Noxopharm Reports Half Year FY 2022 Results

Sydney 21 February 2022: Australian clinical-stage drug development company Noxopharm Limited (ASX:NOX) is pleased to release its Financial Report for the half year ended 31 December 2021 today.

Dr Gisela Mautner, CEO & MD of Noxopharm stated "As incoming CEO, it is pleasing to report that Noxopharm is in a strong cash position with a number of promising programs underway. Our Clinical Portfolio, investigating the combination of Veyonda® with established cancer treatments, is tracking to plan. It is also important to note the relationships we have secured with national and international partners such as Hudson Institute of Medical Research and the US National Cancer Institute, as well as several prestigious clinical study sites in the USA.

Our pre-clinical work looking into molecules with potential applications in aggressive cancers continues, and we are making good progress in work relating to chronic inflammation and RNA technologies. We are well funded to drive these programs and will update the market as milestones are met."

Financial Highlights

Noxopharm is in a strong cash position of A$22.6m due to continued judicious expenditure in the best interest of the Company and its shareholders.

- Includes $5.9m R&D tax incentive for FY21 received in January 2022, which is non-dilutive funding for the Company.

There has been increased investment in R&D of $8.3m (1HFY20: $3.0m) to advance the clinical trial programs, drug discovery and preclinical studies.

The corporate and administration cash spend rate remained stable at $2.9M (1HFY 20: $2.9m).

Clinical Programs Focus

It is testament to the work of Noxopharm to date that we have a strong network of world-class collaborators eager to work with us. Our clinical trial sites include some of the leading cancer centres in the world, notably, the US number one cancer hospital, the MD Anderson Cancer Center is participating, as well as the Beverly Hills Cancer Center and the City of Hope Cancer Center. It speaks to the depth of talent and experience in the Noxopharm team that a young company like Noxopharm was able to secure these sites.

During the period, the DARRT Program Phase 2 clinical trial (Veyonda with low-dose radiotherapy) received IND approval from the FDA and has commenced in two leading U.S. cancer centres, the MD Anderson Cancer Center and the Beverly Hills Cancer Center with the first dose cohort having completed the safety assessments. The first Australian site, Macquarie Private Hospital, has also opened for patient recruitment, and further sites are expected to be online soon.

The CEP Program Phase 1 study (Veyonda and the chemotherapy drug, doxorubicin) commenced at a major U.S. cancer hospital, the City of Hope Cancer Center in Los Angeles. Additional sites in the U.S. will be joining the study in the near-term.

The IONIC Phase 1 trial (Veyonda with the Bristol Myers Squibb checkpoint inhibitor, nivolumab (Opdivo®)) commenced. Patients have been enrolled and treated at the first clinical site and more sites are expected to open in H1 2022.

Preclinical Programs

Noxopharm has developed a substantial product pipeline, with technologies which are aimed at saving lives through exciting new therapies. In addition to molecules developed in-house, Noxopharm has entered into an exclusive global licensing agreement with Hudson Institute of Medical Research (HIMR) relating to RNA drug discovery and mRNA vaccine manufacture.

Noxopharm also signed a Materials Cooperative Research and Development Agreement with the U.S. National Cancer Institute (the largest funding body for cancer research in the world) for the investigation of a family of molecules developed by Noxopharm.

-ENDS-

Dr Gisela Mautner, CEO and Managing Director of Noxopharm, has approved the release of this document to the market on behalf of the Board of Directors.

About Noxopharm

Noxopharm Limited (ASX:NOX) is an Australian clinical-stage drug development company focused on the treatment of cancer and cytokine release syndrome (septic shock). Wholly-owned subsidiary, Pharmorage Pty Ltd, houses drug development for autoimmune diseases, sepsis (cytokine release syndrome) and RNA vaccine manufacture.

Veyonda® is the Company's first pipe-line drug candidate currently in Phase 2 clinical trialling. Veyonda® has two main drug actions – a moderating effect on the ceramide/sphingosine-1-phosphate balance and inhibition of STING signalling. Activity against the former target contributes to its dual-acting oncotoxic and immunomodulatory functions designed to enhance the effectiveness and safety of standard oncology treatments, i.e., chemotherapies, radiation therapies and immune checkpoint inhibitors. Activity against the latter target provides an anti-inflammatory effect, as well as contributing to an anti-cancer action, but also potentially blocking septic shock.

