



ASX Release

Quarterly Activities Report and Appendix 4C – December Quarter 2024

Highlights: Nitroglycerin 0.4% Ointment approved and launched. Successfully concluded Placement and Share Purchase Plan raising \$3.99 million, before costs.

Melbourne, Australia; 30 January 2025: Specialty pharmaceuticals group Acrux Limited (ASX:ACR, “Acrux” or the “Company”) is pleased to release its quarterly cashflow for the three months ended 30 December 2024 along with the accompanying business update.

Key Activities:

- Acrux has made strong progress towards the key objective of having a portfolio of commercialised products generating sustainable and growing revenues:
 - Nitroglycerin 0.4%, Ointment – launched in December 2024
 - Dapsone 7.5%, Gel – manufacturing and other pre-launch activities underway
 - Dapsone 5%, Gel – launch of a 90 gram pack size was announced in January 2025 making this product more attractive to wholesalers and supporting future market share growth.
- This new commercial product activity coupled with our other revenue generating products from our topical generic portfolio (Prilocaine 2.5% and Lidocaine 2.5%, Cream and Dapsone 5%, Gel) will support expected increases in customer revenue to be reported in future periods.
- In December Acrux successfully concluded a Placement to sophisticated and professional investors and a Share Purchase Plan (‘SPP’) with \$3.839 million reported as received in the December quarter, before applicable costs. An Extraordinary General Meeting (‘EGM’) will be held on Monday, 3 February 2025 seeking shareholder approval of the following resolutions relating to this capital raising. (Refer to Notice of Meeting dated 3 January 2025 for full details):
 - Issue of attaching options on a 1:1 basis in relation to shares issued to Placement and SPP subscribers, plus Lead Manager Options
 - Approval of the issue of shares and attaching options on a 1:1 basis to Directors, which will result in a further \$0.15 million to be received.
- In October \$2.728 million was received in relation to Acrux’s FY24 Research and Development Tax Incentive (‘RDTI’) rebate and of this \$1.954 million used to repay the Radium short term facility in full. Additionally new Overseas Finding was applied for and granted for resulting in the further receipt of \$0.247 million RDTI in relation to FY24.



Acrux's CEO, Michael Kotsanis, said:

"The approval and launch of Nitroglycerin 0.4%, Ointment, the progression of our launch planning for Dapsone 7.5%, Gel and the range extension of Dapsone 5%, Gel are important steps in our strategy of building a growing portfolio of revenue generating products which can sustain our future product development aspirations.

Completion of the Placement and SPP in December as well as future funding to be derived from the exercising of the attaching options provides Acrux with the surety of funding needed as the income from newly commercialised products and our existing products grow.

Appendix 4C

Acrux reports positive Cash Generated from Operating Activities of \$0.775 million and an increase in Cash and Cash Equivalents to \$3.345 million for the December quarter, including the following key transactions:

- \$2.976 million RDTI received in relation to eligible R&D expenses incurred in FY24. This was offset by repayment in full of the \$1.954 million short term funding provided by Radium Capital in FY24 and interest paid on this facility in the quarter totalling \$0.070 million.
- Proceeds of Capital Raising totalled \$3.839 million and, pending approval at the EGM, a further \$0.15 million is to be received from Directors in the next quarter.

Accordingly, net cash inflows from operating activities for the December Quarter is reported at \$0.775 million with the major components comprising:

- \$0.144 million profit share and royalty income received from customers
- \$0.634 million external Research and Development expenditure and
- \$1.157 million staff costs.

Staff costs reflect all employment related expenses for the Company's employees and Non-executive Directors. Cash payments and superannuation related to the remuneration of Non-executive Directors are additionally disclosed as a Related Party payment at Item 6.

ENDS

Approved for release by the Acrux Board of Directors.

For more information, please contact:



Michael Kotsanis
Acruz Limited
CEO & Managing Director
P: + 61 3 8379 0100
E: michael.kotsanis@acruz.com.au

About Acruz

Acruz is a specialty pharma company with a successful track record of developing and commercialising a pipeline of topically applied pharmaceutical products. Drawing on 25 years of experience, Acruz has successfully marketed through licensees a number of products worldwide with emphasis on the United States.

