# Kazia Therapeutics Limited

## ABN 37 063 259 754

# Directors' report and financial statements - 30 June 2025

**Kazia Therapeutics Limited**
**Corporate directory**
**30 June 2025**

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|---|---|
| Directors | Mr Bryce Carmine<br>Mr Steven Coffey<br>Mr Robert Apple<br>Mrs Ebru Davidson |
| Company secretary | Ms Elissa Hansen |
| Registered office | Three International Towers,<br>Level 24<br>300 Barangaroo Avenue<br>Sydney NSW 2000 |
| Principal place of business | Three International Towers,<br>Level 24<br>300 Barangaroo Avenue<br>Sydney NSW 2000 |
| Auditor | BDO Audit Pty Ltd<br>Level 25<br>252 Pitt Street<br>Sydney NSW 2000 |
| Website | www.kaziatherapeutics.com |

**Kazia Therapeutics Limited**
**Directors' report**
**30 June 2025**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Kazia Therapeutics Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

**Directors**
The following persons were Directors of Kazia Therapeutics Limited (ABN 37 063 259 754) during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dr John Friend
Bryce Carmine
Steven Coffey
Ebru Davidson
Robert Apple

**Principal activities**
During the financial year the principal continuing activity of the consolidated entity consisted of pharmaceutical research and development with a view to commercialising the results of our research through license transactions or other means.

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

**Review of operations**
The loss for the consolidated entity after providing for income tax amounted to $20,701,922 (30 June 2024: $26,778,014).

The attached financial statements detail the performance and financial position of the consolidated entity for the year ended 30 June 2025.

*Cash resources*
At 30 June 2025, the consolidated entity had total funds, comprising cash at bank and on hand of A$4,344,691 (2024: A$1,657,478).

*Going concern*
The Consolidated entity incurred a loss after income tax of $20,701,922 (2024: $26,778,014), was in a net current liability position of $9,119,727 (2024: $19,652,664) and had net cash outflows from operating activities of $13,279,618 (2024: $9,581,353) for the year ended 30 June 2025.

As at 30 June 2025 the consolidated entity had cash and cash equivalents of $4,344,691 (2024: $1,657,478).

The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities and realization of assets and settlement of liabilities in the normal course of business. As is often the case with drug development companies, the Company has not generated significant revenues nor does the Company anticipate generating significant revenues in the near future. The ability of the Consolidated entity to continue its development activities as a going concern is dependent upon it deriving sufficient cash from investors, from licensing and partnering activities, and from other sources of revenue such as grant funding, and remaining listed on a stock exchange.

The events and conditions noted above give rise to the existence of a material uncertainty that may cast significant doubt about the Consolidated entity's ability to continue as a going concern and, therefore, the Consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors have considered the cash flow forecasts and the funding requirements of the business and continue to explore grant funding, licensing opportunities and equity investment opportunities in the Company. The Directors note the following with regards to the ability of the Consolidated entity to continue as a going concern:

- On 12 May 2025, the Company received a notification (the Notification) from the Listing Qualifications Staff of the Nasdaq Stock Market LLC (Nasdaq) notifying the Company that from 28 March 2025 to 9 May 2025, the Company's Market Value of Listed Securities (MVLS) was below the minimum of $35 million. The Notification has no immediate impact on the Company's operations or listing and Kazia's American Depositary Shares (ADSs) will continue to trade on the Nasdaq Capital Market under the ticker "KZIA". In accordance with Nasdaq Listing Rule 5810(c)(3)(C), the Company has 180 calendar days to regain compliance with the MVLS Requirement;

- On November 12, 2025, the Company received a staff determination letter (“Staff Letter”) from the Staff of Nasdaq indicating that the Company had not regained compliance with the MVLS Requirement by November 10, 2025. The Company requested a hearing before the Panel. The hearing request will automatically stay any suspension or delisting action pending the hearing and the expiration of any additional extension period granted by the Panel following the hearing.

- The at-the-market’ equity program ("ATM") allows the Company to raise capital dynamically in the market, with no discount, no warrant coverage, and modest banking fees, allowing it to fund operations with minimal dilution to existing shareholders. An ATM with Oppenheimer & Co. Inc. (Oppenheimer) as sales agent was established in May 2022. Under the ATM, Kazia may offer and sell via Oppenheimer, in the form of American Depository Shares (ADSs), with each ADS representing 500 ordinary shares. Kazia entered into an Equity Distribution Agreement, dated as of 22 April 2022 (the "Sales Agreement"), with Oppenheimer, acting as sales agent for an initial capacity of US$35 million. On 4 September 2024, the Equity Distribution Agreement was amended to increase the aggregate offering price to US$50 million. On 10 July 2025, the Company terminated the ATM with Oppenheimer and on July 25, 2025, Kazia entered into an At the Market Offering Agreement with Rodman & Renshaw LLC (“Rodman”), as sales agent, under which the Company may offer and sell, from time to time through Rodman, American Depositary Shares (“ADSs”), each ADS representing five hundred (500) ordinary shares, no par value per share, of the Company (the “Ordinary Shares”).

- During the year ended 30 June 2025, US$4,556,252 was drawn down from the ATM facility compared to US$1,656,016 for the year ended 30 June 2024. At 30 June 2025 the remaining capacity of the ATM was US$36.63 million.

- From July through October 2025, the Consolidated entity raised total proceeds of US$1,441,826 using the ATM facility and the company executed a private placement of equity securities (PIPE), raising US$2,049,992. The Company continues to seek additional funding sources both in Australia and overseas. For the same period, the Consolidated Entity did not raise any proceeds through its equity line of credit facility.

The directors have considered the cash flow forecasts and the funding requirements of the business and continue to explore additional funding sources in both Australia and overseas including grant funding, licensing opportunities and equity investment opportunities in the Company.

Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. Should the above circumstances do not eventuate the entity may be unable to realise its assets and discharge it liabilities in the normal course of business and at the amounts stated in these consolidated financial statements.

## Kazia Therapeutics Limited Clinical Pipeline Overview

The ongoing principal business of the Company has been pharmaceutical drug development. The Company is an emerging oncology-focused biotechnology company that has a portfolio of development candidates, diversified across several distinct technologies, with the potential to yield first-in-class and best-in-class agents in a range of oncology indications.

### PAXALISIB

Kazia’s lead program is Paxalisib, (formerly known as GDC-0084), an investigational brain-penetrant inhibitor of the PI3K / Akt / mTOR pathway, that was specifically designed to treat brain cancer.

Paxalisib was developed by Genentech, Inc (South San Francisco, California) and the company entered into a worldwide exclusive license for the asset in October 2016. Prior to this transaction, Genentech had completed an extensive pre-clinical development program that provided convincing validation for Paxalisib as a potential drug for brain cancer. Genentech also completed a phase I clinical trial in 47 patients with advanced recurrent grade III and grade IV glioma (NCT01547546). The most common adverse events were oral mucositis and hyperglycemia. Per ANO criteria, 40% of patients exhibited a best observable response of stable disease, and 26% demonstrated a metabolic partial response on FDG-PET.

The development candidate was granted the International Non-Proprietary Name (INN) ‘Paxalisib’ by the World Health Organisation in December 2019. This was confirmed as the United States Adopted Name ("USAN") by the USAN Council in April 2020. Paxalisib is orally administered and is presented in a 15mg capsule formulation. The development candidate is the subject of IND 112,608 with the U.S. Food and Drug Administration (“FDA”).

Paxalisib is a potent and selective inhibitor of all four isoforms of phosphoinositide-3-kinase (PI3K) and a moderate inhibitor of the mammalian target of rapamycin ("mTOR"). The PI3K / Akt / mTOR signaling axis has been shown to be dysregulated in approximately 85-90% of cases of glioblastoma, per Cancer Genome Atlas, and is considered a promising target in this disease. More generally, five PI3K inhibitors have thus far been approved by FDA, for a range of hematological malignancies and solid tumors, making this a well-validated target in cancer. Paxalisib is distinguished from these products by the fact that it is the only PI3K inhibitor in mainstream clinical development which is known to cross the blood-brain barrier, a crucial prerequisite for any novel treatment in brain cancer.

Paxalisib's mechanism is therefore entirely distinct from that of temozolomide, the existing FDA-approved standard of care treatment. Temozolomide functions primarily by alkylating guanine residues in DNA, thereby inhibiting cell division in the rapidly-growing tumor. Paxalisib, by contrast, inhibits a biochemical control signal, and is therefore associated with a very different resistance and toxicity profile.

Paxalisib is the subject of granted or pending composition-of-matter patents in all key territories. In general, the expiry of these patents is in December 2031. However, the company expects that it will be able to secure patent term extensions in the most substantial markets, including US, EU, China, Japan, and Korea, and that these extensions will provide effective protection until 2036. In addition, the company has recently received notice of grant for a patent protecting the manufacturing process associated with Paxalisib, and this will provide an additional layer of protection in relevant territories until 2036.

Paxalisib was granted orphan drug designation ("ODD") by the FDA for glioblastoma in February 2018, and for the broader indication of glioma in August 2020 and ODD for atypical rhabdoid/teratoid tumours ("AT/RT"), a rare highly-aggressive childhood brain cancer, in June 2022. The development candidate also received Fast Track designation ("FTD") for glioblastoma in August 2020, and Rare Pediatric Disease Designation ("RPDD") for diffuse midline gliomas in August 2020. On July 6, 2023, Kazia announced that Paxalisib had been awarded FTD by the FDA for the treatment of solid tumor brain metastases harboring PI3K pathway mutations in combination with radiation therapy. Collectively, these designations provide opportunities for enhanced access to FDA, a waiver of Prescription Drug Use Fee Act ("PDUFA") fees, a period of regulatory exclusivity and, in the specific case of RPDD, the potential to secure a pediatric Priority Review Voucher (pPRV) should this program be legislatively extended after statutory sunset dates, and if paxalisib is the first approved product in this indication.

Brain cancers account for about 15% of pediatric cancers and are the second most common type of cancer in children whereas over 300,000 adults are diagnosed every year with primary brain cancer. We believe Paxalisib, by design, has the potential to be an integral component to precision medicine. As a targeted therapeutic, we have focused many of the ongoing trials to evaluate Paxalisib in patients who have PI3K pathway mutations. Enrolling clinical trials with patients who have the potential to have the greatest response and benefits accelerates clinical trial recruitment and time to commercialization. The overall clinical development strategy for Paxalisib has been crafted into three core pillars. Within the adult brain cancer pillar, we have four ongoing clinical studies across three different patient populations. There are two actively recruiting clinical studies and one recently completed study in the pediatric brain cancer pillar. Within the brain metastases pillar, there are three ongoing studies.

**Paxalisib in Adult Brain Cancer**
Glioblastoma ("GBM") is a fast-growing and aggressive brain tumour. Paxalisib is being developed primarily for the ~65% of newly1diagnosed unmethylated GBM patients who generally do not respond to existing chemotherapy with temozolomide. The final data from a phase II study in newly diagnosed GBM patients reported promising signals of clinical activity with paxalisib and was presented at two global conferences in 2023.

GBM AGILE Pivotal study Phase II / III Clinical Trial in Glioblastoma (NCT03970447)
Paxalisib commenced recruitment to GBM AGILE a phase II / III adaptive clinical trial in glioblastoma, in January 2021. GBM AGILE (Glioblastoma Adaptive Global Innovative Learning Environment) is sponsored by the Global Coalition for Adaptive Research, a US1based 501©(3) non-profit organization dedicated to advancing the development of new therapies via the application of cutting-edge statistical methodologies. The goal is to expedite the approval of new drugs for this disease. The study is a platform study, or master protocol study, in which multiple experimental agents are evaluated in parallel, and are compared against a shared control arm. The paxalisib arm enrolled two patient populations: newly diagnosed patients with unmethylated MGMT promotor status, and recurrent patients.

On 1 August 2022, the Consolidated entity announced that it had been informed by GCAR that the paxalisib arm had not graduated to the second stage of the GBM AGILE study, and that recruitment had therefore completed with approximately 150 patients enrolled to the first stage. Those patients remain ongoing, with initial data obtained in 1H CY2024. The interim ‘graduation’ analysis may have been affected by the rapid and back-loaded recruitment profile of the study and does not preclude a positive outcome in the final data.

On 10 July, 2024, Kazia announced results from the GBM-AGILE study. A total of 313 newly diagnosed unmethylated ("NDU") patients and recurrent patients being treated at top U.S. cancer hospitals were randomized to either a paxalisib treatment arm (up to 60 mg/day) or the Standard of Care ("SOC") concurrent control arm from January 2021 to May 2022. For the primary analysis the median Overall Survival ("OS") was 14.77 months for paxalisib-treated NDU patients (n=54) versus 13.84 months for cumulative SOC NDU patients (n=75). For a prespecified secondary analysis in the NDU patients, median OS was 15.54 months in the paxalisib arm (n=54) versus 11.89 months for concurrent SOC (n=46). In addition, a prespecified sensitivity analysis in NDU patients showed similar median OS difference between paxalisib treated patients (15.54 months) and concurrent SOC patients (11.70 months). An efficacy signal was not detected in the recurrent disease population (median OS of 9.69 months for concurrent SOC (n=113) versus 8.05 months for paxalisib (n=100). Based on the totality of clinical and preclinical data from all completed studies of paxalisib in newly diagnosed unmethylated glioblastoma (GBM), Kazia has met with the U.S. Food and Drug Administration (FDA) in December 2024 to review the results. Following this discussion, the FDA indicated that the current data are not sufficient to support a new drug application (NDA) at this time and recommended that Kazia obtain additional clinical evidence to further characterize paxalisib’s efficacy and safety in this population. The Company is evaluating these recommendations and potential next steps for paxalisib, including the design of future clinical studies and potential regulatory pathways.

LUMOS2 phase II study
Kazia is supporting the University of Sydney on a molecularly guided phase II clinical study evaluating paxalisib in adult patients with recurrent/progressive isocitrate dehydrogenase (IDH) mutant grade 2 and 3 gliomas (G2/3 gliomas). The LUMOS2 study is sponsored 22 by the University of Sydney with a goal of investigating targeted therapeutics in these patients who have limited options. The study is expected to enroll up to 76 patients with PI3K pathway mutations and will be a multicenter study at several Australian sites, with the potential to expand internationally. Enrollment in the study is ongoing.

Weill Cornell Medicine Phase II Study in Glioblastoma in Combination with Ketogenesis (NCT05183204)
In June 2021, the company entered into an agreement with Weill Cornell Medicine for an investigator-initiated phase II clinical trial combining paxalisib with ketogenesis in patients with newly- diagnosed and recurrent glioblastoma. The study is actively enrolling in two cohorts of GBM patients, and we anticipate providing an update to this study in 2025.

Dana Farber Cancer Institute (DFCI) Phase II Study in Primary Central Nervous System Lymphoma (PCNSL) (NCT04906096)
Professor Lakshmi Nayak is the Principal Investigator to a phase II clinical study of paxalisib in patients with primary CNS lymphoma (PCNSL) (NCT04906096). We believe the unique brain-penetrant qualities of paxalisib make it suitable for investigation in this patient group. Study enrollment is ongoing and expected to recruit approximately 25 patients.

**Paxalisib in Paediatric Brain Cancer**
Brain cancer is the most common malignancy of childhood and represents about one third of all childhood cancer deaths. The PI3K/AKT/mTOR pathway is frequently upregulated in pediatric cancers and therefore therapeutics that target those pathways could lead to well long-awaited regulatory approvals. DIPG is the most common of a group of childhood brain cancers known as diffuse midline gliomas ("DMGs"). The disease has no FDA approved drug treatments and average survival from diagnosis is approximately 10 months. Kazia recognizes the critical importance and immense unmet need and is exploring paxalisib in two common forms of childhood cancer-DIPGs and Advanced Childhood Cancer with PI3K/mTOR mutations.

St Jude Children's Hospital Phase I Study in Diffuse Intrinsic Pontine Glioma (DIPG) (NCT03696355)
In February 2020, the company's collaborators at St Jude Children's Research Hospital in Memphis, TN completed recruitment to a phase I investigator- initiated clinical study of paxalisib in diffuse intrinsic pontine glioma (DIPG), a rare but highly aggressive childhood brain cancer with no approved pharmacological treatments. The St Jude study (NCT03696355) sought to establish a maximum tolerated dose ("MTD") in the pediatric population before enrolling an expansion cohort to seek definitive signals of efficacy. In September 2019, the company announced that a pediatric MTD of 27 mg/m2 had been determined, which is approximately comparable to the doses used in adult clinical studies. The investigators reported interim data in an oral presentation at the SNO Annual Meeting in November 2020. The study met its primary objective and determined a maximum tolerated dose for pediatric use of 27 mg/m2. 27 patients were recruited, of whom 24 received at least one dose of paxalisib. The safety profile and pharmacokinetics were highly consistent with the adult data. Clinical study report is anticipated in 2026.

PNOC022 phase II Study in Diffuse Intrinsic Pontine Glioma (DIPG) (NCT05009992)
In December 2020, the company entered into a letter of intent with the Pacific Pediatric Neuro-Oncology Consortium (PNOC), an international consortium focused on the development of novel combination therapies, to execute an investigator-initiated phase II adaptive platform study of paxalisib in patients with DIPG and other DMGs, a group which collectively constitutes one of the most aggressive childhood cancers. The study will explore paxalisib in combination with ONC-201, a small-molecule investigational new drug which targets dopamine receptor D2 (DRD2), and which is manufactured by Oncoceutics, Inc, a wholly-owned subsidiary of Chimerix, Inc. Preliminary results were presented at Society of Neuro-Oncology 2023 Annual meeting on November 19, 2023. Sixty1eight patients with DMG were enrolled and the Median OS from time of diagnosis was 16.5 months (lower 95% confidence interval ("CI") 11.6 months) with a median follow-up time of 9.9 months (95% CI: 8.5, 11.4). Most common grade 3 and above treatment-related adverse events were decreased neutrophil count (n=4); mucositis (n=3); and, colitis, drug reaction with eosinophilia and systemic symptoms, decreased lymphocyte count, hyperglycemia, and hypokalemia (n=2). On June 27, 2024, Kazia announced that updated clinical data from the study will be presented at 21st International Symposium on Pediatric Neuro-Oncology. Highlights of the presentation included median overall survival of 13.2 months in Cohort 1 (newly diagnosed, enrolled pre-radiation n=33), 15.8 months 23 in Cohort 2 (newly diagnosed, enrolled post-radiation n=69) and 8.8 months in Cohort 3 (relapsed patients, enrolled after progression n=30). Further analyses are ongoing by Pediatric Neuro-Oncology Consortium ("PNOC") researchers and updates are expected in 2025.

OPTIMISE phase II study
Kazia entered into a collaboration with the Australian and New Zealand Children's Haematology / Oncology Group in March 2023 for a phase II clinical study examining paxalisib as a targeted therapeutic in children with advanced solid tumours, including brain tumours. The study, named OPTIMISE, is the first Australian-led clinical trial to combine paxalisib and chemotherapy for children with PI3K pathway mutations in their tumours. Enrollment for this study is ongoing.

**Paxalisib in Brain Metastases**
Brain metastases occur when cancer cells spread from their original site to the brain, and treatment options are very limited. Brain metastases are a common complication of many tumours, but are particularly common in breast cancer, lung cancer, and melanoma and account for 67% to 89% of all cancers. Brain metastases are typically highly resistant to treatment and survival rates are generally low. Radiotherapy is a common treatment modality for brain metastases. Despite some efficacy, patients typically become resistant over time, and repeat courses of radiotherapy can be associated with significant neurological toxicity. Additionally, PI3K pathway mutations are common in brain metastasis and are frequently associated with a worse prognosis.

MSKCC phase I clinical study in Brain Metastases in Combination with Radiotherapy (NCT04192981)
Paxalisib is the subject of an ongoing phase I clinical study in patients with brain metastases and leptomeningeal metastases who harbor PI3K pathway mutations in combination with radiotherapy sponsored by Memorial Sloan Kettering Cancer Center in New York, NY. Encouraging safety and clinical activity from this study was presented by the lead investigator, Dr. Jonathan Yang in August 2022 at the ASCO/SNO CNS meeting held in Toronto, Canada. Interim data from the first stage of the study indicated that all 9 evaluable patients experienced complete or partial response, representing an overall response rate (ORR) of 100%, according to RANO-BM criteria. The patients comprised a range of primary tumors, with breast cancer the most common, representing one third of patients. The company announced that the phase I expansion cohort had reached an early conclusion based on positive safety data and positive clinical response findings observed to date. Final analysis is ongoing and clinical study report is anticipated in 2026.

Alliance for Clinical Trials in Oncology Phase II Genomically-Guided Study in Brain Metastases (NCT03994796)
The Alliance for Clinical Trials in Oncology is sponsoring a phase II multi-drug study of multiple agents in the treatment of brain metastases from any primary tumour (NCT03994796) and substantially funded by the US National Cancer Institute. Three patient cohorts are enrolled in the paxalisib arm: breast cancer, lung cancer, and other tumors. The enrollment is ongoing for all cohorts including the expansion stage of the study in breast cancer brain metastases patients.

Dana Farber Cancer Institute (DFCI) Phase II Study in HER2+ Breast Cancer Brain Metastases in Combination with Trastuzumab (NCT03765983)
Dr Jose Pablo Leone is the Principal Investigator for a phase II study in patients with HER2-positive breast cancer brain metastases, a population for which there are no approved pharmacological treatments, in which paxalisib is administered in combination with Herceptin (trastuzumab), sponsored by Dana-Farber Cancer Institute in Boston, MA. Study enrollment is complete and final clinical study report is anticipated in 2026.

Fast Track Designation
We received FTD by the FDA in July 2023 for paxalisib for the treatment of solid tumour brain metastases harboring PI3K pathway mutations in combination with radiation therapy, based on the promising clinical data from an interim analysis of the MSKCC phase 1 trial. 24

To be awarded FTD, drugs must generally be able to show some potential advantage over existing therapies, either in terms of safety or efficacy. The key benefits of FTD comprise enhanced access to FDA, with regular and more frequent opportunities for consultation and discussion. In addition, drugs with FTD may be eligible for Accelerated Approval, in which a new medicine is approved based on a surrogate endpoint, and Priority Review, in which the standard 12-month review process may be reduced to eight months. Drugs with FTD may also receive a 'rolling review' of their NDA submission, in which sections are submitted for review as they become available, potentially expediting the approval process.

Paxalisib in Advanced Breast Cancer
Preclinical studies conducted in collaboration with QIMR Berghofer demonstrated that paxalisib, exerts potent epigenetic and immunomodulatory effects in triple-negative breast cancer (TNBC) models. These studies showed that paxalisib downregulates tumor-intrinsic resistance pathways and enhances immune recognition when combined with checkpoint blockade. The results provided the mechanistic rationale for advancing paxalisib into a company-sponsored Phase 1b clinical trial evaluating its combination with pembrolizumab (Keytruda®) and chemotherapy in patients with Stage IV TNBC. The ongoing study is designed to establish the recommended Phase 2 dose, assess preliminary safety and efficacy, and explore biomarkers of response. Patient enrollment commenced in 2025, with full enrollment anticipated in 2026. Findings from this program are expected to inform future development of paxalisib-based immunotherapy regimens in breast cancer and potentially in other solid tumors.

**EVT801**
Kazia is also developing EVT801, a small-molecule selective inhibitor of VEGFR3. EVT801 was originally discovered by Sanofi SA and was licensed to Evotec SE as part of a broader transaction. Evotec conducted an extensive program of pre-clinical development, which showed compelling evidence of activity in broad range of animal models. The drug was licensed to Kazia in April 2021.

***EVT801 Worldwide Exclusive License and Intellectual Property***
The Company entered into an exclusive worldwide license agreement with Evotec SE in April 2021, under which Kazia has the right to develop and commercialize the asset in all indications. Evotec stands to receive up to €301 million in contingent milestone payments, and a royalty on net sales. Evotec has no right to direct the development of EVT801, no right of approval for Kazia to sub-license, and no right of first refusal. However, in the event of sub-licensing, Kazia may under certain circumstances share a portion of receipts from a sub-licensee with Evotec.

EVT801 is protected by granted or pending composition-of-matter patents in all key territories, with exclusivity generally through to the early 2030s.

For several decades, it has been clear that growing tumors require an extensive network of newly formed blood vessels and lymphatic vessels to satisfy their substantial nutrient requirements. Drugs which inhibit the formation of new blood vessels (angiogenesis inhibitors) have proven effective in a wide range of solid tumors, with Avastin (bevacizumab) being the best-known example of the class. However, the use of such drugs is limited by hypoxia- induced resistance mechanisms and, in the case of many small-molecule inhibitors, by toxicity. EVT801 was designed to respond to these challenges by selectively targeting lymphangiogenesis, the formation of new lymphatic vessels. Doing so, and with a high degree of selectivity, is expected to provide many of the same benefits as inhibition of angiogenesis, but without the attendant problems of resistance and toxicity.

In addition, drugs which target VEGF receptors have shown the potential to alter the population of immune cells within the tumour micro-environment, thereby potentially making ‘cold’ tumors more susceptible to immuno-oncology agents such as checkpoint inhibitors. We believe that pre-clinical evidence supports this hypothesis with EVT801 and may provide a second and almost entirely distinct mechanism of action through which the EVT801 may provide benefit to cancer patients.