Noxopharm is running comprehensive drug discovery programs in both oncology and inflammation, and is the major shareholder of US biotechnology company, Nyrada Inc (ASX:NYR), active in the areas of drug development for cardiovascular and neurological diseases.

To learn more, please visit: noxopharm.com

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Forward Looking Statements

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections and assumptions made by Noxopharm about circumstances and events that have not yet taken place. Although Noxopharm believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control (including but not limited to the COVID-19 pandemic) that could cause the actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statement.

Noxopharm Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Noxopharm Limited
ABN:	50 608 966 123
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

2. Results for announcement to the market

				$
Revenues from ordinary activities	down	-	to	-
Loss from ordinary activities after tax attributable to the owners of Noxopharm Limited	up	28.1%	to	(8,612,848)
Loss for the half-year attributable to the owners of Noxopharm Limited	up	28.1%	to	(8,612,848)

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

Comments
The loss for the consolidated entity after providing for income tax amounted to $8,612,848 (31 December 2020: $6,722,404).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	11.48	11.59

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. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Name of associate / joint venture	Reporting entity's percentage holding		Contribution to profit/(loss) (where material)	
	Reporting period %	Previous period %	Reporting period $	Previous period $
Nyrada Inc.	-	30.49%	-	(820,050)
Group's aggregate share of associates and joint venture entities' profit/(loss) (where material)				
Profit/(loss) from ordinary activities before income tax			-	(820,050)

9. Foreign entities

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

Currently all accounting policies of the Group are consistent with those adopted by its ultimate holding company, Noxopharm Limited.

10. 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 Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Noxopharm Limited for the half-year ended 31 December 2021 is attached.

12. Signed

Signed _____ Date: 21 February 2022

Noxopharm Limited

ABN 50 608 966 123

Interim Report - 31 December 2021

Noxopharm Limited
Directors' report
31 December 2021

Directors

The following persons were directors of the Noxopharm Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr. Frederick Bart, Non-Executive Chairman
Dr. Graham Kelly, Chief Executive Officer and Managing Director (resigned executive positions 1 February 2022 and appointed Non-Executive Director 1 February 2022)
Mr. Peter Marks, Non-Executive Director and Deputy Chairman
Mr. Boris Patkin, Non-Executive Director
Dr. Gisela Mautner, Chief Executive Officer and Managing Director (appointed 1 February 2022)

Principal activities

The Company's principal activity in the course of the financial half-year continues to be drug development, with the primary focus being the clinical development of Veyonda® (NOX66) as an adjuvant therapy in chemotherapy and radiotherapy in the treatment of late-stage cancers.

There were no other significant changes in the nature of the Company's principal activity during the financial half-year.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to $8,612,848 (31 December 2020: $6,722,404).

The half-year results were impacted by a decline in the Nyrada share price during the reporting period, resulting in a loss on investments held at fair value being booked for $3,861,519.

During the period, the Company has carried out the following:

- The Noxopharm cancer clinical trial program made solid progress this quarter with patients under treatment in the IONIC and DARRT trials, and the CEP trial ready to begin patient recruitment;
- DARRT program had two leading US cancer centres beginning recruitment. First cohort completed the first treatment cycle. The first Australian site also opened for patient recruitment;
- IONIC study saw first site opened, with patients enrolled and treated and more sites planned to open during Q1, 2022;
- CEP Program saw the first US site open for enrolment;
- DARRT-2 study planning accelerates;
- LuPIN Program is continued through the compassionate use program with ongoing patient enrolment;
- The two drug development platforms ISO and RNA continue to develop;
- Continued to develop a pipeline of drug candidates as part of a strategy of expanding the profile of the Company in the global pharmaceutical industry.

Significant changes in the state of affairs

During the reporting period 4,016,223 investor and underwriter options at $0.30 exercise price were exercised to raise $1,204,867.

Except as noted above, there were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 1 February 2022, Dr. Graham Kelly resigned as CEO and Managing Director and became a Non-Executive Director. On the same date Dr. Gisela Mautner was appointed CEO and Executive Managing Director.

The 2021 research and development rebate for $5.9m was received from the ATO on 7 January 2022.

