starpharma

ASX Announcement

Appendix 4D: Half Year Report

Current reporting period: Half-year ended 31 December 2024

Prior corresponding period: Half-year ended 31 December 2023

Results for announcement to the market

	31 December 2024 $'000	31 December 2023 $'000	Movement %
Reported			
Revenue	**2,427**	8,025	Down (70%)
Loss for the period attributable to members	**(5,392)**	(1,034)	Up (421%)
Additional information – Operating Result			
Adjusted Revenue[1] *(excluding Mundipharma settlement)*	**2,427**	1,472	Up (65%)
Adjusted Loss[1] *(excluding Mundipharma settlement)*	**(5,392)**	(7,587)	Down (29%)

Note 1: The prior corresponding period included a nonrecurring $6,553,000 income item from the commercial settlement and termination of the VivaGel® BV license and supply agreement with Mundipharma. Prior period *Adjusted Revenue* ($1,472,000) is calculated as Revenue less nonrecurring revenue from the Mundipharma settlement. Prior period *Adjusted Loss* likewise subtracts the above nonrecurring revenue from the Loss for the period.

Dividends

No dividends were paid or declared during the current period or during previous corresponding period.

Explanation of Revenue

Revenue for the half-year was $2,427,000, comprising product sales, royalty, and research revenue from commercial partners of $1,888,000 (31 December 2023: $644,000, excluding the Mundipharma settlement), and interest income on cash invested of $539,000 (31 December 2023: $828,000). For the Operating Result, the half-year revenue has increased 65% over the prior period, primarily due to research revenue from Petalion Therapeutics and increased revenue from the sale of Viraleze™ and VivaGel® BV.

Explanation of Loss

The loss for the half-year was $5,392,000 (31 December 2023: $7,587,000, excluding the Mundipharma settlement). The Operating Result for the half-year loss has decreased 29% over the prior period.

The half-year loss includes research and product development expense of $4,337,000 (31 December 2023: $5,263,000) net of the Australian Government's R&D tax incentive. Research expenditures include costs of the internal DEP® drug delivery programs including DEP® SN38, DEP® cabazitaxel and DEP® radiotheranostics. The decrease in expense from the prior half-year reflects the completion of the DEP® cabazitaxel, DEP® docetaxel, and Viraleze™ clinical programs.

Net Tangible Asset Backing

Net tangible asset (NTA) backing per ordinary share at 31 December 2024 is $0.06 (31 December 2023: $0.08).

Additional information supporting the Appendix 4D can be found in the Interim Report for the half-year ended 31 December 2024 which follows this announcement. The Interim Report has been reviewed by PricewaterhouseCoopers.

ASX Announcement

Interim Report and Half-Year Financial Results

Key Financial Results

- *Half-year revenues were $2.4 million, including research revenue from Petalion Therapeutics and revenue from Viraleze™ and VivaGel® BV product sales.*
- *The underlying operating loss was $5.4 million, a 29% improvement on the prior corresponding period (pcp).*
- *Research and development expenses were $4.3 million, decreasing by $0.9 million from the pcp due to the completion of DEP® clinical programs in FY24.*
- *Closing cash position at 31 December 2024 was $20.3 million.*

Operational Highlights

- *Key regulatory milestone for DEP® SN38 with positive feedback from the FDA on the clinical pathway to commercialisation in the US, confirming that the 505(b)(2) regulatory approval pathway is appropriate for DEP® SN38 and the potential for Fast Track designation and accelerated approval.*
- *Continued progress in ongoing DEP® partnerships and expansion of the chemistry team to support these collaborations.*
- *Asset optimisation and active engagement with potential collaborators for the DEP® radiopharmaceuticals program.*

Melbourne, Australia; 26 February 2025: Starpharma (ASX: SPL, US OTC: SPHRY), an innovative biotechnology company with two decades of experience in advancing dendrimer technology from the lab to the patient, today releases its Interim Report and Half-Year Financial Results for the period ended 31 December 2024 (H1 FY25).

Starpharma's Chief Executive Officer, Cheryl Maley, commented:
"In the first half of FY25, Starpharma has made good progress in executing our strategy, aimed at maximising the value of our DEP® assets, accelerating early asset development, and building long-term sustainability. I know our internal progress may not always be evident externally, but I can vouch for the dedication and hard work of everyone at Starpharma as we work towards achieving our strategic objectives.

