ASX Release

RESULTS ANNOUNCEMENT
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

29 August 2025: Melbourne, Australia; Acrux Ltd (ASX:ACR)

In accordance with ASX Listing Rule 4.3A, please find attached the following for immediate release to the market:

- Appendix 4E; and
- Annual Report for the financial year ended 30 June 2025, including;
  - Operating and Financial Review;
  - Directors' Report including the Remuneration Report;
  - Financial Reports; and
  - Independent Auditor's Report.

Approved for release by the Board of Directors of Acrux Ltd.

For more information, please contact:
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About Acrux

Acrux 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, Acrux has successfully marketed through licensees a number of products worldwide with emphasis on the United States.

For further information on Acrux, visit www.acrux.com.au

Appendix 4E -Preliminary Financial Report

Results for announcement to the market

Name of Entity	Acrux Limited
ABN	72 082 001 152
Financial Year Ended	30 June 2025
Previous Corresponding Reporting Period	30 June 2024

				$A'000
Total Revenue	Down	44%	to	4,528
(Loss) from ordinary activities after tax attributable to members	Up	2%	to	(5,945)
Net (loss) for the period attributable to members	Up	2%	to	(5,945)

Acrux 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, Acrux has successfully marketed through licensees a number of products worldwide with emphasis on the United States.

No dividends have been declared or paid for the year ending 30 June 2025 or the prior corresponding period.

NTA Backing	**Current period**	**Previous corresponding period**
Net tangible asset backing per ordinary security	0.3cents	1.1cents

Other Information

There are no associates or joint ventures or other entities over which control has been gained or lost over the period.

The financial report contains an independent audit report that is not subject to a modified opinion, emphasis of matter or other matter paragraph. Full financial details of the Group are contained in the attached audited financial report.

Our portfolio marketed to US patients

ANNUAL REPORT 2025

ACRUX

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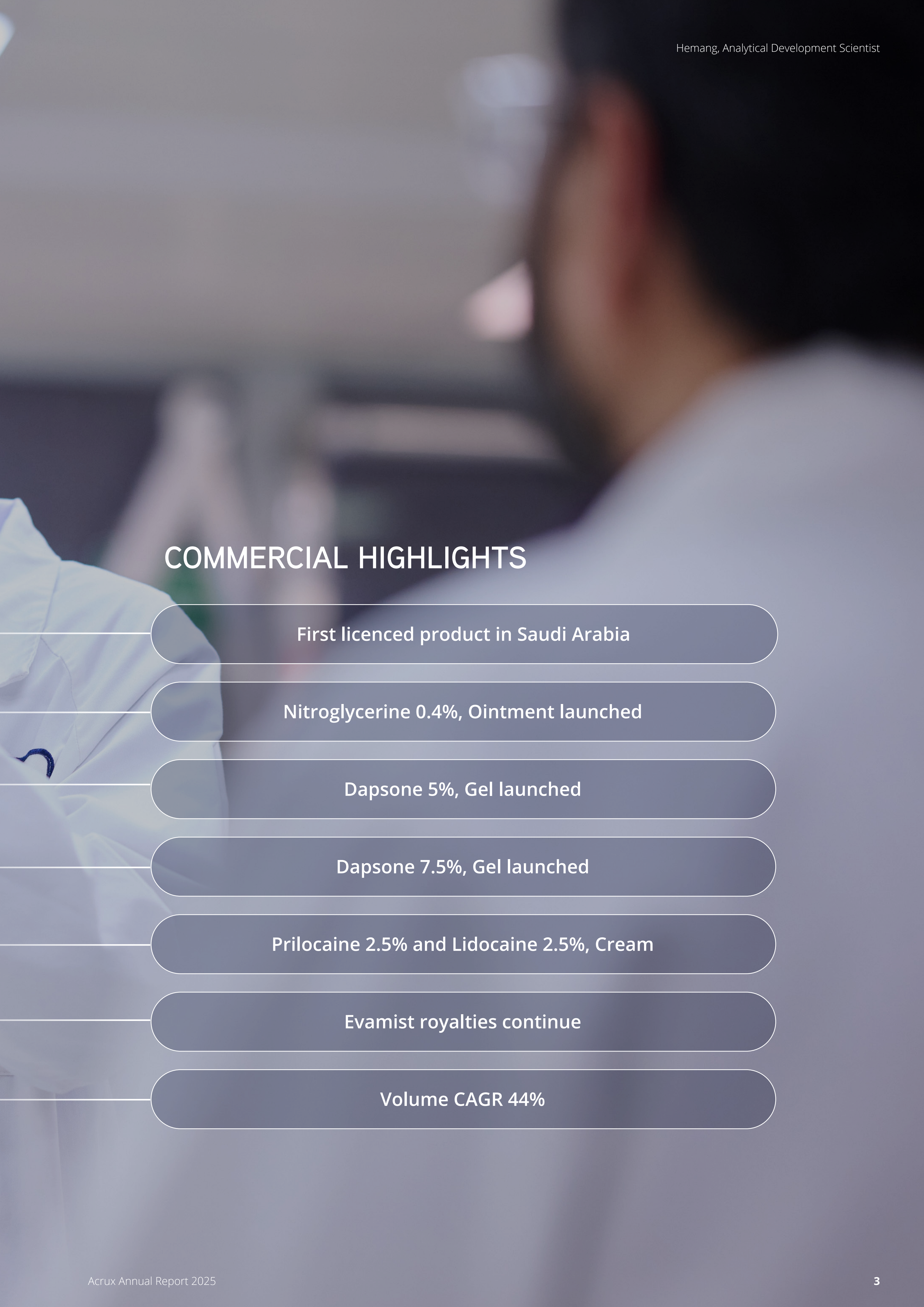
ABOUT THIS REPORT

This Annual Report combines Acrux's financial and non-financial performance into a single document which links strategic priorities to our operational results. Forward looking statements are subject to risks and uncertainties and have been made throughout this report. Such statements involve both known and unknown risks and other factors which may cause future actual results, performance or achievements of Acrux to differ from statements made in this report. Download here: www.investors.acrux.com.au/investor-centre

Inside cover – Philippa, Analytical Development Team Leader

A speciality, pharmaceutical company developing and commercialising drugs for international markets.

BUSINESS STRATEGY AND EXECUTION BRINGING PRODUCTS TO MARKET



Hemang, Analytical Development Scientist

COMMERCIAL HIGHLIGHTS

- First licenced product in Saudi Arabia
- Nitroglycerine 0.4%, Ointment launched
- Dapsone 5%, Gel launched
- Dapsone 7.5%, Gel launched
- Prilocaine 2.5% and Lidocaine 2.5%, Cream
- Evamist royalties continue
- Volume CAGR 44%

REPORT OF THE CHAIRMAN & CEO

Dear Fellow Shareholders,

Over the past decade, Acrux has consistently pursued the development of topical, generic prescription pharmaceuticals for the US market. The strategy was based on overcoming the challenges of FDA registration to enable us to compete in niche markets which had high barriers to entry. With 5 products now launched, we are now in a position to reassess the viability of this approach.

Products successfully commercialised in the US:

— Nitroglycerin 0.4%, Ointment, is a generic of Rectiv® and was launched in December 2024 by our licensee (TruPharma), as a treatment for severe pain associated with chronic anal fissure. IQVIA reports annual addressable market sales in the US for the 12 months to December 2024 totalling US$23.8 million;

— Dapsone 5%, Gel, is a generic version of Aczone® Gel, 7.5% which treats acne vulgaris and is also marketed by TruPharma. Our 60 gram pack size was launched in April 2024, and 90 gram pack size in January 2025. Annual market sales in the US for the 12 months to December 2024 as reported by IQVIA totalled US$13.9 million. Acrux's product is manufactured and packaged in the United States and marketed in a tube presentation, which positively differentiates it from its direct competitors (which only are available in pump bottle packaging);

— Dapsone 7.5%, Gel, was launched in August 2024, as a treatment for acne vulgaris in patients 9 years of age and old and is also marketed by TruPharma. IQVIA reported annual addressable market sales in the US of US$43.9 million for the 12 months to December 2024;

— Prilocaine 2.5% and Lidocaine 2.5%, Cream, was launched in December 2022 and which is a topical anaesthetic which is marketed by Padagis. IQVIA reported sales in the US for the addressable market for the product for the 12 months to December 2024 of US$20.9 million, and

— Estradiol Spray, which treats symptoms associated with menopause is marketed as Evamist® by Padagis.

With three products launched in FY2025, and two of those in the second half, we have not yet seen the full revenue uplift of the commercialised portfolio. Prilocaine 2.5% and Lidocaine 2.5%, Cream, Nitroglycerin 0.4%, Ointment, and Dapsone 5%, Gel, have been well accepted in the market and have achieved strong penetration in each generic category. Dapsone 7.5%, Gel is still in early launch phase.

Strategic implications

These launches collectively confirm that Acrux has established the capability and capacity to:

— Navigate FDA registration pathways;

— Manage tech transfer for contract manufacturing organisations;

— Conduct validated in-house bioequivalence;

— Reverse-engineer complex formulations;

— Attract strong commercial partners on attractive terms to access the US market;

— Manage the complete process from identifying opportunities to delivering commercial products to the US market; and

— Achieve above fair market share.

These are significant achievements that reflect an intense, internal focus on executing our strategy. Other aspects of this strategy are more reliant on external factors. In particular, the assumption that high barriers to entry would result in greater opportunities to realise profit has not been fully realised. There have been more entrants to markets than were previously forecast. This means that markets have been destabilised with each new entrant and this competition has resulted in lower returns to Acrux. In short, structural changes in the market have resulted in lower selling prices.

The impact of this is twofold. First, the commercial returns from the launched portfolio are not in line with both our plans and cost base. Secondly, applying the knowledge of current market dynamics to our portfolio of future products indicates that this pipeline has the same risk of underperformance in the US and therefore we will defer further investment in these products pending our expansion into additional markets.

Amal, Analytical Development Scientist

Future directions

Based on the trends observed over the past six months, we believe it is prudent to defer further development of our current topical, generic product pipeline for the US. We will continue to aim to maximise the value of our commercialised range of products by focusing on post launch activities, including increasing batch sizes, changing manufacturing sites and optimising Active Pharmaceutical Ingredients supply.

We will maximise value by extending our activity beyond the US. We are exploring opportunities to leverage our FDA registrations, regulatory expertise and technical transfer skills for existing products in other markets. The first opportunity is Saudi Arabia. In July 2025, Acrux executed a Sales, Marketing, and Distribution agreement with Servacure Trading W.L.L. to license Dapsone 5% Gel in Saudi Arabia. The agreement allows us to leverage our FDA approval in the US to enter the Saudi market and expand returns from our existing portfolio. It is a clear example of Acrux's potential for licensing US FDA approved products other markets.

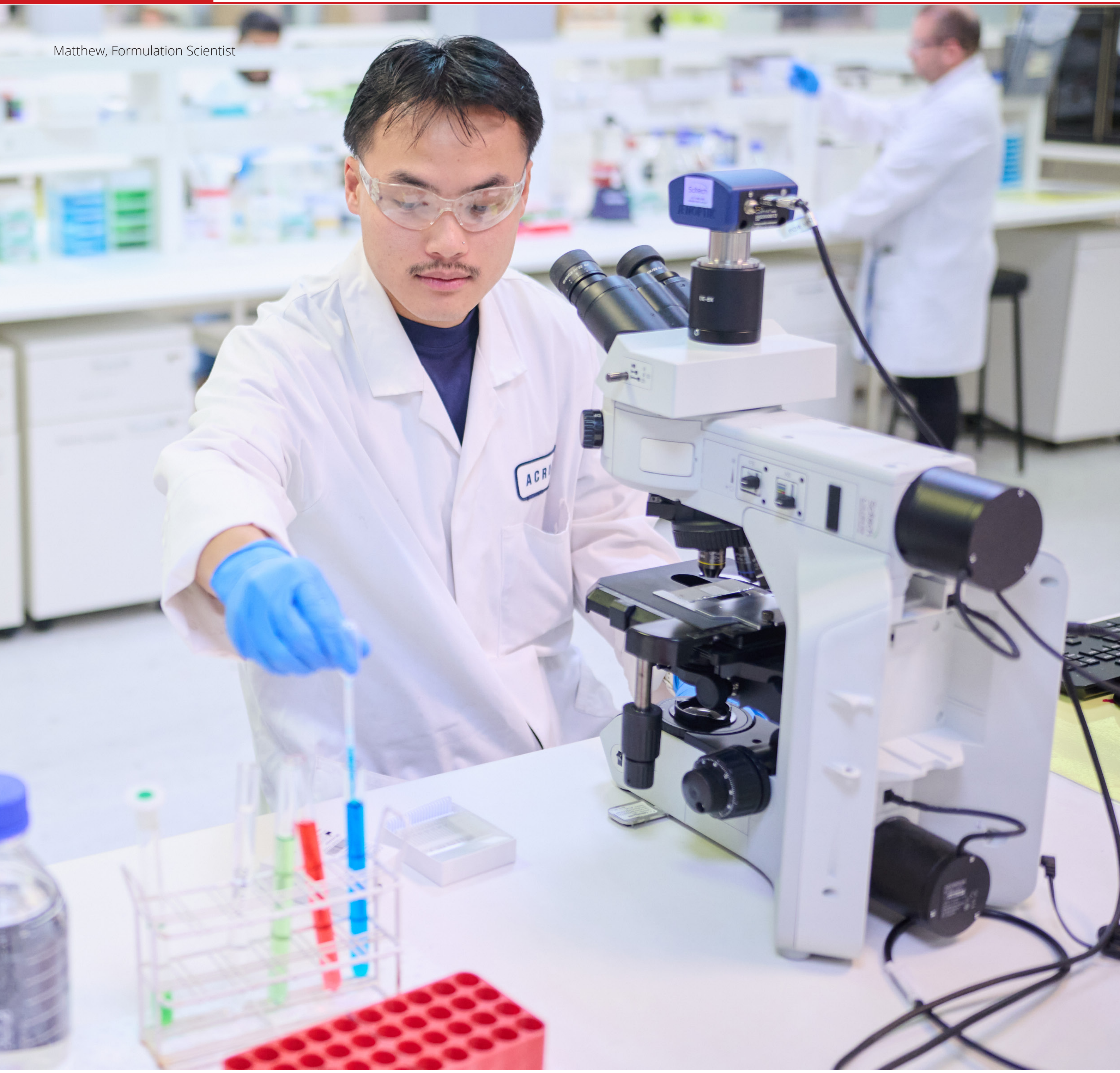
Moving beyond topical generics in the US, Acrux can pivot and leverage assets that support the implementation of the revised strategy. Acrux has a rare, proven ability to bring drugs to market and the associated skills that have been acquired and developed during the generic phase of the Company's development. This has multiple applications beyond the topical generic niche. Acrux has created IP in skin drug delivery systems that can be reactivated, with a review of these assets and formulation of a revised strategy currently underway. We are also assessing a range of options that can broaden our accessible market and provide a firmer base for value creation than topical generics.

Acrux's culture and the newly launched products, stem from the patient investors behind Acrux. Your continued support and belief in Australia's ability to be competitive in innovation matters; thank you.

Acrux has been successful in meeting the challenges of FDA registration and commercialising products in the US. This is our advantage and one that will continue to support our growth in new areas. An advantage that would not be possible without outstanding staff. Our staff take on these challenges every day and thrive on finding solutions. Thank you all for your extraordinary effort and passion.

These are significant achievements that reflect an intense, internal focus on executing the Acrux strategy.

Matthew, Formulation Scientist



CHAIRMAN'S NOTE

The Board of Directors undertook at extensive and exhaustive selection process for Michael's replacement and were delighted to be able to announce the appointment John Warmbrunn as CEO and Managing Director in June 2025.

John has over 25 years of experience in building and scaling businesses, particularly in the healthcare sector. He held senior commercial roles for 12 years at Ego Pharmaceuticals, Australia's leading dermatological pharmaceutical company, leading growth of the company's export business to over 50% of turnover. Ego Pharmaceuticals was acknowledged as Australian Exporter of the Year in 2017. John started his industry career in sales at Sandoz and took on various management roles as it merged to form Novartis, eventually establishing the company's OTC business in Australia and New Zealand. He also held a senior role with Bristol Myers Squibb (Convatec).