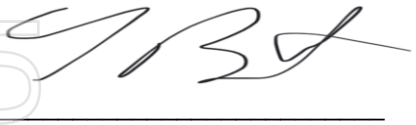
Except as noted above, no matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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 immediately after this directors' report.

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



21 February 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NOXOPHARM LIMITED

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2021 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, 21st February 2022

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Noxopharm Limited
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General information

The financial statements cover Noxopharm Limited as a consolidated entity consisting of Noxopharm Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Noxopharm Limited's functional and presentation currency.

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

Level 20, Tower A, The Zenith
821 Pacific Highway
CHATSWOOD NSW 2067

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 21 February 2022.

Noxopharm Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021

	Note	Consolidated 31 December 2021 $	Consolidated 31 December 2020 $
Income			
Interest income		33,968	396
Research service fees		11,000	5,000
Other income from government grants		-	50,000
Research and development tax incentive		1,777,838	1,300,000
Expenses			
Corporate administration expenses		(935,278)	(755,511)
Research and development expenses		(3,080,702)	(3,046,768)
Depreciation expense		(131,788)	(130,735)
Foreign exchange loss		(28,333)	(31,286)
Consulting, employee and director expenses		(2,386,036)	(3,525,519)
Loss on investment in Nyrada Inc held at fair value		(3,861,519)	-
Finance costs		(11,998)	(853,192)
Fair value movement in derivative liability		-	1,085,261
Share of loss of Associate		-	(820,050)
Loss before income tax expense		(8,612,848)	(6,722,404)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Noxopharm Limited		(8,612,848)	(6,722,404)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Noxopharm Limited		(8,612,848)	(6,722,404)
		Cents	**Cents**
Basic earnings per share	11	(2.99)	(3.14)
Diluted earnings per share	11	(2.99)	(3.14)

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

Noxopharm Limited
Statement of financial position
As at 31 December 2021

	Note	Consolidated 31 December 2021 $	30 June 2021 $
Assets			
Current assets			
Cash and cash equivalents		16,691,436	26,795,785
Trade and other receivables	4	7,597,625	5,799,224
Other assets	5	769,596	379,027
Total current assets		25,058,657	32,974,036
Non-current assets			
Financial assets at fair value through profit and loss		10,410,899	14,272,419
Plant and equipment		107,359	135,111
Right-of-use assets		288,772	349,308
Term deposit pledged for bank guarantee		123,512	122,837
Total non-current assets		10,930,542	14,879,675
Total assets		35,989,199	47,853,711
Liabilities			
Current liabilities			
Trade and other payables		1,475,673	6,130,170
Lease liability		276,669	231,666
Employee benefits		506,033	445,359
Total current liabilities		2,258,375	6,807,195
Non-current liabilities			
Lease liability		12,103	117,642
Employee benefits		180,483	152,499
Total non-current liabilities		192,586	270,141
Total liabilities		2,450,961	7,077,336
Net assets		33,538,238	40,776,375
Equity			
Issued capital	6	74,635,721	72,622,560
Reserves		7,651,586	8,487,119
Accumulated losses		(48,749,069)	(40,333,304)
Total equity		33,538,238	40,776,375

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

Noxopharm Limited
Statement of changes in equity
For the half-year ended 31 December 2021

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2020	41,631,007	2,708,106	(31,466,355)	12,872,758
Loss after income tax expense for the half-year	-	-	(6,722,404)	(6,722,404)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(6,722,404)	(6,722,404)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	16,429,426	-	-	16,429,426
Vesting of share-based payments	-	6,645,776	18,247	6,664,023
Exercise of options	353,408	(140,553)	-	212,855
Conversion of collateral shares	267,638	-	-	267,638
Expiry of options	-	(479,800)	479,800	-
Balance at 31 December 2020	58,681,479	8,733,529	(37,690,712)	29,724,296

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2021	72,622,560	8,487,119	(40,333,304)	40,776,375
Loss after income tax expense for the half-year	-	-	(8,612,848)	(8,612,848)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(8,612,848)	(8,612,848)
Transactions with owners in their capacity as owners:				
Exercise of options	2,013,161	(808,294)	-	1,204,867
Expiry of options	-	(197,083)	197,083	-
Vesting of share-based payments	-	169,844	-	169,842
Balance at 31 December 2021	74,635,721	7,651,586	(48,749,069)	33,538,238