Phase I Study in Advanced Solid Tumors (NCT05114668)
In November 2021, Kazia commenced recruitment to a phase I, first-in-human, multiple-ascending-dose, clinical trial of EVT801 in patients with advanced solid tumors which seeks to explore both of these mechanisms (inhibition of lymphangiogenesis and modulation of tumor immune micro-environment), The trial is being performed at two hospitals in France: Oncopole in Toulouse and Centre Léon Bérard in Lyons and will aim to recruit up to 60 patients with advanced cancer. In addition to the primary endpoints of safety and tolerability, the study is designed to include a rich array of biomarkers that will allow a deeper understanding of the drug’s pharmacology and may inform design of subsequent studies.

On 1 May, 2024, Kazia announced that Stage 1 of the study was complete, and that the primary and secondary endpoints were achieved. A total of 32 patients were enrolled in the study with 26 patients treated across 6 dosing cohorts ranging from 50mg once daily to 500mg twice daily (BID). The MTD was identified as 500mg BID with 400mg BID being the recommended phase 2 dose when given as a monotherapy. Patients with eleven different cancer types (ex. colon, renal cell, pancreatic) were enrolled in the study, with advanced ovarian cancer being the most prevalent indication (11 patients). EVT801 was generally well tolerated across all doses with the majority 25 of toxicities being mild to moderate and transient in nature. In addition, biomarkers have shown strong VEGFR3 expression in multiple indications, and we have observed encouraging clinical activity in High Grade Serous ovarian cancer patients with forty-six percent (46%) having stable disease or for at least three cycles and one patient had a partial response (-39% decrease) after two cycles of EVT801 therapy.

Over the course of FY 2024, interim results from the phase I study including clinical and biomarker EVT801 data have been presented at a number of global conferences, including the American Association for Cancer Research ("AACR") and the European Society for Medical Oncology ("ESMO"). We anticipate providing additional EVT801 updates and presentations of data at future medical conferences including the AACR Ovarian Cancer Research Symposium in September 2024. Plans for phase 2 clinical trial are on hold while exploring regional and strategic partnerships.

**R&D Pipeline**

***Paxalisib in solid tumours***
Kazia’s collaboration with QIMR, one of Australia’s foremost cancer research centers, is currently exploring novel uses of paxalisib in solid tumours. The collaboration is based on research that identified an entirely separate effect of PI3K inhibition: as a modulator of the immune microenvironment within and around the tumour. Administration of PI3K inhibitors such as paxalisib, at doses and frequencies different to those conventionally used, may activate the immune system in the tumour, making it more susceptive to immunotherapy. This could therefore open up an important opportunity for paxalisib in combination with other drugs for the treatment of diseases such as breast cancer and lung cancer. The collaboration is ongoing and will build on initial research that has already led to the filing of a provisional patent in 2022, including the use of paxalisib as an immune modulator in the treatment of diseases such as breast cancer. On 12 September, 2024, Kazia announced that

an agreement had been executed with QIMR Berghofer Medical Research Institute, one of Australia's foremost cancer research centers, to obtain an exclusive license to certain intellectual property rights in relation to combination therapies consisting of PI3K inhibitor drugs, and one or more immunotherapy or PARP inhibitor drugs (PI3K combination).

**Broad Clinical Program Ongoing**

| Sponsor | Phase | Indication | Registration |
|---|---|---|---|
| **PAXALISIB** | | | |
| Kazia Therapeutics | I | Advanced Breast Cancer | ACTRN12624001340527 |
| Global Coalition for Adaptive Research | II / III | Glioblastoma | NCT03970447 |
| Weill Cornell Medicine | II | Glioblastoma *(with ketogenesis)* | NCT05183204 |
| Alliance for Clinical Trials in Oncology | II | Brain metastases | NCT03994796 |
| Dana-Farber Cancer Institute | II | Breast cancer brain metastases *(with Herceptin)* | NCT03765983 |
| Dana-Farber Cancer Institute | II | Primary CNS lymphoma | NCT04906096 |
| University of Sydney | I/II | Grade 2/3 IDH-mutant adult gliomas | ACTRN12623000096651 |
| Pacific Pediatric Neuro-Oncology Consortium | II | DIPG (childhood brain cancer) | NCT05009992 |
| Aus. & NZ Children's Oncology Group | II | Advanced solid tumours in children | NCT06208657 |
| St Jude Children's Research Hospital | I | DIPG | NCT03696355 |
| Memorial Sloan Kettering Cancer Center | I | Brain metastases *(with radiotherapy)* | NCT04192981 |
| **EVT801** | | | |
| Kazia Therapeutics | I | Advanced solid tumours | NCT05114668 |

**Patent Protection**

The Company has an aggressive global Intellectual Property ("IP") strategy to protect its key assets and we have partnered with a large Australian law firm to lodge patents that seek to provide protection for our assets. The patent strategy is adapted for each technology platform and the principle mode of protection is through the patenting procedure, seeking to obtain exclusive licenses for all its key inventions and drug pipeline. The overarching strategy in the IP portfolio is to cover the three critical corner stones of pharmaceutical patent: composition of matter (the breadth structures covered in the patent), method of manufacture (the chemical processes used to manufacture the compounds disclosed in the patent) and method of use. Patents are submitted initially as provisional applications and after 12 months' progress through to a Patent Cooperation Treaty application.

We are continuing to expand our pre-clinical work on Paxalisib and EVT801 through collaborations with research institutions. Where the research programs result in the generation of further patentable subject matter, the Company will pursue an aggressive patent filing strategy based on multiple jurisdictions with a focus on those member countries offering the most significant market opportunities for future development.

**Risks Related to Our Financial Condition and Capital Requirement**

**We have incurred significant net losses since our inception. We expect to incur significant net losses for the foreseeable future and may never achieve or maintain profitability.**

We have incurred significant net losses. We anticipate that we will continue to incur significant net losses for the foreseeable future and we may never achieve or maintain profitability. We are a biotechnology company and have not yet generated

significant revenue. We have incurred losses of A$20.5, A$26.8 million, and A$20.7 million for the fiscal years ended 2023, 2024, and 2025, respectively. We generated revenues of A$42 thousand during 2025 from the licensing of our development stage drug candidates. We generated revenues of A$2.3 million during 2024 from the licensing of our development stage drug candidates. We did not generate any revenues from sales of any of our product candidates in prior financial years.

As of 30 June 2025, we had accumulated losses of A$134.8 million. We have devoted most of our financial resources to research and development, including our clinical development activities. To date, we have financed our operations primarily through the issuance of equity securities, research and development grants from the Australian government and payments from our collaboration partners. While we have generated significant revenue in recent fiscal years from license transactions, the nature of such revenue is irregular and unpredictable, and is based upon achievement of milestones over which we have limited or no control. As a consequence, we expect to continue to incur significant operating losses for the foreseeable future due to the cost of research and development including clinical trials and the regulatory approval process for product candidates. The amount of our future net losses is uncertain and will depend, in part, on the rate of our future expenditures. Our ability to continue operations will depend on, among other things, our ability to obtain funding through equity or debt financings, strategic collaborations or grants.

We anticipate that our expenses will increase substantially if and as we:
• continue our research and clinical development of our product candidates;
• expand the scope of our current clinical studies for our product candidates or initiate additional clinical or other studies for product candidates;
• seek regulatory and marketing approvals for any of our product candidates that successfully complete clinical trials;
• further develop the manufacturing process for our product candidates;
• change or add additional manufacturers or suppliers;
• seek to identify and validate additional product candidates;
• acquire or in-license other product candidates and technologies;
• maintain, protect and expand our intellectual property portfolio;
• create additional infrastructure to support our operations as a public company in the United States and our product development and future commercialisation efforts; and
• experience any delays or encounter issues with any of the above.

The net losses we incur may fluctuate significantly from year to year, such that a period-to-period comparison of our results of operations may not be a good indication of our future performance.

**We have a history of operating losses and we expect to continue to incur losses and may never be profitable.**

Our ability to generate significant revenue and achieve profitability depends on our ability, alone or with strategic collaboration partners, to successfully complete the development of and obtain the regulatory approvals for our product candidates, to manufacture sufficient supply of our product candidates, to establish a sales and marketing organization or suitable third-party alternative for the marketing of any approved products and to successfully commercialize any approved products on commercially reasonable terms. All of these activities will require us to raise sufficient funds to finance business activities. In addition, we do not anticipate generating revenue from commercializing product candidates for the foreseeable future, if ever.

Our ability to generate future revenues from commercializing product candidates depends heavily on:
• successfully initiating and completing clinical trials of our product candidates;
• the timing of the initiation and completion of preclinical studies and clinical trials;
• the timing of patient enrolment and dosing in any future clinical trials;
• the timing of the availability of data from clinical trials;
• expectations about the successful completion of clinical trials;
• obtaining regulatory and marketing approvals for product candidates for which we complete clinical trials;
• the timing of expected regulatory filings;
• expectations about approval by regulatory authorities of our drug candidates;
• the clinical utility and potential attributes and benefits of our product candidates, including the potential duration of treatment effects;
• potential licenses of intellectual property and collaborations;
• the commercialization of our product candidates, if approved;
• expectations regarding expenses, ongoing losses, future revenue and capital needs;
• our financial performance;
• the length of time over which we expect our cash and cash equivalents to be sufficient;
• our intellectual property position and the duration of our patent portfolio;
• maintaining, protecting and expanding our intellectual property portfolio, and avoiding infringing on intellectual property of third parties;
• establishing and maintaining successful licenses, collaborations and alliances with third parties;
• developing a sustainable, scalable, reproducible and transferable manufacturing process for our product candidates;
• establishing and maintaining supply and manufacturing relationships with third parties that can provide products and services adequate, in amount and quality, to support clinical development and commercialization of our product candidates, if approved;
• launching and commercializing any product candidates for which we obtain regulatory and marketing approval, either by collaborating with a partner or, if launched independently, by establishing a sales, marketing and distribution infrastructure;
• obtaining market acceptance of any product candidates that receive regulatory approval as viable treatment options;
• the outcome of corresponding endeavours in respect of competitive or potentially competitive product candidates by other drug development companies;
• obtaining favourable coverage and reimbursement rates for our products from third-party payers;
• addressing any competing technological and market developments;
• identifying and validating new product candidates; and
• negotiating favourable terms in any collaboration, licensing or other arrangements into which we may enter.

Even if one or more of our product candidates is approved for commercial sale, we may incur significant costs associated with commercializing any approved product candidate. As one example, our expenses could increase beyond expectations if we are required by the U.S. Food and Drug Administration, or FDA, or other regulatory agencies, domestic or foreign, to perform clinical and other studies in addition to those that we currently anticipate. Even if we are able to generate revenues from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations, which could have an adverse effect on our business, financial condition, results of operations and prospects.

**We will need additional funding to operate our business; such funding may not be available or, if it is available, such financing is likely to substantially dilute our existing shareholders.**

During the year ended 30 June 2025 we raised A$16 million from the sale of ADSs. We will need to secure additional financing in order to continue to meet our longer-term business objectives, including advancement of our research and development programs and we may also require additional funds to pursue regulatory clearances, defend our intellectual property rights, establish commercial scale manufacturing facilities, develop marketing and sales capabilities and fund operating expenses. We intend to seek such additional funding through public or private financings and/or through licensing of our assets or strategic alliances or other arrangements with corporate partners.
Until we can generate a sufficient amount of product revenue to finance our cash requirements, which we may never achieve, we expect to finance our cash needs primarily through public or private equity offerings, debt financings or through strategic alliances. We cannot be certain that additional funding will be available on acceptable terms or at all. If we are not able to secure additional funding when needed, we may have to delay, reduce the scope of, or eliminate one or more of our clinical trials, collaborative research or development programs or future commercialisation initiatives. In addition, any additional funding that we do obtain will dilute the ownership held by our existing security holders. The amount of this dilution may be substantially increased if the trading price of our shares is lower at the time of any financing. Regardless, the economic dilution to shareholders will be significant if our stock price does not increase significantly, or if the effective price of any sale is below the price paid by a particular shareholder. Any debt financing could involve substantial restrictions on activities and creditors could seek a pledge of some or all of our assets. We have not identified potential sources for the additional financing that we will require, and we do not have commitments from any third parties to provide any future financing, other than the equity line program with Alumni Capital L.P., which is subject to certain restrictions. If we fail to obtain additional funding as needed, we may be forced to cease or scale back operations, and our results, financial condition and stock price would be adversely affected.

**The Company has two product candidates currently in clinical trials. Failure of one or both of these product candidates to show benefit to patients could materially and adversely affect the continuity of our business and our financial condition.**

The Company's lead programs include Paxalisib (formerly GDC-0084), a small molecule inhibitor of the PI3K/Akt/mTOR pathway, and EVT801, a small molecule selective inhibitor of vascular endothelial growth factor receptor 3 ("VEGFR3"). However, even though progress has been made, such as the clinical validation of the PI3K/Akt/mTOR pathway as a target for oncology therapies, development of our product candidates may prove unsuccessful, after completion of clinical trials, due to any failure to provide adequate beneficial effect to cancer patients. It is possible that either or both product candidates may fail to show sufficient benefit as an intended treatment for the specific cancer indication to become commercially viable products, which could materially and adversely affect the continuity of our business and our financial condition.

**The Company has ongoing clinical trials in which experimental therapies are administered to human subjects. If profound and unexpected safety concerns are encountered in clinical trials, it may materially affect the continuity of our business and our financial condition.**

Despite all applicable efforts to characterize the safety profile of our drug development candidates through animal studies and other mechanisms, the possibility of unexpected safety concerns remains. If one or both of our clinical stage candidates were found to be associated with profound and unexpected toxicity or other safety concerns, the Company may be required to cease development of one or both candidates and may additionally incur other impairments to the business including reputational damage, which may materially and adversely affect the continuity of our business and our financial condition.

**There is material uncertainty about our ability to continue as a going concern, which may cast significant doubt on our ability to obtain future financing.**

The Company has limited cash resources and will periodically need additional funds to maintain the planned level of R&D activity. We expect to consume cash and incur operating losses for the foreseeable future as the Company continues developing its oncology drug candidates. The impact on cash resources and results from operations will vary with the extent and timing of future clinical trial programs. While it is not possible to make accurate predictions of future operating results, we expect existing cash and cash equivalents, including the capital raised and under our ATM facility and equity line of credit facility with Alumni Capital L.P., will be sufficient to enable us to continue our research and development activities until approximately March 2026.

As of 30 June 2025, we had cash on hand at the bank of A$4.3 million. The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities and realization of assets and settlement of liabilities in the normal course of business. As is often the case with drug development companies, our ability to continue as a going concern is dependent upon our ability to derive sufficient cash from investors, from licensing and partnering and collaboration activities and from other sources of revenue such as grant funding, and remaining listed on a stock exchange.

The directors have considered the cash flow forecasts and the funding requirements of the business and continue to explore grant funding, licensing opportunities and equity investment opportunities in the Company. The Directors note the following with regards to the ability of the Consolidated entity to continue as a going concern:

- On 12 May 2025, the Company received a notification (the Notification) from the Listing Qualifications Staff of the Nasdaq Stock Market LLC (Nasdaq) notifying the Company that from 28 March 2025 to 9 May 2025, the Company's Market Value of Listed Securities (MVLS) was below the minimum of $35 million. The Notification has no immediate impact on the Company's operations or listing and Kazia's American Depositary Shares (ADSs) will continue to trade on the Nasdaq Capital Market under the ticker "KZIA". In accordance with Nasdaq Listing Rule 5810(c)(3)(C), the Company has 180 calendar days to regain compliance with the MVLS Requirement;

- On November 12, 2025, the Company received a staff determination letter ("Staff Letter") from the Staff of Nasdaq indicating that the Company had not regained compliance with the MVLS Requirement by November 10, 2025. The Company requested a hearing before the Panel. The hearing request will automatically stay any suspension or delisting action pending the hearing and the expiration of any additional extension period granted by the Panel following the hearing.

- The at-the-market' equity program ("ATM") allows the Company to raise capital dynamically in the market, with no discount, no warrant coverage, and modest banking fees, allowing it to fund operations with minimal dilution to existing shareholders. An ATM with Oppenheimer & Co. Inc. (Oppenheimer) as sales agent was established in May 2022. Under the ATM, Kazia may offer and sell via Oppenheimer, in the form of American Depository Shares (ADSs), with each ADS representing 500 ordinary shares. Kazia entered into an Equity Distribution Agreement, dated as of 22 April 2022 (the "Sales Agreement"), with Oppenheimer, acting as sales agent for an initial capacity of US$35 million. On 4 September 2024, the Equity Distribution Agreement was amended to increase the aggregate offering price to US$50 million. On 10 July 2025, the Company terminated the ATM with Oppenheimer and on July 25, 2025, Kazia entered into an At the Market Offering Agreement with Rodman & Renshaw LLC ("Rodman"), as sales agent, under which the Company may offer and sell, from time to time through Rodman, American Depositary Shares ("ADSs"), each ADS representing five hundred (500) ordinary shares, no par value per share, of the Company (the "Ordinary Shares").

- During the year ended 30 June 2025, US$4,556,252 was drawn down from the ATM facility compared to US$1,656,016 for the year ended 30 June 2024. At 30 June 2025 the remaining capacity of the ATM was US$36.63 million.

- From July through October 2025, the Consolidated entity raised total proceeds of US$1,441,826 using the ATM facility and the company executed a private placement of equity securities (PIPE), raising US$2,049,992. The Company continues to seek additional funding sources both in Australia and overseas. For the same period, the Consolidated Entity did not raise any proceeds through its equity line of credit facility.

Furthermore, we are limited by General Instruction I.B.5 to Form F-3 (the "Baby Shelf Rule") as of the filing of this Annual Report, until such time as our non-affiliate public float exceeds $75 million. The amount of funds we can raise through primary non-affiliate public offerings of securities in any 12-month period using our registration statement on Form F-3 is limited to one-third of the aggregate market value of the ordinary shares held by non-affiliates of the Company, which limitation may change over time based on our stock price, number of ordinary shares outstanding and the percentage of ordinary shares held by non-affiliates. These factors raise material uncertainty which may cast significant doubt about our ability to continue as a going concern within one year after the date that the consolidated financial statements are issued. The independent auditor's report for the fiscal year ended 30 June 2025 included an explanatory paragraph in relation to the going concern uncertainty.

If the Company is unable to obtain additional funds on favorable terms or at all, it may be required to cease or reduce its operations. Our future success is dependent upon our ability to obtain additional funding. There can be no assurance, however, that we will be successful in obtaining such funding in sufficient amounts, on terms acceptable to us, or at all. Also, if the Company raises more funds by selling additional securities, the ownership interests of holders of its securities will be diluted.

**Global economic uncertainty caused by rising inflation, political instability, and conflicts and other events of geopolitical significance, such as the conflict between Russia and Ukraine, and the recent conflict between Israel and Gaza, the evolving regulatory activities and economic policies under the current U.S. government, events related thereto, such as changes to candidates or political unrest or otherwise, and changing interest rates and the imposition of tariffs, could adversely affect our business and financial performance.**

Negative global economic conditions may pose challenges to the Company's business strategy, which relies on access to capital from financial markets and/or investment by other companies. Failure to obtain sufficient funding on acceptable terms could have a material adverse effect on our business, results of operations and financial condition. Negative conditions in the global economy, including credit markets and the financial services industry, have generally made equity and debt financing more difficult to obtain, and may negatively impact the Company's ability to complete financing transactions. We are currently operating in a period of economic uncertainty and capital markets disruption, which has been significantly impacted by the geopolitical instability due to the ongoing military conflict between Russia and Ukraine and the conflict between Israel and Gaza. Our business, financial condition, and results of operations may be materially adversely affected by the negative impact on the global economy and capital markets resulting from the conflict in Ukraine or any other geopolitical tensions. U.S. and global markets are experiencing volatility and disruption following the escalation of geopolitical tensions, including the military conflict between Russia and Ukraine and the conflict between Israel and Gaza as well as any additional escalations that may develop in the Middle East region. Although the length and impact of these ongoing military conflicts are highly unpredictable, the conflict in Ukraine and the conflict between Israel and Gaza have led to market disruptions, including significant volatility in commodity prices, credit and capital markets, as well as supply chain disruptions.

Additionally, various of Russia's actions have led to sanctions and other penalties being levied by the U.S., Australia, the European Union, and other countries, as well as other public and private actors and companies, against Russia and certain other geographic areas, including agreement to remove certain Russian financial institutions from the Society for Worldwide Interbank Financial Telecommunication payment system and restrictions on imports of Russian oil, liquified natural gas and coal. Additional potential sanctions and penalties have also been proposed and/or threatened. Russian military actions and the resulting sanctions could further adversely affect the global economy and financial markets and lead to instability and lack of liquidity in capital markets, potentially making it more difficult for us to obtain additional funds.

The duration and severity of these conditions is uncertain, as is the extent to which they may adversely affect the Company's business and the business of current and prospective vendors and collaborators. If negative global economic conditions persist or worsen, the Company may be unable to secure additional funding to sustain its operations or to find suitable collaborators to advance its internal programs, even if positive results are achieved from research and development efforts.

Any of the above-mentioned factors could affect our business, prospects, financial condition, and operating results. The extent and duration of the military action, sanctions, and resulting market disruptions are impossible to predict, but could be substantial.

In addition, there have been, and may continue to be, significant changes to U.S. trade policies, sanctions, legislation, treaties and tariffs, including, but not limited to, trade policies and tariffs affecting products from outside of the U.S. The extent and duration of increased tariffs and the resulting impact on general economic conditions and on our business are uncertain and depend on various factors, such as negotiations between the U.S. and affected countries, the responses of other countries or regions, exemptions or exclusions that may be granted, availability and cost of alternative sources of supply, and demand in affected markets. Supply chain disruptions and delays as a result of any new tariff policies or trade restrictions could also negatively impact our cost of materials and production processes. If we are unable to obtain these chemical or biological intermediates in sufficient quantity and in a timely manner due to disruptions in the global supply chain caused by macroeconomic events and conditions, the development, testing and clinical trials of paxalisib and EVT801 or any other current or future product candidates may be delayed or infeasible, and regulatory approval or commercial launch of any resulting product may be delayed or not obtained, which could significantly harm our business.

If we are unable to raise sufficient funding on acceptable terms due to these or other factors, we may be unable to continue to operate. There is no assurance that we will be successful in obtaining sufficient financing on acceptable terms and conditions to fund continuing operations, if at all. Our failure to obtain sufficient funds on acceptable terms when needed could have a material adverse effect on our business, results of operations and financial condition.

**Changes in tax law could adversely affect our business and financial condition.**

The rules dealing with U.S. federal, state, local and international income taxation are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the U.S. Treasury Department. For example, the One Big Beautiful Bill Act, or the OBBBA, was signed into law on July 4, 2025 and made significant changes to the U.S. federal tax law. Changes to tax laws (which changes may have retroactive application) could adversely affect us or holders of our common stock. For example, under Section 174 of the Internal Revenue Code of 1986, as amended, or the IRC, in taxable years beginning after December 31, 2021, expenses that are incurred for research and development performed outside the U.S. will be capitalized and amortized, which may have an adverse effect on our cash flow. The OBBBA provides that for taxable years beginning after December 31, 2024, expenses that are incurred for research and development performed in the U.S. may, at the taxpayer's election, be immediately deducted or capitalized and amortized. In addition, the OBBBA provides that for taxable years beginning after December 31, 2021 and before January 1, 2025, certain eligible taxpayers generally may elect to retroactively deduct expenses for research and development performed in the U.S. in such taxable years by filing amended tax returns for such taxable years, and all other taxpayers that are not eligible to make such an election and that amortized expenses for research and development performed in the U.S. in such taxable years generally may elect to accelerate and deduct the remaining unamortized amounts of such research and development expenses (i) in the first taxable year beginning after December 31, 2024, or (ii) ratably over the two-taxable year period beginning with the first taxable year beginning after December 31, 2024. In recent years, many changes to tax laws have been made and changes are likely to continue to occur in the future. Future changes in tax laws could have a material adverse effect on our business, cash flow, financial condition or results of operations. We urge investors to consult with their legal and tax advisers regarding the implications of potential changes in tax laws on an investment in our common stock.

**Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, could adversely affect our current and projected business operations and our financial condition and results of operations.**

Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. Although we do not currently have investments with any financial institution that has experienced such events, if any financial institution with which we have a relationship were to be placed into receivership, we may be unable to access such funds. In addition, if any parties with whom we conduct business are unable to access funds pursuant to instruments or lending arrangements with such a financial institution, such parties' ability to pay their obligations to us or to enter into new commercial arrangements requiring additional payments to us could be adversely affected.

Inflation and increases in interest rates have led to a decline in the trading value of previously issued government securities with interest rates below current market interest rates. Although the U.S. Department of Treasury, Federal Deposit Insurance Corporation ("FDIC"), and Federal Reserve Board have announced a program to provide up to $25 billion of loans to financial institutions secured by certain government securities held by financial institutions to mitigate the risk of potential losses on the sale of such instruments, widespread demands for customer withdrawals or other liquidity needs of financial institutions for immediate liquidity may exceed the capacity of such program. Additionally, there is no guarantee that the U.S. Department of

Treasury, FDIC and Federal Reserve Board will provide access to uninsured funds in the event of the closure of other banks or financial institutions in the future, or that they would do so in a timely fashion.