"We have made important progress in advancing our DEP® clinical assets, particularly DEP® SN38, which has shown promising clinical outcomes in patients with high unmet need. A key regulatory milestone during the period was the recent meeting with the US Food and Drug Administration (FDA) regarding DEP® SN38. The FDA provided feedback on the path to market for DEP® SN38, confirming that the 505(b)(2) regulatory approval pathway is appropriate for DEP® SN38 and the potential for Fast Track designation and accelerated approval. The positive response from the US regulator increases our confidence in the potential of DEP® SN38 for treating platinum-resistant ovarian cancer. During the six months to December, our partner engagement through ongoing meetings and conference participation highlighted the importance of FDA feedback to potential partners for the commercialisation of DEP® SN38.

"We are advancing our early-stage DEP® programs, particularly in the area of radiopharmaceuticals, with the aim of initiating a first-in-patient clinical trial this calendar year. We are also expanding our research pipeline, positioning us well for future collaborations and long-term growth. Commercially, we anticipate the launch of VivaGel® BV in key markets in the Middle East and continue to support sales of Viraleze™ online through digital marketing initiatives, which have resulted in a ~30% increase in revenue from the e-commerce channels compared to the prior corresponding period.

"We have focused on building a sustainable organisation and have sufficient capital to support our medium-term objectives, with a cash balance of $20.3 million as at 31 December 2024. The completion of multiple clinical programs in FY24 has led to a reduction in our research and development expenses, extending our cash runway. Over the past 12 to 18 months, we have implemented a number of cost-saving initiatives that are positively impacting our cash balance. Notably, our Corporate and Administration costs in this half-year period have decreased by $0.5 million compared to the prior corresponding period.

"Starpharma is committed to driving revenue growth, advancing our pipeline, and managing costs effectively to deliver improved and long-term value for our shareholders. We are focused on prioritising resources for our high-impact DEP® programs, pursuing partnerships to advance our assets toward commercialisation, and increasing revenue through collaborations, licensing and product sales."

About Starpharma

Starpharma (ASX: SPL, US OTC: SPHRY) is an innovative biotechnology company with two decades of experience in advancing dendrimer technology from the lab to the patient. Our mission is to help patients with significant illnesses, such as cancer, achieve improved health outcomes and quality of life through the application of our unique dendrimer technology.

Dendrimers are precise, synthetically manufactured, nanoscale molecules. Their unique properties—including their size, structure, high degree of branching, polyvalency, and water solubility—are advantageous in medical and pharmaceutical applications.

Starpharma's portfolio of dendrimer-based products includes three clinical-stage DEP® (dendrimer enhanced product) assets, preclinical radiopharmaceutical assets, research collaborations, and three commercially marketed over-the-counter (OTC) products.

For more information about Starpharma, visit www.starpharma.com or connect with Starpharma on LinkedIn.

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Disclosure
This ASX Announcement was authorised for release by the Chair, Mr Rob Thomas.

Forward-Looking Statements
This document contains certain forward-looking statements, relating to Starpharma's business, which can be identified by the use of forward-looking terminology such as "promising", "plans", "anticipated", "will", "project", "believe", "forecast", "expected", "estimated", "targeting", "aiming", "set to", "potential", "seeking to", "goal", "could provide", "intends", "is being developed", "could be", "on track", or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other authorities' requirements regarding any one or more product candidates, nor can there be any assurance that such product candidates will be approved by any authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected trial results, including additional analysis of existing data, and new data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, or expected. Starpharma is providing this information as of the date of this document and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise. Clinical case studies and other clinical information given in this document are given for illustrative purposes only and are not necessarily a guide to product performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of future results. Nothing contained in this document, nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of any Starpharma product.