Acruz is formulating and developing a range of topical generic products by leveraging its highly skilled workforce, on-site laboratories, GMP manufacturing suite, technical, clinical and commercial experience to bring affordable products to market. Acruz encourages collaboration and is well positioned to discuss commercial partnering and product development opportunities.

For further information on Acruz, visit www.acruz.com.au

Appendix 4C

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

Name of entity: **Acrux Ltd**

| | |
|----------------|--|
| ABN | Quarter ended ("current quarter") |
| 72 082 001 152 | December 2024 |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 144 | 157 |
| 1.2 Payments for | | |
| (a) research and development | (632) | (1,010) |
| (b) product manufacturing and operating costs | - | (4) |
| (c) advertising and marketing | - | - |
| (d) leased assets | (7) | (14) |
| (e) staff costs | (1,157) | (2,577) |
| (f) administration and corporate costs | (443) | (854) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 7 | 23 |
| 1.5 Interest and other costs of finance paid | (113) | (156) |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | 2,976 | 2,976 |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | 775 | (1,459) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | (21) | (23) |
| (d) investments | - | - |
| (e) intellectual property | - | - |
| (f) other non-current assets | - | - |
| 2.2 Proceeds from disposal of: | | |
| (a) entities | - | - |
| (b) businesses | - | - |

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|--|--|--|
| (c) property, plant and equipment | - | - |
| (d) investments | - | - |
| (e) intellectual property | - | - |
| (f) other non-current assets | - | - |
| 2.3 Cash flows from loans to other entities | - | - |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (provide details if material) | - | - |
| 2.6 Net cash from / (used in) investing activities | (21) | (23) |
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | 3,839 | 3,839 |
| 3.2 Proceeds from issue of convertible debt securities | - | - |
| 3.3 Proceeds from exercise of options | - | - |
| 3.4 Transaction costs related to issues of equity securities or convertible debt securities | (392) | (392) |
| 3.5 Proceeds from borrowings | - | 468 |
| 3.6 Repayment of borrowings | (2,007) | (2,062) |
| 3.7 Transaction costs related to loans and borrowings | (4) | (4) |
| 3.8 Dividends paid | - | - |
| 3.9 Other (provide details if material) | - | - |
| 3.10 Net cash from / (used in) financing activities | 1,436 | 1,849 |
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 1,124 | 2945 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | 775 | (1,459) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | (21) | (23) |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above) | 1,436 | 1,849 |
| 4.5 Effect of movement in exchange rates on cash held | 11 | 13 |
| 4.6 Cash and cash equivalents at end of period | 3,325 | 3,325 |

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|----------------------------|-----------------------------|
| 5.1 Bank balances | 3,324 | 1,124 |
| 5.2 Call deposits | - | - |
| 5.3 Bank overdrafts | - | - |
| 5.4 Other (provide details) | 1 | - |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 3,325 | 1,124 |

| 6. Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|----------------------------|
| 6.1 Aggregate amount of payments to related parties and their associates included in item 1 | 48 |
| 6.2 Aggregate amount of payments to related parties and their associates included in item 2 | - |

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

| 7. Financing facilities <i>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other | 120 | 9 |
| 7.4 Total financing facilities | 120 | 9 |
| 7.5 Unused financing facilities available at quarter end | | 111 |
| 7.6 <i>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</i> | | |
| During the December Quarter, the short term funding facility with Radium Capital was repaid in full. Acrux may draw down further funds under this short term facility based on future eligible R&D expenditure. | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|--------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | 775 |
| 8.2 Cash and cash equivalents at quarter end (item 4.6) | 3,325 |
| 8.3 Unused finance facilities available at quarter end (item 7.5) | 111 |
| 8.4 Total available funding (item 8.2 + item 8.3) | 3,436 |

8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)

N/A

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

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

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

Answer: N/A

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

Answer: N/A

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

Answer: N/A

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

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

Date: 30 January 2025

Authorised by: The Board of Directors, Acrux Ltd

Notes

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