Although we assess our banking relationships as we believe necessary or appropriate, our access to funding sources in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect us, the financial institutions with which we have financial arrangements directly, or the financial services industry or economy in general. These factors could include, among others, events such as liquidity constraints or failures, the ability to perform obligations under various types of financial, credit or liquidity agreements or arrangements, disruptions or instability in the financial services industry or financial markets, or concerns or negative expectations about the prospects for companies in the financial services industry.

In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to our cash and liquidity resources could, among other risks, adversely impact our ability to meet our operating expenses, financial obligations or fulfill our other obligations, result in breaches of our financial and/or contractual obligations or result in violations of federal or state wage and hour laws. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our liquidity and our current and/or projected business operations and financial condition and results of operations.

**Risks Related to Our Business Operations and Employee Matters**

**We may not successfully engage in strategic transactions or enter into new collaborations, which could adversely affect our ability to develop and commercialize product candidates, impact our cash position, increase our expenses and present significant distractions to our management.**

From time to time, we may consider additional strategic transactions, such as collaborations, acquisitions, asset purchases or sales and out- or in-licensing of product candidates or technologies. In particular we will evaluate and, if strategically attractive, seek to enter into additional collaborations, including with major biotechnology or pharmaceutical companies. For example, on October 7, 2025, we announced an exclusive collaboration and in-licensing agreement with QIMR Berghofer Medical Research Institute (“QIMR”) for a first-in-class PD-L1 degrader program. The lead optimized compound, NDL2, is an advanced PD-L1 protein degrader currently in development and represents a new and innovative frontier of cancer immunotherapy. On September 12, 2024, we announced that an agreement has been executed with QIMR to obtain an exclusive license to certain intellectual property rights in relation to combination therapies consisting of PI3K inhibitor drugs, and one or more immunotherapy or PARP inhibitor drugs (PI3K combination). The competition for collaborators is significant, and the negotiation process is time-consuming and complex. Any new collaboration may be on terms that are not optimal for us, and we may not be able to maintain any new or existing collaboration if, for example, development or approval of a product candidate is delayed, sales of an approved product candidate do not meet expectations or the collaborator discontinues the collaboration. Any such collaboration, or other strategic transaction, may require us to incur non-recurring or other charges, increase our expenditures, pose significant integration or implementation challenges or disrupt our management or business.

These transactions would entail numerous operational and financial risks, including exposure to unknown liabilities, incurrence of substantial debt or dilutive issuances of equity securities to pay transaction consideration or costs, higher than expected collaboration, acquisition or integration costs, write-downs of assets or goodwill or impairment charges, increased amortization expenses, difficulty and cost in facilitating the collaboration or combining the operations and personnel of any acquired business, impairment of relationships with key suppliers, manufacturers or customers of any acquired business due to changes in management and ownership and the inability to retain key employees of any acquired business.

Accordingly, although there can be no assurance that we will undertake or successfully complete any additional transactions of the nature described above, any transactions that we do complete may be subject to the foregoing or other risks and have a material adverse effect on our business, results of operations, financial condition and prospects. Conversely, any failure to enter any collaboration or other strategic transaction that would be beneficial to us could delay and make more expensive the development and potential commercialization of our product candidates and have a negative impact on the competitiveness of any product candidate that reaches market.

**Any inability to attract and retain qualified key management and technical personnel would impair our ability to implement our business plan.**

Our success largely depends on the continued service of key management and other specialized personnel. The loss of one or more members of our management team or other key employees or advisors could delay or increase the cost of our research and development programs and materially harm our business, financial condition, results of operations and prospects. The relationships that our key managers have cultivated within our industry make us particularly dependent upon their continued employment with us. We are dependent on the continued service of our technical personnel because of the highly technical nature of our product candidates and the specialized nature of the regulatory approval process for our product candidates. Because our management team and key employees are not obligated to provide us with continued service, they could terminate their employment with us at any time without penalty. We do not maintain key person life insurance policies on any of our management team members or key employees. Our future success will depend in large part on our continued ability to attract and retain other highly qualified scientific, technical and management personnel, as well as personnel with expertise in clinical testing, manufacturing, governmental regulation and commercialization. We face competition for personnel from other companies, universities, public and private research institutions, government entities and other organizations.

**The Company previously identified material weaknesses in connection with its internal control over financial reporting. Although the Company has taken steps to remediate these material weaknesses, the Company may identify other material weaknesses in the future, which could have a significant adverse effect on its business and the trading price of the ADSs.**

For the year ended 30 June 2025, pursuant to Section 404 of the Sarbanes-Oxley Act, the Company was required to furnish a report by our senior management on our internal control over financial reporting. This report is required to include disclosure of any material weaknesses identified by the Company's management in its internal control over financial reporting. However, while the Company remains an non-accelerated filer, it will not be required to include an attestation report on internal control over financial reporting issued by the Company's independent registered public accounting firm. To achieve compliance with Section 404 of the Sarbanes-Oxley Act, the Company has been engaged in a process to document and evaluate its internal control over financial reporting, which is both costly and challenging. In this regard, the Company will need to continue to dedicate internal resources, potentially continue to engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. In addition, we may identify deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our ADSs. For example, management previously reported, in the Company's Annual Report for the year ended 30 June 2023, a material weakness in its internal control over financial reporting related to the incorrect application of accounting standards in relation to the acquisition of the EVT-801 intangible asset and the related contingent consideration. The calculation was found to contain errors as discounting for the time value of money was not considered on initial recognition. This was the result of a lack of personnel with specialist accounting knowledge. The material weakness as reported in the Company's Annual Report for the year ended 30 June 2023 has been remediated as of 30 June 2024. However, we may identify other material weaknesses in the future, which could have a significant adverse effect on its business and the trading price of the ADSs.

**Our collaborations with outside scientists and consultants may be subject to restriction and change.**

We work with medical experts, chemists, biologists and other scientists at academic and other institutions, and consultants who assist us in our research, development and regulatory efforts, including the members of our scientific advisory board. In addition, these scientists and consultants have provided, and we expect that they will continue to provide, valuable advice regarding our programs and regulatory approval processes. These scientists and consultants are not our employees and may have other commitments that would limit their future availability to us. If a conflict of interest arises between their work for us and their work for another entity, we may lose their services. In addition, we are limited in our ability to prevent them from establishing competing businesses or developing competing products. For example, if a key scientist acting as a principal investigator in any of our future clinical trials identifies a potential product or compound that is more scientifically interesting to professional interests, their availability to remain involved in any future clinical trials could be restricted or eliminated.

**We face potential product liability claims, and, if successful claims are brought against us, we may incur substantial liability and costs. If the use of our product candidates harms patients, or is perceived to harm patients even when such harm is unrelated to our product candidates, our regulatory approvals could be revoked or otherwise negatively impacted and we could be subject to costly and damaging product liability claims.**

The use of our product candidates in clinical trials and the sale of any products for which we may in the future obtain marketing approval exposes us to the risk of product liability claims. Product liability claims might be brought against us by consumers, healthcare providers, pharmaceutical companies or others selling or otherwise coming into contact with our product candidates. There is a risk that our product candidates may induce adverse events. If we cannot successfully defend against product liability claims, we could incur substantial liability and costs. In addition, regardless of merit or eventual outcome, product liability claims may result in:

- impairment of our business reputation;
- withdrawal of clinical trial participants;
- costs due to related litigation;
- distraction of management’s attention from our primary business;
- substantial monetary awards to patients or other claimants;
- the inability to commercialize our product candidates;
- decreased demand for our product candidates, if approved for commercial sale; and
- increased cost, or impairment of our ability, to obtain or maintain product liability insurance coverage.

**We may use our limited financial and human resources to pursue a particular research program or product candidate and fail to capitalize on programs or product candidates that may be more profitable or for which there is a greater likelihood of success.**

Because we have limited resources, we may forego or delay pursuit of opportunities with certain programs or product candidates or for indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs for product candidates may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through strategic collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate, or we may allocate internal resources to a product candidate in a therapeutic area in which it would have been more advantageous to enter into a collaboration arrangement.

**Our internal computer and information technology systems, or those of our collaborators and other development partners, third-party Contract Research Organizations (CROs) or other contractors or consultants, may fail or suffer security breaches, which could result in a disruption of our product development programs.**

Despite the implementation of security measures, our internal computer and information technology systems and those of our current and any future CROs and other contractors, consultants and collaborators are vulnerable to damage from computer viruses, cyber-attacks, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Such events could cause interruptions of our operations. While we have not experienced any material system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a disruption of our development programs and our business operations, whether due to a loss of our trade secrets or other similar disruptions. One of our major suppliers did experience a cyber attack in April 2023 but it did not result in any material system failure and had no long term impact on our business. For example, the loss of clinical trial data from ongoing or future clinical trials or data from pre-clinical studies could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on third parties to manufacture our product candidates and will rely on third parties to conduct future clinical trials, and similar events relating to their computer systems could also have similar consequences to our business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our product candidates could be delayed and become more expensive.

**Our ability to utilise our net operating losses and certain other tax attributes may be limited.**

We have substantial carried forward tax losses which may not be available to offset any future assessable income. In order for an Australian corporate taxpayer to carry forward and utilize tax losses, the taxpayer must pass either the continuity of ownership test (the "COT"), or, if it fails the COT, the same business test (“SBT”), or similar business test, in respect of relevant tax losses.

We have not carried out any formal analysis as to whether we have met the COT or, failing the COT, the SBT or similar business test over relevant periods. In addition, future shareholding changes may result in a significant ownership change for us. It is therefore uncertain as to whether any of our tax losses carried forward as of 30 June 2025 will be available to be carried forward and available to offset our assessable income, if any, in future periods.

**Inadequate funding for the FDA, the SEC, the National Institutes of Health (“NIH”), and other government agencies, including from government shutdowns, or other disruptions to these agencies’ staffing and operations, could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.**

Currently, federal agencies in the U.S. are operating under a federal government shutdown due to the expiration of the continuing resolution on September 30, 2025. The duration of the current government shutdown is unknown. In addition, the current U.S. administration is focused on reducing costs of the federal government generally, including significantly reducing the number of government employees. Without appropriation of additional funding to federal agencies, our business operations related to our product development activities for the U.S. market could be impacted. The ability of the FDA to review and approve new products and NIH’s ability to conduct and partner with industry on important research can be affected by a variety of factors, including government budget and funding levels, the ability to hire and retain key personnel and accept the payment of user fees, layoffs, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities, is subject to the political process, including executive and congressional priorities, which is inherently fluid and unpredictable.

Disruptions at the FDA and other federal agencies, including substantial leadership departures, personnel cuts, and policy changes, may also slow the time necessary for new drugs to be reviewed and/or approved, which would harm our business. Changes and cuts in FDA staffing have been reported by some within the pharmaceutical industry as creating instances of delays in the FDA’s responsiveness or in its ability to review IND submissions or applications, issue regulations or guidance, or implement or enforce regulatory requirements in a timely fashion or at all.

There is also substantial uncertainty as to how regulatory reform measures being implemented by the administration, and other political developments, such as government shutdowns or work stoppages, would impact other U.S. regulatory agencies, such as the FDA, SEC and USPTO, on which our operations rely. For example, over the last several years, the U.S. government has shut down and certain regulatory agencies, such as the FDA and the SEC, have had to furlough critical employees and stop critical activities. In addition, the current U.S. administration has proposed substantial reductions in force at various government agencies that, if applied in a material way, could significantly reduce the FDA's and other agencies' capacities to perform their functions in a manner consistent with past practices. If the current U.S. federal government shutdown is prolonged or if the FDA, NIH, SEC or the USPTO experiences significant decreases in funding or personnel, it could significantly impact the ability of the FDA to issues licenses needed for conduct of our clinical trials, the NIH to conduct research or provide grants, and the abilities of the FDA and the USPTO to timely review and process our regulatory submissions, which could have a material adverse effect on our business and our timelines. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

With the change in the U.S. presidential administration in 2025, there is substantial uncertainty as to whether and how the current administration will seek to modify or revise the requirements and policies of the FDA and other regulatory agencies with jurisdiction over our product candidates and any products for which we obtain approval. This uncertainty could present new challenges and/or opportunities as we navigate development and approval of our product candidates. Additionally, the new administration could issue or promulgate executive orders, regulations, policies or guidance that adversely affect us or create a more challenging or costly environment to pursue the development of new therapeutic candidates.

**The U.S. Congress, the current administration, or any new administration may make substantial changes to fiscal, tax, and other federal policies that may adversely affect our business.**

Since the start of the Trump administration in 2025, U.S. policy changes have been implemented at a rapid pace and additional changes are likely. Changes to U.S. policy implemented by the U.S. Congress, the current administration or any new administration have impacted and may in the future impact, among other things, the U.S. and global economy, international trade relations, unemployment, immigration, healthcare, taxation, the U.S. regulatory environment, inflation and other areas. Although we cannot predict the impact, if any, of these changes to our business, they could adversely affect our business. Until we know what policy changes are made, whether those policy changes are challenged and subsequently upheld by the court system and how those changes impact our business and the business of our competitors over the long term, we will not know if, overall, we will benefit from them or be negatively affected by them.

**Our employees, independent contractors, consultants, collaborators and CROs may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, which could cause significant liability for us and harm our reputation.**

We are exposed to the risk that our employees, independent contractors, consultants, collaborators and CROs may engage in fraudulent conduct or other illegal activity. Misconduct by those parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violates:

- FDA regulations or similar regulations of comparable non-U.S. regulatory authorities, including those laws requiring the reporting of true, complete and accurate information to such authorities;
- manufacturing standards;
- federal and state healthcare fraud and abuse laws and regulations and similar laws and regulations established and enforced by comparable non-U.S. regulatory authorities; and
- laws that require the reporting of financial information or data accurately.

Activities subject to these laws also involve the improper marketing, use or misrepresentation of information obtained in the course of clinical trials, creating fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of product materials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws, standards or regulations. Additionally, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, disgorgement, integrity oversight and reporting obligations, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could have a material adverse effect on our ability to operate our business and our results of operations.

**Risks Related to the Product Development and Regulatory Approval of Our Product Candidates**

**We may not be able to obtain orphan drug exclusivity, where relevant, in all markets for our product candidates.**

Regulatory authorities in some jurisdictions, including the United States, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a product as an orphan drug if it is a product intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States. The FDA may also designate a product as an orphan drug if it is intended to treat a disease or condition of more than 200,000 individuals in the United States and there is no reasonable expectation that the cost of developing and making a drug or biological product available in the United States for this type of disease or condition will be recovered from sales of the product candidate.

Generally, if a product with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes the FDA from approving another marketing application for the same drug for such indication for that time period. The applicable period is seven years in the United States. Orphan drug exclusivity may be lost if the FDA determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition.

Paxalisib (formerly GDC-0084) was granted orphan drug designation by the FDA in February 2018 for the treatment of glioblastoma, in August 2020 for the treatment of malignant glioma, which includes DIPG, a rare and highly aggressive childhood brain cancer, and in June 2022 for the treatment of atypical rhabdoid / teratoid tumors (AT/RT). However, even if we obtain orphan drug exclusivity for additional products in the United States or other jurisdictions, that exclusivity may not effectively protect the product from competition because different drugs can be approved for the same condition, and the same drug could be approved for a different condition. Moreover, even after an orphan drug is approved, the FDA can subsequently approve the same drug, made by a competitor, for the same condition if the FDA concludes that the competitive product is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care.

**Positive results from preclinical studies of our product candidates are not necessarily predictive of the results of our planned clinical trials of our product candidates.**

Positive results in pre-clinical proof of concept and animal studies of our product candidates may not result in positive results in clinical trials in humans. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in clinical trials after achieving positive results in pre-clinical development or early-stage clinical trials, and we cannot be certain that we will not face similar setbacks. These setbacks have been caused by, among other things, pre-clinical findings made while clinical trials were underway or safety or efficacy observations made in clinical trials, including adverse events. Moreover, pre-clinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in pre-clinical studies and clinical trials nonetheless failed to obtain FDA or other regulatory authority approval. If we fail to produce positive results in our clinical trials of our product candidates, the development timeline and regulatory approval and commercialization prospects for our product candidates, and, correspondingly, our business and financial prospects, would be negatively impacted.

**Even if the Company receives regulatory approval to commercialise its drug candidates, the ability to generate revenues from any resulting products will be subject to a variety of risks, many of which are out of the Company's control.**

Regardless of regulatory approval, products arising from the development process may not gain market acceptance among physicians, patients healthcare payers or the medical community. The Company believes that the degree of market acceptance and its ability to generate revenues from such products will depend on a number of factors, including, but not limited to:

- advancements in the treatment of cancer that make our treatments obsolete;
- market exclusivity and competitor products;
- timing of market introduction of the Company's drugs and competitive drugs;
- actual and perceived efficacy and safety of the Company's drug candidates;
- prevalence and severity of any side effects;
- potential or perceived advantages or disadvantages over alternative treatments;
- strength of sales, marketing and distribution support;
- price of future products, both in absolute terms and relative to alternative treatments;
- the effect of current and future healthcare laws on the Company's drug candidates; and
- availability of coverage and reimbursement from government and other third-party payers.

If any of the Company's drugs are approved and fail to achieve market acceptance, the Company may not be able to generate significant revenue to achieve or sustain profitability.

**Risks Related to Commercialization of Our Product Candidates**

**The markets for paxalisib for brain cancer and EVT801 for advanced solid tumors, and for any other product candidates we are currently developing or may in the future develop or acquire, may be smaller than we expect.**

We have historically focused our research and product development on treatments of brain cancer, advanced breast cancer and advanced solid tumors. We base our market opportunity estimates on a variety of factors, including our estimates of the number of people who have these diseases, the potential scope of our approved product labels, the subset of people with these diseases who have the potential to benefit from treatment with paxalisib, EVT801 or any other current or future product candidates, various pricing scenarios, and our understanding of reimbursement policies for rare diseases in particular countries. These estimates are based on many assumptions and may prove incorrect, and new studies may reduce the estimated incidence or prevalence of these diseases. Estimating market opportunities can be particularly challenging for rare indications, such as the ones we currently address, as epidemiological data is often more limited than for more prevalent indications and can require additional assumptions to assess potential patient populations. If we are unable to identify patients and successfully commercialize paxalisib, EVT801 or any other current or future product candidates with attractive market opportunities, our future product revenues may be smaller than anticipated, and our business may suffer.

Patient identification efforts also influence the ability to address a patient population. If efforts in patient identification are unsuccessful or less impactful than anticipated, for instance, because of a lack of diagnostic initiatives, inadequate disease awareness among healthcare professionals, difficulties in identifying and accessing patients outside of larger treatment centers or otherwise, we may not address the entirety of the opportunity we are seeking. As a result, patients may be difficult to identify and access, the addressable patient population in the countries in which we are seeking authorization and elsewhere may turn out to be lower than expected, or patients may not be otherwise amenable to treatment with our products, all of which would adversely affect our business, financial condition, results of operations and prospects.

**The Company may not be able to establish the contractual arrangements necessary to develop, market and distribute the product candidates. Our failure to do so may adversely affect our business, results of operations and financial condition.**

The Company has been successful in executing contractual agreements with strategic partners. This remains a key part of the Company's business plan and the Company must continue to partner with third parties to manufacture clinical grade drug product and conduct key pre-clinical and clinical investigations. Strategic agreements around packaging, branding, market access and distribution for its drug products will also eventually be required.

However, potential partners could be discouraged by the Company's limited operating history. There is no assurance that the Company will be able to negotiate commercially acceptable licensing or other agreements for the future exploitation of its drug product candidates including continued clinical development, manufacture or marketing. If the Company is unable to successfully contract for these services, or if arrangements for these services are terminated, the Company may have to delay the commercialization program which will adversely affect its ability to generate operating revenues.

**The Company's commercial opportunity will be reduced or eliminated if competitors develop and market products, devices or other treatments that are more effective, have fewer side effects or are less expensive than its drug candidates.**

The development of drug candidates is highly competitive and is high risk. A number of other companies have products or drug candidates in various stages of pre-clinical or clinical development that are intended for the same therapeutic indications for which the Company's drug candidates are being developed. Some of these potential competing drugs are further advanced in development than the Company's drug candidates and may be commercialized sooner. Even if the Company is successful in developing effective drugs, its compounds may not compete successfully with products produced by its competitors.

The Company's competitors include pharmaceutical companies and biotechnology companies, as well as universities and public and private research institutions. In addition, companies active in different but related fields represent substantial competition. Many of the Company's competitors developing oncology drugs have significantly greater capital resources, larger R&D staff and facilities and greater experience in drug development, regulation, manufacturing and marketing. These organizations also compete with the Company and its service providers, to recruit qualified personnel, and to attract partners for joint ventures and to license technologies. As a result, the Company's competitors may be able to develop technologies and products that would render the Company's technologies or its drug candidates obsolete or non-competitive.

**We are currently developing, and in the future may develop, product candidates in combination with other approved or investigational therapies, and that may expose us to additional risks.**

We are currently developing, and may develop future product candidates, for use in combination with one or more currently approved or other investigational therapies. For example, Paxalisib is currently being tested in combination with several other therapies. If any of the investigational therapies do not receive approval, or if any of the approved therapies we currently or may, in the future, use in combination with a current or future product candidate is found defective, removed from the market, or otherwise becomes unavailable, our clinical trials may face significant delays, be suspended, or terminated. Any such events would likely have a material impact on our operations and the development of the affected product candidate(s) and may ultimately prevent the approval of such product candidate or render continued development efforts too costly to proceed.

Even if a current or future product candidate were to receive FDA approval to be commercialized in the U.S. for use in combination with one or more new or existing therapies, we would continue to be subject to the risk that the FDA or similar foreign regulatory authorities could revoke approval of the therapy used in combination with our product candidate or that safety, efficacy, manufacturing or supply issues could arise with any such existing therapies. This could result in our own products being removed from the market or cause material delays in, or the suspension or discontinuation, of our production and/or distribution of the applicable product, as our ability to market any such product will be limited to the extent specified in the FDA's approval, if granted.

**The regulatory approval processes of the FDA and comparable foreign health authorities are lengthy, time consuming, expensive and inherently unpredictable. If we will not be able to obtain regulatory approvals for our products, our business will be substantially harmed.**

The time required to obtain approval by the FDA and comparable foreign health authorities is unpredictable, typically takes many years following the commencement of clinical studies and depends upon numerous factors. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions, which may cause delays in the approval or the decision not to approve a marketing application. The likelihood of such difficulties may be increased by our multi-national development and trials. We have not obtained regulatory approval for any product candidate, and it is possible that none of our existing product candidates or any product candidates we may seek to develop in the future will ever obtain regulatory approval.

- Applications for our product candidates could fail to receive regulatory approval for many reasons, including but not limited to the following:
- the FDA or comparable foreign health regulatory authorities may disagree with the design or implementation of our clinical studies;
- we may be unable to demonstrate to the FDA or comparable foreign health regulatory authorities that a product candidate's safety-benefit ratio for its proposed indication is acceptable;
- the population studied in the clinical development program may not be sufficiently broad or representative to assure safety in the full population for which we seek approval;
- the FDA or comparable foreign health regulatory authorities may disagree with our interpretation of data from preclinical or clinical studies;
- the data collected from clinical studies of our product candidates may not be sufficient to support the submission of a new drug application, or NDA, or a Biologics License Application, or a BLA, or other submission or to obtain regulatory approval in the United States or elsewhere;
- the FDA and/or comparable foreign health regulatory authorities may fail to approve the manufacturing processes, test procedures and specifications, or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or comparable foreign health regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

The approval process is lengthy and expensive. In addition, results of clinical studies are unpredictable and we may fail to obtain regulatory approval to market any of our product candidates, which would significantly harm our business, results of operations, and prospects.

**Even if our drug candidates receive regulatory approval, we may still face future development and regulatory difficulties in the same or other jurisdictions, and we and our products will our products will remain subject to regulatory scrutiny.**

Our product candidates, if approved, will also be subject to ongoing regulatory requirements for labeling, packaging, storage, advertising, promotion, record-keeping and submission of safety and other post market information. In addition, approved products, manufacturers and manufacturers' facilities are required to comply with extensive FDA and EMA requirements and requirements of other similar agencies, including ensuring that quality control and manufacturing procedures conform to current good manufacturing practices ("cGMPs"). As such, we and our contract manufacturers will be subject to continual review and periodic inspections to assess compliance with cGMPs. Accordingly, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control. We will also be required to report certain adverse reactions and production problems, if any, to the FDA and EMA and other similar agencies and to comply with requirements concerning advertising and promotion for our products. Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved label. Accordingly, we may not promote our approved products, if any, for indications or uses for which they are not approved.