Ross Dobinson
Chairman

FIRST OBSERVATIONS FROM THE CEO

Acrux is a company with a strong heritage as a successful biotech company that gets products to market. This has been built on a vibrant culture where scientific rigour and creativity meets commercial traction. In the short time I have been at Acrux, I am delighted to see that this winning culture remains in place. It is invigorating to join a team that understands the necessity of driving for strong commercial outcomes whilst nurturing a deep and fruitful pipeline of R&D.

What is exciting for me is to see that the experience and knowledge that Acrux has built, by choosing to take on one of the FDA's most challenging regulatory pathways, has created a unique and powerful asset. We will continue to apply this to the pipeline of topical formulations for the US. But I am sure that the brilliant set of skills that we have now developed has applications well beyond the US.

It is great to join at a time when long term projects are crystallizing into launched products. I look forward to seeing these green shoots grow and finding new fields for Acrux to crop.

John Warmbrunn
Chief Executive Officer and Managing Director

ENVIRONMENT, SOCIAL AND GOVERNANCE

As we move towards mandatory climate related disclosure standards in Australia, Acrux is evaluating the way our business activities impact the environment and society, to fully understand the associated risks and opportunities and to put in place strategies to identify and implement initiatives to improve our performance and ensure we are prepared for new and emerging stakeholder expectations.

At the heart of Acrux's Environment, Social and Governance (ESG) framework is our commitment to economic and environmental sustainability and conducting business in a responsible and ethical manner. This commitment is fundamental to our interactions with our stakeholders and the manner in which we develop and commercialise our range of topically applied generic medicines which are both affordable for patients and meet the highest possible product safety and regulatory standards.

Our purpose and strategy are clear and consistent and are closely aligned with our culture, values and behaviours.

Acrux's commitment to conducting business in a socially responsible manner is considered through three key operational tenets:

1. **Environmental Tenet** – the implementation of sustainability initiatives to reduce Acrux's greenhouse gas emissions, lower our carbon footprint and preserve our natural environment;
2. **Social Tenet** – considers Acrux's relationships with employees, investors and the broader community and includes the way we conduct business, employee diversity, equity and inclusion programs as well as safety and wellbeing; and
3. **Governance Tenet** – practising good corporate governance and operating in an ethical and socially accountable manner.

Through our corporate values and policies we prioritise activities and initiatives to achieve high standards in each of these tenets.

Environmental Tenet

Acrux is committed to conducting operations in an environmentally responsible manner, to manage climate related risks and opportunities and to adopt practices to achieve sustainable outcomes through minimising waste, energy usage and emissions associated with our building operations, laboratory and office equipment.

Acrux occupies leased premises located at 103-113 Stanley Street, West Melbourne. These premises are 1,735 square meters and are used as a laboratory, offices and warehousing plus a further 365 square metres of open air car parking. As the building owner has not installed infrastructure to harness solar energy or to divert and recover rainwater, our environmental strategies are focussed on the minimisation of energy usage and effective waste management. We have:

- Embedded environmental and sustainability objectives in our company policies and standard operating procedures;
- Introduced energy saving measures to reduce energy consumption and waste;
- Considered climate related risks and opportunities within in our broader risk management processes. Identified ESG risks are assessed for impact, likelihood, detectability and the existence of mitigating factors; and
- Identified and evaluated waste reduction initiatives in our laboratory and office following on site audits and workshops.

Initiatives applied to minimise waste include digital document management and shareholder communication strategies to reduce our use of paper based products, avoiding single use products, purchasing more recycled, recyclable and biodegradable materials, installation of LED light globes in our laboratory and boardroom, reusing office supplies and installing recycling bins used in our laboratory, office and kitchen to facilitate the recycling of waste which could otherwise become landfill. Digitisation projects include contract management, transactional finance processes, employee training records and enhancements which can be made in our Quality systems, such as electronically signed documents and our Vendor Assurance program to ensure suppliers also adopt sustainable practices.

ENVIRONMENTAL
includes preservation of our natural environment

SOCIAL
consideration of the safety and wellbeing of patients and our employees

GOVERNANCE
practising good corporate governance

Acrux's employees are trained in standard operating procedures to practice safe handling and manage the materials are used in our laboratory. Documented procedures ensure waste, including hazardous, controlled and non hazardous waste, is handled safely and disposed of in accordance with environmental regulations. Acrux is licenced to store and use hazardous and controlled substances and an agreement is in place with City West Water under the Water Industry Act 1994 and Water Industry Regulations 2006 to ensure trade water waste is managed effectively and responsibly. All waste, including laboratory waste, is recycled where possible and where it needs to be disposed of it is safely collected and transported. To ensure compliance with the Environment Protection Act 1970 we use an external waste management consultant with ISO 14001:2015 Certification for Environmental Management and an EPA Transport Certificate is issued for each hazardous or controlled waste collection.

Social Tenet

Acrux deeply values its highly skilled and specialised team and is committed to providing a stimulating, healthy and safe work environment. Our Code of Conduct documents our expected behaviours and ethical standards and guides and empowers our employees to make good decisions and to act responsibly.

Health, safety and wellbeing is a key priority as is ensuring our employees have the skills and resources required to perform their roles to a high standard. Practicing safe systems of work is ingrained into Acrux's company culture and we have proactive and well developed processes to capture occupational health and safety data, including near misses. Should an incident be reported it is thoroughly investigated and corrective measures are implemented where necessary. Our internal audit programme helps us assess health and safety standards in our laboratory, warehouse and offices at our West Melbourne site, including the identification of potential risks and hazards. Safety audits are conducted throughout the year by occupational health and safety team members who report their findings to the Leadership Team.

Diversity and Inclusion supports our employees to be valued, respected and to experience fair treatment and merit based access to remuneration and employment opportunities. We prioritise our inclusive culture to ensure our workplace is safe for and attractive to a diverse range of people. Diversity is embraced and celebrated as we believe this not only promotes wellbeing, productivity and safety but also enhances our ability to attract and retain skilled employees who are representative of our broader community and to remove unconscious biases from our behaviours, policies and processes.

In our workplace Acrux achieves gender equality of participation and remuneration. At the date of this report, 48% of Acrux's workforce are female and the average hourly salary paid to female employees is equivalent to the average hourly salary paid to male employees. Our Leadership Team comprises five members, three of whom are female and we have four male Non-executive Directors.

Acrux's Diversity and Inclusion Policy is integral to our talent management and recruitment strategies and can be viewed in the Investor Relations section of our website, https://investors.acrux.com.au/investor-centre.

Regular online and compulsory training events are conducted for all staff to reinforce our policies and expectations on topics such as harassment, bullying, corruption, diversity, inclusion, whistleblowing and Code of Conduct.

Stakeholders

Understanding the needs and expectations of our stakeholders is fundamental to the achievement of our Goals. We are committed to engaging with our stakeholders in Australia and internationally to improve our performance and to understand their priorities and objectives.

— **Patients:** as the number of marketed products grows, the number of patients using our products is increasing and will continue to do so.
— **Commercial partners and licensees:** are expected to uphold behaviours which are consistent with our Code of Conduct.
— **People:** our employees are at the heart of Acrux. We engage regularly with our team, holding bi-monthly 'All Staff' meetings and frequent social activities. We review employee performance at least a twice a year including written feedback and quantifiable performance measurement.
— **Suppliers:** we source materials from qualified global suppliers and contracted Contract Manufacturing Organisations ('CMOs') which are qualified to manufacture commercial products for the US market. We audit our CMOs to ensure they meet both our standards and the standards set by regulators for the country the product they manufacture is intended to be sold.
— **Shareholders:** To engage with current and potential investors we regularly communicate through ASX announcements. We convene public webinars after announcing each half year result. Webinar details are published in advance on the ASX platform and may be attended by any shareholder or interested party. We regularly meet individual shareholders outside closed reporting periods and present at investor forums. Investor presentation decks are released around the time of results announcements and keep stakeholders abreast of our progress.
— **Government:** We access funding through the Australian Federal Government's Research and Development Taxation Incentive program for which we are grateful. We are regulated by and licensed by the Australian Therapeutic Goods Administration and the US Food and Drug Administration ('FDA') allowing us to manufacture certain products in our laboratory to clinical trial stage.

Governance Tenet

Acrux is committed to good corporate governance, including ethical conduct, to comply with prevailing laws and regulations and to effectively manage risk.

The Board is responsible for the effective leadership of Acrux and maintaining high standards of Governance. The Board leads by setting our strategy and values, overseeing implementation by management. Directors are expected to act with integrity and promote Acrux's culture and values. The Board also ensures there are appropriate processes in place to manage risk, including setting the Company's risk appetite and monitors financial and operational performance against objectives.

Acrux's corporate governance policies are published on the Company's website, https://www.acrux.com.au and the Company's RIOS – Together Anything is Possible model articulates our Company Values and core behaviours expected of all Directors and employees. The RIOS Company Values are: Round the clock, Innovation, Openness and Standout. Commitment to these Values underpin how our employees work together to solve problems and make decisions and must be demonstrated in order for an employee to be invited to participate in short and long term incentive programs.

GOVERNANCE STRUCTURE

Ethics and Values

Acrux maintains high standards of corporate governance with Directors and employees expected to act responsibly and with integrity at all times. Our corporate governance program is aligned with our strategy and purpose and is well established and mature. All Directors, employees and other parties representing the Company are required to follow the Company's principles, legal and ethical standards as consistent ethical behaviour promotes both inclusion and trust.

Our Code of Conduct documents and communicates the framework for the way Acrux conducts business and relates to stakeholders including shareholders, employees, business partners and suppliers as well as the wider community and the environment in which the Company operates. We expect third parties with whom we work to comply with the principles outlined in our Code of Conduct which can be viewed in the Investor Relations section of our website, https://investors.acrux.com.au/investor-centre.

It is important that Acrux's employees and other stakeholders feel safe and empowered to report concerns about behaviour which may appear to be inconsistent with our Code of Conduct or other company policies. Our Whistleblower Policy ensures such reports can be made in good faith with the confidence they will be investigated fairly and confidentially whilst protecting the person who made the report and can be viewed in the Investor Relations section of our website, https://investors.acrux.com.au/investor-centre.

Compulsory on line training and quizzes are delivered to all employees to reinforce Acrux's Code of Conduct and educate staff on Whistleblower rights and protections, diversity and inclusion and outlining expected conduct to avoid sexual harassment, work place bullying and bribery, corruption and fraud.

The Code of Conduct, Whistleblower Policy, Security Trading Policy, Diversity and Inclusion Policy and Anti-Bribery, Corruption and Fraud Policy, are each reviewed annually by the Board of Directors and are published on our public internet and staff intranet sites.

Structure of the Board and Board Committees

Acrux's corporate governance and risk and compliance framework reflects and supports the Company's values and culture and stands alongside the legislative requirements of the *Corporations Act 2001* and the guidance in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition).

All governance practices recommended by the ASX have been implemented by Acrux, unless otherwise stated in the Corporate Governance Statement. Our Corporate Governance Statement is considered and approved by the Board annually, announced to the ASX and can be viewed in the Investor Relations section of our website, https://investors.acrux.com.au/investor-centre.

The Board Charter is central to Acrux's corporate governance framework as it lays out the responsibilities and duties of the Board of Directors and can be viewed in the Investor Relations section of our website, https://investors.acrux.com.au/investor-centre. Key Board responsibilities include overseeing management, providing strategic direction, capital planning, risk management, monitoring performance, human resource strategies and approval of budgets and business plans. Day to day management including the implementation of approved strategies and business plans, is delegated to the CEO and Managing Director and the leadership team.

The Board maintains a breadth of skills in its membership, which considers individual experience and background in the pharmaceutical industry, leadership and strategy, international business, legal, finance and accounting, risk management, corporate governance, organisation and talent development as well as team fit and balance within the Board. Directors are required to demonstrate commitment to the Company's RIOS – Together Anything is Possible values.

Details of the members of the Board, their experience and personal qualifications are outlined in this Annual Report.

The Audit and Risk Committee has been established to assist the Board fulfil its corporate governance and oversight responsibilities relating to financial accounting practices, internal control systems, risk management, external financial reporting and audit. Managing risk is essential to operating and growing our business safely, effectively, and sustainably. We identify, assess and monitor risks through our Risk Management Framework with consideration of each risk's potential impact, probability, detectability and the existence of mitigating factors. The Board has ultimate oversight over risk management and the Audit and Risk Committee monitors the overall effectiveness of our risk management and internal controls framework.

The Human Capital and Nominations Committee has been established by the Board to ensure the Board is comprised of individuals who can best discharge the responsibilities of Directors. Responsibilities of the Human Capital and Nomination Committee include recruitment and retention of Directors and employees of high quality and motivation to drive long term growth, establishment of the remuneration framework and other people related policies.

Where appropriate, Board Committees make recommendations for consideration by the Board.

Board and Committee Charters can be viewed in the Investor Relations section of our website, https://investors.acrux.com.au/investor-centre.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The following persons were Directors of Acrux during and since the end of the financial year:

Ross Dobinson
Chairman, Non-executive Director

Geoffrey Brooke
Non-executive Director

Don Brumley
Non-executive Director

Timothy Oldham
Non-executive Director

John Warmbrunn
Chief Executive Officer and Managing Director, commenced 1 June 2025

Michael Kotsanis
Chief Executive Officer and Managing Director, to 30 May 2025, employment ceased 4 July 2025

Six directors were in office throughout the reporting period. The four independent, Non-Executive directors each held office from the commencement of the financial year to the date of this report. John Warmbrunn commenced as CEO and Managing Director with effect from 1 June 2025 and Michael Kotsanis ceased as a Director on 30 May 2025, remaining as an employee to 4 July 2025 to support John's transition.

INFORMATION ON DIRECTORS AND COMPANY SECRETARY

The qualifications, experience and special responsibilities of each person who has acted as a Director of Acrux Limited since 1 July 2024 is provided here, together with details of the Company Secretary and other Senior Managers as at the year end.

Ross Dobinson, appointed March 1998

Responsibilities

Chairman, Independent Non-executive Director

Qualifications

Bbus (Acc)

Experience

Ross is a founder and former CEO of Acrux and has been a Director since 1998. He was first appointed as Chairman in January 2006, additionally holding the role of Executive Chairman from July 2012 to October 2014.

Ross has a background in investment banking and stockbroking. He was a founding Director of Starpharma Holdings Limited (ASX: SPL) and was formerly a Director of Reliance Worldwide Corporation (ASX: RWC), Executive Director of Hexima Limited (ASX: HXL), Chairman of TPI Enterprises Limited (now Palla Pharma Ltd. ASX: PAL), Director of Roc Oil Company Limited (ASX: ROC) and a Director of Racing Victoria Limited.

John Warmbrunn, commenced June 2025

Responsibilities

Chief Executive Officer and Managing Director

Qualifications

BSc, MBA, AICD

Experience

John has over 25 years of experience in building and scaling businesses, particularly in the healthcare sector. For 12 years he held senior commercial roles at Ego Pharmaceuticals, Australia's leading dermatological pharmaceutical company, leading growth of the company's export business to over 50% of turnover. John started his industry career in sales at Sandoz and held various management roles as it merged to form Novartis, eventually establishing the company's OTC business in Australia and New Zealand. He also held a senior role with Bristol Myers Squibb (Convatec). John gained experience in running a listed company as CEO of Bendigo Community Telco (NSX: BCT) where he led the company to a successful IPO.

John has a Bachelor of Science in Genetics from the University of Melbourne, an MBA from Macquarie Business School and is a member of the Australian Institute of Company Directors.

Geoff Brooke, appointed June 2016

Responsibilities

Independent Non-executive Director, member of the Audit and Risk Committee and Human Capital and Nomination Committee.

Qualifications

MBBS, MBA

Experience

Geoff has more than 30 years of venture capital experience and founded GBS Venture Partners in 1996. In 2014 he retired from GBS and now concentrates on privately investing in a small number of companies. Geoff was President of Medvest, a US-based early-stage venture capital group he founded with Johnson & Johnson. Geoff's experience includes company formation and acquisitions, as well as public listings on the NYSE, NASDAQ and ASX exchanges. He commenced as Chairman of Actinogen Medical Limited (ASX: ACW) in 2017 and has been a founder, executive and director of private and public companies. In 2020 Geoff commenced as Chairman of Cynata Therapeutics Limited (ASX: CYP) and was an independent director of the Victoria WorkCover Authority between 2009 and 2015.