Delivering meaningful patient outcomes with advanced dendrimer technology

starpharma

Interim Report
2025

Starpharma Holdings Limited

ABN 20 078 532 180

Interim Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

This information should be read in conjunction with the 30 June 2024 Annual Report and any public announcements made by Starpharma Holdings Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Contents

Directors' Report

The directors are pleased to present this report on the consolidated entity (referred to hereafter as the "Group", "Company", or "Starpharma") consisting of Starpharma Holdings Limited (the "Parent Entity") and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

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

C Maley (Chief Executive Officer and Managing Director)
R B Thomas, AO (Chairman)
L Cheng
D J McIntyre
J R Davies
R Basser

Principal Activities

The principal activities of the Group consist of research, development and commercialisation of dendrimer products for pharmaceutical and healthcare applications. Activities within the Group are directed towards the development of precisely defined nano-scale materials, including the development of SPL7013 (astodrimer sodium) as a vaginal gel, VivaGel® BV, for the management of bacterial vaginosis; Viraleze™ antiviral nasal spray; and as an antiviral condom coating. Starpharma is also applying its proprietary dendrimers to drug delivery to create improved pharmaceuticals and has developed the valuable DEP® (Dendrimer Enhanced Product) delivery platform.

Strategy, Future Developments and Prospects

The Company aims to generate value through the clinical development and commercialisation of its proprietary products, as well as partnerships with pharmaceutical and biotechnology companies based on its patented dendrimer technology in pharmaceutical and healthcare applications. Starpharma's strategy involves three key focus areas to drive growth, extract value from the dendrimer technology, and optimise shareholder returns: 1) maximise DEP® asset value; 2) accelerate early asset development; and 3) build long-term sustainability. Starpharma intends to achieve this by continuing to utilise a combination of internally funded and partnered projects across its dendrimer portfolio. The Company commercialises its development pipeline with corporate partners through licensing, sales, and distribution agreements at various stages in a product's development lifecycle, depending on the product, patent opportunity, a partner's commercial strategy and relative strength of product and market expertise, comparison of current and future potential returns. Starpharma has extensive expertise in dendrimer science, a strong intellectual property position, clinically validated technology, and a pipeline of products and partnerships at various development stages designed to address unmet medical needs.

Dividends

No dividends have been paid or declared by the Company during the current reporting period. No dividends were paid for the previous corresponding period.

Review of Operations

Maximising DEP® Asset Value

Starpharma's three Phase 2 clinical trials for DEP® SN38, DEP® cabazitaxel, and DEP® docetaxel have generated significant data and clinical validation for the company's innovative dendrimer technology. Starpharma's primary focus is to ensure that patients with high needs have access to these improved drugs. Our key objective is to provide continued access to patients and to successfully secure the most effective path to commercialisation.

DEP® SN38 (previously referred to as DEP® irinotecan) is Starpharma's first priority, followed by DEP® cabazitaxel. Both assets have demonstrated patient benefit in clinical trials, including promising efficacy and excellent tolerability. The Phase 2 results for both assets were presented at the American Society of Clinical Oncology (ASCO) Annual Meeting in June 2024. Following these results presentations, Starpharma's clinical and business development teams have worked diligently to enhance the product profiles for potential partners interested in advancing these assets.

The promising results highlight the technology's potential and have shown to be very important for companies looking to enhance their drug development pipeline across a variety of drug types and therapeutic areas. An important aspect of Starpharma's business development program is to raise awareness about the benefits of Starpharma's dendrimer technology in oncology and other significant disease areas. As part of this strategy, the has company participated in a number of industry conferences over the past six months to engage with clinicians and key decision-makers from potential partner organisations.

During the period, Starpharma met with the US Food and Drug Administration (FDA) to discuss the clinical pathway options for DEP® SN38 in Platinum-Resistant Ovarian Cancer (PROC), which the FDA recognises as a patient group with significant unmet need. The purpose of the meeting was to confirm the regulatory approval pathway and seek regulatory guidance on the design of

a Phase 2/3 clinical program aimed at obtaining registration for DEP® SN38 in patients with platinum-resistant ovarian cancer in the US.

During the meeting, the FDA agreed with Starpharma's proposal that DEP® SN38 could be considered for FDA Fast Track designation, acknowledging that PROC is a serious condition with significant unmet medical need. The FDA also agreed that a "505(b)(2)" regulatory approval pathway is appropriate for DEP® SN38, as the product delivers the active moiety of the FDA-approved drug, irinotecan (Camptosar®). The 505(b)(2) pathway allows Starpharma to utilise existing FDA findings of safety and efficacy for an already approved drug, potentially streamlining the approval process by removing the need for some additional studies.