If a regulatory agency discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or disagrees with the promotion, marketing or labeling of a product, such regulatory agency may impose restrictions on that product or us, including requiring withdrawal of the product from the market. If we fail to comply with applicable regulatory requirements, a regulatory agency or enforcement authority may, among other things:

- issue warning letters;
- impose civil or criminal penalties;
- suspend or withdraw regulatory approval;
- suspend any of our ongoing clinical studies;
- refuse to approve pending applications or supplements to approved applications submitted by us; or
- seize or detain products, or require a product recall.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenue from our product candidates. If regulatory sanctions are applied or if regulatory approval is withdrawn, the value of our company and our operating results will be adversely affected.

**If we fail to obtain coverage and reimbursement for paxalisib, EVT801 or any other current or future product candidates in new geographies, it could make it difficult for us to sell paxalisib, EVT801 or any other current or future product candidates profitably.**

The success of paxalisib, EVT801 and any of our other current or future product candidates, if approved, depends on the availability of adequate coverage and reimbursement from third-party payors. Because paxalisib, EVT801 and any other current or future product candidates represent new approaches to the treatment of the diseases they target, we cannot be sure that coverage and reimbursement will be available for, or accurately estimate the potential revenue from, paxalisib, EVT801 and any other current or future product candidates or for any product that we may develop. If we are unable to obtain adequate levels of reimbursement, our ability to successfully market and sell any such product candidates will be adversely affected. The manner and level at which reimbursement is provided for services related to any current or future product candidates we may develop (e.g., for the administration of our product candidate to patients) is also important. Inadequate reimbursement for such services may lead to physician and payor resistance and adversely affect our ability to market or sell paxalisib, EVT801 or any other current or future product candidates we may develop. In addition, we may need to develop new reimbursement models, in order to realize adequate value. Payors may not be able or willing to adopt such new models and patients may be unable to afford that portion of the cost that such models may require them to bear. If we determine such new models are necessary, but we are unsuccessful in developing them, or if payors do not adopt such models, our business, financial condition, results of operations and prospects could be adversely affected.

Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Adequate coverage and reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors, such as private health insurers and health maintenance organizations, are critical to new product acceptance. Government authorities and other third-party payors decide which drugs and treatments they will cover and the reimbursement amount. Coverage and reimbursement by a third-party payor may depend upon a number of factors.

In the U.S., no uniform policy of coverage and reimbursement for products exists among third-party payors. As a result, obtaining coverage and reimbursement approval of a product from a government or other third-party payor is a time consuming and costly process that could require us to provide to each payor supporting scientific, clinical and cost-effectiveness data for the use of our products on a payor-by-payor basis, with no assurance that coverage and adequate reimbursement from third-party payors will be obtained. There is significant uncertainty related to the insurance coverage and reimbursement of newly approved products, which uncertainty may be heightened where the product is subject to post-marketing conditions or requirements to provide additional clinical data. In the U.S., the principal decisions about reimbursement for new medicines are typically made by the Centers for Medicare & Medicaid Services (“CMS”), an agency within the U.S. Department of Health and Human Services, as CMS decides whether and to what extent a new medicine will be covered and reimbursed under Medicare. Private payors tend to follow CMS to a substantial degree. Even if we obtain coverage for a given product, the resulting reimbursement payment rates might not be adequate for us to achieve or sustain profitability or may require co-payments that patients find unacceptably high. Future coverage and reimbursement may be subject to increased restrictions, such as prior authorization requirements, both in the U.S. and in international markets. Orphan drugs are typically placed on the highest cost-sharing tier and a substantial percentage are subject to prior authorization requirements. Reimbursement agencies in the EU may be more conservative than CMS.

Outside the U.S., international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Canada, the EU and other countries has and will continue to put pressure on the pricing and usage of drug products such as paxalisib, EVT801 and any other current or future product candidates we may develop, if approved. We may also incur additional challenges when seeking reimbursement from public and private payers where paxalisib, EVT801 or any future product candidate has been approved subject to post-marketing conditions. Moreover, we might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay or might even prevent our commercial launch of the product, possibly for lengthy periods of time. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies. In general, the prices of products under such systems are substantially lower than in the U.S. Other countries allow companies to fix their own prices for products but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for product candidates. Accordingly, in markets outside the U.S., the reimbursement for paxalisib, EVT801 and any other current or future product candidates we may develop may be reduced compared with the U.S. and may be insufficient to generate commercially reasonable revenues and profits.

**Ongoing healthcare legislative and regulatory reform measures may have a material adverse effect on our business and results of operations.**

Changes in regulations, statutes or the interpretation of existing regulations could impact our business in the future by requiring, for example: (i) changes to our manufacturing arrangements; (ii) additions or modifications to product labeling; (iii) the recall or discontinuation of our products; or (iv) additional record-keeping requirements. If any such changes were to be imposed, they could adversely affect the operation of our business.

On April 15, 2025, the Trump Administration published Executive Order 14273, “Lowering Drug Prices by Once Again Putting Americans First,” which generally directs the federal government to take measures to reduce drug prices, including eliminating the so-called “pill penalty” under the Inflation Reduction Act that creates a distinction between small molecule and large molecule products for purposes of determining when a drug may be eligible for drug price negotiation. On May 12, 2025, the Trump Administration published Executive Order 14297, “Delivering Most-Favored-Nation Prescription Drug Pricing to American Patients” which generally, among other things, directs the federal government to establish and communicate most-favored-nation price targets to pharmaceutical manufacturers to bring prices for American patients in line with comparably developed nations. Further, the Executive Order directs the federal government to support regulatory paths to allow direct-to-patient sales for companies that meet these targets. It also states that the Administration will take additional aggressive action (for example, examining whether marketing approvals should be modified or rescinded or opening the door for individual drug importation waivers) should manufacturers fail to offer American consumers the most-favored-nation lowest price. It also directs the Secretary of Commerce and the U.S. Trade Representative to “take all necessary and appropriate action to ensure foreign countries are not engaged in any act, policy, or practice that may be unreasonable or discriminatory or that may impair United States national security . . . including by suppressing the price of pharmaceutical products below fair market value in foreign countries.” Notably, a similar “Most Favored Nation” pricing rule enacted under the first Trump Administration was subject to an injunction resulting from judicial challenges to the rule, which was formally rescinded by the former Biden Administration in August 2021.

In addition, at the state level, legislatures have increasingly passed legislation and implemented regulations similar to those under consideration at the federal level, as well as laws designed to control pharmaceutical and biotherapeutic product pricing, including restrictions on pricing or reimbursement at the state government level, limitations on discounts to patients, marketing cost disclosure and transparency measures, restrictions or other limitations on patient assistance, and, in some cases, policies to encourage importation from other countries (subject to federal approval) and bulk purchasing. Certain states are also pursuing cost containment efforts through Prescription Drug Affordability Boards (“PDABs”), and similar entities.

We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for paxalisib and EVT801 or any other current or future product candidates;
- our ability to set a price that we believe is fair for our approved products;
- our ability to generate revenue and achieve or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

These laws and future state and federal healthcare reform measures that may be adopted in the future may result in additional reductions in Medicare and other healthcare funding and otherwise affect the prices we may obtain for paxalisib, EVT801 or any other current or future product candidates for which we may obtain regulatory approval or the frequency with which any such product candidate is prescribed or used. For example, the Inflation Reduction Act of 2022 ("IRA"), contains provisions that require companies to pay rebates to Medicare for certain drug prices that increase faster than inflation. In addition, any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, sustain profitability or commercialize our product candidates.

Moreover, increasing efforts by governmental and third-party payors in the U.S. and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our product candidates. There has been increasing legislative and enforcement interest in the U.S. with respect to specialty drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. The effect of these reform efforts on our business and the healthcare industry in general is not yet known.

Additional state and federal healthcare reform measures are expected to be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for certain pharmaceutical products or additional pricing pressures.

While some of these and other proposed measures may require additional authorization to become effective, Congress and the Biden Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to decrease pharmaceutical prices in the United States.

**Governments outside the U.S. may impose strict price controls, which may adversely affect our revenues, if any.**

In some countries, including Canada and certain Member States of the EU, the pricing of prescription drugs is, in part, subject to governmental control. Additional countries may adopt similar approaches to the pricing of prescription drugs. In such countries, pricing negotiations with governmental authorities can take considerable time after receipt of regulatory approval for a product. In addition, there can be considerable pressure by governments and other stakeholders on prices and reimbursement levels, including as part of cost containment measures. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after coverage and reimbursement have been obtained. Reference pricing used by various countries and parallel distribution, or arbitrage between low-priced and high-priced countries, can further reduce prices. In some countries, we may be required to conduct a clinical trial or other trials that compare the cost-effectiveness of paxalisib, EVT801 or any other current or future product candidates to other available therapies in order to obtain or maintain reimbursement or pricing approval, which is time-consuming and costly. We cannot be sure that such prices and reimbursement will be acceptable to us. Publication of discounts by third-party payors or authorities may lead to further pressure on the prices or reimbursement levels within the country of publication and other countries. If pricing is set at unsatisfactory levels or if reimbursement of our products is unavailable or limited in scope or amount, our revenues from sales by us or our strategic partners and the potential profitability of paxalisib, EVT801 or any other current or future product candidates in those countries would be negatively affected.

**Compliance with global privacy and data security requirements could result in additional costs and liabilities to us or inhibit our ability to collect and process data globally, and the failure to comply with such requirements could subject us to significant fines and penalties, which may have a material adverse effect on our business, financial condition or results of operations.**

The regulatory framework for the collection, use, safeguarding, sharing, transfer and other information processing worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Globally, virtually every jurisdiction in which we operate has established its own data security and privacy frameworks with which we must comply. For example, the collection, use, disclosure, transfer, or other processing of personal data regarding individuals in the European Economic Area (the "EEA"), including personal health data, is subject to the EU General Data Protection Regulation (the "GDPR"), and similarly, processing of personal data regarding individuals in the UK, including personal health data, is subject to the UK General Data Protection Regulation and the UK Data Protection Act 2018 (collectively, the "UK GDPR," and together with the EU GDPR, the "GDPR"). The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to processing health and other sensitive data, obtaining the consent of the individuals to

whom the personal data relates, providing detailed information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches, and taking certain measures when engaging third-party processors. The GDPR also imposes strict rules on the transfer of personal data to countries outside the EEA/UK that are not considered by the European Commission and the UK government as providing "adequate" protection to personal data, including the U.S., and, as a result, increases the scrutiny that clinical trial sites located in the EEA should apply to transfers of personal data from such sites to countries that are considered to lack an adequate level of data protection, such as the U.S. Such transfers of personal data outside of the EEA and UK are prohibited unless a valid GDPR transfer mechanism (for example, the European Commission approved Standard Contractual Clauses, or SCCs, and the UK International Data Transfer Agreement/Addendum, or UK IDTA) has been put in place. Where relying on the SCCs /UK IDTA for data transfers, we may also be required to carry out transfer impact assessments to assess whether the recipient is subject to local laws which allow public authority access to personal data. The international transfer obligations under the EEA/UK data protection regimes will require significant effort and cost, and may result in us needing to make strategic considerations around where EEA/UK personal data is transferred and which service providers we can utilize for the processing of EEA/UK personal data. Any inability to transfer personal data from the EEA and UK to the United States in compliance with data protection laws may impede our ability to conduct trials and may adversely affect our business and financial position. The GDPR also permits data protection authorities to require the destruction of improperly gathered or used personal information and or impose substantial fines for violations of the GDPR, which can be up to four percent of global revenues or €20 million (£17.5 million under the UK GDPR), whichever is greater and it also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies, and obtain compensation for damages resulting from violations of the GDPR. Although the UK is regarded as a third country under the EU GDPR, the European Commission has now issued a decision recognizing the UK as providing adequate protection under the EU GDPR, or Adequacy Decision, and, therefore, transfers of personal data originating in the EEA to the UK remain unrestricted. The UK Government has introduced a Data Protection and Digital Information Bill, or UK Bill, into the UK legislative process to reform the UK's data protection regime, and if passed, the final version of the UK Bill may have the effect of further altering the similarities between the UK and EEA data protection regimes and threaten the UK Adequacy Decision from the European Commission, which may lead to additional compliance costs for us and could increase our overall risk. It is unclear how UK data protection laws and regulations will develop in the medium to longer term, and how data transfers to and from the UK will be regulated in the long term. Although the EU GDPR and the EU GDPR currently impose substantially similar obligations, it is possible that over the time the UK GDPR could become less aligned with the EU GDPR. In addition, EU member states have adopted national laws to supplement the EU GDPR, which may partially deviate from the EU GDPR, and the competent authorities in the EU Member States may interpret EU GDPR obligations slightly differently from country to country, such that we do not expect to operate in a uniform legal landscape in the EEA with respect to data protection regulations. The potential of the respective provisions and enforcement of the EU GDPR and UK GDPR further diverging in the future creates additional regulatory challenges and uncertainties for us. The lack of clarity on future UK laws and regulations and their interaction with EU laws and regulations could add legal risk, uncertainty, complexity and cost to the handling of European personal data and our privacy and data security compliance programs could require us to implement different compliance measures for the UK and EEA.

Similar legal requirements are either in place or are being proposed in the U.S. There are a broad variety of data protection laws that are applicable to our activities, and a wide range of enforcement agencies at both the state and federal levels that can review companies for privacy and data security concerns based on general consumer protection laws. The Federal Trade Commission and state Attorneys General are all aggressive in reviewing consumers' privacy and data security protections. New laws also are being considered at both the state and federal levels. For example, the California Consumer Privacy Act—which went into effect on January 1, 2020 and which was recently amended by the California Privacy Rights Act —is creating similar risks and obligations as those created by GDPR. Though the Act does exempt certain information collected as part of a clinical trial subject to the Federal Policy for the Protection of Human Subjects, or the Common Rule, it does apply to other personal information that we may otherwise handle, such as personal information collected in a business to business context and personal information collected from employees, applicants and retirees residing in California. Similar broad consumer privacy laws have already been passed in numerous states, and laws in Virginia, Colorado and Connecticut already have entered into force. In addition, bills for broad consumer privacy laws are being considered in numerous other states and at the federal level.

Compliance with the above requirements and any other data privacy and data security laws and regulations is a rigorous and time-intensive process and requires significant resources and an ongoing review of our technologies, systems and practices, as well as those of any third-party collaborators, service providers, contractors or consultants that process or transfer personal data. The GDPR and other changes in laws or regulations associated with the enhanced protection of certain types of sensitive data, such as healthcare data or other personal information from our clinical trials, could require us to change our business practices and put in place additional compliance mechanisms, may interrupt or delay our development, regulatory and

commercialization activities and increase our cost of doing business, and could lead to government enforcement actions, private litigation and significant fines and penalties against us and could have a material adverse effect on our business, financial condition or results of operations.

**Artificial intelligence presents risks and challenges that can impact our business including by posing security risks to our confidential information, proprietary information, and personal data.**

Issues in the development and use of artificial intelligence, combined with an uncertain regulatory environment, may result in reputational harm, liability, or other adverse consequences to our business operations. As with many technological innovations, artificial intelligence presents risks and challenges that could impact our business. We may adopt and integrate generative artificial intelligence tools into our systems for specific use cases reviewed by legal and information security. Our vendors may incorporate generative artificial intelligence tools into their offerings without disclosing this use to us, and the providers of these generative artificial intelligence tools may not meet existing or rapidly evolving regulatory or industry standards with respect to privacy and data protection and may inhibit our or our vendors' ability to maintain an adequate level of service and experience. If we, our vendors, or our third-party partners experience an actual or perceived breach or privacy or security incident because of the use of generative artificial intelligence, we may lose valuable intellectual property and confidential information and our reputation and the public perception of the effectiveness of our security measures could be harmed. Further, bad actors around the world use increasingly sophisticated methods, including the use of artificial intelligence, to engage in illegal activities involving the theft and misuse of personal information, confidential information, and intellectual property. Any of these outcomes could damage our reputation, result in the loss of valuable property and information, and adversely impact our business.

**Risks Related to Our Intellectual Property**

**If we are unable to protect intellectual property rights related to our product candidates, we may not be able to obtain exclusivity for our product candidates or prevent others from developing similar competitive products.**

We rely upon a combination of patents, know-how, trade secret protection and confidentiality agreements to protect the intellectual property related to our product candidates. The strength of patents in the biotechnology and pharmaceutical field involves complex legal and scientific questions and can be uncertain. The patent applications that we own or in-license may fail to result in issued patents with claims that cover our product candidates in the United States or other jurisdictions. In addition, we cannot guarantee that any patents will issue from any pending or future patent applications owned by or licensed to us. There is no assurance that all of the potentially relevant prior art relating to our patents and patent applications has been found. If such prior art exists, it can invalidate a patent or prevent a patent from issuing from a pending patent application. Even if patents do successfully issue and even if such patents cover our product candidates, third parties may initiate opposition, interference, re-examination, post-grant review, inter parties review, nullification or derivation action in court or before patent offices or similar proceedings challenging the validity, enforceability or scope of such patents, which may result in the patent claims being narrowed or invalidated. Furthermore, even if our patents and patent applications are unchallenged, they may not adequately protect our intellectual property, provide exclusivity for our product candidates or prevent others from designing around our claims. Any of these outcomes could impair our ability to prevent competition from third parties.

If the patent applications we hold or have in-licensed with respect to our programs or product candidates fail to issue, or are revoked, if the breadth or strength of our patent protection is threatened, or if our patent portfolio fails to provide meaningful exclusivity for our product candidates, it could dissuade companies from collaborating with us to develop product candidates and threaten our ability to commercialize future products. Any successful opposition to any patents owned by or licensed to us could deprive us of rights necessary for the successful commercialization of any product candidates that we may develop. Further, if we encounter delays in regulatory approvals, the period of time during which we could market a product candidate under patent protection could be reduced. Even where we have a valid and enforceable patent, we may not be able to exclude others from practicing our invention where the other party can show that they used the invention in commerce before our filing date or the other party benefits from a compulsory license. In addition, patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after it is filed. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired for a product, we may be open to competition from competitive medications, including biosimilar or generic medications. This risk is material in light of the length of the development process of our products and lifespan of our current patent portfolio.

Even if they are unchallenged, our patents and pending patent applications, if issued, may not provide us with any meaningful protection or prevent competitors from designing around our patent claims to circumvent our patents by developing similar or alternative technologies or therapeutics in a non-infringing manner. For example, a third party may develop a competitive therapy that provides benefits similar to one or more of our product candidates but that uses a formulation and/or a device that falls outside the scope of our patent protection. If the patent protection provided by the patents and patent applications we hold or pursue with respect to our product candidates is not sufficiently broad to impede such competition, our ability to successfully commercialize our product candidates could be negatively affected, which would harm our business. Similar risks would apply to any patents or patent applications that we may own and those which we may license in the future. In many cases, in-licensed intellectual property is at greater risk, as we may not have access to all information or to prosecution and other aspects of the acquisition, maintenance and enforcement of the in-licensed intellectual property.

Patent positions of life sciences companies can be uncertain and involve complex factual and legal questions. The scope of patent protection in jurisdictions outside of the United States is also uncertain. Changes in either the patent laws or their interpretation in any jurisdiction that we seek patent protection may diminish our ability to protect our inventions, maintain and enforce our intellectual property rights; and, more generally, may affect the value of our intellectual property, including the narrowing of the scope of our patents and any that we may license.

The patent prosecution process is complex, expensive, time-consuming and inconsistent across jurisdictions. We may not be able to file, prosecute, maintain, enforce, or license all necessary or desirable patent rights at a commercially reasonable cost or in a timely manner. In addition, we may not pursue or obtain patent protection in all relevant markets. It is possible that we will fail to identify important patentable aspects of our research and development efforts in time to obtain appropriate or any patent protection. While we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development efforts, including for example, our employees, corporate collaborators, external academic scientific collaborators, CROs, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby endangering our ability to seek patent protection. In addition, publications of discoveries in the scientific and scholarly literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not until issuance as a patent. Consequently, we cannot be certain that we were the first to file for patent protection on the inventions claimed in our patents or pending patent applications.

Courts outside the United States are sometimes less willing to protect trade secrets. If we choose to go to court to stop a third party from using any of our trade secrets, we may incur substantial costs. These lawsuits may consume our time and other resources even if we are successful. For example, significant elements of our products, including confidential aspects of sample preparation, methods of manufacturing, cell culturing conditions, computational-biological algorithms, and related processes and software, are based on unpatented trade secrets. Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology.

We may not be able to meaningfully protect our trade secrets. It is our policy to require our employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to execute confidentiality agreements upon the commencement of employment or consulting relationships with us. These agreements provide that all confidential information concerning our business or financial affairs developed or made known to the individual or entity during the course of the party's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. In the case of employees, the agreements provide that all inventions conceived by the individual, and which are related to our current or planned business or research and development or made during normal working hours, on our premises or using our equipment or proprietary information, are our exclusive property. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary technology by third parties. We have also adopted policies and conduct training that provides guidance on our expectations, and our advice for best practices, in protecting our trade secrets. Despite these undertakings, we may not be able to effectively protect our trade secrets.

The issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Further, the scope of the invention claimed in a patent application can be significantly reduced before the patent is issued, and this scope can be reinterpreted after issuance. Even where patent applications we currently own, license, or that we may license in the future issue as patents, they may not issue in a form that will provide us with adequate protection to prevent competitors or other third parties from competing with us, or otherwise provide us with a competitive advantage. Any patents that eventually issue may be challenged, narrowed or invalidated by third parties. Consequently, we do not know whether any of our product candidates will be protectable or remain protected by valid and enforceable patent rights.

The issuance or grant of a patent is not irrefutable as to its inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in the United States and abroad. There may be prior art of which we are not aware that may affect the validity or enforceability of a patent claim. There also may be prior art of which we are aware, but which we do not believe affects the validity or enforceability of a claim, which may, nonetheless, ultimately be found to affect the validity or enforceability of a claim. We may in the future, become subject to a third-party pre-issuance submission of prior art or opposition, derivation, revocation, re-examination, post-grant and *inter partes* review, or interference proceeding and other similar proceedings challenging our patent rights or the patent rights of others in the U.S. Patent and Trademark Office, or the USPTO, or other foreign patent office. An unfavorable determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or extinguish our ability to manufacture or commercialize products without infringing third-party patent rights.

In addition to the protection afforded by patents, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable or that we elect not to patent, processes for which patents are difficult to enforce and any other elements of our product candidate discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents. However, trade secrets can be difficult to protect. What constitutes a trade secret and what protections are available for trade secrets varies from state to state in the United States and country by country worldwide. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our employees, consultants, scientific advisors and contractors. We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems. Security measures may be breached, and we may not have adequate remedies for any breach. In addition, our trade secrets may otherwise become known or be independently discovered by competitors. Although we expect all of our employees and consultants to assign their inventions to us, and all of our employees, consultants, advisors and any third parties who have access to our proprietary know-how, information or technology to enter into confidentiality agreements, we cannot provide any assurances that all such agreements have been duly executed or that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques.

**Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.**

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and applications are required to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and applications. The USPTO and various corresponding governmental patent agencies outside of the United States require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process and after a patent has issued. There are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction.

**Our success depends, in part, on our ability to protect our intellectual property and our technologies.**

Our commercial success depends, in part, on our ability to obtain and maintain patent and trade secret protection for our technologies, our traits, and their uses, as well as our ability to operate without infringing upon the proprietary rights of others. If we do not adequately protect our intellectual property, competitors may be able to use our technologies and erode or negate any competitive advantage we may have, which could harm our business and ability to achieve profitability.

Filing, prosecuting and defending patents on product candidates in all countries around the world would be prohibitively expensive. In addition, we may at times in-license third-party technologies for which limited international patent protection exists and for which the time period for filing international patent applications has passed. Consequently, we may not be able to prevent third parties from practicing our inventions, or from selling or importing products made using our inventions. Potential competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection but enforcement is difficult. These products may compete with our product candidates, if approved, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights around the world. The legal systems of certain countries, particularly certain developing countries, do not favour the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

**We may be subject to claims challenging the inventorship or ownership of our patents and other intellectual property.**

We generally enter into confidentiality and intellectual property assignment agreements with our employees, consultants, and contractors. These agreements generally provide that inventions conceived by the party in the course of rendering services to us will be our exclusive property. However, those agreements may not be honored and may not effectively assign intellectual property rights to us. Moreover, there may be some circumstances, where we are unable to negotiate for such ownership rights. Disputes regarding ownership or inventorship of intellectual property can also arise in other contexts, such as collaborations and sponsored research. If we are subject to a dispute challenging our rights in or to patents or other intellectual property, such a dispute could be expensive and time-consuming. If we were unsuccessful, we could lose valuable rights in intellectual property that we regard as our own.

**We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.**

We have received confidential and proprietary information from third parties. In addition, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of these third parties or our employees' former employers or our consultants' or contractors' current or former clients or customers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial cost and be a distraction to our management and employees. If we are not successful, we could lose access or exclusive access to valuable intellectual property.