Geoff is licensed in clinical medicine by the Medical Board of Australia and his postgraduate work was in anaesthetics and intensive care. He earned his Bachelor of Medicine/Surgery from the University of Melbourne and a Master of Business Administration from IMEDE (now IMD) in Lausanne, Switzerland.

Don Brumley, appointed June 2021

Responsibilities

Independent Non-executive Director, Chair of the Audit and Risk Committee and member of the Human Capital and Nomination Committee.

Qualifications

FCA, AICD

Experience

Don has 30 years' experience as a senior partner of Ernst & Young, Oceania. He has extensive experience in IPOs, transactions and audit and has advised and worked with Boards of organisations ranging from some of the largest in Australia to fast growing entrepreneurial and medium sized organisations. Don was the Oceania IPO Leader at Ernst & Young and worked with clients listing on the Australian, US, UK and key Asian stock exchanges. He held positions as Biotech Markets Leader, National Leader of Strategic Growth Markets and on the Board of Partners of Ernst & Young.

He is a Fellow of Chartered Accountants Australia & New Zealand and is a member of the Australian Institute of Company Directors. He was previously Chairman and Non-executive director of Bio-Gene Technology Ltd (ASX: BGT).

Tim Oldham, appointed October 2013

Responsibilities

Independent Non-executive Director, member of the Audit and Risk Committee and Chair of the Human Capital and Nomination Committee.

Qualifications

BSc (Hons), LLB (Hons), PhD

Experience

Tim has 20 years of life sciences business development, alliance management and sales and marketing experience in Europe, Asia and Australia. He is the CEO and Managing Director at AdAlta Ltd (ASX: 1AD), a clinical stage biotech company developing novel cell and protein therapeutics. Prior to this, he led Tijan Ventures, a life sciences advisory business focussed on strategic advisory and leadership services and acquiring cell and gene therapy assets. He was previously CEO and Managing Director of Cell Therapies Pty Ltd and President of Asia Pacific for Hospira, Inc., having held a variety of senior management roles encompassing development and commercialisation of generic pharmaceuticals, devices, biologics and cellular therapies with Mayne Pharma Ltd prior to its acquisition by Hospira. Tim began his career as an engagement manager with McKinsey & Company.

Tim has been a Non-executive Director of BioMelbourne Network Inc, chaired the European Generic Medicines Association Biosimilars and Biotechnology Committee and was a Non-executive Director of the Alliance for Regenerative Medicine and Non-executive Director of the Generic Medicines Industry Association.

Michael Kotsanis, Director from November 2014 to May 2025

Responsibilities

Chief Executive Officer and Managing Director

Qualifications

BSc, Grad Dip Bus, Mbus

Experience

Michael has more than 30 years of experience in the pharmaceutical industry. He was formerly the Chief Commercial Officer and a Board Member of Synthon Holding BV, a Dutch based pharmaceutical company. He was President, Europe, Middle East and Africa for Hospira, the global leader in generic injectable pharmaceuticals prior to its acquisition by Pfizer. Michael joined Hospira following its acquisition of Mayne Pharma in 2007, where he had served as President, Asia Pacific, joining Mayne following their acquisition of FH Faulding in 2001, where he led the commercial activities in Australia and New Zealand. Prior to Faulding, Michael held a variety of sales and marketing positions with a German multinational pharmaceutical company.

Michael is a former Non-executive Director of IDT Australia Limited (ASX: IDT).

INFORMATION ON SENIOR MANAGEMENT

Joanna Johnson, Company Secretary since June 2021

Responsibilities

Chief Financial Officer and Company Secretary

Qualifications

CA, Bec, Grad Dip Management

Experience

Joanna is an experienced Chief Financial Officer and Company Secretary and is a member of the Institute of Chartered Accountants Australia and New Zealand. She has 30 years of experience in the pharmaceuticals industry, having held the roles of Chief Financial Officer and Company Secretary at IDT Australia Ltd and Generic Health Pty Ltd. She was Finance Director, Asia Pacific for Hospira Inc and Mayne Pharma Ltd and Commercial Manager for Australia New Zealand for FH Faulding Ltd.

She has led both small and large finance teams, both nationally and internationally, through all aspects of reporting, business planning, budgeting, forecasting and analysis as well as equity capital raising, taxation, risk management, corporate compliance and investor relations.

Joanna holds a Bachelor of Economics from Adelaide University and a Graduate Diploma in Business Management from the University of South Australia.

Felicia Colagrande – Product Development and Technical Affairs Director since February 2015

Qualifications

BSc (Hons), MBA

Experience

Felicia has a broad background in pharmaceutical operations, topical drug development, analytical development and production. Felicia leads and facilitates all technical aspects of Acrux's pharmaceutical product development including formulation development, analytical development, CMC development, Quality, Intellectual Property and bioequivalence, with a focus on generic topical products and exploiting the company's drug delivery technology.

Felicia has over 25 years of experience in the pharmaceutical/biotech industry and joined Acrux in 2001. She has held positions at Faulding Pharmaceuticals, the Department of Clinical Pharmacology and Therapeutics at the Austin Hospital, Silliker-Microtech Laboratories and was an Adjunct Appointee Lecturer with the Faculty of Pharmacy and Pharmaceutical Sciences at Monash University. Felicia has a Bachelor of Science degree (with Honours) from La Trobe University and a MBA from the Australian Institute of Business.

Mark Hyman – Project and Technical Development Director since July 2020

Qualifications

BSc

Experience

Mark has a diverse background in the pharmaceutical and medical device industry. Following a pharmacokinetic research role with Melbourne University, Mark has more than 30 years' industry experience and having held leadership positions in Quality, Manufacturing, Logistics & Operations, Product Development, Project Management and Commercial Development.

Mark's experience spans prescription and consumer health, proprietary and generic products across topical, oral and injectable dose forms and drug infusion systems. With specialty expertise in project and technical management, Mark has a deep background in technology transfer and organisation development to establish comprehensive product development, portfolio and project management processes.

Mark has a Bachelor of Science degree in Chemistry and Pharmacology from Monash University.

DIRECTORS REPORT, INCLUDING REMUNERATION REPORT

Stephen, Formulation Scientist

DIRECTORS' REPORT

For the year ended 30 June 2025

The Board of Directors of the consolidated entity consisting of Acrux Limited ('Acrux') and its controlled entities (collectively the 'Group') has pleasure in presenting this report for the financial year ended 30 June 2025. Complying with the provisions of the *Corporations Act 2001*, the Directors report as follows:

DIRECTORS

The following persons were Directors of Acrux during and since the end of the financial year:

Ross Dobinson	Chairman, Non-executive Director
Geoffrey Brooke	Non-executive Director
Don Brumley	Non-executive Director
Timothy Oldham	Non-executive Director
John Warmbrunn	Chief Executive Officer and Managing Director from 1 June 2025
Michael Kotsanis	Chief Executive Officer and Managing Director to 30 May 2025, employment ceased 4 July 2025

With the exception of Michael Kotsanis and John Warmbrunn, all Directors held office from the commencement of the financial year to the date of this report. Biographical details of the Directors and Company Secretary are provided in the Governance Section of this Annual Report, including their period of office, qualifications, independence, experience, particular responsibilities and other reportable directorships.

ATTENDANCE OF MEETINGS

	BOARD OF DIRECTORS		AUDIT AND RISK COMMITTEE		HUMAN CAPITAL AND NOMINATION COMMITTEE	
	HELD	ATTENDED	HELD	ATTENDED	HELD	ATTENDED
Ross Dobinson	8	7	-	2*	-	1*
Geoffrey Brooke	8	7	2	2	2	2
Don Brumley	8	8	2	2	2	2
Timothy Oldham	8	8	2	2	2	2
John Warmbrunn	1	1	-	-	-	1*
Michael Kotsanis	7	7	-	2*	-	1*

Directors who are not Committee members are invited to attend Committee meetings. Where a Director has attended a Committee Meeting of which they are not a member their attendance is denoted with an asterix (*).

PRINCIPAL ACTIVITIES

Acrux is a specialty pharma company with a successful track record of developing and commercialising a pipeline of topically applied generic pharmaceutical products which use dermal and transdermal drug delivery technology for the US and other global markets. There has been no significant change in the nature of these activities during the financial year.

REVIEW OF OPERATIONS

A review of the operations of the Group during the year and the results of these operations are as follows:

Operating review

Three topically applied generic products were launched this year:

— Dapsone 7.5%, Gel was launched in the US in May 2025. Dapsone 7.5%, Gel is a generic version of Aczone® Gel, 7.5%, indicated for the topical treatment of acne vulgaris in patients 9 years of age and older. IQVIA reported annual addressable market sales in the US of US$43.9 million for the 12 months to December 2024. Acrux's product is manufactured and packaged in the United States and is marketed in a tube presentation which positively differentiates it from its direct competitors which only are available in pump bottle packaging;

— Nitroglycerin Ointment, 0.4%, was both approved by the FDA and launched in December 2024. This product is a generic of Rectiv®, indicated for treatment of moderate to severe pain associated with chronic anal fissure. IQVIA reports annual addressable market sales in the US for the 12 months to December 2024 totalling US$23.8 million; and

— In January 2025 the 90 gram pack size of Dapsone 5%, Gel was launched in the US meaning both the 60 gram and 90 gram pack sizes are now marketed by our licensee, improving our products' attractiveness to wholesalers. Annual market sales in the US for the 12 months to December 2024 for Dapsone 5%, Gel products as reported by IQVIA total US$13.9 million.

Acrux's now has five products which are marketed in the US:

— Nitroglycerin Ointment, 0.4%, launched in December 2024 by our licensee TruPharma, as a treatment for pain associated with anal fissure;

— Dapsone 5%, Gel, launched in April 2024, treats acne vulgaris and is marketed by TruPharma;

— Dapsone 7.5%, Gel, launched in May 2025, also treats acne vulgaris and is marketed by TruPharma;

— Prilocaine 2.5% and Lidocaine 2.5%, Cream, launched in December 2022 is a topical anaesthetic marketed by Padagis. IQVIA reports sales in the US for the addressable market for the product for the 12 months to December 2024 of US$20.9 million, and

— Estradiol Spray, treats symptoms associated with menopause and is marketed as Evamist® by Padagis.

Acrux's generic version of Jublia® (efinaconazole) 10%, Topical Solution used to treat fungal infections of toenails is approved by the FDA and will be commercialised in the future in accordance with the terms of the Settlement Agreement in relation to the Paragraph IV patent litigation.

Revenue growth is a primary objective and is achievable as Acrux expands the number of marketed products in the US and other global markets.

In support of these product launch milestones, other important events included:

— December saw the conclusion of a Placement to sophisticated and institutional investors and a Share Purchase Plan, together raising $3.376 million after applicable costs. Capital subscribers were offered one free Attaching Option for each share subscribed and 50 million Options were issued to Lead Managers, approved at an Extraordinary General Meeting ('EGM') of shareholders in February;

— $2.976 million was received in relation to the Research and Development Tax Incentive ('RDTI') for FY24. In April $1.73 million was received under a short term funding arrangement with Radium Capital, this loan is repayable on receipt of the FY25 RDTI rebate and represents approximately 80% of the estimated as RDTI receivable for the 8 months to the end of February 2025. A second advance of $0.46 million for the period to the end of May was received in July; and

— In February Michael Kotsanis indicated his intention to retire as Chief Executive Officer and Managing Director. Following a thorough search the Board was pleased to appoint John Warmbrunn to this role. John commenced at the beginning of June with Michael's employment continuing to the beginning of July to ensure an orderly transition.

Financial Performance

Growth of higher quality product based profit share and royalty revenue is essential to fulfil Acrux's growth objectives. The launch of two products in the US this year, Nitroglycerine 0.4%, Ointment in December 2024 and Dapsone Gel, 7.5% in May 2025, together with the addition of the 90 gram pack size of Dapsone 5%, Gel in January 2025 supports the growth of FY25 client based profit share and royalty revenues to $1.190 million in FY25 which will continue to grow in FY26 and beyond.

Further information about the components of the consolidated loss before tax is reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and Notes 4, 5 and 6 of the Consolidated Financial Statements.

Significant changes in the state of affairs

In the opinion of the Directors, there have been no significant changes in the state of affairs of the Group during the financial year not otherwise disclosed in this report or the financial statements.

After balance date events

In July Acrux executed an agreement with Servacure Trading W.L.L. ('Servacure') for Dapsone 5%, Gel in Saudi Arabia. Dapsone 5%, Gel is indicated for the treatment of acne vulgaris and Acrux's product is approved by the FDA and sold through a licensee in the United States. Servacure is responsible for obtaining regulatory approval and manufacturing for the Territory and will pay Acrux a fixed fee per unit for the aggregate unit volume of product shipped to customers. The contract is for 10 years with options for renewal.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected the Group's operations, results or state of affairs, or may do so in future years.

Future Developments

Acrux will continue to pursue and execute its strategy of developing a portfolio of marketed products in the US and other global markets. Acrux's future financial results will be materially influenced by the commercial success of its currently marketed products and future strategic decisions concerning the progression of pipeline products and new opportunities. Evolving international trade policies are closely monitored, including consideration of the associated risks and opportunities.

Indemnification and insurance of Directors, Officers and Auditors

During the financial year, the consolidated entity paid a premium in respect of an insurance contract to indemnify officers against liabilities that may arise from their positions as officers of the Group. Officers who are indemnified include the Company Secretary, all Directors and executive officers participating in the management of the Group to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits public disclosure of the nature of the liability and the amount of the premium.

The company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the consolidated entity against a liability incurred as such an officer or auditor.

REMUNERATION REPORT (AUDITED)

The Directors of the Group are pleased to present the Remuneration Report forming part of the Report of Directors and prepared in accordance with s300A of the *Corporations Act 2001*.

The Remuneration Report sets out remuneration information for the Group's Key Management Personnel ('KMP'), including any Director, who have authority and responsibility for planning, directing and controlling the Group's activities, either directly or indirectly and explains the remuneration policies and philosophy adopted by the Board. It has been audited as required by s308 (3C) of the *Corporations Act 2001*.

Remuneration Policy

The Human Capital and Nomination Committee is responsible for recommending the Group's remuneration framework to the Board, including structure of and participation in security and incentive plans. The key objectives of the Group's remuneration framework are to:

— remunerate at levels to attract, retain and motivate employees;

— structure incentives to reward superior performance and increasing long term shareholder value; and

— formally link remuneration to the achievement of business objectives.

There have been no significant changes to remuneration policies implemented during the year.

Remuneration Structure

Employee remuneration is structured in two parts:

— fixed remuneration, comprising salary, superannuation and benefits which may be provided in lieu of salary, benchmarked against comparable jobs in the industry sector; and

— variable remuneration provided at the discretion of the Board comprising a short term incentive paid as a cash bonus and a long term incentive in the form of an equity instrument issued under the authority of the company's Omnibus Equity Plan ('OEP').

Short Term Incentive Plan

Short term incentives reward employees for achieving the Corporate objectives established by the Board at the beginning of each year in consultation with senior management. Short term incentives for employees other than KMP additionally include reward for achievement of personal objectives as established at the beginning of the year in consultation with line management. Corporate objectives are linked to successful Company strategy execution and the creation of long term value for shareholders. All objectives have clearly defined and measurable outcomes.

Short term incentives are paid at the Board's discretion and are subject to achievement of objectives. The Chief Executive Officer and Managing Director will not receive a short term incentive in relation to FY25 and the incoming CEO and Managing Director may receive an incentive of up to 30% of his fixed renumeration in connection with performance for FY26 and beyond. Other Senior management may receive an incentive up to 24% of fixed remuneration.

Long Term Incentive Plan

The long term incentive plan is designed to align the interests of management with shareholders for the achievement of long term superior performance and is in accordance with the requirements of ASX Listing Rules and the Pooled Development Funds Act 1992.

The OEP governs the issue of securities to employees and Directors and was approved by shareholders at the 2023 Annual General Meeting ('AGM'). Subject to service criteria, permanent employees may be offered performance rights, options and / or ordinary shares.

Grants of securities to employees under the OEP are summarised as follows:

A. Chief Executive Officer and Managing Director ('CEO')

At the 2021 AGM, 6 million performance rights were granted to the outgoing CEO, Michael Kotsanis. The first of the four equal tranches vested in FY25 and the remaining three tranches have not vested and were cancelled at cessation of employment in July.

