argent's ongoing optimization strategy for 2025, the Company has made a strategic decision to cease operations at two of its manufacturing facilities, located in Slovenia and Malta. This transition is aligned with our broader efforts to streamline resources, enhance efficiency, and focus on high-value areas such as research and development (R&D).

The decision to discontinue manufacturing activities at these sites has resulted in an impairment assessment of the related Property, Plant, and Equipment. Given that these assets will no longer be used for production and their recoverable amounts are lower than their carrying values, an impairment charge has been recognized in the financial statements.

Despite this transition, Argent remains committed to supporting patients using the Company's Investigational Medicinal Products (IMPs) under the special access scheme, ensuring continuity of care while further informing the development of our lead pharmaceutical candidates—the core focus of our business.

This strategic realignment allows Argent to reduce operational demands, allocate resources more efficiently, and drive innovation in pharmaceutical development, ultimately positioning the Company for sustainable long-term growth.

The net impairment charge after derecognition of the deferred revenue balance is \$1,362,724. This is included in other expenses presented in the statement of profit or loss.

NOTE 5. IMPAIRMENT EXPENSE / INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

On 5 August 2022 the Company acquired 40% of the issued capital of ZAM Software Ltd, a private entity that owns a real-time data collection software with proprietary Artificial Intelligence (AI) algorithms.

During the current reporting period, the Company reassessed the carrying value of its 40% investment in ZAM Software Ltd. After recognizing a reversal of impairment in the previous year due to an independent valuation and successful capital raising, further analysis has been conducted to evaluate the investment's recoverable amount.

As a result, the Company has determined that an impairment indicator is present, leading to a full write-down of the investment's carrying value. In December 2024, the Company has recognized an impairment charge of A\$1,374,644.

This impairment charge is reflected in the financial statements for the period, ensuring that the Company's financial position accurately represents the recoverability of its assets.

NOTE 6. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Convertible notes

Australian Dollar (A\$) Denominated Facility

In September 2020, the Company entered into a convertible note facility with Mercer Street Global Opportunity Fund (Mercer) for up to A\$15,000,000. Under this agreement, funds could be drawn in exchange for convertible notes with a face value of A\$1.00 each, equal to 110% of the amount received. The facility expired on 8 March 2022 and can no longer be accessed. Notes issued under this facility were repayable at face value 12 months from drawdown, unless converted or repurchased earlier.

In the prior year (FY2024), on 1 February 2023, the Company executed an agreement to extend the maturity date of A\$2,100,000 in convertible notes to 1 February 2024 under the 2020 Extension Agreement. These notes remained convertible at Mercer's discretion at the lower of A\$35.00 or 92% of the lowest daily VWAP over a 10-day period, with a minimum conversion price of A\$10.00.

Additionally, in FY2024, the Company executed a Deed of Variation with Mercer to refinance 500,000 convertible notes from the 2020 facility, reducing the minimum conversion price from A\$10.00 to A\$0.35.

Change in FY2025:

During the current reporting period, an agreement was reached with Mercer Street Capital Partners LLC to refinance an additional 300,000 notes from the 2020 Convertible Notes facility. This resulted in the minimum conversion price being amended from A\$10.00 to A\$0.30, after which the refinanced notes were converted into ordinary shares.

US Dollar (US\$) Denominated Facility

In July 2021, the Company entered into a US\$10,000,000 convertible note facility with Mercer, which is set to expire on 18 January 2024. Notes issued under this facility have a face value of US\$1.00 each and are repayable 18 months from drawdown, unless converted or repurchased earlier.

Between 19 July 2022 and 7 March 2023 (PY), the Company drew down US\$4,733,120 (A\$7,581,350) from this facility, issuing an equivalent number of convertible notes. These notes remain convertible at Mercer's discretion at the lower of A\$20.00 or 90% of the lowest daily VWAP over a 10-day period, with a minimum conversion price of A\$10.00.

The convertible notes are classified as hybrid financial instruments and are measured at fair value through profit or loss.

The Company continues to explore further agreements with Mercer.