**Risks Related to Our Reliance on Third Parties**

**The Company relies on third parties to conduct its pre-clinical studies and clinical trials. If those parties do not successfully carry out their contractual duties or meet expected deadlines, the Company's drug candidates may not advance in a timely manner or at all.**

In the course of discovery, pre-clinical testing and clinical trials, the Company relies on third parties, including laboratories, investigators, clinical contract research organizations ("CROs"), and manufacturers, to perform critical services. For example, the Company relies on third parties to conduct all of its pre-clinical and clinical studies. These third parties may not be available when the Company needs them or, if they are available, may not comply with all regulatory and contractual requirements or may not otherwise perform their services in a timely or acceptable manner, and the Company may need to enter into new arrangements with alternative third parties and the studies may be extended, delayed or terminated. These independent third parties may also have relationships with other commercial entities, some of which may compete with the Company. As a result of the Company's dependence on third parties, it may face delays or failures outside of its direct control. These risks also apply to the development activities of collaborators, and the Company does not control their research and development, clinical trial or regulatory activities.

**The Company has no direct control over the cost of manufacturing its drug candidates. Increases in the cost of manufacturing the Company's drug candidates would increase the costs of conducting clinical trials and could adversely affect future profitability.**

The Company does not intend to manufacture the drug product candidates in-house, and it will rely on third parties for drug supplies both for clinical trials and for commercial quantities in the future. The Company has taken the strategic decision not to manufacture active pharmaceutical ingredients ("API") for the drug candidates, as these can be more economically supplied by third parties with particular expertise in this area. The Company outsources the manufacture of its drug products and their testing to FDA requirements. The Company uses contract facilities that are registered with the FDA, have a track record of large-scale API manufacture, and have already invested in capital and equipment. The Company has no direct control over the cost of manufacturing its product candidates. If the cost of manufacturing increases, or if the cost of the materials used increases, these costs may be passed on, making the cost of conducting clinical trials more expensive. Increases in manufacturing costs could adversely affect the Company's future profitability if it was unable to pass all of the increased costs along to its customers.

**The Company relies on third-party contract manufacturing organizations to manufacture its drug product candidates. If one or more of these vendors were unable to meet the Company's needs, it may materially and adversely impact our business.**

Manufacture of pharmaceutical material for human administration is technically complex and highly regulated. If one or more of the Company's vendors failed to produce drug product to the requisite standard, the continuity of the Company's operations may be severely disrupted. Even if a vendor was found deficient in respect of another product, it may impair the confidence of regulatory agencies in our product candidates, thereby disrupting our operations.

Global contract manufacturing capacity is limited, and the manufacturing process is not readily portable. As a result, the Company's ability to manufacture its product candidates in a timely manner is dependent on the availability of suitable capacity at its vendors.

The manufactured drug products, and their intermediaries, are of significant financial value. Loss, damage, or theft of this material, for example while in storage or transit, may result in significant detriment to the Company, which may be incompletely cured by insurance.

**Our reliance on third parties for research and development and manufacturing requires us to share our trade secrets, which increases the possibility that our trade secrets will be misappropriated or disclosed, and confidentiality agreements with employees and third parties may not adequately prevent disclosure of trade secrets and protect other proprietary information.**

We consider proprietary trade secrets or confidential know-how and unpatented know-how to be important to our business. We may rely on trade secrets or confidential know-how to protect our technology, especially where patent protection is believed by us to be of limited value. We rely on third parties for research and development work, and expect to rely on third parties for future manufacturing of our proprietary product candidate, paxalisib and EVT801, and any other current or future product candidates. We also expect to collaborate with third parties on the development of paxalisib and EVT801, and any other current or future product candidates. As a result of the aforementioned collaborations, we must, at times, share trade secrets with our collaborators.

Trade secrets or confidential know-how can be difficult to maintain as confidential. To protect this type of information against disclosure or appropriation by competitors, our policy is to require our employees, consultants, contractors and advisors to enter into confidentiality agreements and, if applicable, material transfer agreements, consulting agreements or other similar agreements with us prior to beginning research or disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, including our trade secrets. However, current or former employees, consultants, contractors and advisers may unintentionally or willfully disclose our confidential information to competitors, and confidentiality agreements may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. The need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others, or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may have an adverse effect on our business and results of operations. Enforcing a claim that a third party obtained illegally and is using trade secrets or confidential know-how is expensive, time consuming and unpredictable. Moreover, the enforceability of confidentiality agreements may vary from jurisdiction to jurisdiction.

In addition, these agreements typically restrict the ability of our advisors, employees, third-party contractors and consultants to publish data potentially relating to our trade secrets, although our agreements may contain certain limited publication rights. Despite our efforts to protect our trade secrets, our competitors may discover our trade secrets, either through breach of our agreements with third parties, independent development or publication of information by any of our third-party collaborators. A competitor's discovery of our trade secrets would impair our competitive position and have an adverse impact on our business.

**Risks Related to our Securities**

**Enforceability of civil liabilities under the federal securities laws against the Company or the Company's officers and directors may be difficult.**

The Company is a public company limited by shares and is registered and operates under the Corporations Act 2001 (Cth) ("Corporations Act 2001"). Half of the Company's directors and officers reside outside of the United States. In addition, a substantial portion of the directly owned assets of the Company are located outside of the United States. As a result, it may be difficult or impossible for investors to effect service of process within the United States against the Company or its directors and officers or to enforce against them any of the judgments, including those obtained in original actions or in actions to enforce judgments of the U.S. courts, predicated upon the civil liability provisions of the federal or state securities laws of the United States. There is doubt as to the enforceability in the Commonwealth of Australia, in original actions or in actions for enforcement of judgments of U.S. courts, of civil liabilities predicated solely upon federal or state securities laws of the U.S., especially in the case of enforcement of judgments of U.S. courts where the defendant has not been properly served in Australia.

**The Company's failure to meet the continued listing requirements of Nasdaq could result in a delisting of the ADSs, which could negatively impact the market price and liquidity of the Company's securities and its ability to access the capital markets.**

The ADSs are listed on the Nasdaq Capital Market. If the Company fails to satisfy the continued listing requirements of Nasdaq, such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist the ADSs. Such a delisting would have a negative effect on the price of the Company's securities, impair the ability to sell or purchase our common stock when persons wish to do so, and any delisting materially adversely affect the Company's ability to raise capital or pursue strategic restructuring, refinancing or other transactions on acceptable terms, or at all. Delisting from the Nasdaq Capital Market could also have other negative results, including the potential loss of institutional investor interest and fewer business development opportunities. In the event of a delisting, the Company would attempt to take actions to restore its compliance with Nasdaq's listing requirements, but the Company can provide no assurance that any such action taken by it would allow the ADSs to become listed again, stabilize the market price or improve the liquidity of the ADSs, prevent the ADSs from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements.

On 15 October 2024, Kazia announced that it planned to affect an ADS ratio change to change the ratio of ADSs to ordinary shares from one ADS to ten (10) ordinary shares to the new ratio of one ADS to one-hundred (100) ordinary shares. The ADS ratio change will have the same effect as a one-for-ten reverse ADS split for Kazia's ADS holders. There will be no change to Kazia's underlying ordinary shares, and no ordinary shares will be issued or cancelled in connection with the ADS ratio change. The ADS ratio change became effective on 28 October 2024.

On 1 April 2025, Kazia announced that it planned to affect an ADS ratio change to change the ratio of ADSs to ordinary shares from one ADS to one-hundred (100) ordinary shares to the new ratio of one ADS to five hundred (500) ordinary shares. The ADS ratio change will have the same effect as a one-for-five reverse ADS split for Kazia's ADS holders. There will be no change to Kazia's underlying ordinary shares, and no ordinary shares will be issued or cancelled in connection with the ADS ratio change. The ADS ratio change became effective on 17 April 2025.

On May 12, 2025, the Company received a notification (the Notification) from the Listing Qualifications Staff of the Nasdaq Stock Market LLC (Nasdaq) notifying the Company that from March 28, 2025 to May 9, 2025, the Company's Market Value of Listed Securities (MVLS) was below the minimum of $35 million. The Notification has no immediate impact on the Company's operations or listing and Kazia's American Depositary Shares (ADSs) will continue to trade on the Nasdaq Capital Market under the ticker "KZIA". In accordance with Nasdaq Listing Rule 5810(c)(3)(C), the Company has 180 calendar days to regain compliance with the MVLS Requirement. Such notification stated that, to regain compliance with the MVLS Requirement, our MVLS must close at $35 million or more for a minimum of ten consecutive business days during the compliance period ending on November 10, 2025.

On November 12, 2025, the Company received a staff determination letter ("Staff Letter") from the Staff of Nasdaq indicating that the Company had not regained compliance with the MVLS Requirement by November 10, 2025. The Company requested a hearing before the Panel. The hearing request will automatically stay any suspension or delisting action pending the hearing and the expiration of any additional extension period granted by the Panel following the hearing.

However, if we do not regain compliance with the relevant listing requirement during the applicable compliance period, Nasdaq will notify us in writing of its determination to delist our ADSs, at which point we would have an opportunity to appeal the delisting determination. However, there can be no assurance that, if we receive a delisting notice from the Staff and appeal the delisting determination, such appeal would be successful. We intend to actively monitor our MVLS and will take all reasonable measures available to us to regain compliance with the MVLS requirement. There can be no assurance that we will be able to regain compliance with this listing requirement or otherwise maintain compliance with any other listing requirements.

We cannot assure you that we will regain compliance with the MVLS requirement or remain in compliance with all applicable requirements for continued listing on Nasdaq. If we fail to regain or sustain compliance with all applicable requirements for continued listing on Nasdaq, the ADSs may be subject to delisting by Nasdaq.

This could inhibit the ability of holders of the ADSs to trade their ADSs in the open market, thereby severely limiting the liquidity of such ADSs. Although holders of the ADSs may be able to trade such ADSs on the over-the-counter market, there can be no assurance that this would occur. Further, the over-the-counter market provides significantly less liquidity than Nasdaq and other national securities exchanges, is thinly traded and highly volatile, has fewer market makers and is not followed by analysts. As a result, your ability to trade or obtain quotations for these securities may be more limited than if they were quoted on Nasdaq or other national securities exchanges.

**The trading price of the ADSs is highly volatile. Your investment could decline in value and the Company may incur significant costs from class action litigations.**

The trading price of the ADSs is highly volatile in response to various factors, many of which are beyond the Company's control, including:

- unacceptable toxicity findings in animals and humans;
- lack of efficacy in human trials at Phase II stage or beyond;
- announcements of technological innovations by the Company and its competitors;
- new products introduced or announced by the Company or its competitors;
- changes in financial estimates by securities analysts;
- actual or anticipated variations in operating results;
- expiration or termination of licenses, research contracts or other collaboration agreements;
- conditions or trends in the regulatory climate in the biotechnology, pharmaceutical and genomics industries;
- changes in the market values of similar companies;
- changes in the broader macroeconomic environment;
- the liquidity of any market for the Company's securities; and
- additional sales by the Company of its shares.

In addition, equity markets in general and the market for biotechnology and life sciences companies in particular, have experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the companies traded in those markets. Further changes in economic conditions in Australia, the U.S., EU, or globally, could impact the Company's ability to grow profitably. Adverse economic changes are outside the Company's control and may result in material adverse effects on the Company's business or results of operations. These broad market and industry factors may materially affect the market price of the Company's the ADSs regardless of its development and operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against that company. Such litigation, if instituted against the Company, could

cause it to incur substantial costs and divert management's attention and resources.
If the market price of the ADSs falls and remains below US$5.00 per share, under stock exchange rules, the Company's stockholders will not be able to use such ADSs as collateral for borrowing in margin accounts. This inability to use ADSs as collateral may depress demand as certain institutional investors are restricted from investing in securities priced below US$5.00 and may lead to sales of such ADSs, creating downward pressure on and increased volatility in the market price of the Company's ordinary shares and ADSs.

**The delisting of the Company's ordinary shares on the ASX may adversely affect the price, liquidity and value of the ADSs.**

On 11 October 2023, the Company announced its intention to delist from the Australian Securities Exchange (the "ASX"), which became effective on 15 November 2023. Upon completion of the delisting, the Company's ordinary shares were no longer quoted or traded on the ASX and only the ADSs are listed on the Nasdaq Capital Market, and as a result, shareholders were no longer able to trade their ordinary shares on the ASX. Following the completion of the delisting, the Company's ordinary shares are only capable of being traded on Nasdaq in the form of ADSs, which will require shareholders to transfer their ordinary shares to ADSs to trade on Nasdaq and engage a suitably qualified Australian broker or a U.S. based broker who is able to trade on Nasdaq, or by off-market, private transactions, which will require shareholders to identify and agree terms with potential purchasers of ordinary shares. In addition, the Company is no longer subject to the ASX Listing Rules. Accordingly, as there is only one market on which to trade the Company's securities, the delisting of the Company from the ASX may have impaired the development or liquidity of an active trading market for the ADSs in the U.S. and in turn the values of the ADSs.

**If the Company fails to comply with the rules under the Sarbanes-Oxley Act of 2002 related to accounting controls and procedures in the future, or, if the Company discovers material weaknesses and other deficiencies in our internal control and accounting procedures, the price of the ADSs could decline significantly and raising capital could be more difficult.**

If the Company fails to comply with the rules under the Sarbanes-Oxley Act of 2002 related to disclosure controls and procedures in the future, or, if we discover material weaknesses and other deficiencies in our internal control and accounting procedures, our stock price could decline significantly and raising capital could be more difficult. Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting. As of 30 June 2025, the Company's management determined that we had no material weaknesses in our internal control over financial reporting. If material weaknesses or significant deficiencies are discovered or if the Company otherwise fails to achieve and maintain the adequacy of its internal controls, the Company may not be able to ensure that it can conclude on an ongoing basis that it has effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. Moreover, effective internal controls are necessary for the Company to produce reliable financial reports and are important to helping prevent financial fraud. If the Company cannot provide reliable financial reports or prevent fraud, its business and operating results could be harmed, investors could lose confidence in its reported financial information, and the trading price of the ADSs could drop significantly.

**You are reliant on the depository to exercise your voting rights and to receive distributions on ADSs and, as a result, you may be unable to exercise your voting rights on a timely basis or you may not receive certain distributions.**

In certain circumstances, holders of ADSs may have limited rights relative to holders of ordinary shares. The rights of holders of ADSs with respect to the voting of ordinary shares and the right to receive certain distributions may be limited in certain respects by the deposit agreement entered into by us and The Bank of New York Mellon. For example, although ADS holders are entitled under the deposit agreement, subject to any applicable provisions of Australian law and of our Constitution, to instruct the depositary as to the exercise of the voting rights pertaining to the ordinary shares represented by the ADSs, and the depositary has agreed that it will try, as far as practical, to vote the ordinary shares so represented in accordance with such instructions, ADS holders may not receive notices sent by the depositary in time to ensure that the depositary will vote the ordinary shares. This means that, from a practical point of view, the holders of ADSs may not be able to exercise their right to vote. Holders of ADSs in respect of which no timely voting instructions have been received shall be deemed to have instructed the depositary to give a discretionary proxy to a person designated by us to vote the ordinary shares represented by such holders' ADSs; provided, however, that no such discretionary proxy shall be given with respect to any matter to be voted upon as to which we inform the depositary that (i) we do not wish such proxy to be given, (ii) substantial opposition exists, or (iii) the rights of holders of ordinary shares may be materially and adversely affected. In addition, under the deposit agreement, the depositary has the right to restrict distributions to holders of the ADSs in the event that it is unlawful or impractical to make such distributions. We have no obligation to take any action to permit

distributions to holders of our ADSs. As a result, holders of ADSs may not receive distributions.

**Holders of the ADSs are not treated as holders of our ordinary shares.**

Holders of ADSs are not treated as holders of our ordinary shares, unless they withdraw the ordinary shares underlying their ADSs in accordance with the deposit agreement and applicable laws and regulations. The depositary is the holder of the ordinary shares underlying the ADSs. Holders of ADSs therefore do not have any rights as holders of our ordinary shares, other than the rights that they have pursuant to the Deposit Agreement.

**You may be subject to limitations on transfer of the ADSs.**

The ADSs are only transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deem it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the Deposit Agreement, or for any other reason.

**If we are, a passive foreign investment company, or PFIC, there could be adverse U.S. federal income tax consequences to U.S. investors.**

Based on the composition of our assets and income, we believe that we were not a PFIC for U.S. federal income tax purposes with respect to our 2024 taxable year or our 2025 taxable year. However, even if we will not be considered a PFIC in the 2024 taxable year or the 2025 taxable year, there can be no assurance that we will not be considered a PFIC in the current taxable year or for any future taxable year. Our treatment as a PFIC could result in a reduction in the after-tax return to the U.S. holders of our ordinary shares or ADSs and would likely cause a reduction in the value of such ordinary shares or ADSs. For U.S. federal income tax purposes, we will be classified as a PFIC for any taxable year in which either (i) 75% or more of our gross income is passive income, or (ii) at least 50% of the average quarterly value of all of our assets for the taxable year produce or are held for the production of passive income. If we are classified as a PFIC for U.S. federal income tax purposes, highly complex rules will apply to U.S. holders owning ordinary shares or ADSs. Accordingly, you are urged to consult your tax advisors regarding the application of such rules. See Item 10-Additional Information-Taxation, United States Federal Income Tax Consequences for a more complete discussion of the U.S. federal income tax risks related to owning and disposing of our ordinary shares or ADSs.

**We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.**

We are a foreign private issuer. In order to maintain our current status as a foreign private issuer, at least 50% of our outstanding ordinary shares must continue to be either directly or indirectly owned of record by non-residents of the United States. If more than 50% of our outstanding ordinary shares are instead held by U.S. residents, then in order to continue to maintain our foreign private issuer status, (i) a majority of our executive officers or directors must not be U.S. citizens or residents, (ii) more than 50% of our assets must not be located in the United States, and (iii) our business must be administered principally outside the United States.

Losing our status as a foreign private issuer would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We also will be required to make changes in our corporate governance practices in accordance with various SEC and Nasdaq rules. The regulatory and compliance costs to us under U.S. securities laws, if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer, would be significantly higher than the cost we would incur as a foreign private issuer. As a result, we would expect that a loss of foreign private issuer status will increase our legal and financial compliance costs and will make some activities highly time consuming and costly. We also expect that if we will be required to comply with the rules and regulations applicable to U.S. domestic issuers, it will make it more difficult and expensive for us to obtain director and officer liability insurance; we may therefore be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors.

**Australian takeover laws may discourage takeover offers being made for us or may discourage the acquisition of a significant position in our ordinary shares and ADSs.**

We are incorporated in Australia and are subject to the takeover laws of Australia. Among other things, we are subject to the Corporations Act 2001. Subject to a range of exceptions, the Corporations Act 2001 prohibits the acquisition of a direct or indirect interest in our issued voting shares if the acquisition of that interest will lead to a person's voting power in us increasing to more than 20%, or increasing from a starting point that is above 20% and below 90%. Australian takeover laws may discourage takeover offers being made for us or may discourage the acquisition of a significant position in our ordinary shares. This may have the ancillary effect of entrenching our board of directors and may deprive or limit our shareholders' and ADS holders' opportunity to sell their ordinary shares and ADSs and may further restrict the ability of our shareholders and ADS holders to obtain a premium from such transactions. See Item 10.B "Additional Information - Our Constitution."

**Unfavorable macroeconomic conditions or market volatility resulting from national or global economic conditions, including those affecting the financial services industry, could adversely affect our business, financial condition or results of operations.**

Adverse macroeconomic conditions or market volatility resulting from national or global economic developments, political unrest, high inflation, elevated interest rates, international tariffs, changes in international trade relationships and military conflicts, such as the ongoing conflict between Russia and Ukraine, potential for significant changes in U.S. policies or regulatory environment or other factors, could materially and adversely affect our business operations. Sanctions imposed by the U.S. and other countries in response to such conflicts may also continue to adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability. For example, in early 2025, the U.S. imposed blanket 10% tariffs on virtually all imports to the U.S. and significantly higher tariffs applicable to imports from many countries, which have resulted in other countries imposing additional tariffs on imports from the U.S., and is likely to continue to result in more retaliatory tariffs. In addition, the current U.S. administration has expressed an intent to impose tariffs on pharmaceutical imports, with the stated policy objective of reshoring pharmaceutical manufacturing to the United States. Among other means, such tariffs may be imposed by the United States under Section 232 of the Trade Expansion Act of 1962, as amended, pursuant to which the U.S. Department of Commerce recently initiated an investigation to determine the effects of importing pharmaceuticals and pharmaceutical ingredients on national security. The Trump administration has continued to broadly impose tariffs, which could lead to corresponding punitive actions by the countries with which the U.S. trades. While certain tariffs have been suspended, modified or temporarily reduced, we cannot predict the results of the U.S. government's trade negotiations or the outcome of ongoing legal challenges to specific tariff policies. There can be no assurance that deterioration in credit and financial markets and confidence in economic conditions will not occur. For instance, actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. Investor concerns regarding the U.S. or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. In addition, any deterioration in the macro-economy or financial services industry could lead to losses or defaults by our suppliers, which in turn, could have a material adverse effect on our current and/or planned business operations and our current or projected results of operations and financial condition. Also, current inflationary trends in the global economy may impact salaries and wages, costs of goods and transportation expenses, among other things, and recent and potential future disruptions in access to bank deposits or lending commitments due to bank failures may create market and economic instability. A severe or prolonged economic downturn or additional global financial crises could result in a variety of risks to our business, including weakened demand for any product candidates we develop or our ability to raise additional capital when needed on acceptable terms, if at all.

Further, U.S. government appropriations have been affected by larger U.S. government budgetary issues and related legislation. Government spending levels are difficult to predict beyond the near term due to numerous factors, including the external threat environment, future government priorities and the state of government finances. Significant changes in government spending or changes in U.S. government priorities, policies and requirements could have a material adverse effect on our results of operations, financial condition or liquidity.

Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business.

## Events After the Reporting Period

### Fundraising Activities
From July 2025 through October 2025, the Consolidated Entity raised net proceeds of A$2,112,090 (US$1,397,016) using the ATM facility and the company executed a private placement of equity securities (PIPE), raising A$3,169,546 (US$2,049,992) and continues to seek additional funding sources both in Australia and overseas.

### Licensing Activities
On 7 October 2025 the company announced an exclusive collaboration and in-licensing agreement with QIMR Berghofer for a first-in-class PD- L1 degrader program. The lead optimized compound, NDL2, is an advanced PD-L1 protein degrader currently in development and represents a new and innovative frontier of cancer immunotherapy.

### MVLS Requirement
On November 12, 2025, the Company received a staff determination letter ("Staff Letter") from the Staff of Nasdaq indicating that the Company had not regained compliance with the MVLS Requirement by November 10, 2025. The Company requested a hearing before the Panel. The hearing request will automatically stay any suspension or delisting action pending the hearing and the expiration of any additional extension period granted by the Panel following the hearing.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years

### Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Consolidated Entity during the financial year.

### Likely developments and expected results of operations
We anticipate that during fiscal year 2026:

- Completed enrollment in the company-sponsored Phase 1b clinical trial evaluating paxalisib in combination with pembrolizumab (Keytruda®) and chemotherapy in patients with advanced triple-negative breast cancer (TNBC);
- Preliminary analyses from the expanded-access clinical experience with paxalisib in TNBC will be published, providing additional insight into clinical activity and biomarkers of response;
- Updated data will be presented from the Phase 2 PNOC022 clinical trial of paxalisib in combination with ONC201 in pediatric patients with diffuse midline glioma (DMG), including survival outcomes and biomarker correlations; and
- Preliminary analyses from several investigator initiated studies including Cornell Weill (GBM), Dana Farber (PCNSL) and Alliance (brain mets).

## Environmental, social and governance (ESG) report

### Environmental Regulation

The Consolidated Entity is not subject to any significant or unusual environmental regulation under Australian Commonwealth or State law. We are considering ways in which environmental impacts can be monitored however we do not foresee a material impact.

### Sustainability

Kazia's head office is located in one of the most sustainable carbon neutral commercial precincts. The serviced office is located in a building with a five star NABERS energy rating.

### Climate Change

Kazia is mindful of its impact on the environment and strives to reduce its carbon footprint. The Kazia business model is based on outsourcing, and we are working with major partners who are focused on reducing climate change and enhancing climate protection.

## Society

### Community Contribution

***Compassionate Use Program***

In rare circumstances, after careful discussion with the treating clinician, Kazia is sometimes able to provide its drug candidates for compassionate use on an individual named patient basis.

Our compassionate use program has treated over 40 patients in 7 countries since its inception in 2018.

Countries we treat compassionate patients in: Australia, USA, Israel, Spain, Switzerland, England and Ireland

### Social and Governance

Social and governance matters cover a vast range of potential issues including responsible business policies. Our policies set out our commitment to high social standards.

The following policies are in place and available on our website:

- Anti-Corruption Compliance
- Continuous Disclosure
- Corporate Governance
- Expanded Access
- Shareholder Communications
- Whistleblower
- FDA review and approval of an NDA, prior to any commercial sale, promotion or shipment of a product.

### Employees

The Consolidated Entity aims to ensure that it has a safe operating environment with an inclusive and diverse culture and the best talent and skills for our future success.

The following employee policies are in place:

- Code of Business Conduct & Ethics
- Recruitment and retention
- Inclusion and diversity
- Parents returning to work
- Education and training
- Employee Share Option Plan
- Health and safety
- Whistleblowing
- Equal Employment Opportunity and Diversity
- Harassment and Discrimination
- Anti-corruption and anti-bribery policies
- Public disclosures
- Securities trading
- Scientific integrity

### Product and Corporate Developments during Financial Year 2025

The Company continued to pursue its strategy of focusing resources on clinical programs, being specifically those most likely to provide a return to shareholders.