Subject to approval at the next AGM, the incoming CEO, John Warmbrunn, will be granted 8 million Options over ordinary shares of Company. This grant will be in five tranches of 1.6 million Options each with a nil issue price. The first tranche vests as soon as practical after his appointment and tranches 2 to 5 will vest over the next four anniversaries, subject to continued employment. The exercise price of first tranche of Options is the 10 day Volume Weighted Average Price ('VWAP') of the underlying ordinary shares at time the Employment Contract was executed and the exercise price of subsequent tranches is the greater of the Tranche #1 exercise price and the 10 day VWAP of the underlying shares at time the relevant Tranche is granted.

B. Senior management, including KMP

Directors may grant performance rights to senior management, including KMP, and typically make such grants on an annual basis. Each grant vests after one year, provided the TSR is at least 10% and employment is continuous. Unvested tranches may be rolled over to following years up to three years but are subject to an additional TSR hurdle of 10% for each additional year. Subject to achievement of vesting conditions, each performance right carries the right to one ordinary share in Acrux Ltd, expires seven years after granting and is expensed over the life of the instrument.

C. Employees, excluding KMP

At its discretion the Board may approve the annual issue of up to $1,000 value of tax exempt ordinary shares to employees who are not KMP at nil cost to the employee. These shares have no vesting conditions and are held in escrow for the lesser of 3 years or cessation of employment.

Further information about Share based payments is reported in Note 19 to the accounts.

The following table summarises the Group's earnings and other key performance indicators to 30 June 2025:

	2025	2024	2023	2022	2021
Revenue ($000's)	4,528	8,098(1)	11,928(1)	5,103	5,156
Loss before tax ($'000)	(5,937)	(5,800)	(212)	(9,582)	(12,432)
Dividends paid to shareholders	-	-	-	-	-
Share Price at end of the year (cents)	1.6	7.0	4.2	5.2	13.0
Basic earnings / (loss) per share (cents)	(1.69)	(2.00)	(0.27)	(3.46)	(5.75)
Number of Ordinary Shares on Issue	407,763,526	290,716,856	288,175,456	285,364,669	283,305,394
Market Capitalisation ($ million)	6.93	20.35	12.10	14.84	36.83

(1) Reported revenue for FY24 included $3.957 million (FY23 $0.558 million) profitless sales of Active Pharmaceutical Ingredients ('API') passed through to our contract manufacturer plus in FY23 $6.337 million received in relation to the monetisation of Lenzetto's® future royalty stream.

Remuneration of Directors

The Human Capital and Nomination Committee determines the level of remuneration necessary to attract and retain Directors with the skills and experience required by the Group at its stage of development. The Committee makes recommendations to the Board.

The total value of Non-executive Director's remuneration is paid in equal proportions of cash and rights. No short term incentives or retirement allowances are paid to Non-executive Directors nor is additional remuneration received for membership of Board Committees.

The maximum aggregate value of Non-executive Directors' annual remuneration is $450,000, as approved at the 2004 Annual General Meeting.

Remuneration of each person who held the position of Non-executive Director at any time during the financial year is outlined below:

	Director Fee Payments $	Post Employment Superannuation $	Share Based Payments (Rights) $	Total Remuneration $
2025				
Ross Dobinson (Chair)	56,075	14,211	53,941	124,227
Geoff Brooke	36,925	9,174	34,238	80,337
Don Brumley	36,925	9,174	34,238	80,337
Timothy Oldham	36,925	9,174	34,238	80,337
	166,850	**41,733**	**156,655**	**365,238**
2024				
Ross Dobinson (Chair)	37,079	29,121	64,914	131,114
Geoff Brooke	35,000	8,470	41,184	84,654
Don Brumley	35,000	8,470	40,542	84,012
Timothy Oldham	35,000	8,470	41,184	84,654
	142,079	**54,531**	**187,824**	**384,434**

Remuneration and termination entitlements of Senior Management

Senior management do not have fixed terms of employment and their employment contracts may be terminated by either party based on notice periods of three months. There is no entitlement to termination benefits beyond statutory entitlements.

Names and positions of Senior management of the Group in office during the financial year are:

John Warmbrunn	Chief Executive Officer and Managing Director from 1 June 2025
Michael Kotsanis	Chief Executive Officer and Managing Director to 30 May 2025 continuing as an employee to 4 July 2025
Felicia Colagrande	Product Development and Technical Affairs Director
Mark Hyman	Project and Technical Development Director
Joanna Johnson	Chief Financial Officer & Company Secretary

Michael Kotsanis commenced as CEO and Managing Director in November 2014, continuing as a Director until the end of May 2025 and as an employee until July 2025. As an Executive Director his remuneration details are reported below until the date he ceased as a Director and as KMP.

Remuneration of the Group's senior management is detailed in the following table:

	Primary			Post Employment	Long Term Benefit	Share Based Payments			
	Salary $	Movement Provision Annual Leave[3] $	Short Term Incentive [4] $	Super-annuation $	Long Service Leave Accrued[3] $	Perfor-mance Rights[5] $	Total Remun-eration $	Equity as % Total %	Bonus as % Total %
2025									
John Warmbrunn[1]	30,269	5	-	3,481	1	3,226	36,982	9%	0%
Michael Kotsanis[2]	456,884	(12,147)	-	29,932	12,509	(26,950)	460,228	(6%)	0%
Felicia Colagrande	250,564	(2,864)	12,023	28,709	6,835	7,897	303,164	3%	4%
Mark Hyman	242,001	1,019	11,616	27,830	6,330	7,897	296,693	3%	4%
Joanna Johnson	252,787	4,557	12,118	28,699	3,150	7,897	309,208	3%	4%
	1,232,505	**(9,430)**	**35,757**	**118,651**	**28,825**	**(33)**	**1,406,275**	**0%**	**2%**
2024									
Michael Kotsanis	480,143	27,221	35,068	27,399	13,739	118,389	701,959	17%	5%
Felicia Colagrande	241,688	(2,235)	10,634	26,586	4,668	14,630	295,971	5%	4%
Mark Hyman	233,517	(2,090)	10,275	25,687	5,896	11,824	285,109	4%	4%
Joanna Johnson	243,603	3,997	10,719	26,346	2,505	11,446	298,616	4%	4%
	1,198,951	**26,893**	**66,696**	**106,018**	**26,808**	**156,289**	**1,581,655**	**10%**	**4%**

(1) John Warmbrunn commenced as CEO and Managing Director on 1 June 2025 and his remuneration is reported from that date. His employment contract includes provision for Options to be issued, subject to approval at the next AGM. An accrual for the fair value of these Options for the reporting period has been recorded on the assumption that shareholder approval is granted.

(2) Whilst Michael Kotsanis continued as an employee to 4 July 2025 to support John Warmbrunn's transition, his remuneration is reported for the period to 30 May 2025, being the date he ceased to be CEO and Managing Director and KMP. Due to his resignation Michael failed to achieve the service criteria for the fourth and final tranche of the 6m rights granted to him in 2021. Consequently, the value of the share based payments previously expensed for this tranche has been reversed. On his termination in July 2025 Michael received no benefits other than payment for unused Annual and Long Service Leave.

(3) Employees do not accumulate Annual Leave balances which materially exceed their annual entitlement of four weeks. An expense is recorded where a Senior manager has used less than their full Annual or Long Service Leave entitlement in a given year.

(4) A short term incentive may be paid based on achievement of Corporate Objectives established at the beginning of the financial year. For the year ended 30 June 2025, the Board assessed achievement at 30% with these balances to be paid in FY26. For the year ended 30 June 2024, the Board assessed achievement at 27.5%, paid in August 2024.

(5) Performance rights are issued to senior employees with the accounting expense recognised over the vesting period.

Equity instruments held by Key Management Personnel

Ordinary shares held by KMP at financial year end is detailed in the following table:

	Balance 1 July 2024	Share Placement subscription(2)	Rights exercised	Balance 30 June 2025
Directors				
Ross Dobinson	5,249,245	571,428	-	5,820,673
Geoff Brooke (1)	1,690,301	285,714	-	1,976,015
Don Brumley	3,396,108	2,285,714	1,245,544	6,927,366
Tim Oldham(1)	1,519,619	285,714	1,062,946	2,868,279
Senior Management				
Michael Kotsanis(3)	1,511,083	857,142	-	
John Warmbrunn	-	-	-	-
Felicia Colagrande	484,701	285,714	-	770,415
Mark Hyman	66,477	-	-	66,477
Joanna Johnson	-	-	-	-
	13,917,534	**4,571,426**	**2,308,490**	**18,429,225**

1) Includes relevant interests under the control of the KMP, these ordinary shares are held both directly and through controlled or associated entities.
2) Includes participation in Capital Raising through Placement to sophisticated and institutional investors.
3) As at 30 May 2025, the date Michael Kotsanis ceased to be a Director and KMP he owned 2,368,225 Ordinary shares.

Options

One Attaching Option was offered to subscribers to the Share Purchase Plan and Placement for each for each share subscribed. Attaching Options are listed on the ASX under the ticker ACRO and were issued in February 2025 having an exercise price of 5.25 cents and expiry date of 19 February 2027. Options held by KMP are detailed in the following table.

	Balance 1 July 2024	Issued during the year	Purchased / (Sold) on ASX	Options Exercised	Balance 30 June 2025
Directors					
Ross Dobinson	-	571,428	-	-	571,428
Geoff Brooke	-	285,714	-	-	285,714
Don Brumley	-	2,285,714	-	-	2,285,714
Tim Oldham	-	285,714	-	-	285,714
Senior Management			-	-	
Michael Kotsanis(2)	-	857,142	-	-	
John Warmbrunn(1)	-	-			-
Felicia Colagrande	-	285,714	-	-	285,714
Mark Hyman	-	-	-	-	-
Joanna Johnson	-	-	-	-	-
	-	**4,571,426**	**-**	**-**	**3,714,284**

(1) John Warmbrunn will receive 8 million Options subject to approval at the next AGM. Unlike the Attaching Options offered in association with the Capital Raising, these CEO Options will not be listed on the ASX and have vesting and exercising criteria linked to employment and share price movement.
(2) As at 30 May 2025, the date Michael Kotsanis ceased to be a Director and KMP he owned 857,142 Options.

Rights

(a) Compensation Performance Rights: Granted and vested during the year

1,609,200 performance rights were issued to eligible employees on 18 February 2025, including but not limited to Senior managers. These performance rights may vest after one year provided the TSR over that period is equal to or is greater than 10% and employment is continuous. They have roll over provisions and expire after 7 years.

(b) Rights issued to Directors as a component of remuneration

4,101,998 rights representing approximately half of the value of Non-executive Director's annual remuneration were issued to Non-executive Directors on 12 December 2024 after approval by shareholders at the 2024 Annual General Meeting. As these rights are received in lieu of salary they vest quarterly and have no performance conditions other than continuous service.

The following table sets out the number of rights held by KMP.

	Balance at 1 July 2024	Granted as remuneration	Exercised / Cancelled	Balance at 30 June 2025	Value of Rights Granted $[3]
Non-executive Directors					
Ross Dobinson	1,256,554	1,411,994	-	2,668,548	45,184
Geoff Brooke	1,062,946	896,668	-	1,959,614	28,693
Don Brumley	797,210	896,668	1,245,544	448,334	28,693
Tim Oldham	1,062,946	896,668	1,062,946	896,668	28,693
Senior Management					
Michael Kotsanis[2]	6,000,000	-	-		-
John Warmbrunn	-	-	-	-	-
Felicia Colagrande[1]	905,000	360,000	140,000	1,125,000	11,520
Mark Hyman[1]	905,000	360,000	140,000	1,125,000	11,520
Joanna Johnson	765,000	360,000	-	1,125,000	11,520
	12,754,656	**5,181,998**	**2,588,490**	**9,348,164**	**165,823**

(1) Performance Rights issued to Felicia Colagrande and Mark Hyman in 2021 were cancelled because the vesting conditions were not met.

(2) As at 30 May 2025, the date Michael Kotsanis ceased to be a Director and KMP he owned 6,000,000 Rights. Rights not vested at the time he ceased to be an employee were cancelled.

(3) The value of rights granted to Non-executive Directors reported above have been valued using the share price as at the date of issue.

Rights which have been issued to Directors and employees but are neither exercised nor cancelled as at 30 June 2025, are as follows:

Date rights granted	Number rights	Value at grant date	Minimum Exercise price (5)	Rights expiry date
25 January 2018	7,000	$0.17	$0.1579(2)	January 2025(6)
4 February 2019	5,000	$0.18	$0.2081(2)	February 2026
30 November 2021	6,000,000	$0.114	$0.1258-$0.1675(1)	December 2028
10 February 2022	919,859	$0.103	$0.1133(3)	February 2029
13 February 2023	1,059,000	$0.072	$0.0792(3)	February 2030
5 December 2023	2,319,500	$0.040	-(4)	November 2030
14 February 2024	1,417,500	$0.065	$0.07127(3)	February 2031
12 December 2024	3,653,664	$0.032	-(4)	November 2031
18 February 2025	1,589,200	$0.032	$0.03524(3)	February 2032
	16,970,723			

(1) Exercise price is subject to a 10% performance hurdle applied each year for 4 equal annual tranches. The first tranche of 1,500,000 performance rights has vested and 4,500,000 unvested performance rights were cancelled at the time of Michael's termination in July 2025.

(2) Exercise price is subject to a 12% performance hurdle over a volume weighted price for the 30 days prior to the rights issue.

(3) Exercise price is subject to a 10% performance hurdle over a volume weighted price for the 30 days prior to the rights issue.

(4) Rights issued to Non-executive Directors comprise approximately half of their remuneration and as they are received in lieu of salary they vest quarterly in arrears and are not subject to an exercise price or performance hurdle.

(5) Minimum exercise price is the hurdle which must be achieved for the Performance Rights to vest. If the original hurdle target is not achieved, additional uplift hurdles are applied each subsequent year for up to seven years for the right to vest.

(6) As these rights have past their expiry date they are to be cancelled.

Transactions with Directors and KMP concerning their remuneration and securities issued in accordance with the OEP are disclosed in Notes 18, 19 and 22. There were no transactions or contracts between the Company, Directors and KMP in 2025 not in relation to remuneration (2024: nil).

This is the end of the audited remuneration report

Non-audit services

Non-audit services are recommended by the Audit and Risk Committee and approved by the Board of Directors. Non audit services provided by the auditor, Pitcher Partners (Melbourne) and their network firms are detailed below.

	2025 $	2024 $
Amount paid or payable to Pitcher Partners (Melbourne) for non audit services	41,430	30,230

As non audit services relate to the provision of corporate tax advice and completion of company tax returns the Directors are satisfied that services provided are compatible with the general standard of auditors' independence imposed by the *Corporations Act 2001* for the following reasons:

— all non audit services were subject to the Group's corporate governance procedures and have been approved by the Audit and Risk Committee to ensure they do not impact on the integrity and objectivity of the auditor; and

— non audit services do not undermine the general principles relating to auditor independence set out in *APES 110 Code of Ethics for Professional Accountants (including independence standards)* issued by the Accounting Professional & Ethical Standards Board, which includes reviewing or auditing the auditors' own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group or jointly sharing economic risks and rewards.

Auditor independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* in relation to the audit for the financial year is included after this report.

Rounding of amounts

The Company has applied ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, whereby amounts in the Directors' Report and the financial statements have been rounded to the nearest one thousand dollars unless otherwise indicated.

Directors Resolution

This report is made in accordance with a resolution of the Directors made pursuant to s298(2) of the *Corporations Act 2001*.

Ross Dobinson
Non-executive Chairman

Melbourne
29 August 2025

Don Brumley
Non-executive Director

Melbourne
29 August 2025

AUDITOR'S INDEPENDENCE DECLARATION

To the members of Acrux Limited

ACRUX LIMITED

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ACRUX LIMITED**

In accordance with section 307C of the Corporations Act 2001, I declare to the best of my knowledge and belief in relation to the audit of the financial report of Acrux Limited for the year ended 30 June 2025, there have been:

(i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and

(ii) no contraventions of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the audit.

This declaration is in respect of Acrux Limited and the entities it controlled during the year.