The FDA also indicated that DEP® SN38 may qualify for accelerated approval based on an interim analysis of early surrogate endpoints from the proposed Phase 2/3 clinical program. Final outcomes will depend on the results of these studies and the overall data package; however, this accelerated approval could provide early access to DEP® SN38 for patients with platinum-resistant ovarian cancer.

During the meeting, the FDA offered valuable guidance on the study design, particularly in defining the target patient population, study endpoints, and biostatistical aspects. The agency emphasised the importance of ensuring that DEP® SN38 is applicable to a broad range of patients with platinum-resistant ovarian cancer.

Overall, the feedback and collaborative discussions with the FDA reflect a positive and constructive interaction for Starpharma, clarifying the pathways for further clinical development and regulatory approval of DEP® SN38. This feedback provides confidence for an Investigational New Drug (IND) application for DEP® SN38. Our partner engagement through ongoing meetings and conference participation during the six months to December have highlighted the importance of FDA feedback for potential partners regarding the commercialisation of DEP ® SN38. Additionally, aspects of this feedback are also relevant to the DEP® cabazitaxel program, for example, the appropriateness of the 505(b)(2) approval pathway for DEP® delivery products incorporating existing approved actives.

Accelerating Early Asset Development

Starpharma is enhancing its efforts to develop novel DEP® assets and broaden access to its dendrimer platform technology for drug development through research collaborations and licensing. The company's key objective is to expand its pipeline of DEP® assets in early development and improve the efficiency of its early development program. This includes both the company's internal development initiatives and its research collaborations.

Starpharma's preclinical development program includes DEP® radiopharmaceutical candidates targeting the diagnosis and treatment of HER2 cancers. The company's research has shown that the DEP® technology can achieve an improved biodistribution profile compared with large antibody and small molecule delivery of radioisotopes, characterised by high levels of accumulation in tumours, low uptake in radio-sensitive organs such as the kidney, and relatively fast clearance from the blood. The data generated indicate that DEP® is a promising, versatile, and multifunctional platform for customising precision radiopharmaceuticals for cancer imaging and therapeutic applications.

During the period, Starpharma made important progress in the DEP® radiopharmaceuticals program to optimise our candidates to take forward. A number of preclinical evaluations were completed to assess and continue to enhance the profiles of the DEP® HER2-radiodiagnostic and DEP® HER2-radiotherapeutic candidates. Starpharma aims to develop radiopharmaceutical products that offer optimal pharmacokinetic and biodistribution profiles while accurately assessing the HER2 status of tumours throughout the body.

As Starpharma continues the iterative development of its assets, the company has gathered input from key opinion leaders (KOLs) and progressed discussions with potential clinical sites and contract research organisations (CROs) to ensure the company can start a first-in-patient clinical trial of its DEP® radiopharmaceutical candidates as efficiently as possible.

Additionally, the early-stage DEP® radiopharmaceuticals data presented at various conferences during the period has generated considerable interest in collaborative opportunities from a range of companies in the radiopharmaceuticals sector, both locally and internationally, who are looking to optimise the biodistribution profiles of their own radiotheranostic candidates.

Starpharma's early-stage research also includes targeted dendrimer-drug conjugates, which combine targeting moieties, such as antibodies or smaller antibody fragments, with dendrimers to further enhance the delivery of cytotoxic drugs. In parallel with pursuing Starpharma's DEP® radiopharmaceuticals program, Starpharma was also developing a HER2-targeted drug dendrimer conjugate, but considering the ongoing advancements with its radiopharmaceutical candidates, the company decided to shift its focus during this period to explore targets other than HER2. The company has also expanded its early-stage research pipeline during the period.

Starpharma's DEP® research collaborations include programs with several partners, including Genentech, MSD, and Petalion Therapeutics. These collaborations typically involve partner companies evaluating the utility of Starpharma's dendrimer technology in combination with their own molecules and technologies for novel applications or using the DEP® platform to develop novel assets, as is the case for Petalion.

During the period, Starpharma made good progress in its ongoing DEP® partnerships while also actively engaging with potential new collaborators. The company increased its internal chemistry resources to support the growing needs of some of its partners. The ultimate goal of these research collaborations is to develop valuable novel assets for areas of high unmet medical need. Starpharma aims to convert these assets into technology licenses that generate value for its shareholders.