Paxalisib is involved in ten clinical trials, all being conducted by world renowned research organizations and principally funded by parties other than the Company, giving us multiple opportunities to realise value from this product candidate.
EVT801's phase I clinical trial was completed and clinical study report is anticipated in 2026.

### At-The-Market (ATM) Facility

Kazia established an 'at-the-market' equity program (the "ATM facility") with Oppenheimer & Co. Inc. ("Oppenheimer"), as sales agent, in April 2022. Under the ATM facility, Kazia may offer and sell through Oppenheimer up to an aggregate amount of US$50 million of its ordinary shares, in the form of ADSs. During the fiscal year ended 30 June 2025, Kazia sold an aggregate amount of US$4,556,252 (2024 US$1,656,016) of ADSs under the ATM facility. The agreement with Oppenheimer was terminated in July 2025.

On July 25, 2025, Kazia entered into a new ATM facility pursuant to an At the Market Offering Agreement with Rodman & Renshaw LLC ("Rodman"), as sales agent, under which the Company may offer and sell, from time to time through Rodman, ADSs, each ADS representing five hundred (500) ordinary shares. The offer and sale of the ADSs, if any, will be made pursuant to the Company's shelf registration statement previously declared effective by the SEC on September 12, 2024, as supplemented by the prospectus supplement relating to the ADSs which may be issued from time to time pursuant to the agreement with Rodman. Pursuant to the agreement with Rodman and the prospectus supplement filed by the Company on July 25, 2025, the Company may offer and sell up to US$1,906,196 of ADSs.

The ATM facility allows Kazia to raise capital dynamically in the open market, with no discount, no warrant coverage, and modest banking fees, allowing it to fund operations with minimal dilution to existing shareholders.

### January 2025 Registered Direct Offering and Concurrent Private Placement

On January 10, 2025, Kazia entered into a securities purchase agreement with Alumni Capital LP, pursuant to which the Company issued and sold (A) in a registered direct offering, 553,440 ADSs and the pre-funded warrants to purchase up to 779,893 ADSs, and (B) in a concurrent private placement, the ordinary warrants to purchase up to 1,333,333 ADSs, which have an exercise price of $1.5 per ADS, are exercisable immediately and will expire on July 14, 2030 (the "Ordinary Warrants"). As part of the compensation to Maxim Group LLC, who acted as the placement agent in connection with such offering in January 2025, Kazia issued to Maxim Partners LLC, the designee of Maxim Group LLC, unregistered placement agent warrants (the "Placement Agent Warrants"), to purchase up to an aggregate of 40,000 ADSs at an exercise price of $1.5 per ADS, pursuant to the Placement Agency Agreement between Kazia and Maxim Group LLC. The Placement Agent Warrants expire on July 14, 2030. The net proceeds to the Company from the Offerings were approximately $1.7 million, after deducting placement agent's fees and estimated offering expenses.

### August 2025 Private Placement

On July 31, 2025, Kazia entered into the Securities Purchase Agreements with certain institutional and accredited purchasers (the "Purchasers") in connection with a private placement of equity securities, pursuant to which Kazia issued and sold (i) 14,204,500 ordinary shares, at a purchase price of $0.0176 per share, and (ii) pre-funded warrants to purchase up to 204,547 ADSs, each ADS representing five hundred ordinary shares, at a purchase price of $8.7999 per pre-funded warrant. Each pre-funded warrant is exercisable for one ADS at an exercise price of $0.0001 per ADS underlying the Pre-Funded Warrant, is immediately exercisable, and will expire when exercised in full. The net proceeds to the Company from the Private Placement were approximately $2 million, after deducting estimated offering expenses.

### Voluntary Delisting from ASX

On 11 October 2023 Kazia announced that it submitted a formal application to the ASX to be removed from the official list of the ASX (the "Official List") in accordance with ASX Listing Rule 17.11. On 15 November 2023, Kazia was removed from the Official List and its ordinary shares ceased to be traded on the ASX.

## Equity Line of Credit

On 19 April 2024, Kazia entered into a purchase agreement (the “Purchase Agreement”) with Alumni Capital LP (“Alumni Capital”). Pursuant to the Purchase Agreement, the Company may sell to Alumni Capital up to an aggregate of $15,000,000, of ADSs from time to time during the term of the Purchase Agreement. During the fiscal year ended 30 June 2025, Kazia sold an aggregate amount of US$2,015,435 (A$5,638,016) of ADSs under the Purchase Agreement.

## ADS Ratio Change

On 15 October 2024, Kazia announced that it planned to effect an ADS ratio change to change the ratio of ADSs to ordinary shares from one ADS to ten ordinary shares to the new ratio of one ADS to one-hundred ordinary shares. The ADS ratio change will have the same effect as a one-for-ten reverse ADS split for Kazia's ADS holders. There will be no change to Kazia's underlying ordinary shares, and no ordinary shares will be issued or cancelled in connection with the ADS ratio change. The ADS ratio change became effective on 28 October 2024.

On 1 April 2025, Kazia announced that it planned to affect an ADS ratio change to change the ratio of ADSs to ordinary shares from one ADS to one hundred ordinary shares to the new ratio of one ADS to five hundred ordinary shares. The ADS ratio change will have the same effect as a one-for-five reverse ADS split for Kazia's ADS holders. There will be no change to Kazia's underlying ordinary shares, and no ordinary shares will be issued or cancelled in connection with the ADS ratio change. The ADS ratio change became effective on 17 April 2025

## Information on directors

'Other current directorships' quoted below are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted below are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

| | |
|---|---|
| Name: | **Bryce Carmine** |
| Title: | Non-Executive Director<br>Chairman |
| Qualifications: | B.Sc., Biochemistry, Microbiology & Genetics |
| Experience and expertise: | Bryce spent 36 years working for Eli Lilly & Co. and retired as Executive Vice President for Eli Lilly & Co, and President, Lilly Bio-Medicines. Prior to this he led the Global Pharmaceutical Sales and Marketing and was a member of the Company’s Executive Committee. Bryce previously held a series of product development portfolio leadership roles culminating when he was named President, Global Pharmaceutical Product Development, with responsibility for the entire late-phase pipeline development across all therapeutic areas for Eli Lilly. During his career with Lilly, Bryce held several country leadership positions including President Eli Lilly Japan, Managing Dir. Australia/NZ & General Manager of a JV for Lilly in Seoul, Korea. Most recently, Bryce was Chairman and CEO of HaemaLogiX Pty Ltd, a Sydney based privately owned biotech until December 2023. Bryce has been a director of HaemaLogiX Pty Ltd since January 2024. |
| Special responsibilities: | Chair of Remuneration and Nomination Committee, member of Audit, Risk and Governance Committee. |

| | |
|---|---|
| Name: | **Steven Coffey** |
| Title: | Non-Executive Director |
| Qualifications: | B. Comm, CA |
| Experience and expertise: | Steven is a Chartered Accountant and registered company auditor and has over 35 years experience in the accounting and finance industry. He has been a partner with the chartered accounting firm Watkins Coffey Martin which recently merged with Charternet Chartered Accountants and Steven is a consultant to that group. Steven sits on the board of a number of large private family companies and audits a number of large private companies and not-for-profit entities. Previously, Steven was a director of Ansarada Group Limited (ASX: AND) (formerly The Docyard Limited (ASX:TDY)). |
| Special responsibilities: | Chair of Audit, Risk and Governance Committee, Member of Remuneration and Nomination Committee. |

| | |
|---|---|
| Name: | **Ebru Davidson** |
| Title: | Non-Executive Director |
| Qualifications: | BSc, JD (Hons), AGIA, GAICD |
| Experience and expertise: | Ms Davidson is a highly experienced corporate lawyer and is currently the General Counsel for QBiotics Group Limited since 2021, an unlisted public Australian life sciences company. Prior to this, Ms Davidson was a partner at national law firm Thomson Geer Lawyers from 2017 until 2021 and has over 14 years' experience in equity capital markets, private and public mergers and acquisitions, corporate transactions and corporate governance. Ms Davidson also has extensive experience in advising listed and unlisted entities on compliance and regulatory matters working closely with the Australian Securities and Investment Commission and Australian Securities Exchange. |
| Name: | **Dr John Friend** |
| Title: | Chief Executive Officer<br>Managing Director |
| Qualifications: | B.A., M.D. |
| Experience and expertise: | Dr Friend is a highly experienced physician executive who has previously worked with companies ranging from start-up biotechnology companies to multinational pharmaceutical companies. Over the past 15 years, his focus has been in the oncology and hematology therapeutic space. Dr. Friend is a US-trained physician who practiced medicine in North Carolina before transitioning to drug development. Before joining Kazia Therapeutics in November 2021 he was Chief Medical Officer and member of the executive management team at Cellectar Biosciences, Inc, a US publicly traded biopharmaceutical company. |
| Interests in shares: | None |
| Name: | **Robert Apple** |
| Title: | Non-Executive Director |
| Qualifications: | B.A |
| Experience and expertise: | Mr Robert Apple has more than 25 years of senior leadership experience in the pharmaceutical industry, including 16 years with Antares Pharma, Inc. as Senior Vice President, Chief Financial Officer and Corporate Secretary, before going on to become President and Chief Executive Officer from 2016 until its acquisition by Halozyme Therapeutics in 2022. Mr. Apple also served on the Board of Directors at Antares from 2016 until May 2022. He previously served on the Board of Directors of InKine Pharmaceutical PaxMedica Inc., and Kerathin Inc. Prior to joining Antares, Mr. Apple served as Chief Operating and Financial Officer at InKine Pharmaceutical. He also held prior roles at Genaera Corporation, Liberty Technologies, and Arthur Andersen & Company. |
| Name: | **Jeffrey Bonacorda** |
| Title: | Vice President, Finance and Controller |
| Qualifications: | B.A, |
| Experience and expertise: | Mr Jeffrey Bonacorda is a senior accounting professional with more than thirty years of experience in the pharmaceutical, consumer products and service industries. Prior to joining Kazia, Mr Bonacorda held several senior finance positions supporting global R&D development programs and on market pharmaceuticals. |
| Name: | **Elissa Hansen** |
| Title: | Company Secretary |
| Qualifications: | Bc., Grad.Dip. AICD, FGIA, |
| Experience and expertise: | Ms Elissa Hansen has over 20 years' experience as a company secretary and governance professional for both listed and unlisted companies. She is a Chartered Secretary who brings best practice governance advice, ensuring compliance with the Corporations Act 2001 and other relevant legislation. Since 2015, she has been Principal at CoSec Services, which provides Company Secretarial and Corporate Governance consulting services. |

## Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

| | Full Board | | Audit, Risk & Governance Committee | | Remuneration & Nomination Committee | |
|---|---|---|---|---|---|---|
| | Attended | Held | Attended | Held | Attended | Held |
| Bryce Carmine | 10 | 12 | - | - | - | - |
| Steven Coffey | 12 | 12 | - | - | - | - |
| Ebru Davidson | 12 | 12 | - | - | - | - |
| John Friend[1] | 7 | 7 | - | - | - | - |
| Robert Apple | 11 | 12 | - | - | - | - |

[1] Resigned 20 December 2024
Held: represents the number of meetings held during the time the director held office.

## Shares under option

Unissued ordinary shares of Kazia Therapeutics Limited under option at the date of this report are as follows. All options are unlisted and were issued under the Company's Employee Share Option Plan.

| Tranche | Grant date | Expiry date | Exercise Price | Closing Balance |
|---|---|---|---|---|
| | Options over ordinary shares | | | |
| 8 | 9 September 2021 | 26 June 2026 | $1.3650 | 100,000 |
| 9 | 16 November 2021 | 16 November 2025 | $1.6900 | 750,000 |
| 10 | 16 November 2021 | 16 November 2025 | $2.2400 | 500,000 |
| 11 | 16 November 2021 | 16 November 2025 | $1.5600 | 800,000 |
| 13 | 1 February 2022 | 1 February 2027 | $0.9400 | 300,000 |
| 14 | 24 May 2022 | 24 May 2027 | $0.7800 | 100,000 |
| 15 | 3 March 2023 | 3 March 2027 | $0.1500 | 2,530,000 |
| 16 | 3 May 2023 | 3 May 2027 | $0.1870 | 3,000,000 |
| | | | | 8,080,000 |
| | Options over ADS | | | |
| 17 | 22 April 2024 | 22 April 2029 | $29.2975 | 30,000 |
| 18 | 17 June 2024 | 17 June 2029 | $25.6500 | 17,000 |
| 19 | 27 June 2024 | 27 June 2030 | $14.8500 | 5,000 |
| 20 | 11 September 2024 | 11 September 2029 | $24.8024 | 6,000 |
| 21-22 | 14 January 2025 | 14 July 2030 | $75.0000 | 27,467 |
| | | | | 85,467 |

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

No ordinary shares of Kazia Therapeutics Limited were issued during the year ended 30 June 2025 and up to the date of this report on the exercise of options granted.

## Indemnity and insurance of officers

Pursuant to Deeds of Access, Insurance and Indemnity, the consolidated entity has agreed to indemnify the Directors and Executives of the consolidated entity in certain circumstances for costs incurred, in their capacity as a Director or Executive, for which they may be held personally liable. However, no indemnities have been enforced by the Directors and Executives of the consolidated entity under those agreements during the year ended 30 June 2025.

During the financial year, the consolidated entity paid a premium in respect of a contract to insure the Directors and Executives of the consolidated entity against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

### Indemnity and insurance of auditor

The consolidated entity has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the consolidated entity or any related entity against a liability incurred by the auditor.

During the financial year, the consolidated entity has not paid a premium in respect of a contract to insure the auditor of the consolidated entity or any related entity.

### Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

### Auditor

BDO Audit Pty Ltd continues in office in accordance with section 327B of the Corporations Act 2001.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the Directors

DocuSigned by:
Steven Coffey
90ECD9C7792B4F9...

Steven Coffey
Director

26 November 2025
Sydney

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Parkline Place
Level 25, 252 Pitt Street
Sydney NSW 2000
Australia

**DECLARATION OF INDEPENDENCE BY GARETH FEW TO THE DIRECTORS OF KAZIA THERAPEUTICS LIMITED**

As lead auditor of Kazia Therapeutics Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Kazia Therapeutics Limited and the entities it controlled during the period.

Gareth Few

Director

BDO Audit Pty Ltd

Sydney

26 November 2025

**Kazia Therapeutics Limited**
**Contents**
**30 June 2025**


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## General information

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

Kazia Therapeutics Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Three International Towers,
Level 24
300 Barangaroo Avenue
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 November 2025. The directors have the power to amend and reissue the financial statements.

**Kazia Therapeutics Limited**
**Statement of profit or loss and other comprehensive income**
**For the year ended 30 June 2025**

| | Note | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Revenue** | 4 | 41,765 | 2,308,450 |
| Other income | 5 | 1,787,353 | 173,432 |
| Finance income | | 72,133 | 12,212 |
| **Expenses** | | | |
| Research and development expense | | (7,326,277) | (17,380,062) |
| General and administrative expense | | (8,720,837) | (13,564,622) |
| **Operating loss** | | (14,145,863) | (28,450,590) |
| Impairment of Intangible Assets | | (13,378,796) | - |
| Gain on revaluation of contingent consideration | | 7,553,904 | 119,467 |
| Gain on revaluation of promissory note | | - | 25,174 |
| (Loss)/gain on revaluation of other financial liabilities | | (2,477,718) | 1,256,846 |
| **Loss before income tax benefit** | | (22,448,473) | (27,049,103) |
| Income tax benefit | 7 | 1,746,551 | 271,089 |
| **Loss after income tax benefit for the year attributable to the owners of Kazia Therapeutics Limited** | | (20,701,922) | (26,778,014) |
| **Other comprehensive loss** | | | |
| *Items that may be reclassified subsequently to profit or loss* | | | |
| Net exchange difference on translation of financial statements of foreign controlled entities, net of tax | | (23,320) | (8,401) |
| Other comprehensive loss for the year, net of tax | | (23,320) | (8,401) |
| **Total comprehensive loss for the year attributable to the owners of Kazia Therapeutics Limited** | | (20,725,242) | (26,786,415) |
| | | **Cents** | **Cents** |
| Basic earnings per share | 31 | (3.78) | (10.16) |
| Diluted earnings per share | 31 | (3.78) | (10.16) |

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

**Kazia Therapeutics Limited**
**Statement of financial position**
**As at 30 June 2025**

| | Note | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 8 | 4,344,691 | 1,657,478 |
| Trade and other receivables | 9 | 97,911 | 3,896,729 |
| Other assets | 11 | 490,558 | 591,162 |
| Total current assets | | 4,933,160 | 6,145,369 |
| **Non-current assets** | | | |
| Intangibles | 12 | 1,086,516 | 15,400,023 |
| Trade and other receivables | 10 | 40,000 | 40,000 |
| Total non-current assets | | 1,126,516 | 15,440,023 |
| **Total assets** | | 6,059,676 | 21,585,392 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 13 | 10,116,769 | 15,067,945 |
| Other financial liabilities | 14 | 3,150,301 | 6,478,060 |
| Borrowings | 15 | 395,640 | 634,191 |
| Employee benefits | 16 | 390,177 | 364,933 |
| Contingent consideration | 17 | - | 3,252,904 |
| Total current liabilities | | 14,052,887 | 25,798,033 |
| **Non-current liabilities** | | | |
| Deferred tax | 18 | 271,629 | 2,018,180 |
| Employee benefits | 16 | 36,609 | 35,219 |
| Contingent consideration | 17 | - | 3,751,717 |
| Total non-current liabilities | | 308,238 | 5,805,116 |
| **Total liabilities** | | 14,361,125 | 31,603,149 |
| **Net liabilities** | | (8,301,449) | (10,017,757) |
| **Equity** | | | |
| Contributed equity | 19 | 123,045,889 | 101,637,758 |
| Other contributed equity | 20 | 380,224 | - |
| Reserves | 21 | 3,099,687 | 3,474,755 |
| Accumulated losses | | (134,827,249) | (115,130,270) |
| **Total deficiency in equity** | | (8,301,449) | (10,017,757) |

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

**Kazia Therapeutics Limited**
**Statement of changes in equity**
**For the year ended 30 June 2025**

| Consolidated | Contributed equity $ | Other contributed equity $ | Foreign currency translation reserve $ | Share based payments reserve $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|---|---|
| Balance at 1 July 2023 | 97,452,246 | - | (741,790) | 4,422,666 | (89,082,571) | 12,050,551 |
| Loss after income tax benefit for the year | - | - | - | - | (26,778,014) | (26,778,014) |
| Other comprehensive income for the year, net of tax | - | - | (8,401) | - | - | (8,401) |
| Total comprehensive income for the year | - | - | (8,401) | - | (26,778,014) | (26,786,415) |
| Shares issued (note 19) | 4,181,862 | - | - | - | - | 4,181,862 |
| Share issue costs (note 19) | (376,573) | - | - | - | - | (376,573) |
| *Transactions with owners in their capacity as owners:* | | | | | | |
| Employee share-based payment options | - | - | - | 532,595 | - | 532,595 |
| Employee share-based payment options - expired | - | - | - | (730,315) | 730,315 | - |
| Shares issued upon conversion of convertible shares | 380,223 | - | - | - | - | 380,223 |
| Balance at 30 June 2024 | 101,637,758 | - | (750,191) | 4,224,946 | (115,130,270) | (10,017,757) |

| Consolidated | Contributed equity $ | Other contributed equity $ | Foreign currency translation reserve $ | Share based payments reserve $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|---|---|
| Balance at 1 July 2024 | 101,637,758 | - | (750,191) | 4,224,946 | (115,130,270) | (10,017,757) |
| Loss after income tax benefit for the year | - | - | - | - | (20,701,922) | (20,701,922) |
| Other comprehensive income/(loss) for the year, net of tax | - | - | (23,320) | - | - | (23,320) |
| Total comprehensive income for the year | - | - | (23,320) | - | (20,701,922) | (20,725,242) |
| Issue of shares (note 19) | 22,500,878 | - | - | - | - | 22,500,878 |
| Share issue costs (note 19) | (712,523) | - | - | - | - | (712,523) |
| Unissued equity (note 20) | (380,224) | 380,224 | - | - | - | - |
| *Transactions with owners in their capacity as owners:* | | | | | | |
| Employee share-based payment options | - | - | - | 653,195 | - | 653,195 |
| Employee share-based payment options - expired | - | - | - | (1,004,943) | 1,004,943 | - |
| Balance at 30 June 2025 | 123,045,889 | 380,224 | (773,511) | 3,873,198 | (134,827,249) | (8,301,449) |

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

**Kazia Therapeutics Limited**
**Statement of cash flows**
**For the year ended 30 June 2025**

| | Note | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Receipts from customers * | | 1,662,768 | 2,293,389 |
| Grant income | | 209,129 | 173,437 |
| Payments to suppliers and employees (inclusive of GST) | | (15,223,648) | (12,060,390) |
| | | (13,351,751) | (9,593,565) |
| Interest received | | 72,133 | 12,212 |
| Net cash used in operating activities | 30 | (13,279,618) | (9,581,353) |
| Net cash from investing activities | | - | - |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares - net of issuance costs | 19 | 12,948,254 | 2,914,360 |
| Proceeds from issuance of equity and pre-funded warrants | 14,19 | 3,034,625 | 2,666,405 |
| Proceeds from issuance of promissory note | 14 | - | 776,670 |
| Repayment of promissory note | 14 | - | (371,802) |
| Net cash from financing activities | | 15,982,879 | 5,985,633 |
| Net increase/(decrease) in cash and cash equivalents | | 2,703,261 | (3,595,720) |
| Cash and cash equivalents at the beginning of the financial year | | 1,657,478 | 5,241,197 |
| Effects of exchange rate changes on cash and cash equivalents | | (16,048) | 12,001 |
| Cash and cash equivalents at the end of the financial year | 8 | 4,344,691 | 1,657,478 |

* Receipts from customers were subject to deduction of GST/VAT and withholding tax at source

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

## Note 1. General information

The consolidated financial statements cover Kazia Therapeutics Limited (the “Consolidated Entity”, the "Company" or "Kazia") as a consolidated entity which consists of Kazia Therapeutics Limited and its subsidiaries. The consolidated financial statements are presented in Australian dollars, which is Kazia Therapeutics Limited’s functional and reporting currency.

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

Three International Towers
Level 24, 300 Barangaroo Avenue
Sydney NSW 2000

The consolidated financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 November 2025. The Directors have the power to amend and reissue the financial statements.

## Note 2. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**New Accounting Standards and Interpretations not yet mandatory or early adopted**
In June 2024, AASB 18, "Presentation and Disclosure in Financial Statements" was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces AASB 101 "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measure to be explained and included in a separate note within the consolidated financial statements. The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and require retroactive application. The Consolidated Entity is currently assessing the impact of the new standard.

The Consolidated Entity is currently analysing the potential impact of the amendments to AASB 9 "Financial Instruments", AASB 7 "Financial Instruments: Disclosures", and small changes to various standards or interpretations as part of the annual improvements to IFRS project. The amendments are effective for reporting periods beginning on or after 1 January 2026.

There were no other new accounting standards and interpretations not yet adopted by the Consolidated Entity for the 30 June 2025 reporting period that are expected to materially impact the Consolidated Entity.

**Going concern**

The Consolidated entity incurred a loss after income tax of $20,701,922 (2024: $26,778,014), was in a net current liability position of $9,119,727 (2024: $19,652,664) and had net cash outflows from operating activities of $13,279,618 (2024: $9,581,353) for the year ended 30 June 2025.

As at 30 June 2025 the consolidated entity had cash and cash equivalents of $4,344,691 (2024: $1,657,478).

**Note 2. Material accounting policy information (continued)**

The consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities and realization of assets and settlement of liabilities in the normal course of business. As is often the case with drug development companies, the Company has not generated significant revenues nor does the Company anticipate generating significant revenues in the near future. The ability of the Consolidated Entity to continue its development activities as a going concern is dependent upon it deriving sufficient cash from investors, from licensing and partnering activities, and from other sources of revenue such as grant funding, and remaining listed on a stock exchange.

The events and conditions noted above give rise to the existence of a material uncertainty that may cast significant doubt about the Consolidated Entity's ability to continue as a going concern and, therefore, the Consolidated Entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors have considered the cash flow forecasts and the funding requirements of the business and continue to explore grant funding, licensing opportunities and equity investment opportunities in the Company. The Directors note the following with regards to the ability of the Consolidated Entity to continue as a going concern:

- On 12 May 2025, the Company received a notification (the Notification) from the Listing Qualifications Staff of the Nasdaq Stock Market LLC (Nasdaq) notifying the Company that from 28 March 2025 to 9 May 2025, the Company's Market Value of Listed Securities (MVLS) was below the minimum of $35 million. The Notification has no immediate impact on the Company's operations or listing and Kazia's American Depositary Shares (ADSs) will continue to trade on the Nasdaq Capital Market under the ticker "KZIA". In accordance with Nasdaq Listing Rule 5810(c)(3)(C), the Company has 180 calendar days to regain compliance with the MVLS Requirement;

- On November 12, 2025, the Company received a staff determination letter ("Staff Letter") from the Staff of Nasdaq indicating that the Company had not regained compliance with the MVLS Requirement by November 10, 2025. The Company requested a hearing before the Panel. The hearing request will automatically stay any suspension or delisting action pending the hearing and the expiration of any additional extension period granted by the Panel following the hearing.