J J MITCHELHILL
Partner

PITCHER PARTNERS
Melbourne

29 August 2025

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

		Consolidated	
	Note	2025 $'000	2024 $'000
Revenue from product agreements	4	1,190	5,091
Other revenue	4	3,338	3,007
Total revenue		**4,528**	**8,098**
Cost of goods sold		**-**	**(3,957)**
Employee benefits expense	5	(5,093)	(4,915)
Directors' fees		(210)	(197)
Securities based payment expense	20	(216)	(381)
Depreciation and amortisation expenses	5	(467)	(510)
Occupancy expenses		(248)	(281)
External research and development expenses		(2,308)	(2,418)
Professional fees		(359)	(358)
Interest expense		(303)	(178)
Other expenses		(1,260)	(472)
Total operating expenses		**(10,464)**	**(9,709)**
Profit / (loss) before income tax		(5,937)	(5,568)
Income tax expense	6	(8)	(232)
Net profit / (loss) for the year		**(5,945)**	**(5,800)**
Total comprehensive profit / (loss) for the year		**(5,945)**	**(5,800)**
Total comprehensive profit / (loss) attributable to:			
Members of the parent entity		(5,945)	(5,800)
Loss per share for loss attributable to the equity holders of the parent entity:			
Basic profit / (loss) per share	8	(1.69) cents	(2.00) cents
Diluted profit / (loss) per share	8	(1.69) cents	(2.00) cents

The statement should be read in conjunction with the notes to these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		Consolidated	
	Note	30 June 2025 $'000	30 June 2024 $'000
Current Assets			
Cash and cash equivalents	9	863	2,945
Receivables	10	3,791	2,889
Other current assets	11	149	147
Total Current Assets		**4,803**	**5,981**
Non-Current Assets			
Plant and equipment	12	389	597
Intangible assets	13	-	-
Deferred tax asset	6	564	572
Lease assets	14	1,469	1,813
Total Non-Current Assets		**2,422**	**2,982**
Total Assets		**7,225**	**8,963**
Current Liabilities			
Payables	15	1,621	1,074
Provisions	16	907	868
Borrowings	17	1,727	1,487
Lease liabilities	14	225	293
Total Current Liabilities		**4,480**	**3,722**
Non-Current Liabilities			
Provisions	16	39	41
Lease liabilities	14	1,683	1,924
Total Non-Current Liabilities		**1,722**	**1,965**
Total Liabilities		**6,202**	**5,687**
Net Assets		**1,023**	**3,276**
Equity			
Contributed equity	18	118,218	115,012
Reserves	21	9,037	8,551
Retained earnings / (losses)	20	(126,232)	(120,287)
Total Equity		**1,023**	**3,276**

The statement should be read in conjunction with the notes to these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Note	Contributed equity $'000	Reserves $'000	Retained earnings / (losses) $'000	Total equity $'000
Balance as at 1 July 2023		114,884	8,299	(114,487)	8,696
Profit / (loss) for the year		-	-	(5,800)	(5,800)
Other comprehensive income / (loss) for the year		-	-	-	-
Total comprehensive income / (loss) for the year		-	-		
Transactions with owners in their capacity as owners					
Employee share scheme	20	26	252	-	278
Rights exercised	18(b)	102	-	-	102
Capital Raising	18(b)	-	-	-	-
Balance as at 30 June 2024		**115,012**	**8,551**	**(120,287)**	**3,276**

	Note	Contributed equity $'000	Reserves $'000	Retained earnings / (losses) $'000	Total equity $'000
Balance as at 1 July 2024		115,012	8,551	(120,287)	3,276
Profit / (loss) for the year		-	-	(5,945)	(5,945)
Other comprehensive income / (loss) for the year		-	-	-	-
Total comprehensive income / (loss) for the year		-	-	(5,945)	(5,945)
Transactions with owners in their capacity as owners					
Employee share scheme	20	25	100	-	125
Rights exercised	18(b)	91	-	-	91
Capital Raising	18(b)	3,090	386	-	3,476
Balance as at 30 June 2025		**118,218**	**9,037**	**(126,232)**	**1,023**

The statement should be read in conjunction with the notes to these financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS

For the year ended 30 June 2025

		Consolidated	
	Note	30 June 2025 $'000	30 June 2024 $'000
Cashflows from operating activities			
Receipts from product agreements		521	5,604
Payments to suppliers and employees		(8,770)	(12,771)
Interest received		40	174
Finance costs		(238)	(179)
Research and development tax incentive rebate		2,976	2,869
Net cash used in operating activities	**22(a)**	**(5,471)**	**(4,303)**
Cashflows from investing activities			
Payment for property, plant and equipment		(5)	(276)
Net cash used in investing activities		**(5)**	**(276)**
Cashflows from financing activities			
Net proceeds from capital raising		3,376	-
Proceeds short term borrowings		2,194	1,487
Short term borrowings repayments		(1,959)	-
Lease liability principal repayments		(217)	(195)
Net proceeds from financing activities		**3,394**	**1,292**
Net decrease in cash and cash equivalents		(2,082)	(3,287)
Cash and cash equivalents at beginning of year		2,945	6,232
Cash and cash equivalents at the end of the year	**22(b)**	**863**	**2,945**

The statement should be read in conjunction with the notes to these financial statements.

This financial report covers Acrux Limited and its controlled entities as a Group. Acrux Limited is a for profit entity which is incorporated and domiciled in Australia. It is a company limited by shares which are publicly traded on the Australian Securities Exchange ('ASX'). The address of Acrux Limited's registered office and its principal place of business is 103-113 Stanley Street, West Melbourne, Victoria, 3003.

The financial report was approved by the Directors as at the date of the Directors' report.

1. DISCLOSURE OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted by the Group in the preparation and presentation of the financial report are described below or have been presented in the relevant note. Accounting policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation

This general purpose financial report is prepared in accordance with *Corporations Act 2001*, Australian Accounting Standards, Interpretations and other applicable authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). This report also complies with, International Accounting Standards Board ('IASB') and International Financial Reporting Standards ('IFRS').

Historical cost convention

The financial report has been prepared using the historical cost convention, except for certain instruments which are measured at fair value, as described in the accounting policies. Fair value is the price as at measurement date expected to be received to sell an asset or paid to settle a liability in an orderly transaction under current market conditions, regardless of whether the price is directly observable or estimated using another valuation technique.

When estimating the fair value of an asset or liability, valuation techniques appropriate in the circumstances are used and for which data is available to maximise the use of relevant observable inputs and to minimise the use of unobservable inputs. Inputs to valuation techniques used to measure fair value are categorised into three levels according to the extent to which they are observable:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities accessible at measurement date
- Level 2 inputs are inputs other than Level 1 quoted prices that are observable for the asset or liability, either directly or indirectly
- Level 3 inputs are unobservable inputs for the asset or liability.

Significant accounting estimates and judgements

The preparation of this financial report has required certain estimates and judgements in applying the Group's accounting policies. Estimates and judgements which are significant to the financial report are explained and disclosed in the Notes to the consolidated financial statements.

(b) Going Concern Basis of Preparation

This financial report has been prepared on a going concern basis contemplating the continuity of normal business activities and realisation of assets and the settlement of liabilities in the ordinary course of business.

As reported in the financial statements, the Group incurred a loss after tax from ordinary activities of $5.945 million for the year ended 30 June 2025 (30 June 2024: loss after tax from ordinary operations $5.800 million) and as at balance date the Group had Total current assets of $4.803 million (2024: $5.981 million). The ability of the Group to continue as a going concern is dependent on its ability to generate future revenues which are sufficient to support progression of its development pipeline and its other operating activities.

The Group expects to receive $3.005 million for RDTI in relation to FY25. Of this balance $1.727 million plus interest is repayable to Radium Capital in relation to the short term loan calculated based on eligible spending to 31 May and which accrues interest at a rate of 16% per annum.

1. DISCLOSURE OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

The Directors believe the Group can meet its financial obligations as an when they fall due based on cashflow projections which have been prepared for a period of twelve months beyond the date of approval of these financial statements and which incorporate the following key assumptions:

— Revenue to be generated from existing products and services in a range of locations; and
— Continued eligibility of product development expenditure for RDTI rebate and ability to continue to enter short term funding arrangements.

Directors closely monitor revenue and expenditure against projections and if cash inflows were to be materially lower than forecasted cash management strategies could be implemented include:

— Deferral of project development activities and associated expenditure;
— Management of operating and capital expenses;
— Monetisation of other assets or revenue streams;
— The ability to execute other financial and funding transactions as and if required.

On this basis this financial report has been prepared on a going concern basis and no adjustments have been made relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

Should the Group not achieve the assumptions detailed above and other initiatives were not implemented, there is a material uncertainty which would cast significant doubt as to whether the Group may be able to meet its debts as and when they fall due, and therefore continue as a going concern. In that circumstance the Group may be required to realise assets and extinguish liabilities other than in the ordinary course of business and at amounts which differ to those stated in the financial statements.

(c) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the parent entity and all controlled entities. The Group controls an entity when it is exposed to, or has rights over, variable returns from its involvement and can affect those returns through its power to direct the entity's activities. Financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies. Inter-company balances and transactions between Group companies are eliminated on consolidation.

A list of controlled entities is contained in Note 28 Controlled Entities.

(d) Impairment of non financial assets

In accordance with AASB 136 Impairment of assets, assets which are subject to depreciation are reviewed for impairment at least annually or when events or circumstances indicate the carrying amount may be impaired. An impairment loss is recognised where an asset's carrying amount exceeds its estimated recoverable amount at the higher of its fair value less costs to dispose and its value in use.

(e) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. For financial assets, this is the date that the Group commits itself to the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value adjusted for transaction costs, except where the instrument is classified as fair value through profit or loss, in which case transaction costs are immediately recognised as expenses in profit or loss.

1. DISCLOSURE OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

Classification of financial assets

Financial assets recognised by the Group are measured in their entirety at either amortised cost or fair value, subject to their classification and whether the Group irrevocably designates the financial asset on initial recognition at fair value through other comprehensive income ('FVtOCI') in accordance with the relevant criteria in AASB 9 Financial Instruments.

Financial assets not irrevocably designated on initial recognition at FVtOCI are classified and measured at amortised cost, FVtOCI or fair value through profit or loss ('FVtPL') on the basis of both the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Impairment of financial assets

Receivables from contracts with customers and contract assets are tested for impairment using the 'expected credit loss' impairment model. This simplified approach under AASB 9 Financial Instruments is applied to measure the allowance for credit losses for both receivables from contracts with customers and contract assets. The allowance for credit losses is determined based on the lifetime expected credit losses of the financial asset which represent the credit losses expected to result from default events over the expected life of the financial asset.

Financial Liabilities

Non-derivative financial liabilities include trade payables, other creditors and intercompany balances. Liabilities are recognised for future payments for goods and services received, whether or not they have been billed to the Group. Trade liabilities are usually settled within 30 days.

(f) Foreign currency translation and balances

Functional and presentation currency

Items included in the Group's financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). Consolidated financial statements are presented in Australian dollars, which is the functional and presentation currency of the Group and each subsidiary.

Transactions and balances

Foreign currency transactions are translated into functional currency at the exchange rate prevailing at transaction date. Foreign exchange gains and losses resulting from settlement of such transactions and translation of foreign currency denominated monetary assets and liabilities at period end exchange rates are recognised in profit or loss. Exchange differences arising on settlement or restatement are recognised as revenues or expenses in the financial year.

(g) Rounding amounts

The Company has applied ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, dated 24 March 2016, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded in accordance with the Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(h) New and revised Accounting Standards effective as at 30 June 2025

All new and revised Australian Accounting Standards applicable to be adopted for the first time in the annual reporting period commencing 1 July 2024 have been applied with immaterial effect.

(i) Accounting Standards issued but not yet effective

Certain new standards and interpretations have been issued but as they are not yet mandatory they have not yet been applied by the Group. These standards are not expected to have a material effect on the Group in current or future reporting periods.

(j) Comparative Information

Where necessary comparative information has been reclassified and repositioned for consistency with current period disclosures.

2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain estimates and judgements that may affect the reported values of assets, liabilities, revenues and expenses have been made in the preparation of these financial statements. Management continually and critically evaluates such estimates and judgements based on historical experience and other factors considered to be reasonable under the circumstances, including expectations of future events.

The following critical judgements have been made in applying the Group's accounting policies having the most significant effect on amounts recognised in the financial statements.

(a) Impairment testing

The Group prepares discounted cash flow models to ensure the carrying value of assets does not materially exceed their recoverable value. The following approach and assumptions have been applied:

- Future product revenue is estimated using current market data to inform projected sales volumes, pricing and market share, as well as potential new competitors and anticipated approval and launch dates for new products;
- Expenses are estimated based on projected product development requirements and a CPI uplift factor has been applied to operating overheads and salaries; and
- Cash flow forecasts prepared over 10 years, discounted using an after tax rate of 12%.

(b) Share based payments

The OEP is the legal framework used to issue securities to Directors and employees. The value of securities issued under the terms of the OEP is recognised as an expense in the period(s) the benefit is earned, over the life of the instrument. The value of the instrument is calculated at the time of issue. Shares issued to employees and rights issued to Non-executive Directors are valued at face value at the time of issue and performance rights issued to senior employees are valued using the Black and Scholes pricing model which considers variables including estimated future volatility estimated based on the movements in Acrux Limited's share price on the ASX over the prior 12 months and a risk free interest rate which is the Reserve Bank of Australia's cash rate prevailing at the instrument's grant date.

Lead manager options were granted for capital raising services conducted by the joint lead managers and have been valued using Black and Scholes pricing model.

(c) Employee benefits

Long term employment benefits are valued at the present value of estimated future cash outflows calculated based on assessment of trends relating to retention of staff, future remuneration and the timing of the payment.

(d) Income tax

The recognition of deferred income tax benefits assumes there are no adverse changes in income tax legislation and the Group will derive sufficient future assessable income to enable the future benefit to be realised. Deferred tax assets have been recognised for deductible temporary differences where management considers it probable that future taxable income will be available to utilise those temporary differences.

3. FINANCIAL RISK MANAGEMENT

The Group is exposed to a variety of financial risks comprising:

(a) Interest rate risk

(b) Currency risk

(c) Credit risk

(d) Liquidity risk

The Board of Directors has overall responsibility for identifying and managing operational and financial risks. Sensitivity analysis and other methods are used to measure financial risks and to determine whether further mitigation strategies are required to protect the Group's financial security.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Material changes in interest rates could impact the value of discounted cashflows used for impairment testing to support asset valuations or the assessment of new product development opportunities.

Within the terms of the Pooled Development Fund Act, Acrux is prohibited from borrowing on a medium or long term basis and therefore the Group is not exposed to a material sensitivity from interest rate fluctuations from lending activities.

(b) Currency risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group is exposed to currency risks due to revenues and certain expenses denominated in foreign currencies, particularly US dollars. Currency risk management strategies are regularly reviewed and future foreign currency denominated cashflows from revenue are expected to largely offset expenditure, largely protecting Acrux from the impact of short term currency fluctuations.

Bank accounts denominated in US dollars and Euro are maintained to facilitate foreign currency receipts and payments and to support the management of foreign exchange risk. As at 30 June 2025, Acrux held immaterial foreign currency denominated cash reserves (2024: nil).

The balance of foreign currency denominated receivables as at 30 June 2025 totals US$0.468 million (2024: US$0.090 million). The balance of foreign currency denominated payables totals US$0.054 million (2024: US$0.242 million) and EUR0.097 million (2024 EUR 0.001 million).

A change in the exchange rates would therefore have immaterial impact on the consolidated net profit/(loss) and equity of the Group (2024: immaterial).

The Group does not enter forward exchange contracts.

(c) Credit risk

Credit risk refers to the risk a counterparty defaults on its obligations, resulting in a financial loss to the Group. The maximum exposure to credit risk at balance date is the value of receivable assets as disclosed in Consolidated Statement of Financial Position and notes to the Consolidated Financial Statements.

Credit risk is closely managed and procedures are in place to deal with credit worthy counterparties. Potential credit losses are regularly evaluated and a provision would be raised if there was evidence a debt was unlikely to be collectible. There is no history of delayed or defaulted balances nor are there any presently overdue balances.

(d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Group reports cash reserves of $0.863 million (2024: $2.945 million), which together with the initiatives outlined in Note 1(b) is, in the opinion of Directors, sufficient to settle existing liabilities and fund operating expenditure at planned levels for at least 15 months from the balance date based on current operating projections.