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

Noxopharm Limited
Statement of cash flows
For the half-year ended 31 December 2021

	Note	Consolidated 31 December 2021 $	Consolidated 31 December 2020 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		12,100	2,200
Payments to suppliers and employees		(11,206,376)	(5,925,955)
Interest paid		(11,998)	(19,485)
Interest received		49,909	396
Receipt from ATO tax concessions		-	50,000
Net cash used in operating activities		(11,156,365)	(5,892,844)
Net cash from investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares, net of costs	6	1,204,867	21,887,618
Repayment of lease liabilities		(124,517)	(205,644)
Net cash from financing activities		1,080,350	21,681,974
Net increase/(decrease) in cash and cash equivalents		(10,076,015)	15,789,130
Cash and cash equivalents at the beginning of the financial half-year		26,795,785	7,100,202
Effects of exchange rate changes on cash and cash equivalents		(28,334)	-
Cash and cash equivalents at the end of the financial half-year		16,691,436	22,889,332

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

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 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 2021 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 principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity did not adopt any new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') during the current reporting period.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Research and Development Rebate
With the successful track record of the consolidated entity in obtaining the Research and Development rebate form the ATO, the estimated rebate for the 6 month's ended 31 December 2021 for $1.4m has been accrued into income for this reporting period.

Non-recognition of carried forward tax losses
The balance of future income tax benefit arising from tax losses and timing differences have not been recognised as an asset because recovery is not regarded as probable. The cumulative future income tax benefit which has not been recognised as an asset will only be obtained if:
i) The Group derives future assessable income of a nature and amount sufficient to enable the benefit to be realised,
ii) The Group continues to comply with the conditions for the deductibility imposed by law, and
iii) No changes in tax legislation adversely affecting the Group realising the benefit.

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

The consolidated entity's finance team performs valuations of financial items for financial reporting purposes, including Level 3 fair values, in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The valuation techniques used for instruments categorised in levels 1 and 3 are described below:

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Valuation of investment in Nyrada Inc.
Nyrada ordinary shares (level 1): The 33,373,245 Nyrada ordinary shares held by the consolidated entity were valued at fair value, using the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market. The price used for valuing these ordinary shares was the ASX price of 24 cents.

Nyrada performance shares (level 3): The 12,000,600 Nyrada performance shares were externally valued considering Level 3 hierarchy fair value inputs such as - the spot price of 24 cents, a risk free interest rate of 0.9646% (based on Australian government bond rate as a proxy), a historical volatility factor of 76.7% and the Monte Carlo approach for estimating the probability of the market based vesting conditions being achieved. The milestones to be achieved for each tranche is as follows:

Tranche 1:
i) The trading price for Nyrada CDIs on ASX achieving at least $0.40 for 5 consecutive trading days; and
ii) The Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead neuroprotectant drug candidate is ready to proceed to pre-clinical safety and toxicology studies ("non-CDI price-based milestone").

Tranche 2:
i) The trading price for Nyrada CDIs on ASX achieving at least $0.40 for 5 consecutive trading days; and
ii) The Scientific Advisory Board to the Company determining that, based on in-vivo data, the final lead peripheral neuropathic pain drug candidate is ready to proceed to pre-clinical safety and toxicology studies ("non-CDI price-based milestone").

Changing inputs to the Level 3 valuations to reasonably possible alternative assumptions would not change significantly amounts recognised in profit or loss, total assets or total liabilities or total equity.

Reconciliation of movement in fair value measurements using significant unobservable inputs (level 3)..
The following table presents the changes in level 3 items for the period ended 31 December 2021 for recurring fair value measurements:

	$
Opening Balance 1 July 2021	3,592,980
Amounts recognised in profit and loss	(1,191,660)
Closing balance 31 December 2021	**2,401,320**

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Note 3. Operating segments

The consolidated entity continues to operate in one segment, being the clinical development in the field of both oncology and non-oncology in the pan-pacific region. The segment details are therefore fully reflected in the body of the interim report.