- The at-the-market' equity program ("ATM") allows the Company to raise capital dynamically in the market, with no discount, no warrant coverage, and modest banking fees, allowing it to fund operations with minimal dilution to existing shareholders. An ATM with Oppenheimer & Co. Inc. (Oppenheimer) as sales agent was established in April 2022. Under the ATM, Kazia may offer and sell via Oppenheimer, in the form of American Depository Shares (ADSs), with each ADS representing 500 ordinary shares. Kazia entered into an Equity Distribution Agreement, dated as of 22 April 2022 (the "Sales Agreement"), with Oppenheimer, acting as sales agent for an initial capacity of US$35 million. On 4 September 2024, the Equity Distribution Agreement was amended to increase the aggregate offering price to US$50 million. On 10 July 2025, the Company terminated the ATM with Oppenheimer and on July 25, 2025, Kazia entered into an At the Market Offering Agreement with Rodman & Renshaw LLC ("Rodman"), as sales agent, under which the Company may offer and sell, from time to time through Rodman, American Depositary Shares ("ADSs"), each ADS representing five hundred (500) ordinary shares, no par value per share, of the Company (the "Ordinary Shares").

- During the year ended 30 June 2025, US$4,556,252 was drawn down from the ATM facility compared to US$1,656,016 for the year ended 30 June 2024. At 30 June 2025 the remaining capacity of the ATM was US$36.63 million.

- From July through November 2025, the Consolidated entity raised total proceeds of US$1,441,826 using the ATM facility and the company executed a private placement of equity securities (PIPE), raising US$2,049,992. The Company continues to seek additional funding sources both in Australia and overseas.

The directors have considered the cash flow forecasts and the funding requirements of the business and continue to explore additional funding sources in both Australia and overseas including grant funding, licensing opportunities and equity investment opportunities in the Company.

Accordingly, the directors have prepared the consolidated financial statements on a going concern basis. Should the above circumstances do not eventuate the entity may be unable to realise its assets and discharge it liabilities in the normal course of business and at the amounts stated in these consolidated financial statements.

**Note 2. Material accounting policy information (continued)**

**Basis of preparation**
These general purpose consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

The financial statements have been prepared on an accruals basis and under the historical cost conventions.

*Critical accounting estimates*
The preparation of the consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

**ADS Ratio Changes**
On 28 October 2024, the Company changed its ratio of ADSs ordinary shares from one ADS representing 10 ordinary shares to one ADS representing 100 ordinary shares.

On 1 April 2025, the Company changed its ratio of its ADSs to ordinary shares from one ADS representing 100 ordinary shares to one ADS representing 500 ordinary shares.

As a result of the ratio changes, all references in these consolidated financial statements and accompanying notes to units of ordinary shares underlying ADSs are reflective of the ratio change for all periods presented. In addition, the exercise prices and the numbers of ordinary shares issuable upon the exercise of any outstanding options to purchase ordinary shares were proportionally adjusted pursuant to the respective anti-dilution terms of the share-based payment plans.

**Parent entity information**
In accordance with the Corporations Act 2001, these consolidated financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 28.

**Principles of consolidation**
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Kazia Therapeutics Limited as at 30 June 2025 and the results of all subsidiaries for the year then ended. Kazia Therapeutics Limited and its subsidiaries together are referred to in these consolidated financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference is between the consideration transferred and the book value.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Operating segments**
Operating segments are presented using the ‘management approach’ where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers (‘CODM’). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. The CODM is considered to be the Board of Directors.

**Note 2. Material accounting policy information (continued)**

The Consolidated Entity operates in the pharmaceutical research and development business. There are no operating segments for which discrete financial information exists.

**Foreign currency translation**
The consolidated financial statements are presented in Australian dollars.

*Foreign currency transactions*
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

*Foreign operations*
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation is disposed of.

Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation shall be recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

**Financial Instruments**
*Subsequent measurement of financial assets*
For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:
- financial assets at amortised cost
- financial assets at fair value through profit or loss (FVPL)

Classifications are determined by both:
- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial assets

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

*Financial assets at amortised cost*
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):
• they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
• the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The consolidated entity's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

*Classification and measurement of financial liabilities*
The consolidated entity's financial liabilities comprise trade and other payables. Financial liabilities, borrowings and contingent consideration for business combinations and licensing agreement acquisitions are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the consolidated entity designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method, except for contingent consideration in a business combination and liability classified warrants, which are measured at fair value.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

**Note 2. Material accounting policy information (continued)**

**Revenue from contracts with customers**
Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognised using a five step approach in accordance with AASB 15 "Revenue from Contracts with Customers" to depict the transfer of promised services to customers in an amount that reflects the consideration to which the consolidated entity expects to be entitled in exchange for those services. Distinct promises within the contract are identified as performance obligations. The transaction price of the contract is measured based on the amount of consideration the consolidated entity expects to be entitled to from the customer in exchange for services. Factors such as requirements around variable consideration, significant financing components, noncash consideration, or amounts payable to customers also determine the transaction price. The transaction is then allocated to separate performance obligations in the contract based on relative standalone selling prices. Revenue is recognised when, or as, performance obligations are satisfied, which is when control of the promised service is transferred to the customer. Amounts received prior to satisfying the revenue recognition criteria are recorded as deferred revenue. Amounts expected to be recognised as revenue within the 12 months following the balance sheet date are classified within current liabilities. Amounts not expected to be recognised as revenue within the 12 months following the balance sheet date are classified within non-current liabilities.

The consolidated entity recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in its consolidated statement of financial position. Similarly, if the consolidated entity satisfies a performance obligation before it receives the consideration, the consolidated entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

*Licensing revenues, including milestone revenue*
Revenue from licensees of the consolidated entity's intellectual property reflects the transfer of a right to use the intellectual property as it exists at the point in time in which the licence is transferred to the customer.

Licensing agreements are examined to determine whether they contain additional performance obligations, over and above the right to use the intellectual property. To the extent that additional performance obligations exist, the transaction price the consolidated entity expects to receive for the contract is allocated to the separate performance obligations.

The receipt of milestone payments is often contingent on meeting certain clinical, regulatory or commercial targets, and is therefore considered variable consideration. The transaction price of the contingent milestone is estimated using the most likely amount method. Within the transaction price, the price associated with a contingent milestone is included only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Milestone payments that are not within the control of the consolidated entity, such as regulatory approvals, are not considered highly probable of being achieved until those approvals are achieved.

*Finance income*
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Grant income*
A government grant is considered as assistance by a state authority in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the operation of the Group. The R&D Tax Incentive Scheme is considered a government grant. Although the Australian R&D Tax Incentive Scheme is administered by the government through the ATO, the entitlement to R&D tax offsets is not linked to the level or availability of taxable profits. Broadly, under the Australian R&D Tax Incentive Scheme, an Australian company which incurs expenditure in relation to eligible R&D activities undertaken by the company may be entitled to either: (a) a refundable tax offset if its aggregated turnover is less than $20 million provided it is not controlled by income tax exempt entities; or (b) a non-refundable tax offset for other entities. Where a non-refundable R&D tax offset exceeds the income tax liability, the excess is not refunded to the company. Rather, the excess is carried forward and can be used in subsequent years, provided it meets the relevant carry-forward rules.

Grant income is recognised as receivable at fair value where there is reasonable assurance that the grant will be received, and all grant conditions have been satisfied which requires judgement.

**Note 2. Material accounting policy information (continued)**

*Other revenue*
Other revenue is recognised when it is received or when the right to receive payment is established.

**Income tax**
Income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Kazia Therapeutics Limited and its wholly-owned Australian controlled entities have formed an income tax consolidated group under the tax consolidation regime. Kazia Therapeutics Limited as the parent entity discloses all of the deferred tax assets of the tax consolidated group in relation to tax losses carried forward (after elimination of inter-group transactions). The tax consolidated group has applied the 'separate taxpayer in the group' allocation approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

As the tax consolidation group continues to generate tax losses there has been no reason for the Company to enter a tax funding agreement with members of the tax consolidation group.

**Uncertain tax positions**
IFRIC 23 clarified the application of the recognition and measurement criteria of AASB 112 "Income Taxes" where there is uncertainty over income tax treatments and requires an assessment of each uncertain tax position as to whether it is probable that a taxation authority will accept the position. Where it is not probable, the effect of the uncertainty is reflected in determining the relevant taxable profit or loss, tax bases, unused tax losses and unused tax credits or tax rates. The amount is determined as either the single most likely amount or the sum of the probability weighted amounts in a range of possible outcomes, whichever better predicts the resolution of the uncertainty. Management believes that historical tax losses are not expected to be available for offset against the deferred tax liability at 30 June 2025 and 2024.

**Current and non-current classification**
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period.

**Note 2. Material accounting policy information (continued)**

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Cash and cash equivalents**
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Research and development**
Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably.

**Intangible assets**
Separately acquired intangible assets are shown at historical cost. Intangible assets acquired as part of a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period. Amortisation expense is included in research and development expenditure.

*Licensing agreement for paxalisib*
The paxalisib licensing agreement asset was acquired as part of a business combination and up until 31 December 2024 was being amortised on a straight-line basis over the period of its expected benefit, being the remaining life of the patent, which was 15 years from the date of acquisition.

At 1 January 2025 Kazia determined that the intangible asset value is not based on incurred development costs and as such have applied a weighting based on the number of studies against the FDA clinical trial phases (ie Preclinical to commercialisation) as a reasonable approach to allocate the current cost to each clinical study.

*Licensing agreement for EVT801*
The EVT801 licensing agreement asset was acquired via an asset acquisition and was being amortised on a straight-line basis over the period of its expected benefit, being the remaining life of the patent, which was 12.5 years from the date of acquisition.

At 1 January 2025 Kazia determined that the intangible asset no longer had any value and was written down to nil.

**Impairment of non-financial assets**
Non-financial assets with finite useful lives are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Provisions**
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

**Note 2. Material accounting policy information (continued)**

**Employee benefits**

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

*Share-based payments*

Equity-settled share-based compensation benefits are provided to employees under the terms of the Employee Share Option Plan ('ESOP') and consultants as compensation for services performed.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The value of the instruments is measured by reference to the fair value of the underlying instruments on grant date, as required by AASB2 "Share-Based Payments". Fair value is estimated using an appropriate option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

**Note 2. Material accounting policy information (continued)**

**Finance costs**
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including interest on short-term and long-term borrowings.

**Fair value measurement**
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

**Issued capital**
Ordinary Options are classified as equity.

Incremental costs directly attributable to the issue of new shares or options, including share based payments relating to the issue of shares, are shown in equity as a deduction, from the proceeds.

**Earnings per share**
*Basic earnings per share*
Basic earnings per share is calculated by dividing the profit attributable to the owners of Kazia Therapeutics Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

*Diluted earnings per Option*
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

**Goods and Services Tax ('GST') and other similar taxes**
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

## Note 3. Critical accounting judgements, estimates and assumptions

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

*Research and development expenses*
The Directors do not consider the development programs to be sufficiently advanced to reliably determine the economic benefits and technical feasibility to justify capitalisation of development costs. These costs have been recognised as an expense when incurred.

Research and development expenses relate primarily to the cost of conducting human clinical and pre-clinical trials. Clinical development costs are a significant component of research and development expenses. Estimates have been used in determining the expense liability under certain clinical trial contracts where services have been performed but not yet invoiced. Generally the costs, and therefore estimates, associated with clinical trial contracts are based on the number of patients, drug administration cycles, the type of treatment and the outcome being measured. The length of time before actual amounts can be determined will vary depending on length of the patient cycles and the timing of the invoices by the clinical trial partners.

*Clinical trial expenses*
The timing of payment for work conducted under clinical trials often bears little relation to the timing of the work effort. Detailed estimates are made to determine the amount of work effort expended during a reporting period in order to determine the appropriate expense to be recognised, with the resulting prepayments or un-invoiced amounts being recognised as a prepayment or an accrual respectively.

*Share-based payment transactions*
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is estimated using an appropriate option pricing model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

*Contingent consideration*
Contingent consideration relates to the intangible assets acquired, and the fair value of contingent consideration is dependent on the key assumptions used in accounting for the acquisition of those intangible assets. These assumptions include the probability of milestones occurring and can also include the anticipated timing of settlement and discount rates used.

In the case where contingent consideration is recognised on the basis that the liability is probable of occurring judgement is used in determining which milestones are considered probable of being triggered and the timing thereof.

*Intangible assets available for use*
The consolidated entity has exercised judgement in determining that its intangible assets, being license agreements, have a finite life and are available for use once acquired. As the business model is to acquire such assets and then develop them to generate returns from future license transactions or other means, management have determined that the assets are available for use from the time that they are acquired. In each case the assigned useful life is the remaining life of the patent over the asset, unless other factors over-ride this assessment.

*Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Consolidated Entity and to the particular asset that may lead to impairment. Judgement is used to determine whether any indicators of impairment exist, and reference is made to the considerations included in AASB 136 Impairment of Assets in this assessment. If an impairment trigger is found to exist, the recoverable amount of the asset is determined.

During the financial year, there has been an impairment in relation to the Paxalisib and EVT-801 licensing agreements which have been further disclosed in note 12.

## Note 4. Revenue

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| Licensing revenue | - | 2,300,956 |
| Sale of paxalisib | 41,765 | 7,494 |
| Total Revenue | 41,765 | 2,308,450 |

*Disaggregation of revenue*
The disaggregation of revenue from contracts with customers is as follows:

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Geographical regions* | | |
| -South Korea | - | 2,308,450 |
| -Israel | 41,765 | - |
| *Timing of revenue recognition* | | |
| Licensing revenue recognised at a point in time | - | 2,300,956 |
| Sale of paxalisib at a point in time | 41,765 | 7,494 |
| Total Revenue | 41,765 | 2,308,450 |

**Note 4. Revenue (continued)**

**License Agreement with Oasmia Pharmaceutical AB**

In March 2021, the Company entered into an exclusive worldwide license agreement with Oasmia Pharmaceutical AB ("Osmia"), an innovation-focused specialty pharmaceutical company, for Cantrixil (TRX-E-002-1), a clinical stage drug candidate for the treatment of ovarian cancer. During fiscal 2021, Oasmia made an upfront payment of US$4 million with contingent milestones of up to US$42 million and double-digit royalties on commercial sales. During FY2023 – FY2025, no contract milestones were met, therefore no revenue was recognised.

**License Agreement with Simcere Pharmaceutical Group Ltd.**

In March 2021, the Company entered into a licensing agreement with Simcere Pharmaceutical Group LTD ("Simcere") to develop and commercialize the Company's investigational drug candidate, paxalisib, in Greater China. Under the terms of the agreement, Simcere assumed responsibility for the development, registration and commercialization of paxalisib in Greater China (a territory that includes Mainland China, Hong Kong, Macau and Taiwan). The Company received an upfront payment of US$11 million comprising US$7 million in cash and a US$4 million equity investment, priced at a 20% premium to recent trading. The Company will also receive contingent milestone payments of up to US$281 million for glioblastoma, with further milestones payable for indications beyond glioblastoma. Simcere will additionally pay mid-teen percentage royalties on commercial sales. During FY2023 – FY2025, no contract milestones were met, therefore no revenue was recognised.

**License Agreement with Sovargen Co Ltd.**

In March 2024, the Company entered into a licensing agreement with Sovargen Co Ltd. ("Sovargen") to develop and commercialize the Company's investigational drug candidate, paxalisib, for countries except mainland China, Hong Kong, Macao and Taiwan. Under the terms of the agreement, Sovargen assumed responsibility for the development, registration and commercialization of paxalisib in countries except for China, Hong Kong, Macao and Taiwan. The Company received an upfront payment of US$1.5 million. The Company will also receive contingent milestone payments of up to US$19 million upon achievement of development and regulatory milestones, and a percentage of sub-licensing revenues and royalties on net sales of products incorporating paxalisib. During FY2023 – FY2025, no contract milestones were met, therefore no revenue was recognised.

During the financial year 2024, the Company recognised A$2,300,956 of revenue from the license agreements described in the above paragraphs in accordance with the terms of the agreements and revenue recognition policy in accordance with note 2. No revenue was recognised during financial year 2025.

**License Agreement with QIMR**

On 12 September, 2024, the Company announced that an agreement has been executed with QIMR to obtain an exclusive license to certain intellectual property rights in relation to combination therapies consisting of PI3K inhibitor drugs, and one or more immunotherapy or PARP inhibitor drugs (PI3K combination). Under the license agreement, Kazia receives an exclusive, worldwide, sub-licensable and royalty-bearing licence to certain intellectual property for the development of any drugs or product candidates within the PI3K inhibitor class in combination with immunotherapy or PARP inhibitors. Paxalisib, Kazia's lead product candidate, is a member of the PI3K inhibitor class. The exclusive license agreement follows a collaboration between Kazia and QIMR Berghofer which began in December 2022 and has already led to the filing of supportive patents which include the use of paxalisib as an immune modulator in the treatment of diseases such as breast cancer. The terms of the license include standard provisions for an upfront license fee and development milestones related to the initiation of Phase 1, Phase 2 trial, first Phase 3 trial, first product approval.

## Note 5. Other income

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| Grant Income | 209,129 | 173,427 |
| Other sundry income | 1,578,224 | 5 |
| Total Other income | 1,787,353 | 173,432 |

Other sundry income represents the sale of all intellectual property and trademark rights to Cantrixil for $1million USD (A$1,578,224 million).

## Note 6. Expenses

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| Loss before income tax includes the following specific expenses: | | |
| *Research and development* | | |
| EVT-801 program costs | 1,391,491 | 5,276,525 |
| Cantrixil program costs | 2,025 | 1,025 |
| Paxalisib program costs | 3,031,048 | 7,551,306 |
| Employee benefits expense - salaries & wages and staff benefits | 1,761,126 | 2,160,806 |
| - superannuation | 33,925 | 36,245 |
| - share based payment | 171,952 | 484,718 |
| Total research & development (excluding amortisation) | 6,391,567 | 15,510,625 |
| *Amortisation* | | |
| Amortisation | 934,710 | 1,869,409 |
| Total research and development | 7,326,277 | 17,380,034 |
| *Leases* | | |
| Expense relating to short term leases | 58,690 | 123,768 |
| *Employee benefits expense G&A* | | |
| - salaries & wages and staff benefits | 1,061,928 | 485,539 |
| - superannuation | 19,550 | 51,700 |
| - share based payments | 481,242 | 47,879 |
| Total employee benefits expense G&A | 1,562,720 | 585,118 |

## Note 7. Income tax benefit

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Numerical reconciliation of income tax benefit and tax at the statutory rate* | | |
| Loss before income tax benefit | (22,448,473) | (27,049,103) |
| Tax at the statutory tax rate of 25% | (5,612,118) | (6,762,276) |
| Tax effect amounts which are not deductible/(taxable) in calculating taxable income: | | |
| Amortisation of intangibles | 233,678 | 467,352 |
| Share-based payments | 163,298 | 133,149 |
| Impairment of Intangible assets | 3,344,692 | - |
| (Gain)/loss on revaluations | (1,888,476) | (21,976) |
| | (3,758,926) | (6,183,751) |
| Tax losses and timing differences not recognised | 2,012,375 | 5,912,662 |
| Income tax benefit | (1,746,551) | (271,089) |

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Tax losses not recognised* | | |
| Unused tax losses for which no deferred tax asset has been recognised - Australia | 148,505,818 | 139,429,998 |
| Potential tax benefit @ 25% | 37,126,455 | 34,857,500 |
| Unused tax losses for which no deferred tax asset has been recognised - US | 12,671,355 | 7,835,820 |
| Potential tax benefit at statutory tax rates @ 21% - US | 2,660,985 | 1,645,522 |

## Note 8. Cash and cash equivalents

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| Cash at bank and on hand | 4,344,691 | 1,657,478 |

## Note 9. Trade and other receivables

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| GDM Agile deposit | - | 3,756,039 |
| Deposits held | 7,687 | 7,687 |
| GST receivable | 90,224 | 133,003 |
| | 97,911 | 3,896,729 |

The GBM Agile deposit was advanced to GCAR at the start of the GBM Agile trial and was utilised against trial expenses.

## Note 10. Trade and other receivables - non-current

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Non-current assets* | | |
| Corporate credit card deposit | 40,000 | 40,000 |

## Note 11. Other assets

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| Prepayments | 490,558 | 591,162 |

Other assets is comprised of the prepayment of invoices in relation to the annual insurance renewal program. An offsetting borrowing for the funding of this prepayment is included in Borrowings - See Note 15 Borrowings.

## Note 12. Intangibles

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Non-current assets* | | |
| Licensing agreement - Paxalisib | 1,086,516 | 16,407,788 |
| Less: Accumulated amortisation | - | (8,335,073) |
| | 1,086,516 | 8,072,715 |
| Licensing agreement - EVT-801 | - | 9,813,362 |
| Less: Accumulated amortisation | - | (2,486,054) |
| | - | 7,327,308 |
| | 1,086,516 | 15,400,023 |

*Reconciliations*
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

| **Consolidated** | EVT801 licensing agreement $ | Paxalisib licensing agreement $ | Total $ |
|---|---|---|---|
| Balance at 1 July 2023 | 8,112,372 | 9,157,060 | 17,269,432 |
| Amortisation expense | (785,064) | (1,084,345) | (1,869,409) |
| Balance at 30 June 2024 | 7,327,308 | 8,072,715 | 15,400,023 |
| Impairment of assets | (6,934,770) | (6,444,026) | (13,378,796) |
| Amortisation expense | (392,538) | (542,173) | (934,711) |
| Balance at 30 June 2025 | - | 1,086,516 | 1,086,516 |

**Note 12. Intangibles (continued)**

*EVT-801 licensing agreement*

As at 30 June 2024, the carrying value of the EVT-801 intangible asset was $7,327,308, representing the amortised cost from the date of acquisition.

In accordance with AASB 136 Impairment of Assets, the Group has reviewed the recoverable amount of the EVT-801 asset as at 30 June 2025. During the financial year, the consolidated entity undertook a strategic review of its research and development pipeline and determined to focus its resources and efforts on the Paxalisib program. As a result, the EVT-801 program has been deprioritised, and no further development activities are planned.

Given the decision to cease active development, the Group determined that the recoverable amount of the EVT-801 intangible asset is nil. Accordingly, an impairment loss of A$6,937,770 million has been recognised in the consolidated statement of profit or loss for the year ended 30 June 2025, fully writing down the asset.

This impairment reflects management's assessment that no future economic benefits are expected to be derived from the EVT-801 program under the current strategic direction.

The strategic shift has implications for the contingent consideration associated with the EVT-801 licensing agreement. The probability of achieving future development milestones has been reassessed in light of the decision to cease active development. As a result, Milestone 3, 4 and 5 are no longer considered probable and have been derecognised (refer to note17).

*Paxalisib licensing agreement*

As at 30 June 2024, the carrying value of the Paxalisib intangible asset was $8,072,715, representing the amortised cost from the date of acquisition.

In accordance with AASB 136 Impairment of Assets, the Consolidated Entity has assessed the recoverable amount of the Paxalisib asset. During the financial year, the Consolidated Entity identified indicators of impairment based on recent trial outcomes, feedback received from the FDA and funding constraints with respect to ongoing and future trials. Given the asset is not based on incurred development costs, the Consolidated Entity applied a valuation methodology that allocates the carrying value across the clinical development pipeline. This approach considers:

- The number of ongoing studies (11 in total),
- The stage of each study within the FDA clinical trial phases (from Preclinical to Commercialisation),
- Probability of success rates for progression through each phase, as published by the FDA.

Each phase was assigned a weighted value based on the number of studies and their respective stage in the development lifecycle. The carrying value was then probability-weighted using FDA success rates to estimate the expected recoverable amount.

Following this assessment, the recoverable amount of the Paxalisib intangible asset was determined to be $1,086,516, resulting in an impairment loss of $6,444,026 recognised in the consolidated statement of profit or loss for the year ended 30 June 2025.

This impairment reflects the Consolidated Entity's best estimate of the asset's recoverable value, considering current clinical progress, regulatory benchmarks, and market conditions.

The recent facts and circumstances have implications for the contingent consideration associated with the Paxalisib licensing agreement. The probability of achieving future development milestones has been reassessed and as a result, Milestone 2 and 5 are no longer considered probable and have been derecognised (refer to note 17).

## Note 13. Trade and other payables

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current liabilities* | | |
| Trade payables | 5,644,797 | 4,548,255 |
| Accrued payables | 4,471,972 | 10,519,690 |
| | 10,116,769 | 15,067,945 |

Refer to note 23 for further information on financial instruments.