3. FINANCIAL RISK MANAGEMENT(CONTINUED)

Acrux has a short term funding facility with Radium Capital which enables cash outflows in relation to eligible R&D expenditure to be more closely matched with cash inflows associated with RDTI. In April 2025, an advance of $1.73 million was received under this facility, broadly representing 80% of the estimated balance receivable from the Australian Tax Office for RDTI for the 8 months to February 2025. A further advance of $0.458 million was received in July 2025 supported by eligible expenditure incurred in the period to 31 May 2025. These short term advances attract interest at 16% per annum, are secured against the RDTI balance receivable and will be repaid later in the 2025 calendar year when the FY25 RDTI is received from the Australian Tax Office.

Future cash outflows for the settlement of financial liabilities

	2025 $'000	2024 $'000
Lease Liabilities		
Not later than 1 year	370	386
Later than 1 year and not later than 5 years	746	1,171
Aggregate of lease payments contracted for at reporting date	1,116	1,557
Payables		
Not later than 1 year	1,621	1,074
Borrowings		
Not later than 1 year	1,727	1,487

4. REVENUE

	2025 $'000	2024 $'000
Revenue from product agreements		
Profit share and royalty income	1,190	1,134
Pass through sales of API	-	3,957
Total revenue from product agreements	1,190	5,091
Other revenue		
Interest	40	134
Grant revenue – RDTI	3,298	2,873
Total other revenue	**3,338**	**3,007**
Total revenue from continuing operations	**4,528**	**8,098**

Material Accounting Policies

Revenue from contracts with customers

Revenue is derived from licensing agreements with customers in the form of royalty and profit share income. In the prior year revenue included pass through revenues from the sale of active pharmaceutical ingredients. Revenue is recognised in the period in which product sales occur and when it can be reliably estimated.

Other revenue

Other revenue is recognised as received or where it can be reliably estimated over the period to which it relates. The RDTI rebate is accrued because it is reasonably assured the grant will be received, it can be reliably measured and the Group complies with all conditions.

5. LOSS FROM CONTINUING OPERATIONS

	2025 $'000	2024 $'000
Loss from continuing operations before income tax has been determined after the following specific expenses:		
Employee benefits expense		
Wages and salaries	4,142	4,129
Superannuation costs	448	422
Other employee benefits expense	503	364
Total employee benefits expense	**5,093**	**4,915**
Depreciation of non-current assets		
Right of use asset	253	271
Plant and equipment	209	234
Total depreciation of non-current assets	**462**	**505**
Amortisation of non-current assets		
Leasehold improvements	5	5
Total amortisation of non-current assets	**5**	**5**
Total depreciation and amortisation of non-current assets	**467**	**510**

6. INCOME TAX

	2025 $'000	2024 $'000
(a) Income tax recognised in profit and loss		
Current tax	-	-
Deferred tax	8	232
Income tax (benefit)/expense attributable to profit and loss	8	232
(b) Reconciliation of income tax (benefit)/expense		
The prima facie tax payable on loss before income tax is reconciled to the income tax (benefit)/expense as follows:		
Profit / (loss) before tax from continuing operations	(5,937)	(5,568)
Prima facie income tax payable on loss before income tax	(1,484)	(1,392)
Add/(subtract) tax effect:		
Non-deductible expenses	88	97
Research and development tax incentive rebate	(989)	(718)
Tax losses not brought to account	2,393	2,245
Parent tax losses and temporary differences not brought to account	-	-
	1,492	1,624
Income tax (benefit)/expense attributable to loss	**8**	**232**
(c) Current tax		
Current tax (asset)/liability	-	-

	2025 $'000	2024 $'000
(d) Deferred Tax		
Deferred tax assets is comprised:		
Accruals and provisions	345	250
Plant and equipment under lease	110	101
Plant and equipment and Intangible assets	1,034	1,004
Tax losses and research and development offset	84	208
	1,573	**1,563**
Deferred tax liabilities is comprised:		
Plant and equipment and Intangible assets	(982)	(961)
Prepayments	(27)	(23)
Exchange differences	-	(7)
	(1,009)	**(991)**
Net deferred tax assets/(liabilities)	**564**	**572**
(e) Deferred tax assets not brought to account		
Temporary differences	-	5
Tax losses	23,093	20,934
	23,093	**20,939**

Material accounting policies

Current income tax expense / (benefit) is the tax payable on current period taxable income at the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

Deferred tax assets and liabilities are recognised as temporary differences at the applicable tax rate when the assets are expected to be recovered or liabilities to be settled. No deferred tax asset or liability is recognised for temporary differences arising in a transaction, other than a business combination, if the transaction did not affect either accounting profit or taxable profit or loss. Deferred tax assets are recognised for deductible temporary differences when it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The parent entity, (Acrux Limited), is a Pooled Development Fund (PDF):

- PDFs are taxed at 15% on income and gains from investments in small to medium enterprises;
- PDFs are taxed at 25% on other income; and
- PDFs are not permitted to consolidate for tax purposes.

Subsidiary companies of Acrux Limited are subject to the general company tax rate.

7. DIVIDENDS

	2025 $'000	2024 $'000
(a) Dividends paid and declared		
Nil dividends were declared or paid during the financial year (2024: $nil)		
(b) Franking account		
Balance of franking account at financial year end.	43,835	43,835

8. LOSS PER SHARE

	2025 $'000	2024 $'000
Loss from continuing operations	(5,945)	(5,800)
Loss used in calculating basic and diluted earnings per shares	(5,945)	(5,800)

	No. of shares	No. of shares
Weighted average number of ordinary shares used in calculating basic earnings per share	352,156,946	289,499,999
Effect of dilutive securities:	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	352,156,946	289,499,999
Basic loss per share	1.69 cents	2.00 cents
Diluted loss per share	1.69 cents	2.00 cents

9. CASH AND CASH EQUIVALENTS

	2025 $'000	2024 $'000
Cash on hand and at bank	863	2,945
	863	**2,945**

10. RECEIVABLES

	2025 $'000	2024 $'000
Receivables from contracts with customers	719	4
Other receivables	3,072	2,885
	3,791	**2,889**

Material accounting policies

The simplified approach under AASB 9 *Financial Instruments* has been used to measure the allowance for credit losses for receivables and contracts with customers. Under this approach, the Group determines the allowance for credit losses based on the lifetime expected credit losses of the financial asset being the expected credit losses from default events over the expected life of the financial asset. Expected credit losses are determined based on historical credit loss experience adjusted for factors specific to the financial asset as well as current and expected economic conditions. As there is no history of collection delays, defaulted balances or client dispute, no provision for expected credit losses is considered necessary at this time.

Other receivables reflect the estimated Research and Development Tax Incentive rebate recognised at fair value as there is reasonable assurance the grant will be received, it can be reliably measured and the Group complies with all conditions.

11. OTHER CURRENT ASSETS

	2025 $'000	2024 $'000
Prepayments	149	147
Other current assets	-	-
	149	**147**

12. PLANT AND EQUIPMENT

	2025 $'000	2024 $'000
Leasehold improvements		
At cost	49	49
Accumulated amortisation	(39)	(34)
Total leasehold improvements	**10**	**15**
Plant and equipment		
Capital Work in Progress	-	46
At cost	2,718	2,667
Accumulated depreciation	(2,339)	(2,131)
Total plant and equipment	**379**	**582**
	389	**597**
Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current financial year:		
Leasehold improvements		
Carrying amount at the start of the year	15	18
Additions	-	2
Amortisation expense	(5)	(5)
Carrying amount at the end of the year	**10**	**15**
Plant and equipment		
Carrying amount at the start of the year	582	541
Additions	5	274
Transfer from Leased assets	-	-
Depreciation expense	(209)	(233)
Carrying amount at the end of the year	**379**	**582**

Material accounting policies

Cost and valuation

Each class of plant and equipment is carried at historical cost less applicable accumulated depreciation. Historical cost includes expenditure that is directly attributable to the items acquisition and installation. The carrying amount of each asset classification is reviewed for indications of impairment at reporting date.

Depreciation

Depreciation expense is calculated on a straight line basis over the assets' estimated useful lives from the time the assets are held ready for use.

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated useful lives of the improvements.

Useful lives	2025	2024
Leasehold improvements	5 to 20 years	5 to 20 years
Plant and equipment	1 to 16 years	1 to 16 years

13. INTANGIBLE ASSETS

	2025 $'000	2024 $'000
External development expenditure capitalised	1,071	1,071
Accumulated amortisation	(1,071)	(1,071)
Total intangible assets	**-**	**-**

Material accounting policies

Product development costs are capitalised only when all of the following criteria can be demonstrated:

- Technical feasibility of completing development of the product and obtaining approval by regulatory authorities;
- Ability to secure a commercial partner for the product;
- Availability of adequate resources to complete development, obtain regulatory approval and secure a commercial partner;
- Reliable measurement of expenditure attributable to the product during development; and
- High probability of the product entering a major pharmaceutical market.

14. LEASE ASSETS AND LEASE LIABILITIES

The Group leases its office, laboratory and warehouse facilities. The lease was renewed by Acrux DDS Pty Limited for an initial period of 4 years from 1 June 2018 plus three options to extend for further three year periods. The first option was exercised with the effective date of 1 June 2022. Acrux has two remaining options to extend for periods of three years and the second option to extend the term is currently being finalised. There is no option to purchase at the end of the lease period.

	2025 $'000	2024 $'000
Carrying amount of lease assets, by class of underlying asset:		
Buildings under lease arrangements:		
At cost	2,827	2,919
Accumulated depreciation	(1,358)	(1,106)
	1,469	**1,813**
Plant and equipment under lease arrangements:		
At cost	-	89
Accumulated depreciation	-	(89)
	-	-
Total carrying amount of Leased assets	**1,469**	**1,813**

	2025 $'000	2024 $'000
Reconciliation of carrying amount of Leased assets at the beginning and end of the financial year:		
Buildings under lease arrangements:		
Carrying amount at the beginning of the period	1,813	2,013
Depreciation	(253)	(252)
Lease modification	(91)	52
Carrying amount at the end of the period	**1,469**	**1,813**
Plant and equipment under lease arrangements:		
Carrying amount at the beginning of the period	-	19
Depreciation	-	(19)
Carrying amount at the end of the period	-	-
Lease Liabilities		
Lease liabilities (current)	225	293
Lease liabilities (non-current)	1,683	1,924
Total carrying amount of lease liabilities	**1,908**	**2,217**
Lease expenses and cashflows		
Interest expense on lease liabilities	163	178
Depreciation expense on lease assets	253	271
Total cash outflow in relation to leases	352	384
Future commitments		
Future minimum lease payments to be made:		
— Not later than 1 year	370	379
— Later than 1 year and not later than 5 years	1,618	1,562
Aggregate of lease payments contracted for at reporting date	**1,988**	**1,941**

Material accounting policies

A Leased asset is recognised at lease commencement, representing the right to use the underlying asset and a Lease liability represents the obligation to make future lease payments.

Leased assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before lease commencement, less any lease incentives received, initial direct costs incurred by the Group and an estimate of costs required to dismantle and remove the underlying asset or restore the asset to the condition required by the terms and conditions of the lease. Leased assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the availability of the economic benefits of the underlying asset.

Subsequent to initial recognition, Leased assets are measured at cost (adjusted for any remeasurement of the associated lease liability) less accumulated depreciation.

Lease liabilities are initially recognised at the present value of the future lease payments, discounted at the interest rate implicit in the lease. Subsequent to initial recognition, Lease liabilities are measured at the present value of the remaining lease payments which are unpaid at the reporting date. Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Interest expense on lease liabilities is recognised in profit or loss, presented as a component of finance costs.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

15. PAYABLES

	2025 $'000	2024 $'000
Current		
Trade payables	463	427
Sundry creditors and accruals	1,158	647
	1,621	**1,074**

16. PROVISIONS

	2025 $'000	2024 $'000
Current		
Employee entitlements	907	868
Non-current		
Employee entitlements	39	41
Aggregate employee entitlements	**946**	**909**

Material accounting policies

Provisions are recognised where there is a legal or constructive obligation with a probable future outflow of economic benefits which can be reliably measured. Provision is made for employee entitlements, including annual and long service leave. Liabilities expected to be settled within twelve months of the reporting date are measured based on remuneration rates expected to be paid when the liability is settled. Other employee benefit liabilities are measured at the present value of the estimated future cash outflows.

17. BORROWINGS

	2025 $'000	2024 $'000
Current		
Loan - RDTI advance	1,727	1,487

Material accounting policies

Acrux has a short term funding facility with Radium Capital providing access to funding of up to 80% of the estimated RDTI refund. This short term loan attracts interest at 16% per annum , is secured against the RDTI receivable balance and will be repaid when the RDTI rebate is received from the Australian Tax Office.

18. CONTRIBUTED EQUITY

	2025		2024	
	No. of shares	000's $	No. of shares	000's $
(a) Issued and paid up capital				
Ordinary shares fully paid	407,763,526	118,704	290,716,856	115,012
(b) Movements in ordinary shares on issue				
Beginning of the financial year	290,716,856	115,012	288,175,456	114,884
Issued during the year:				
Conversion of rights under the OEP	2,308,490	91	2,140,116	102
Shares issued under OEP	780,275	25	401,284	26
SPP and Placement shares issued	113,957,905	3,090	-	-
Ordinary shares issued during the year	117,046,670	3,206	2,541,400	128
Ordinary shares on issue at reporting date	**407,763,526**	**118,218**	**290,716,856**	**115,012**

(c) Rights

During the financial year 5,711,198 rights were issued under the OEP (2024: 6,296,243). Rights hold no participation rights, but shares issued on exercise of rights rank equally with existing ordinary shares. At 30 June 2025, 17,475,647 rights were held by employees, including KMP (2024: 12,754,656).

The closing market value of an ordinary Acrux Limited share on the ASX, ticker ACR, at 30 June 2025 was 1.6 cents (2024: 7.0 cents).

	2025	2024
(i) Movement in the number of rights held under Omnibus Equity Plan are as follows:		
Opening balance	14,044,903	9,957,371
Granted during the year	5,711,198	6,296,243
Exercised during the year	(2,308,490)	(2,140,116)
Lapsed during the year	(476,888)	(68,595)
Closing balance	**16,970,723**	**14,044,903**

	2025 $'000	2024 $'000
(ii) Details of rights exercised under the OEP during the financial year:		
Rights exercised into shares, measured at Fair Value as at the issue date of the rights	91	129

(iii) Details of the number of lapsed and cancelled rights	**2025**	**2024**
Key management personnel	156,595	-
Other employees	320,293	68,595
Total rights lapsed and cancelled during the year	**476,888**	**68,595**

19. LISTED OPTIONS

During the reporting period the Company issued 160,472,177 listed options comprised as follows:

- 34,757,918 options issued to SPP participants on the basis of one Free Attaching Option offered for every Share subscribed for;
- 75,714,259 options issued to Placement participants on the basis of one Free Attaching Option offered for every Share subscribed for; and
- 50,000,000 options to the Lead Managers as partial consideration for the provision of lead managerial and bookrunner services in connection with the capital raising.

The Options have an exercise price of 5.25 cents, expire on 19 February 2027 and are listed on the ASX under the code ACRO. Each New Option entitles the holder to subscribe for 1 new share upon exercise of the Option on or prior to the expiry date.

The closing market value of an Option on the ASX, ticker ACRO, at 30 June 2025 was 0.1 cents (2024: not applicable).

	2025	2024
Movement in the number of Listed Options is follows:		
Opening balance	-	-
Granted during the year	160,472,177	-
Exercised during the year	-	-
Closing balance	**160,472,177**	**-**

20. SHARE BASED PAYMENTS

(a) Expenses recognised from share-based payment transactions under the OEP

	2025 $'000	2024 $'000
The expense recognised within securities based payments expense in the statement of comprehensive income was as follows:		
Rights issued	100	253
Rights exercised	91	102
Issue of tax exempt ordinary shares to eligible employees	25	26
Total expenses recognised from securities based payment transactions	**216**	**381**

Share-based payments

The fair value of rights is recognised as an employee benefit expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the period(s) over which the benefit to the employee or Director is accrued. The Black Scholes pricing model is used to determine the fair value of Performance Rights during the period.

Employees who are not KMP, may be issued with tax exempt ordinary shares to a maximum value of $1,000 per employee at the discretion of the Directors. Tax exempt ordinary shares are escrowed for 3 years from the date of issue.