The company also has partnerships with several research institutions, including the Commonwealth Scientific and Industrial Research Organisation (CSIRO), Monash Institute of Pharmaceutical Sciences (MIPS), and the Australian Research Council's (ARC) Research Hub for Advanced Manufacture of Targeted Radiopharmaceuticals (AMTAR). Starpharma collaborates with these organisations to explore the application of dendrimers in high-interest areas for the scientific community, such as the mRNA project with CSIRO. These collaborations are valuable in generating substantial data and validation for the company's innovative dendrimer technology in novel medical applications.

On 26 November 2024, Starpharma informed shareholders about the decision to terminate its partnership with AstraZeneca. After nearly 18 months of inactivity, both parties agreed to end the agreement. Starpharma made this decision to clarify the status of the partnership for investors and to allow Starpharma to pursue other opportunities.

Building Long-Term Sustainability

Starpharma is focused on increasing sustainable revenues and managing costs effectively. The company's key focus areas in the short term include increasing revenue, improving efficiency, and reducing costs to support our longer-term self-sustaining goal.

Increasing revenues from VivaGel® BV and Viraleze™ is a key objective. During the period, Starpharma has closely collaborated with ITROM Pharmaceutical Group, its distribution partner for VivaGel® BV in the Middle East and North Africa, to ensure a successful product launch in Saudi Arabia and the United Arab Emirates (UAE). Starpharma is currently in the process of manufacturing the product, which will be supplied to ITROM in March 2025, with the product launch expected to follow shortly thereafter. ITROM will support the launch through marketing efforts aimed at both consumers and local medical professionals.

Starpharma's partner, Aspen, continues to market VivaGel® BV in Australia and New Zealand, and the company has also engaged in discussions with a number of companies interested in marketing VivaGel® BV across Europe and Asia.

Over the past six months, Starpharma has implemented several digital marketing initiatives for Viraleze™ aimed at enhancing the product's profile and increasing online sales. These initiatives included launching a new website, improving brand positioning, and social media marketing.

During the period, Starpharma achieved regulatory certification under the new European Union (EU) Medical Device Regulations for Viraleze™. The new EU MDR classifications require medical device manufacturers to demonstrate compliance with essential requirements, including a greater emphasis on clinical evidence, and to undergo a new conformity assessment process with a European-based Notified Body to ensure the safety and performance of medical devices. Starpharma has now successfully obtained EU MDR certification for both VivaGel® BV and Viraleze™, confirming that both products meet the safety and performance standards established by EU regulatory authorities.

In October 2024, Starpharma announced its decision to withdraw the application for marketing authorisation of the SPL7013 Nasal Spray in Australia. The decision followed more than three years of application and review processes that required significant internal resources. After careful consideration and external regulatory legal advice, the Board and leadership team determined that withdrawing the application was in the best interest of shareholders. This allows the company to focus on Viraleze™ in markets where the product is already approved and on its high-priority DEP® platform programs.

Review of Financials

Income statement	31 December 2024 $'000	31 December 2023 $'000
Revenue	**2,427**	8,025
Cost of goods sold	**(348)**	(201)
Research and product development expense (net of R&D tax incentive)	**(4,337)**	(5,263)
Commercial and regulatory operating expense	**(1,553)**	(1,516)
Corporate, administration and finance expense	**(1,581)**	(2,079)
Loss for the period	**(5,392)**	**(1,034)**

Income statement

The reported loss for the half-year ended 31 December 2024 was $5,392,000 (31 December 2023: $1,034,000). The prior half-year loss included nonrecurring revenue of $6,553,000 from the commercial settlement and termination of the VivaGel® BV license and supply agreement with Mundipharma.

Revenue for the half-year was $2,427,000, comprising product sales, royalty, and research revenue from commercial partners of $1,888,000 (31 December 2023: $644,000, excluding the Mundipharma settlement), and interest income on cash invested of $539,000 (31 December 2023: $828,000). Excluding the effects of the Mundipharma settlement in the prior period, the half-year revenue has increased 65% over the prior period, primarily due to research revenue from Petalion Therapeutics Limited and increased revenue from the sale of Viraleze™ and VivaGel® BV.