	31-Dec-24 A\$	30-Jun-24 A\$
Financial liabilities at fair value through profit or loss		
Opening balance	8,679,515	9,179,515
Converted to ordinary shares	(300,000)	(500,000)
Closing balance – fair value	8,379,515	8,679,515

The fair value (Level 3) of the hybrid instruments was determined using valuation techniques including use of a Black-Scholes option pricing model, with estimates of projected conversion prices and the following significant inputs to the valuation at 31 December 2024. The directors have determined no fair value adjustment is necessary at the reporting date.

	Australian dollar facility	US dollar facility
Valuation date	31 December 2024	31 December 2024
Share price	\$0.26	\$0.26
Exercise price	\$10.0 to \$35.0	\$10.0 to \$35.0
Expired date	Feb 2024	Feb 24 – Sep 2024
Expected future volatility	250%	250%
Risk free rate	3%	3%
Dividend yield	Nil	Nil

NOTE 7. DEFERRED INCOME AND REVENUE

	31-Dec-24 A\$	30-Jun-24 A\$
Current		
Deferred income - Malta grant	-	(553,606)
Closing balance	-	(553,606)
Non-Current		
Deferred income - Malta grant	-	(3,598,439)
Closing balance	-	(3,598,439)

In prior reporting periods, the Company recognized deferred revenue related to a government grant received for the development of the Malta production facility. This grant was accounted for as deferred revenue, with income recognized progressively in line with the facility's operational use.

As part of Argent's strategic decision to discontinue manufacturing operations in Malta in 2025, the associated assets were subject to an impairment assessment, resulting in a full impairment charge. Given that the grant was directly linked to these assets, the remaining deferred revenue balance was offset against the impairment charge in accordance with applicable accounting standards.

Following this adjustment, the deferred revenue balance has been fully recognized, to reduce its carrying value, thereby concluding the grant-related accounting treatment.

NOTE 8. CONTRIBUTED EQUITY

	31-Dec-24 NUMBER	30-Jun-24 NUMBER	31-Dec-24 A\$	30-Jun-24 A\$
Ordinary Shares on issue, fully paid	54,272,269	45,280,202	129,575,600	123,288,573
	54,272,269	45,280,202	129,575,600	123,288,573

Reconciliation of movement in share capital

	No. Of Shares	Issue Price	Amount
Opening balance at 01 July 2024	45,280,202		123,288,573
Shares issued per placement - 3 July 2024	625,000	1.20	750,000
Exercises of ESS Performance Rights - July 2024	400	0.29	116
Shares issued per placement - 17 July 2024	2,500,000	1.20	3,000,000
Issue of shares to employees and consultants - 15 October 2024	4,000,000	0.53	2,120,000
Issue of shares to employees and consultants - 15 October 2024	200,000	0.41	106,000
Shares issued per placement - 23 October 2024	666,667	0.30	200,000
Conversion of Mercer Convertible Notes	1,000,000	0.30	300,000
Less: Costs of issue			(189,089)
Closing balance at 31 December 2024	54,272,269		129,575,600

NOTE 9. SHARE BASED PAYMENTS

A summary of number of performance rights and options on issue during the period are as below.

Reconciliation of Performance Rights

Opening Balance	Granted as compensation	Exercised	Lapsed	Outstanding at 31 December 2024
306,500	600,000	(200,000)	-	706,500

Reconciliation of Options

Opening Balance	Issued during the period	Exercised	Lapsed	Outstanding at 31 December 2024
17,681,273	1,250,000	-	(550,667)	18,380,607

NOTE 10. LEASES

Below are the carrying amounts of right-of-use assets recognised for the period:

	31-Dec-24 A\$	30-Jun-24 A\$
Right-of-use assets		
Opening balance	1,058,673	588,677
Additions	-	809,430
Depreciation	(127,795)	(217,306)
Decrease on early termination of lease	-	(116,012)
Foreign exchange	41,168	(6,116)
Closing balance	972,046	1,058,673

Below are the carrying amounts of lease liabilities for the period:

	31-Dec-24 A\$	30-Jun-24 A\$
Lease liabilities		
Opening balance	1,044,724	575,139
Additions	-	809,430
Interest	22,544	38,494
Lease payments	(135,461)	(238,679)
Decrease on early termination of lease	-	(127,545)
Foreign exchange	40,877	(12,115)
Closing balance	972,684	1,044,724
Current	239,137	223,813
Non-current	733,547	820,911
Total lease liability	972,684	1,044,724

NOTE 11. ADMINISTRATIVE EXPENSES

	31-Dec-24 A\$	31-Dec-23 A\$
Administrative expenses		
Corporate costs	179,949	271,571
Professional and consultancy fees	1,994,286	2,181,935
Board fees	241,335	283,877
Staff costs	1,359,278	1,070,978
Employee shares and share based payment expense	2,274,515	340,311
IR/PR Expenses	843,400	198,810
Advertising and Marketing	22,229	449,902
Depreciation	493,343	547,020
Other administration expense	254,812	573,529
Total for period	7,663,147	5,917,933

NOTE 12. RELATED PARTY TRANSACTIONS

There have been no material changes to related parties since 30 June 2024.

NOTE 13. EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to 31 December 2024, Argent BioPharma successfully raised an additional US\$4,500,000 (before costs) through a placement of 11,250,000 fully paid ordinary shares at US\$0.40 (~A\$0.64) per share. Participants in this placement were also issued one free attaching warrant for every two Placement Shares subscribed, exercisable at US\$0.55 (~A\$0.88) with a three-year expiry period.

The Placement was conducted in two tranches:

- Tranche 1: 5,000,000 Placement Shares and 2,500,000 Warrants were issued immediately, utilizing the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A.
- Tranche 2: 6,250,000 Placement Shares and 3,125,000 Warrants will be issued subject to shareholder approval at an upcoming general meeting.

Other than those matters disclosed in the interim financial statements, there have been no significant events occurring after the balance date which may affect either the Group's operations or results of those operations or the group's state of affairs.

NOTE 14. SEGMENT REPORTING

Geographic information on the Group's revenue by location of operations for the period and non-current assets at 31 December 2024 is as follows:

	Malta A\$	Slovenia A\$	Australia and others A\$	Total A\$
31-Dec-24				
Sales revenue	-	4,283	-	4,283
Total assets	111,192	1,322,922	1,624,689	3,058,803
30-Jun-24				
Sales revenue	13,212	440,443	437,428	891,083
Total assets	5,324,371 ¹	3,627,345 ¹	1,835,664	10,787,380

¹ The directors have assessed the carrying value of total assets are recoverable at reporting date.

Directors' Declaration

The Directors of the Company declare that:

1. the interim financial statements and notes, are in accordance with the *Corporations Act 2001* and:
 - a) comply with Australian Accounting Standard AASB134 Interim financial reporting and the Corporations Regulations 2001; and
 - b) give 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
2. Subject to the matters set out in note 2, there are reasonable grounds to believe that the Company 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, pursuant to s 303(5) of the Corporations Act.

A handwritten signature in black ink that reads 'R. Zomer'.

Roby Zomer
Managing Director & CEO
Dated 28 February 2025

**ARGENT BIOPHARMA LTD
 ABN 30 116 800 269
 AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
 TO THE MEMBERS OF ARGENT BIOPHARMA LTD**

Conclusion

We have reviewed the half-year financial report of Argent Biopharma Ltd (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, a summary of material accounting policy information and other explanatory information, 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 the group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the group 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 group 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 in the financial report, which indicates that the group incurred a net loss of \$12,161,780 during the half-year ended 31 December 2024 and, as of that date, the group had net liabilities of \$10,881,608. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, 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.

Responsibility 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.

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ARGENT BIOPHARMA LTD
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AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ARGENT BIOPHARMA LTD

Auditor's Responsibility for the Review of the Financial Report

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 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.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



ANTHONY TRAVERS

Partner

Dated: 28 February 2025