20. SHARE BASED PAYMENTS (CONTINUED)

(b) Omnibus Equity Plan

Details of movements in rights during the reporting period are provided below:

Grant date	Expiry date	Balance at beginning of the year	Granted	Exercised	Cancelled	Balance at the end of the year	Exercisable as at 30 June 2025
Non-executive Directors – rights issued as a component of remuneration							
5 December 2023	5 December 2030	4,179,656	-	1,860,156	-	2,319,500	2,319,500
1 December 2024	1 December 2031	-	4,101,998	448,334	-	3,653,664	1,602,665
Performance Rights – issued to CEO and other employees							
25 January 2018	25 January 2025	7,000	-	-	-	7,000	7,000
4 February 2019	4 February 2026	10,000	-	-	5,000	5,000	5,000
4 February 2021	4 February 2028	415,298	-	-	415,298	-	-
26 November 2021	26 November 2028	6,000,000	-	-	-	6,000,000	1,500,000
10 February 2022	10 February 2029	928,949	-	-	9,090-	919,859	-
13 February 2023	13 February 2030	1,072,000	-	-	13,000	1,059,000	-
14 February 2024	14 February 2031	1,432,000	-	-	14,500	1,417,000	-
18 February 2025	18 February 2032	-	1,609,200	-	20,000	1,589,200	-
		14,044,903	**5,711,198**	**2,308,490**	**476,888**	**16,970,723**	**5,434,165**

The OEP was approved by shareholders on 29 November 2023.

On 26 November 2021, 6,000,000 performance rights were issued to the CEO and Managing Director, Michael Kotsanis. Subject to achievement of Total Shareholder Return of at least 10% per annum and roll over provisions these rights vest in 4 equal annual tranches. As at balance date 1,500,000 of these rights have vested and 4,500,000 have not vested and were cancelled subsequent to year end.

On 12 December 2024, following resolution at the 2024 AGM, 4,101,998 rights were issued to Non-executive Directors representing approximately half of their remuneration for the next 12 months. As these rights are received in lieu of salary they vest quarterly subject to continuous service.

Other employees, including senior management, have been offered performance rights which vest subject to achievement of performance hurdles. On 18 February 2026, 1,609,200 performance rights were issued to employees including senior management. These rights may vest 12 months after issuance, subject to achievement of Total Shareholder Return of at least 10% per annum and include rollover provisions.

Ordinary shares issued following the exercise of rights rank equally with existing ordinary shares.

20. SHARE BASED PAYMENTS (CONTINUED)

Overview of Rights issued during the period:

Date of Issue	**12 December 2024**	**18 February 2025**
Type of Rights	**Non executive Director's Remuneration**	**Employee Performance Rights**
Number of Rights issued	4,101,998	1,609,200
Fair value Measure	Direct Value	Black Scholes
Share price at date of issue	3.20 cents	3.20 cents
Exercise price	n/a	3.52-4.69 cents
Volatility	n/a	69.93%
Dividend yield expectations	n/a	Nil
Term	7 years	7 years
Risk free interest rate	n/a	4.35%

(c) CEO Options

Subject to shareholder approval at the next AGM, John Warmbrunn shall be granted 8 million CEO options with the first tranche of1.6 million to be issued as soon as practical and 4 subsequent tranches to be issued on each of the 1st, 2nd, 3rd and 4th anniversary of employment. The issue price of the Options is nil and the exercise price is the 10 day VWAP at time of grant of the relevant Tranche. Each tranche shall vest 12 months after grant, subject to continued employment. These Options will not be listed, the value will be calculated using Black Scholes and issued after AGM approval.

(d) Lead Manager Options

50,000,000 Lead Manager Options were issued as partial consideration for the provision of lead managerial and bookrunner services in connection with the capital raising and recorded against the cost of capital raising in Contributed Equity.

Overview of Lead Manager Options issued during the period:

Date of Issue	**19 February 2025**
Type of Rights	**Lead Manager Options**
Number of Options issued	50,000,000
Fair value Measure	Black Scholes
Share price at date of issue	3.10 cents
Exercise price	5.25 cents
Volatility	73.25%
Dividend yield expectations	Nil
Term	2 years
Risk free interest rate	4.35%

21. RESERVES AND ACCUMULATED LOSSES

	2025 $'000	2024 $'000
Share based payment reserve	1,647	1,161
Profit reserve	7,390	7,390
Total Reserves	9,037	8,551
Accumulated losses	**(126,232)**	**(120,287)**
Share based payment reserve		
Nature and purpose of Share based payment reserve		
This reserve is used to record the value of equity benefit provided to employees and Directors as part of their remuneration and to the Joint Lead Managers for services rendered in connection with capital raising.		
Movement in Share based payment reserve		
Balance at the beginning of year	1,161	909
Employee share scheme	100	252
Capital raising	386	-
Balance at end of year	**1,647**	**1,161**

50,000,000 Options were issued to the Joint Lead Managers as part consideration for the provision of lead managerial and bookrunner services in connection with the capital raising. These Options have been valued using Black and Scholes pricing model.

Profit Reserve

Nature and purpose of Profit reserve

This reserve is used to record the profits which have been generated by the Group.

Accumulated losses

Movement in Accumulated losses

	2025 $'000	2024 $'000
Balance at the beginning of year	(120,287)	(114,487)
Net loss attributable to members of Acrux Limited	(5,945)	(5,800)
Balance at end of year	**(126,232)**	**(120,287)**

22. CASHFLOW INFORMATION

	2025 $'000	2024 $'000
(a) Reconciliation of the cashflow from operations with loss after income tax:		
Loss from ordinary activities after income tax	(5,945)	(5,800)
Non-Cash Items		
Depreciation and amortisation	467	510
Share based payments expense	216	381
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(903)	417
(Increase)/decrease in other current assets	(2)	206
Increase/(decrease) in payables	411	(294)
Increase/(decrease) in employee entitlements	37	45
Increase/(decrease in other liabilities	240	7
(Increase)/decrease in deferred tax assets	8	232
	(209)	606
Net cash (outflows)/inflows from operating activities	(5,471)	(4,303)
(b) Reconciliation of cash		
Cash at the end of the financial year as shown in the Statement of Cashflows and the Statement of Financial Position is as follows:		
Cash at bank	863	2,945
At call and term deposits	-	-
Closing cash balance	**863**	**2,945**

(c) Credit stand-by arrangement and loan facilities

The Group has credit card facilities with the ANZ Bank totalling $120,000 (2024: $120,000). At 30 June 2025 the Group had unused capacity on these facilities of $118,687 (2024: $116,763).

23. KEY MANAGEMENT PERSONNEL COMPENSATION

	2025 $	2024 $
KMP compensation is detailed in the Remuneration Report in the Director's Report. Aggregate components is reported below:		
Short-term employment benefits	1,425,682	1,434,529
Post-employment benefits	189,209	187,357
Equity	156,622	342,379
Total KMP compensation	**1,771,513**	**1,964,265**

24. LOANS TO KEY MANAGEMENT PERSONNEL

No loans were made to KMP during the financial year.

25. RELATED PARTY DISCLOSURES

Wholly owned Group transactions

Loans

Loans were made between Acrux Limited and its subsidiaries under normal terms and conditions. The aggregate amounts receivable from controlled entities by the parent entity at the end of the reporting period was $31.260 million (2024: $28.733 million).

Other transactions with Key Management Personnel and their personally related entities

Transactions with Directors and KMP concerning their remuneration and securities issued in accordance with the OEP are disclosed the Directors' Report and in Notes 18, 20 and 23. There were no transactions or contracts between the Company, Directors and KMP in 2025 not in relation to remuneration (2024: nil).

26. AUDITOR REMUNERATION

	2025 $'000	2024 $'000
Amounts paid and payable to Pitcher Partners for:		
An audit or review of the financial report of the entity and any other entity in the Group	112	107
Taxation compliance and consulting	41	30
	153	**137**

27. SEGMENT REPORTING

The Group operates as a single operating segment. Internal management reporting systems present financial information as a single segment. The segment derives revenue from developing and commercialising pharmaceutical products which administer drugs topically.

Geographical segment information

	2025 $'000	2024 $'000
Australia	3,338	3,006
Europe and other countries	-	622
United States	1,190	4,470
	4,528	**8,098**
Revenue by product group and services provided		
Revenue from product agreements	1,190	5,089
Research and development tax incentive rebate	3,298	2,875
Other, including other government support and interest received	40	134
	4,528	**8.098**

28. CONTROLLED ENTITIES

	COUNTRY OF INCORPORATION	2025	2024
Parent Entity			
Acrux Limited	Australia		
Subsidiaries of Acrux Limited			
Acrux DDS Pty Ltd	Australia	100%	100%
Acrux Pharma Pty Ltd	Australia	100%	100%
Acrux Commercial Pty Ltd	Australia	100%	100%
Subsidiary of Acrux Commercial Pty Ltd			
Fempharm Pty Ltd	Australia	100%	100%

29. PARENT ENTITY DETAILS

	2025 $'000	2024 $'000
(a) Summarised statement of financial position of the parent entity, Acrux Limited		
Assets		
Current assets	43	40
Non-current assets[(1)]	14,491	28,673
Total assets	**14,534**	**28,713**
Liabilities		
Current liabilities	7,675	487
Non-current liabilities	-	-
Total liabilities	**7,675**	**487**
Net assets	**6,859**	**28,226**
Equity		
Share capital	118,218	115,012
Profit reserve	7,390	7,390
Accumulated losses	(120,396)	(95,337)
Share based payments reserve	1,647	1,161
Total equity	**6,859**	**28,226**
(b) Summarised statement of comprehensive income		
Loss for the financial year	(25,059)	(1,365)
Other comprehensive income for the financial year	-	-
Total comprehensive income for the financial year	**(25,059)**	**(1,365)**

(1) Intercompany loans and Investment in subsidiaries are initially recognised at cost and subsequently carried at the lower of cost or recoverable amount. If the carrying value exceeds the recoverable amount, an impairment loss is recognised in the profit or loss of the parent.

30. CONTINGENCIES

There were no contingencies at 30 June 2025 (2024: nil).

31. SUBSEQUENT EVENTS

In July Acrux executed an agreement with Servacure Trading W.L.L. ('Servacure') for Dapsone 5%, Gel in Saudi Arabia. Dapsone 5%, Gel is indicated for the treatment of acne vulgaris and Acrux's product is approved by the FDA and sold through a licensee in the United States. Servacure is responsible for obtaining regulatory approval and manufacturing for the Territory and will pay Acrux a fixed fee per unit for the aggregate unit volume of product shipped to customers. The contract is for 10 years with options for renewal.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected the Group's operations, results or state of affairs, or may do so in future years.

32. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there have been no significant changes in the state of affairs of the Group during the financial year not otherwise disclosed in this report or the financial statements.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT 2025

For the year ended 30 June 2025

Acrux Ltd is required by Australian Accounting Standards to prepare consolidated financial statements in relation to the Company and its controlled entities (the consolidated entity). In accordance with subsection 295(3A) of the *Corporations Act 2001*, this consolidated entity disclosure statement provides information about each entity that was part of the consolidated entity at the end of the financial year.

	Type of entity	Place incorporated	Share capital held (%)	Australian tax resident	Parent Company
Acrux Ltd	Body Corporate	Australia	n/a	Yes	n/a
Acrux Commercial Pty Ltd	Body Corporate	Australia	100%	Yes	Acrux Ltd
Fempharm Pty Ltd	Body Corporate	Australia	100%	Yes	Acrux Commercial Pty Ltd
Acrux DDS Pty Ltd	Body Corporate	Australia	100%	Yes	Acrux Ltd
Acrux Commercial Pty Ltd	Body Corporate	Australia	100%	Yes	Acrux Ltd

At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity or a participant in a joint venture within the consolidated entity.

DIRECTORS' DECLARATION

The Directors of the company declare that

1. In the Directors' opinion, the financial statements and notes thereto, as set out on pages 28 to 53, are in accordance with the *Corporations Act 2001* including:
   - (a) complying with Australian Accounting Standards and the Corporations Regulations 2001, and other mandatory professional reporting requirements:
   - (b) as stated in Note 1(a) the consolidated financial statements also comply with International Financial Reporting Standards
   - (c) giving a true and fair view of the financial position of the Group as at 30 June 2025 and of its performance for the year ended on that date; and
   - (d) the attached consolidated entity disclosure statement is true and correct.
2. In the Directors' opinion there are reasonable grounds to believe that Acrux Limited will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made by the Chief Executive Officer and Chief Financial Officer to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ending 30 June 2025.

Signed in accordance with a resolution of the Directors made pursuant to S295(5) of the *Corporations Act 2001*.

Ross Dobinson
Non-executive Chairman

Melbourne
29 August 2025

Don Brumley
Non-executive Director

Melbourne
29 August 2025

ACRUX LIMITED AND CONTROLLED ENTITIES
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACRUX LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Acrux Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) Going Concern in the financial report which discloses that the Group incurred a net loss for the year ended 30 June 2025 of $5.945 million, and has current assets of $4.803 million. As stated in Note 1(b), these conditions, along with other matters as set forth in Note 1(b), indicate that a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities at the amounts stated in the financial statements in the normal course of business. Our opinion is not modified in respect of this matter.

PITCHER PARTNERS

ACRUX LIMITED AND CONTROLLED ENTITIES
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACRUX LIMITED

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>Recoverability of Deferred Tax Assets Note

2(d) on page 35 and note 6 on page 39.</td><td></td></tr>
<tr><td>The Group has $564k ($572k as at 30 June 2024) of deferred tax assets recognised as at 30 June 2025 relating to timing differences and Research and Development offset incurred by the subsidiary Acrux DDS Pty Ltd.

The ability to recognise the deferred tax assets is dependent upon the probable generation of sufficient future taxable profit in order for the benefits of the deferred tax assets to be realised, in accordance with AASB 112 Income Taxes. These benefits are realised by reducing tax payable on future taxable profits.

We view the deferred tax assets as a Key Audit Matter due to the management judgement required in forecasting future taxable profit. Management's assumptions include but are not restricted to:
Ongoing profitable contract research and development activities;
Successful commercialisation of generics; and
The number of competitors in the market, market share and profit sharing rates with commercial partners.</td><td>Our procedures included amongst others:
Reviewing and assessing management's key assumptions relating to the forecasts of future taxable profit and evaluating the reasonableness of these assumptions;
Understanding and evaluating the design and implementation of management's processes and controls around the recognition of deferred tax assets; and
Assessing the appropriateness of the disclosures included in Note 6 in respect of current and deferred tax balances.</td></tr>
</table>

ACRUX LIMITED AND CONTROLLED ENTITIES
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACRUX LIMITED

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

c) for such internal control as the directors determine is necessary to enable the preparation of:

    (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

    (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

ACRUX LIMITED AND CONTROLLED ENTITIES
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACRUX LIMITED

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

ACRUX LIMITED AND CONTROLLED ENTITIES
ABN 72 082 001 152

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ACRUX LIMITED

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 19 to 25 of the Directors' Report for the year ended 30 June 2025. In our opinion, the Remuneration Report of Acrux Limited and its controlled entities, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

J J MITCHELHILL
Partner

29 August 2025

PITCHER PARTNERS
Melbourne

SHAREHOLDER INFORMATION

Additional information required by ASX Listing Rules and not disclosed elsewhere in this report, as at 13 August 2025.

Shareholders

The Company has 409,263,526 ordinary fully paid shares on issue, held by 4,296 shareholders, 160,472,177 listed options held by 181 people and 10,970,722 rights held by 19 people. The Company has no other equity securities currently on issue. Holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at shareholders' meetings. No voting rights or dividend entitlements attach to options or rights.

All fully paid ordinary shares and options are quoted on the ASX. Other equity securities of the Company are not quoted on the ASX.

Distribution Schedule – Ordinary Shares (ASX:ACR)

The following is a distribution schedule of the number of holders of fully paid ordinary shares in the Company within the bands of holding specified by the ASX Listing Rules:

Category	Number of securities	% Total	No. of holders
100,001 and Over	357,818,013	87.43	534
10,001 to 100,000	43,340,910	10.59	1,169
5,001 to 10,000	4,289,090	1.05	528
1,001 to 5,000	3,373,946	0.82	1,172
1 to 1,000	441,567	0.11	893
Total	**409,263,526**	**100.00**	**4,296**

3,299 shareholders hold less than a marketable parcel of fully paid ordinary shares, based on the market price at the date set out above.