Research and product development expenses was $4,337,000 (31 December 2023: $5,263,000) and includes the costs of the internal DEP® drug delivery programs, including DEP® SN38, DEP® cabazitaxel and DEP® radiotheranostics. The decrease in expense from the prior half-year reflects the completion of the DEP® cabazitaxel, DEP® docetaxel, and Viraleze™ clinical programs. A contra expense of $1,976,000 (31 December 2023: $3,091,000) has been recorded to research and product development expense for amounts receivable under the Australian Government's R&D Tax Incentive program.

Commercial and regulatory operating expense includes expenditure related to commercialisation of both VivaGel® / Viraleze™ and DEP® portfolios, including business development, marketing, regulatory, supply chain and quality assurance activities.

Corporate, administration and finance expense includes corporate costs, gains/losses on foreign currency held, and interest expense on borrowings. The decrease in expense from the prior half-year reflects cost reduction initiatives implemented.

Balance sheet

At 31 December 2024, the Group's cash position was $20,277,000 (June 2024: $23,360,000). Trade and other receivables of $3,643,000 (June 2024: $7,151,000) includes $1,976,000 (30 June 2024: $5,527,000) receivable from the Australian Government under the R&D tax incentive program. Trade and other payables of $2,655,000 (June 2024: $4,013,000) have decreased primarily due to lower accruals associated with expenditure on research programs.

Statement of cash flows

Net operating cash outflows for the half-year were $1,996,000 (31 December 2023: $2,098,000 inflow) and include the receipt of the $5,527,000 R&D tax incentive. Net cash outflows from financing activities were $1,050,000 (31 December 2023: $5,143,000), with the prior half-year including the repayment of the $4,000,000 Invest Victoria loan.

Earnings per share

	31 December 2024 Cents	31 December 2023 Cents
Basic / diluted loss per share	**(1.30)**	(0.25)

Matters subsequent to the end of the financial half-year

No matters or circumstances have arisen since 31 December 2024 that have significantly affected, or may significantly affect:

(a) the consolidated entity's operations in future financial years, or
(b) the results of the operations in future financial years, or
(c) the consolidated entity's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and interim financial report have been rounded off to the nearest thousand dollars in accordance with that Instrument.

Auditor's independence declaration

A copy of the auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* is set out on page 6.

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

Rob Thomas AO
Chairman
Melbourne, 26 February 2025

Auditor's Independence Declaration

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

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Starpharma Holdings Limited and the entities it controlled during the period.

Ben Gargett
Partner
PricewaterhouseCoopers

Melbourne
26 February 2025

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Interim Financial Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

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

Consolidated Statement of Comprehensive Income

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 $'000	31 December 2023 $'000
Revenue	4	**2,427**	8,025
Cost of goods sold		**(348)**	(201)
Research and product development expense (net of R&D tax incentive)		**(4,337)**	(5,263)
Commercial and regulatory operating expense		**(1,553)**	(1,516)
Corporate, administration and finance expense		**(1,581)**	(2,079)
Loss before income tax		**(5,392)**	**(1,034)**
Income tax expense		**-**	-
Loss from continuing operations attributable to equity holders of the company		**(5,392)**	**(1,034)**
Other comprehensive income (loss)		**-**	-
Total comprehensive income (loss) for the period		**(5,392)**	(1,034)
Loss per share for loss from continuing operations attributable to the ordinary equity holders of the company		**Cents**	Cents
Basic loss per share	12	**(1.30)**	(0.25)
Diluted loss per share	12	**(1.30)**	(0.25)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

AS AT 31 DECEMBER 2024

	Notes	31 December 2024 $'000	30 June 2024 $'000
Current assets			
Cash and cash equivalents		**20,277**	23,360
Trade and other receivables	6	**3,643**	7,151
Inventories		**2,326**	2,408
Total current assets		**26,246**	32,919
Non-current assets			
Property, plant and equipment		**1,189**	1,314
Right-of-use assets		**2,180**	2,581
Total non-current assets		**3,369**	3,895
Total assets		**29,615**	36,814
Current liabilities			
Trade and other payables		**2,655**	4,013
Borrowings	7	**111**	775
Lease liabilities		**819**	796
Provision for employee benefits		**1,150**	1,050
Deferred income		**113**	28
Total current liabilities		**4,848**	6,662
Non-current liabilities			
Lease liabilities		**1,545**	1,957
Provision for employee benefits		**50**	79
Total non-current liabilities		**1,595**	2,036
Total liabilities		**6,443**	8,698
Net assets		**23,172**	28,116
Equity			
Contributed capital	8	**240,750**	240,750
Reserves		**30,178**	29,730
Accumulated losses		**(247,756)**	(242,364)
Total equity		**23,172**	28,116