Note 4. Current assets - trade and other receivables

	Consolidated	
	31 December 2021 $	30 June 2021 $
Trade receivables	1,100	4,400
GST receivable	318,295	277,816
R&D tax incentive receivable	7,277,838	5,500,000
Interest receivable	392	17,008
	7,596,525	5,794,824
	7,597,625	5,799,224

The R&D tax incentive receivable is comprised of $5.9m accrued for the year ended 30 June 2021 and $1.4m accrued for the six months ended 31 December 2021. Refer to Note 10 in relation to receipt of the 2021 research and development rebate.

Note 5. Current assets - other assets

	Consolidated	
	31 December 2021 $	30 June 2021 $
Prepayments	98,892	67,517
Research and development lab supplies (consumable assets)	670,704	311,510
	769,596	379,027

The research and development lab supplies are mainly materials that are used in the research and development process. These materials are recognised as an expense as and when they are utilised in the research and development process.

Note 6. Equity - issued capital

	Consolidated			
	31 December 2021 Shares	30 June 2021 Shares	31 December 2021 $	30 June 2021 $
Ordinary shares - fully paid	292,237,950	288,221,727	74,635,721	72,622,560

Movements in ordinary share capital

Details	Date	Shares	$
Balance	1 July 2021	288,221,727	72,622,560
Exercise of options	13 August 2021	6,667	2,000
Exercise of options	23 August 2021	40,000	12,000
Exercise of options	23 August 2021	8,101	2,430
Exercise of options	29 September 2021	3,961,455	1,996,731
Balance	31 December 2021	292,237,950	74,635,721

Note 6. Equity - issued capital (continued)

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 7. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 8. Contingent liabilities

The consolidated entity has given bank guarantees as at 31 December 2021 of $118,818 (2020: $118,818) to its landlords.

Note 9. Contingent liabilities and licence agreement

The consolidated entity has entered into a licence agreement whereby it is obliged to make royalty payments on future sales and make future cash milestone payments if certain events occur. This agreement includes the following:

* milestone payment based on the initiation of the first Phase III clinical trial for each product;
* milestone payments based on first grant of a marketing authorisation for each product; and
* royalty payments based on net sales.

Note 10. Events after the reporting period

On 1 February 2022, Dr. Graham Kelly resigned as CEO and Managing Director and became a Non-Executive Director. On the same date Dr. Gisela Mautner was appointed CEO and Executive Managing Director.

The 2021 research and development rebate for $5.9m was received from the ATO on 7 January 2022.

Except as noted above, no matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 11. Earnings per share

	Consolidated	
	31 December 2021 $	31 December 2020 $
Loss after income tax attributable to the owners of Noxopharm Limited	(8,612,848)	(6,722,404)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	288,410,592	213,791,188
Weighted average number of ordinary shares used in calculating diluted earnings per share	288,410,592	213,791,188

Note 11. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(2.99)	(3.14)
Diluted earnings per share	(2.99)	(3.14)

There are 45,149,460 options (2020: 70,480,439) issued and currently in the money that could potentially dilute basic earning per shares in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented.

Noxopharm Limited
Directors' declaration
31 December 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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

21 February 2022

Noxopharm Limited

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Noxopharm Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies 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 half-year financial report of Noxopharm Limited is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
b) complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE *2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the 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.

Responsibility of Management for the Half-year Financial Report

The directors of the Noxopharm Limited 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.

ACCOUNTANTS & ADVISORS
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Auditor's Responsibilities for the Review of the Half-year 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 2021 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, 21st February 2022

Corporate Directory

31 December 2021

Board of Directors	Fred Bart, Non-Executive Chairman Graham Kelly, Chief Executive Officer and Managing Director Peter Marks, Non-Executive Director and Deputy Chairman Boris Patkin, Non-Executive Director
Company Secretary	David Franks
Registered Office	Level 20, Tower A, The Zenith 821 Pacific Hwy Chatswood, NSW 2067
Principal Place of Business	Level 20, Tower A, The Zenith 821 Pacific Hwy Chatswood, NSW 2067
Website	www.noxopharm.com
Share Register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney, NSW 2000
Auditors	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne, VIC 3000
Stock Exchange	Australian Securities Exchange 20 Bridge Street Sydney, NSW 2000
ASX Code	NOX