Substantial Holders

Under the ASX Listing Rules "Substantial Holder" means, in general terms, a person who either alone or with their associates, has an interest in 5% or more of the voting shares of the Company. The following parties have declared a relevant interest in the number of ordinary shares under Part 6C.1 of the *Corporations Act 2001*.

	Number of fully paid ordinary shares
Phillip Asset Management Ltd as trustee for BioScience Managers Translation Fund I	37,561,419

Largest holders of Fully Paid Ordinary Shares		Number of Fully Paid Ordinary Shares	% Issued Capital
1	PHILLIP ASSET MANAGEMENT LIMITED	37,561,419	9.18
2	HISHENK PTY LTD	12,000,000	2.93
3	THE POOLE FAMILY SUPERANNUATION FUND PTY LTD	9,900,000	2.42
4	DR THOMAS VUI CHUNG CHAI	7,809,128	1.91
5	CITICORP NOMINEES PTY LIMITED	7,307,347	1.79
6	MR DONALD CHARLES BRUMLEY	6,927,366	1.69
7	MR CHRISTOPHER MURRAY ABBOTT	6,000,000	1.47
8	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,995,634	1.46
9	MR ROSS DOBINSON	5,820,673	1.42
10	NETWEALTH INVESTMENTS LIMITED	5,537,298	1.35
11	MR BIKASH KAJI BANIYA	5,292,430	1.29
12	ES WATTS PROJECTS PTY LTD	5,000,000	1.22
13	WILLOUGHBY CAPITAL PTY LTD	4,500,000	1.10
14	PACIFIC CUSTODIANS PTY LIMITED	4,140,083	1.01
15	TSO PTY LTD	4,054,305	0.99
16	MR ZIRONG PU	4,000,000	0.98
17	MR MICHAEL JOHN KOTSANIS	3,868,225	0.95
18	ASHWOOD RIVER PTY LTD	3,800,000	0.93
19	BNP PARIBAS NOMINEES PTY LTD	3,478,748	0.85
20	STRUCTURE INVESTMENTS PTY LTD	3,244,323	0.79
Total		**146,236,979**	**35.73%**

Distribution Schedule - Listed Options (ASX:ACRO)

Range	Securities	%	No. of holders
100,001 and Over	157,119,612	97.91	123
10,001 to 100,000	3,352,565	2.09	58
5,001 to 10,000	0	0.00	0
1,001 to 5,000	0	0.00	0
1 to 1,000	0	0.00	0
Total	**160,472,177**	**100.00**	**181**

124 shareholders hold less than a marketable parcel of listed options, based on the market price at the date set out above.

Largest holders of Options		Number of Options	% Issued Capital
1	THE POOLE FAMILY SUPERANNUATION FUND PTY LTD	19,200,000	11.96
2	MR GABRIEL GOVINDA	15,000,000	9.35
3	EVOLUTION CAPITAL ADVISORS PTY LTD	11,733,945	7.31
4	BNP PARIBAS NOMS PTY LTD	9,415,336	5.87
5	MISHTALEM PTY LTD	7,266,055	4.53
6	PHILLIP ASSET MANAGEMENT LIMITED	5,714,285	3.56
7	DR THOMAS VUI CHUNG CHAI	5,714,284	3.56
8	MR PETER JOHN WIGGINS	5,555,555	3.46
9	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,013,235	3.12
10	MUNGALA INVESTMENTS PTY LIMITED	5,000,000	3.12
11	RIYA INVESTMENTS PTY LTD	3,500,000	2.18
12	STRUCTURE INVESTMENTS PTY LTD	2,857,143	1.78
13	MRS LISA MARIE WIGGINS	2,842,858	1.77
14	NETWEALTH INVESTMENTS LIMITED	2,714,284	1.69
15	ON-RAMP PTY LTD	2,566,667	1.60
16	GOFFACAN PTY LTD	2,428,395	1.51
17	MR DONALD CHARLES BRUMLEY	2,285,714	1.42
18	MR THOMAS PATRICK HARDING & MRS BARBARA GENEVIEVE HARDING	1,714,284	1.07
19	MR DANIEL TREVOR CORLETTE	1,571,428	0.98
20	FINCLEAR SERVICES PTY LTD	1,539,665	0.96
Total		**113,633,133**	**70.81**

GLOSSARY

Term	Abbreviation	Description
Abbreviated New Drug Application	ANDA	An application for a generic drug approval for an already approved drug, evaluated by the FDA's Centre for Drug Evaluation and Research, Office of Generic Drugs. Applicants must demonstrate bioequivalence to the approved drug and once approved, an applicant may manufacture and market the generic drug product in the US as a safe, effective, low cost alternative.
Acyclovir 5%, Cream		Indicated in the United States for the topical treatment of cold sores.
Active Pharmaceutical Ingredient	API	The API is the active substance in medicines which is responsible for the therapeutic effect.
Addressable market		Total market sales value and volume of a pharmaceutical product in a specific dosage form as reported by IQVIA.
Bioequivalence/ Bioavailability		Bioequivalence studies compare the bioavailability of the proposed drug product with the Reference Listed Drug ('RLD'). Bioequivalence is the absence of a significant difference in the rate and extent the active ingredient becomes available at the site of drug action when administered at the same dose under similar conditions. Bioavailability is the rate and extent the active ingredient is absorbed and becomes available at the site of action
Contract Development Organisation	CDO	A CDO serves other companies in the pharmaceutical industry on a contract basis to provide development services.
Contract Manufacturing Organisation	CMO or CDMO	A CMO serves other companies in the pharmaceutical industry on a contract basis to provide services from drug development through drug manufacturing.
Contract Research Organisation	CRO	A CRO provides research services to other companies in the pharmaceutical industry on a contract basis. CROs may be involved in all aspects of clinical development, from initial drug discovery through pre-clinical and clinical trials and regulatory approval.
Dapsone Gel		Indicated in the United States for the topical treatment of acne vulgaris, registered by Acrux in both the 5% and 7.5% strengths.
Estradiol		Estradiol is a form of estrogen a hormone produced by the ovaries and is used to treat menopause symptoms.
Evamist®		Brand name for Acrux's unique Estradiol Spray product in the United States. The Evamist® trademark is owned by Lumara Health and sublicensed to Padagis.
Extraordinary General Meeting	EGM	Extraordinary General Meeting of shareholders.
Food and Drug Administration	FDA	The FDA is responsible for the promotion and protection of health in the US and to ensure medicines are safe and effective. It regulates and supervises prescription and over-the-counter pharmaceuticals.
Generic medicine		A generic medicine provides the same quality, safety and efficacy as the original brand name product and undergoes strict scrutiny before it is approved by national regulatory authorities.
Good Manufacturing Practice	GMP or cGMP	GMP (also 'cGMP' or 'current Good Manufacturing Practice') is the aspect of quality assurance that ensures medicinal products are consistently produced and controlled to the quality standards appropriate to their intended use and as required by the product specification.
In-vitro Permeation Testing	IVPT	IVPT studies across biological membranes for formulations that are applied to the skin are vital to guide product development and establish product bioequivalence. IVPT is a critical tool for understanding bioavailability and drug delivery into the various layers of skin.

Term	Abbreviation	Description
In-vitro Release Testing	IVRT	Measurement of drug release from dosage forms applied topically for the purpose of bioequivalence testing. IVRT allows for targeted and systematic drug development and guides the establishment of bioequivalence. IVRT involves subjecting the drug formulation to conditions to induce drug release across a membrane and quantitating the amount released under those conditions.
IQVIA		IQVIA Inc, is a US based multinational company which provides, on a subscription basis, pharmaceutical industry market data.
Nitroglycerin 0.4%, Ointment		Indicated in the United States for moderate to severe pain associated with chronic anal fissure.
Omnibus Equity Plan	OEP	Approved at 2023 AGM to govern the issue of Acrux securities to employees and Directors.
Padagis		Padagis US LLC is a market leading pharmaceutical manufacturer in the US offering high quality generic and specialised pharmaceutical and OTC products. Padagis' line of topicals includes prescription creams, ointments, suspensions, gels, foams, sprays, patches, nasal, and suppositories.
Pooled Development Fund	PDF	The Pooled Development Fund Act 1992 was established by the Australian Federal Government to increase the supply of capital to small and medium-sized enterprises to support their growth and development, creating industry and jobs for Australia. A concessional tax regime applies to registered PDF companies.
Prilocaine 2.5% and Lidocaine 2.5%, Cream		Indicated in the United States as a topical anaesthetic for use on normal intact skin for local analgesia or genital mucous membranes for superficial minor surgery and pre treatment for infiltration anaesthesia.
Product-Specific Guidance	PSG	To facilitate generic drug product availability and identify the most appropriate methods for developing drugs and generating evidence to support ANDA approval, the FDA publishes product specific guidance describing their current thinking and expectations on the development of generic drug products.
Reference Listed Drug	RLD	FDA approved drug product with established safety and effectiveness serving as the reference for generic drug approval. A generic product must be demonstrated to be the same as the RLD in terms of active ingredients, conditions of use, route of administration, dosage form, strength and labelling.
Research and Development Tax Incentive	RDTI	The Research and Development Tax Incentive Rebate is a tax offset for companies conducting eligible research and development (R&D) activities in Australia.
Servacure		Servacure Trading W.L.L. has been licensed by Acrux to manufacture and sell Dapsone 5%, Gel in Saudi Arabia.
Therapeutic Goods Administration	TGA	The authority responsible for the regulation of therapeutic goods in Australia, including medicines and medical devices.
Total Shareholder Returns	TSR	Total Shareholder Returns, measured by the annual share price increase.
Transdermal		Transdermal is a route of administration wherein active pharmaceutical ingredients are delivered across the skin for systemic distribution.
TruPharma		TruPharma, LLC is a front-end pharma sales and marketing company focused on commercialising branded and generic prescription drugs for the US Market. TruPharma has a diverse portfolio of products across multiple channels and operated by a team of experienced executives focused on getting complex products approved and marketed.
Topical		Topical is a route of administration wherein active pharmaceutical ingredients are applied to or affect a localised area of the body.

Pooled Development Fund

The information set out below is of a general nature only and may vary from person to person dependent on their circumstances. Any shareholder or prospective shareholder should obtain their own taxation advice rather than relying on this general summary.

Acrux Limited is a Pooled Development Fund (PDF), registered under the Pooled Development Fund Act 1992(the PDF Act) since 7 July 1999. A PDF is a company that is resident in Australia which is registered and regulated by the PDF Registration Board in accordance with the PDF Act.

Shareholders of PDFs are entitled to concessionary tax treatment in Australia. Typically, no capital gains tax is payable in relation to the sale of PDF shares and dividends are exempt from income tax. Thus, profits derived by shareholders are typically tax free and this concessionary tax treatment should be available to investors that hold their interests directly and indirectly through non-corporate trusts and partnerships.

Gains realised by an investor from disposal of shares in the Group will not be included in the investor's assessable income in Australia because:

— Where the gain on sale would be ordinary income of the investor, the gain will be treated as exempt income; and
— Where the gain on sale would be a capital gain, it is specifically excluded from the capital gains tax provisions of the Income Tax Assessment Act 1997.

Equally, an investor will not be entitled to any deduction or capital loss on the sale of the Company's shares.

Australian resident shareholders can elect to treat dividends as exempt from tax. Unfranked PDF distributions and the unfranked part of a franked distribution are exempt from tax and a franked portion of a PDF distribution is also exempt from income tax unless the shareholder elects to be taxed on it.

CORPORATE DIRECTORY

COMPANY INFORMATION

Directors

Ross Dobinson – Non-executive Director and Chairman
Geoff Brooke – Non-executive Director
Don Brumley – Non-executive Director
Tim Oldham – Non-executive Director
John Warmbrunn – CEO and Managing Director

Company Secretary

Joanna Johnson

Registered Office

103-113 Stanley Street
West Melbourne
Victoria 3003

Principal Business Address

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E: info@acrux.com.au
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Australian Business Number

72 082 001 152   Auditor
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Share Registry

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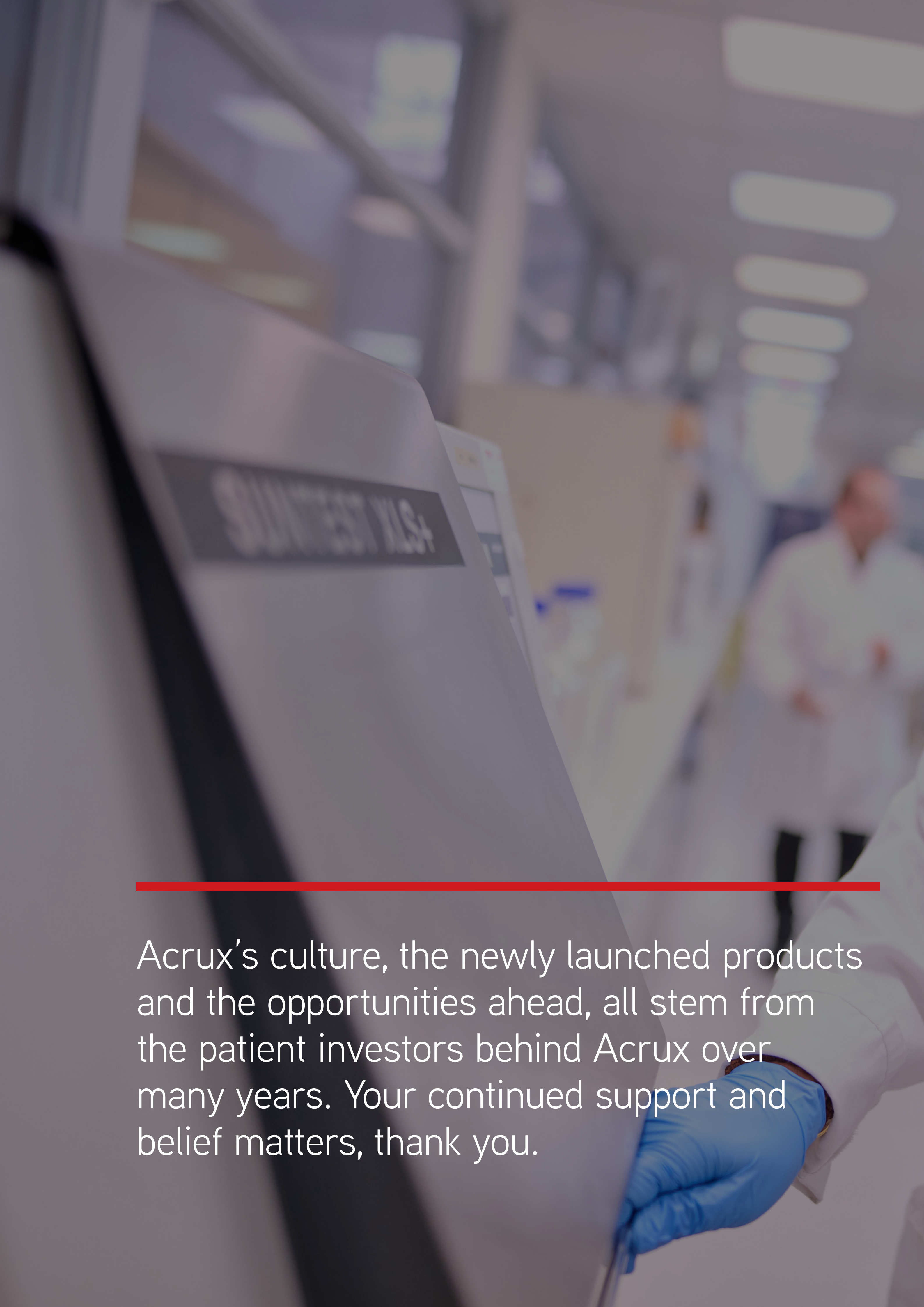
Australian Securities Exchange Listing

Australian Securities Exchange Limited
(Home Exchange: Melbourne, Victoria)
ASX Code: ACR

For further information about Acrux and its operations, refer to Company Announcements of the ASX and the Company website: Acrux.com.au



Acrux's culture, the newly launched products and the opportunities ahead, all stem from the patient investors behind Acrux over many years. Your continued support and belief matters, thank you.

Indie, Analytical Development Scientist

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