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2024		**240,750**	**29,730**	**(242,364)**	**28,116**
Loss for the period		-	-	(5,392)	(5,392)
Other comprehensive income (loss)		-	-	-	-
Total comprehensive income (loss) for the half-year		**-**	**-**	**(5,392)**	**(5,392)**
Transactions with owners, recorded directly in equity					
Employee performance rights plan		-	448	-	448
Total transactions with owners		**-**	**448**	**-**	**448**
Balance at 31 December 2024		**240,750**	**30,178**	**(247,756)**	**23,172**

	Notes	Contributed equity $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2023		**240,715**	**28,299**	**(234,199)**	**34,815**
Loss for the period		-	-	(1,034)	(1,034)
Other comprehensive income (loss)		-	-	-	-
Total comprehensive income (loss) for the half-year		**-**	**-**	**(1,034)**	**(1,034)**
Transactions with owners, recorded directly in equity					
Employee performance rights plan		-	670	-	670
Total transactions with owners		**-**	**670**	**-**	**670**
Balance at 31 December 2023		**240,715**	**28,968**	**(235,232)**	**34,451**

Consolidated Statement of Cash Flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

	Notes	31 December 2024 $'000	31 December 2023 $'000
Cash flow from operating activities			
Receipts from trade and other debtors (inclusive of GST)		**1,516**	7,001
Grant income and R&D tax incentives (inclusive of GST)		**5,527**	7,244
Payments to suppliers and employees (inclusive of GST)		**(9,528)**	(12,875)
Interest received		**561**	889
Interest paid		**(72)**	(161)
Net cash inflows/(outflows) from operating activities		**(1,996)**	**2,098**
Cash flow from investing activities			
Payments for property, plant and equipment		**(31)**	(9)
Net cash outflows from investing activities		**(31)**	**(9)**
Cash flow from financing activities			
Repayment of borrowings	7	**(660)**	(4,778)
Lease repayments		**(390)**	(365)
Net cash outflows from financing activities		**(1,050)**	**(5,143)**
Net increase (decrease) in cash and cash equivalents held		**(3,077)**	**(3,054)**
Cash and cash equivalents at the beginning of the half-year		**23,360**	35,180
Effects of exchange rate changes on cash and cash equivalents		**(6)**	5
Cash and cash equivalents at the end of the half-year		**20,277**	**32,131**

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

Notes to the Consolidated Financial Statements

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

1. Summary of Significant Accounting Policies

(a) Basis of preparation

This consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

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

The accounting policies adopted are consistent with those of the previous financial year and the corresponding interim reporting period.

The Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been adopted early by the Group for the period ended 31 December 2024.

The financial statements have been prepared on a going concern basis.

2. Critical Accounting Estimates and Judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

Certain research and product development activities are eligible under an Australian Government tax incentive for eligible expenditure. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive program. For the half-year to 31 December 2024, the Group has recorded a contra research and development expense of $1,976,000 (December 2023: $3,091,000).

3. Segment Information

The Group has determined that on the basis of internal reporting and monitoring to the Chief Executive Officer, who is the chief operating decision maker, the Group operates in one business segment, being the discovery, development and commercialisation of dendrimers for pharmaceutical, life science and other applications.

4. Revenue and Other Income

	31 December 2024 $'000	31 December 2023 $'000
Revenue and other income from continuing operations		
Revenue from contracts with customers	**1,888**	7,197
Interest revenue	**539**	828
Total revenue from continuing operations	**2,427**	8,025
Other income	**-**	-
Total revenue and other income from continuing operations	**2,427**	8,025

Total revenue from contracts with customers for the half-year was $1,888,000 (December 2023: $7,197,000) and included product sales, royalty, and research revenue from commercial partners. The prior corresponding period included a nonrecurring $6,553,000 from the commercial settlement and termination of the VivaGel® BV license and supply agreement with Mundipharma.

5. Expenses

	31 December 2024 $'000	31 December 2023 $'000
Loss from continuing operations before income tax expense includes the following items:		
R&D tax incentive (contra expense)[1]	**(1,976)**	(3,091)
Employee benefits expenses (including share-based payments)	**4,414**	4,529
Depreciation of property, plant and equipment	**138**	168
Depreciation of right-of-use assets	**401**	401

[1] Included within the research and product development expense line item in the consolidated statement of comprehensive income.

6. Current Assets – Trade and Other Receivables

Trade and other receivables of $3,643,000 (June 2024: $7,151,000) primarily comprises of $1,976,000 (30 June 2024: $5,527,000) of eligible expenditure reimbursable under the Australian Government's R&D tax incentive program.

7. Current Liabilities – Borrowings

Borrowings are $111,000 at 31 December 2024, representing a final insurance premium loan instalment that has since been repaid in January 2025.

8. Contributed Equity

(a) Share capital

	December 2024 Shares	June 2024 Shares	December 2024 $'000	June 2024 $'000
Share capital				
Ordinary shares – fully paid	**418,107,037**	412,372,598	**240,750**	240,750

(b) Ordinary shares

As at 31 December 2024 there were 418,107,037 issued ordinary shares. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. Ordinary shares have no par value and the company does not have authorised capital.

(c) Employee Performance Rights Plan

At 31 December 2024, there are 31,031,122 (30 June 2024: 25,498,545) performance rights on issue, of which 5,645,314 have vested and are exercisable at the reporting date and 25,385,808 unvested. There were 13,313,203 performance rights issued during the financial half-year, 5,734,439 performance rights converted into shares on the exercise of vested performance rights and 2,046,187 rights lapsing during the period.

9. Contingencies

The company has no contingent liabilities or contingent assets as at 31 December 2024.

10. Interests in Associates

Set out below are the associates of the group.

		Ownership interest held by the group	
Name of entity	**Place of business/ country of incorporation**	**31 December 2024 %**	**30 June 2024 %**
Petalion Therapeutics Limited	United Kingdom	**22.5%**	22.5%

On 6 April 2024, Starpharma licensed intellectual property in exchange for a 22.5% shareholding in the Petalion Therapeutics Limited (Petalion). Petalion is developing a new dendrimer-drug oncology candidate, and the controlling shareholder, Medicxi, is funding the development program with an investment of up to £20 million based on the achievement of project milestones. The carrying amount of the investment in associate is $Nil, as no cash consideration was paid for the shareholding, and the carrying value of the intellectual property licensed to the associate in exchange for shares was $Nil.

There are related party transactions with Petalion. Starpharma provides R&D services to Petalion on a fee for service basis. Total service fees for the half-year were $1,169,710. All transactions were made on an arm's length basis.

11. Events occurring after the balance sheet date

There are no significant events occurring since 31 December 2024 that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of the Group.

12. Earnings per share

	31 December 2024	31 December 2023
Basic earnings/(loss) per share / Diluted earnings/(loss) per share		
Total earnings/(loss) per share attributable to the ordinary equity holders of the Company (cents)	**(1.30)**	(0.25)
Reconciliations of earnings/(loss) used in calculating earnings per share		
Profit/(loss) attributable to the ordinary equity holders of the Company used in calculating basic earnings/(loss) per share ($'000):	**(5,392)**	(1,034)
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share	**416,199,785**	410,864,776

The performance rights on issue at reporting date are not included in the determination of basic earnings per share. The rights are also not included in the determination of diluted earnings per share. They are not considered dilutive as their conversion would not increase loss per share from continuing operations.

Directors' Declaration

FOR THE HALF-YEAR ENDED 31 DECEMBER 2024

In the directors' opinion:

(a) the financial statements and notes set out on pages 7 to 14 are in accordance with the *Corporations Act 2001*, including:
   (i) complying with *Accounting Standards*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
   (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) 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 directors.

Robert B Thomas *AO*
Chairman

Melbourne,
26 February 2025

Independent Auditor's Review Report

TO THE MEMBERS OF STARPHARMA HOLDINGS LIMITED

Independent auditor's review report to the members of Starpharma Holdings Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Starpharma Holdings Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated balance sheet as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Starpharma Holdings Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date

2. 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

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

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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 Group's financial position as at 31 December 2024 and of 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.

PricewaterhouseCoopers

Ben Gargett
Partner

Melbourne
26 February 2025