## Note 14. Other financial liabilities

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current liabilities* | | |
| Prefunded and ordinary warrants | 3,150,301 | 6,478,060 |
| *Reconciliation* | | |
| Opening balance | 6,478,060 | - |
| Prefunded and ordinary warrants at initial recognition | 3,034,625 | 8,599,836 |
| Prefunded warrants exercised | (8,840,101) | (864,930) |
| Loss/(Gain) on remeasurement of other financial liabilities | 2,477,717 | (1,256,846) |
| Closing balance | 3,150,301 | 6,478,060 |

On 30 November, 2023, the Consolidated Entity entered into the Securities Purchase Agreement with an institutional investor, pursuant to which we issued and sold (A) in a registered direct offering, 52.400 ADSs and pre-funded warrants to purchase up to 36,488 ADS, and (B) in a concurrent private placement, the Ordinary Warrants to purchase up to 88,888 ADSs, for nil consideration, which have an exercise price of US$29.150 per ADS, are exercisable immediately and will expire on 5 June, 2029. The Ordinary Warrants were determined to be classified as a financial liability and a derivative under AASB 132 because they are denominated in a foreign currency, causing the value to vary with the USD/AUD exchange rate and the Consolidated Entity's share price, requires a smaller net investment, and is settled at a future date. The initial fair value of the Ordinary Warrants was A$3,020,316. Additionally, as a part of the Securities Purchase Agreement, warrants were issued to the broker with an initial fair value of A$132,763. Transaction costs of A$382,463 were incurred. Gross proceeds from the pre-funded warrants and Ordinary Warrants totalled A$2,637,853. On 21 February, 2024, the pre-funded warrants were exercised for gross proceeds of A$27,725.

In connection with the Purchase Agreement with Alumni Capital, the Consolidated Entity issued warrants to purchase ADSs ("Warrant ADS") that are accounted for at fair value through profit and loss. The Warrant ADS were determined to be classified as a financial liability and a derivative under AASB 132 because they are denominated in a foreign currency, causing the value to vary with the USD/AUD exchange rate and the Consolidated Entity's share price, requires a smaller net investment, and is settled at a future date. The initial fair value of the warrants issued was A$5,445,887. Alumni Capital can purchase a number of Warrant ADSs from the Consolidated Entity, calculated as 5% of the total commitment amount minus any previous exercises, divided by the exercise price on the exercise date. The exercise price for each Warrant ADS is determined by dividing US$6,000,000 by the total number of ordinary shares on the exercise date, then multiplying by the current ADS to ordinary share ratio.

On the 17 May 2024 the above terms were amended such that the outstanding warrants had an amended exercise price to US$13.50 per ADS and new warrant to purchase up to 22,000 ADSs issued with an exercise price of US$13.50 per ADS.

## Note 14. Other financial liabilities (continued)

On 11 July 2024, warrants to purchase 22,000 ADSs with an exercise price of US$13.50 per ADS representing 11,000,000 ordinary shares were exercised along with 2/3 of the warrants Alumni Capital were entitled to (outlined in the paragraph above). Alumni Capital purchased 515,729 ADSs representing 25,786,480 ordinary shares for US$0.9695 per ADS as a result of that exercise. The exercised fair value of the warrants exercised was A$6,459,840. The Company received gross proceeds of US$1,178,106. As of 30 June 2025 there are 5,000 Warrant ADS outstanding related to the Purchase Agreement.

On 14 January 2025, the Consolidated Entity entered into a securities purchase agreement with an institutional investor (the "January SPA"), pursuant to which we issued and sold (A) in a registered direct offering, 110,688 ADSs and pre-funded warrants to purchase up to 155,979 ADS, and (B) in a concurrent private placement, the Ordinary Warrants to purchase up to 266,667 ADSs, for nil consideration, which have an exercise price of US$7.50 per ADS, are exercisable immediately and will expire on 14 June, 2030. The Ordinary Warrants were determined to be classified as a financial liability and a derivative under IAS 32 because they are denominated in a foreign currency, causing the value to vary with the USD/AUD exchange rate and the Consolidated Entity's share price, requires a smaller net investment, and is settled at a future date. The initial fair value of the Ordinary Warrants and pre-funded warrants was A$2,545,276 and A$1,908,568, and A$76,358, respectfully. Additionally, as a part of the January SPA, Ordinary Warrants to purchase up to 8,000 ADS representing 200,000 ordinary shares were issued to the broker with an initial fair value of A$76,358. Transaction costs of A$228,422 were incurred. Because the total fair value of the instruments issued (A$4,530,203) exceeded the total gross proceeds of A$3,263,047, the excess of A$1,495,705 was expensed.

On 30 January 2025, the pre-funded warrants were exercised at a fair value of A$2,380,271 and is included as an addition to share capital.

## Note 15. Borrowings

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| *Current liabilities* | | |
| Insurance premium funding | 395,640 | 634,191 |

Borrowings relate to the annual insurance renewal program. An offsetting prepayment of insurance invoices is included in Prepayments - See note 11 Other Assets.

## Note 16. Employee benefits

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| *Current liabilities* | | |
| Annual leave | 390,177 | 364,933 |
| *Non-current liabilities* | | |
| Long service leave | 36,609 | 35,219 |
| | 426,786 | 400,152 |

## Note 17. Contingent consideration

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current liabilities* | | |
| Contingent consideration - EVT801 | - | 3,252,904 |
| *Non-current liabilities* | | |
| Contingent consideration - paxalisib | - | 1,265,654 |
| Contingent consideration - EVT801 | - | 2,486,063 |
| | - | 3,751,717 |
| | - | 7,004,621 |
| *Reconciliation of the balance at the beginning and end of the reporting period is set out below:* | | |
| Contingent consideration at start of period (current and non-current) | 7,004,621 | 6,870,783 |
| Interest on unwinding of discount | 232,447 | 339,436 |
| Foreign currency loss/(gain) | 316,837 | (86,131) |
| (Gain) on remeasurement of contingent consideration | (7,553,905) | (119,467) |
| | - | 7,004,621 |

*Contingent consideration - paxalisib*
The total amount of milestone payments not recognised as a liability at year end for Paxalisib totals US$1,000,000 (A$2,776718) (2024: nil).

*Contingent consideration - EVT801*
The total amount of milestone payments not recognised as a liability at year end for EVT-801 totals €306,000,000 (A$547,798,067) (2024:€300,500,000 (A$496,287,928)).

## Note 18. Deferred tax

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Non-current liabilities* | | |
| Deferred tax liability associated with Licensing Agreement | 271,629 | 2,018,180 |

The Company has completed an analysis of the availability of historical tax losses to offset the deferred tax liability, concluding that the historical tax losses are not expected to be available for offset against the deferred tax liability.

## Note 19. Contributed equity

| | Consolidated 2025 Shares | Consolidated 2024 Shares | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|---|
| Ordinary shares - fully paid | 809,418,734 | 332,850,784 | 123,045,889 | 101,637,758 |

## Note 19. Contributed equity (continued)

*Movements in ordinary Option capital*

| Details | Date | Shares | Issue price | $ |
|---|---|---|---|---|
| Balance | 01 July 2023 | 228,029,114 | | 97,452,246 |
| ATM issue of shares No. 19 | 06 July 2023 | 8,148,140 | $0.1900 | 1,512,523 |
| ATM issue of shares No. 20 | 07 July 2023 | 157,120 | $0.1600 | 25,877 |
| ATM issue of shares No. 21 | 03 August 2023 | 15,000 | $0.1700 | 2,519 |
| ATM issue of shares No. 22 | 29 November 2023 | 1,066,070 | $0.1000 | 107,267 |
| Registered Direct Offering | 05 December 2023 | 26,200,000 | $0.0000 | - |
| ATM issue of shares No. 23 | 13 February 2024 | 25,910 | $0.0466 | 1,207 |
| ATM issue of shares No. 24 | 14 February 2024 | 319,650 | $0.0464 | 14,834 |
| ATM issue of shares No. 25 | 15 February 2024 | 2,195,980 | $0.0468 | 102,825 |
| ATM issue of shares No. 26 | 16 February 2024 | 205,260 | $0.0614 | 12,597 |
| Armistice warrants | 21 February 2024 | 18,244,450 | $0.0450 | 892,655 |
| ATM issue of shares No. 27 | 21 February 2024 | 8,626,580 | $0.0595 | 513,584 |
| ATM issue of shares No. 28 | 22 February 2024 | 316,540 | $0.0461 | 14,584 |
| ATM issue of shares No. 29 | 23 February 2024 | 304,860 | $0.0464 | 14,147 |
| ATM issue of shares No. 30 | 26 February 2024 | 250,000 | $0.0460 | 11,502 |
| ATM issue of shares No. 31 | 01 May 2024 | 2,112,560 | $0.0478 | 100,961 |
| ATM issue of shares No. 32 | 02 May 2024 | 375,410 | $0.0457 | 17,147 |
| ATM issue of shares No. 33 | 03 May 2024 | 288,900 | $0.0469 | 13,544 |
| ATM issue of shares No. 34 | 07 May 2024 | 790,100 | $0.0456 | 36,024 |
| ATM issue of shares No. 35 | 10 May 2024 | 20,000 | $0.0455 | 910 |
| ATM issue of shares No. 36 | 16 May 2024 | 242,170 | $0.0450 | 10,891 |
| Repayment of promissory note | 19 June 2024 | 5,916,970 | $0.0643 | 380,223 |
| Equity line of credit | 24 June 2024 | 29,000,000 | $0.0268 | 776,264 |
| Less: share issue transaction costs | | - | | (376,573) |
| Balance | 30 June 2024 | 332,850,784 | | 101,637,758 |
| Conversion of Warrants exercised | 11 July 2024 | - | $0.0000 | 6,459,830 |
| Cancellation of convertible note shares | 02 July 2024 | (5,916,970) | $0.0000 | (380,224) |
| ATM issue of shares No. 37 | 12 July 2024 | 14,400,000 | $0.1534 | 2,209,677 |
| Alumni warrants shares issued | 11 July 2024 | 25,786,480 | $0.2867 | 739,536 |
| Armitice warrants shares issued | 11 July 2024 | 11,000,000 | $0.0398 | 438,571 |
| ATM issue of shares No. 38 | 15 July 2024 | 5,488,230 | $0.1444 | 792,915 |
| ATM issue of shares No. 39 | 16 July 2024 | 4,177,340 | $0.1075 | 449,260 |
| Alumni Equity Line of Credit | 18 July 2024 | 15,000,000 | $0.0544 | 816,373 |
| ATM issue of shares No. 40 | 09 August 2024 | 2,061,820 | $0.0623 | 128,633 |
| ATM issue of shares No. 41 | 13 August 2024 | 408,270 | $0.0641 | 26,172 |
| ATM issue of shares No. 42-51 | 14 August - 26 November 2024 | 30,868,080 | $0.0522-$0.0891 | 1,797,336 |
| Alumni Equity Line of Credit | 09 December 2024 | 15,000,000 | $0.0537 | 804,869 |
| ATM issue of shares No. 52-60 | 27 November - 17 December 2024 | 12,399,900 | $0.0631-$0.0858 | 849,491 |
| Alumni Equity Line of Credit | 16 December 2024 | 20,000,000 | $0.0437 | 874,939 |
| ATM issue of shares No. 61-64 | 02-07 January 2025 | 20,061,500 | $0.0286-$0.0322 | 591,043 |
| Maxim Warrants exercised | 30 January 2025 | 55,344,000 | $0.0179 | 988,042 |
| Alumni Warrants exercised | 30 January 2025 | 55,334,000 | $0.0179 | 987,797 |
| Perishing Warrants exercised | 30 January 2025 | 22,655,300 | $0.0179 | 404,432 |
| Alumni Prefunded Warrants shares issued | 30 January 2025 | - | $0.0000 | 127 |
| Alumni Equity Line of Credit | 11 February 2025 | 60,000,000 | $0.0153 | 917,450 |
| Alumni Equity Line of Credit | 06 May 2025 | 15,000,000 | $0.0094 | 141,489 |
| Alumni Equity Line of Credit | 06 June 2025 | 32,500,000 | $0.0155 | 504,043 |
| Alumni Equity Line of Credit | 12 June 2025 | 35,000,000 | $0.0280 | 979,179 |
| Alumni Equity Line of Credit | 18 June 2025 | 30,000,000 | $0.0200 | 599,674 |
| Less: share issue transaction costs | | - | | (712,523) |
| Balance | 30 June 2025 | 809,418,734 | | 123,045,889 |

## Note 19. Contributed equity (continued)

The at-the-market' equity program ("ATM") allows the Company to raise capital dynamically in the market, with no discount, no warrant coverage, and modest banking fees, allowing it to fund operations with minimal dilution to existing shareholders. An ATM with Oppenheimer & Co. Inc. (Oppenheimer) as sales agent was established in May 2022. Under the ATM, Kazia may offer and sell via Oppenheimer, in the form of American Depository Shares (ADSs), with each ADS representing 500 ordinary shares. Kazia entered into an Equity Distribution Agreement, dated as of 22 April 2022 (the "Sales Agreement"), with Oppenheimer, acting as sales agent for an initial capacity of US$35 million. On 4 September 2024, the Equity Distribution Agreement was amended to increase the aggregate offering price to US$50 million. During the year ended 30 June 2025 US$4,556,252 was drawn down from the ATM facility compared to US$1,656,016 for the year ended 30 June 2024.

During fiscal year 2024, Kazia entered into a purchase agreement (the "Purchase Agreement") with Alumni Capital LP ("Alumni Capital"). Pursuant to the Purchase Agreement, the Company may sell to Alumni Capital up to an aggregate of $15,000,000, of ADSs from time to time during the term of the Purchase Agreement. During the fiscal year ended 30 June 2025, Kazia sold an aggregate amount of A$5,638,016 of ADSs under the Purchase Agreement compared to A$776,264 for the year ended 30 June 2024.

On 14 January 2025 the Company executed a direct offering with existing fundamental healthcare investor, Alumni Capital LP, of 1,333,333 of the Company's ADSs (or ADS equivalents in lieu thereof), each ADS representing 100 ordinary shares of the Company, at a purchase price of US$1.50 per ADS (or ADS equivalent in lieu thereof) and concurrent private placement of unregistered warrants to purchase up to an aggregate of 1,333,333 ADSs. The warrants will have an exercise price of US$1.50 per ADS, will be immediately exercisable upon issuance, and will expire five and one-half years from the date of issuance. Additionally, on 14 January 2025, Maxim (broker) received 40,000 warrants - ex price $1.50 with an expiry of 14 July 2030. Further, Alumni Capital LP received 553,440ADSs paying US$1.50 per ADS for a total of US$830,160 and received 779,893 pre-funded warrants with an ex-priceof US$0.0001paying US$1.4999 per prefunded warrant for a total of US$1,169,762.51. All 779,893 warrants were exercised on 30 January 2025. After fees of $140,000. were paid, the Company received US$1,860,000.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

*Share buy-back*
There is no current on-market share buy-back.

*Capital risk management*
The consolidated entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The capital structure of the Consolidated Entity consists of cash and cash equivalents and equity attributable to equity holders. The overall strategy of the Consolidated Entity is to continue its drug development programs, which depends on raising sufficient funds, through a variety of sources including issuing of additional share capital, as may be required from time to time.

The capital risk management policy remains unchanged from the prior year.

## Note 20. Unissued equity

On 23 October 2023, the Company entered into a securities purchase agreement with an accredited investor, pursuant to which the Company issued a six-month unsecured convertible promissory note (the "Note") in the principal amount of A$776,670 (US$500,000). The Note bears interest at a rate of 10% per annum. On 23 December 2023 the investor called upon 50% of the Note, and cash of US$253,014 was paid, which represented US$250,000 of principal and US$3,014 of interest (total payment of A$380,224). The investor exercised their option to receive the remaining 50% in ADSs on 20 December 2023, which resulted in 591,697 ADS to be issued. On 19 June 2024, 591,697 ADSs representing 5,916,970 ordinary shares were issued at a price of A$0.0643 per ordinary share. Subsequent to 30 June 2024, the investor was unable to meet their obligations for transfer of the shares and on 2 July 2024 the share allocation was cancelled and remains recognised as unissued equity as at 30 June 2025.

## Note 21. Reserves

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Foreign currency reserve | (773,511) | (750,192) |
| Share-based payments reserve | 3,873,198 | 4,224,947 |
| | 3,099,687 | 3,474,755 |

*Foreign currency translation reserve*
The reserve is used to recognise exchange differences arising from translation of the consolidated financial statements of foreign operations to Australian dollars.

*Share-based payments reserve*
The reserve is used to recognise the value of equity benefits provided to employees and executive directors as part of their remuneration, and other parties as part of their compensation for services.

For the year ended 30 June 2025, there were A$653,194 (2024: A$532,597 issuances from the share-based payment reserve for Employee Share Option plan and A$990,193 (2024: A$656,007 expirations and forfeitures.

## Note 22. Dividends

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

## Note 23. Financial instruments

***Financial risk management objectives***
The consolidated entity's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The consolidated entity uses different methods to measure and manage the different types of risks to which it is exposed. These methods include monitoring the levels of exposure to interest rates and foreign exchange, ageing analysis and monitoring of specific credit allowances to manage credit risk, and, rolling cash flow forecasts to manage liquidity risk.

***Market risk***

*Foreign currency risk*
The consolidated entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollars ('USD'). Foreign exchange risk arises from future transactions and recognised assets and liabilities denominated in a currency that is not the entity’s functional currency and net investments in foreign operations.

## Note 23. Financial instruments (continued)

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the Company's functional currency. The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, trade and other receivables, trade and other payables, and derivative financial liabilities on warrants that are denominated in foreign currencies. The Company has not used derivative instruments to reduce its exposure to foreign currency risk nor has it entered into foreign exchange contracts to hedge against gains or losses from foreign exchange fluctuations. Foreign subsidiaries with a functional currency of Australian Dollars ('AUD') have exposure to the local currency of these subsidiaries and any other currency these subsidiaries trade in.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date was as follows:

| | Assets | | Liabilities | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| **Consolidated** | **$** | **$** | **$** | **$** |
| US dollars | 4,206,134 | 3,328,662 | 5,853,895 | 7,419,785 |
| Euros | - | - | 6,738,092 | 7,320,163 |
| Pound Sterling | - | - | 9,118 | 17,906 |
| | 4,206,134 | 3,328,662 | 12,601,105 | 14,757,854 |

The consolidated entity had net liabilities denominated in foreign currencies of $8,394,971 as at 30 June 2025 (2024: net liabilities $11,429,192.

If all currencies had strengthened and weakened against the AUD by 10% (2024: 10%) then this would have the following impact:

| | AUD strengthened | | | AUD weakened | | |
|---|---|---|---|---|---|---|
| **Consolidated - 2025** | **% change** | **Effect on profit before tax** | **Effect on equity** | **% change** | **Effect on profit before tax** | **Effect on equity** |
| US dollars | 10% | (164,776) | (164,776) | (10%) | 164,776 | 164,776 |
| Euros | 10% | (673,809) | (673,809) | (10%) | 673,809 | 673,809 |
| Pound Sterling | 10% | (912) | (912) | (10%) | 912 | 912 |
| | | (839,497) | (839,497) | | 839,497 | 839,497 |

| | AUD strengthened | | | AUD weakened | | |
|---|---|---|---|---|---|---|
| **Consolidated - 2024** | **% change** | **Effect on profit before tax** | **Effect on equity** | **% change** | **Effect on profit before tax** | **Effect on equity** |
| US dollars | 10% | (409,112) | (409,112) | (10%) | 409,112 | 409,112 |
| Euros | 10% | (732,016) | (732,016) | (10%) | 732,016 | 732,016 |
| Pound Sterling | 10% | (1,791) | (1,791) | (10%) | 1,791 | 1,791 |
| | | (1,145,375) | (1,145,375) | | 1,145,375 | 1,145,375 |

*Price risk*
The consolidated entity is not exposed to any significant price risk.

*Interest rate risk*
The consolidated entity's exposure to market interest rates relate primarily to the investments of cash balances.

## Note 23. Financial instruments (continued)

The consolidated entity has cash reserves held primarily in Australian dollars and United States dollars and places funds on deposit with financial institutions for periods generally not exceeding three months.

As at the reporting date, the consolidated entity had the following variable interest rate balances:

| | 2025 | | 2024 | |
|---|---|---|---|---|
| **Consolidated** | **Weighted average interest rate %** | **Balance $** | **Weighted average interest rate %** | **Balance $** |
| Cash and cash equivalents | 1.79% | 4,344,691 | 0.39% | 1,657,478 |
| Net exposure to cash flow interest rate risk | | 4,344,691 | | 1,657,478 |

The consolidated entity has cash and cash equivalents totalling A$4,344,691 (2024: A$1,657,478). An increase/decrease in interest rates of 100 basis points (2024: 100 basis points) would have a favourable/adverse effect on profit before tax and equity of $43,446 (2024: $16,575) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts' forecasts.

***Credit risk***
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The entity is not exposed to significant credit risk on receivables.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

The consolidated entity places its cash deposits with high credit quality financial institutions and by policy, limits the amount of credit exposure to any single counterparty. The consolidated entity is averse to principal loss and ensures the safety and preservation of its invested funds by limiting default risk, market risk, and reinvestment risk. The consolidated entity mitigates default risk by constantly positioning its portfolio to respond appropriately to a significant reduction in a credit rating of any financial institution.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

There are no significant concentrations of credit risk within the consolidated entity. The credit risk on liquid funds is limited as the counter parties are banks with high credit ratings.

Credit risk is managed by limiting the amount of credit exposure to any single counter-party for cash deposits.

***Liquidity risk***
The consolidated entity manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

## Note 23. Financial instruments (continued)

*Remaining contractual maturities*
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

| Consolidated - 2025 | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| Trade payables | - | 5,644,797 | - | - | - | 5,644,797 |
| Accrued payables | - | 4,471,972 | - | - | - | 4,471,972 |
| Total non-derivatives | | 10,116,769 | - | - | - | 10,116,769 |
| **Derivatives** | | | | | | |
| Other financial liabilities | - | - | - | 3,150,301 | - | 3,150,301 |
| Total derivatives | | - | - | 3,150,301 | - | 3,150,301 |

| Consolidated - 2024 | Weighted average interest rate % | 1 year or less $ | Between 1 and 2 years $ | Between 2 and 5 years $ | Over 5 years $ | Remaining contractual maturities $ |
|---|---|---|---|---|---|---|
| **Non-derivatives** | | | | | | |
| Trade payables | - | 4,548,255 | - | - | - | 4,548,255 |
| Accrued payables | - | 10,519,690 | - | - | - | 10,519,690 |
| Contingent consideration | - | 3,389,283 | - | 4,549,262 | - | 7,938,545 |
| Total non-derivatives | | 18,457,228 | - | 4,549,262 | - | 23,006,490 |
| **Derivatives** | | | | | | |
| Other financial liabilities | - | - | - | 6,478,060 | - | 6,478,060 |
| Total derivatives | | - | - | 6,478,060 | - | 6,478,060 |

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

## Note 24. Fair value measurement

*Fair value hierarchy*
The following tables detail the Consolidated Entity's liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the liability, either directly or indirectly
Level 3: Unobservable inputs for the liability

| Consolidated - 2025 | Level 1 $ | Level 2 $ | Level 3 $ | Total $ |
|---|---|---|---|---|
| *Liabilities* | | | | |
| Contingent consideration | - | - | - | - |
| Warrants liability | - | - | 3,150,301 | 3,150,301 |
| Total liabilities | - | - | 3,150,301 | 3,150,301 |

## Note 24. Fair value measurement (continued)

| **Consolidated - 2024** | Level 1<br>$ | Level 2<br>$ | Level 3<br>$ | Total<br>$ |
|---|---|---|---|---|
| *Liabilities* | | | | |
| Contingent consideration | - | - | 7,004,621 | 7,004,621 |
| Warrants liability | - | - | 6,478,060 | 6,478,060 |
| Total liabilities | - | - | 13,482,681 | 13,482,681 |

There were no transfers between levels during the financial year.

The fair value of the warrant liability is determined using a variety of valuation techniques including Monte Carlo simulations and Black-Scholes Model. Please refer to Note 14 for additional information regarding the private placement warrants.

*Level 3 liabilities*
Movements in level 3 liabilities during the current and previous financial year are set out below:

| **Consolidated** | Level 3<br>$ | Total<br>$ |
|---|---|---|
| Balance at 1 July 2023 | 6,870,783 | 6,870,783 |
| Issuance of warrants | 8,599,946 | 8,599,946 |
| Exercise of warrants | (864,930) | (864,930) |
| Gain recognised in profit or loss | (1,123,118) | (1,123,118) |
| Balance at 30 June 2024 | 13,482,681 | 13,482,681 |
| Issuance of warrants | 3,034,625 | 3,034,625 |
| Exercise of warrants | (8,840,101) | (8,840,101) |
| Gain recognised in profit or loss | (4,526,904) | (4,526,904) |
| Balance at 30 June 2025 | 3,150,301 | 3,150,301 |

## Note 25. Key management personnel disclosures

*Compensation*
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

| | **Consolidated** | |
|---|---|---|
| | **2025**<br>**$** | **2024**<br>**$** |
| Short-term employee benefits | 1,688,612 | 1,962,563 |
| Post-employment benefits | 51,122 | 72,784 |
| Share-based payments | 405,213 | 353,437 |
| | 2,144,947 | 2,388,784 |

## Note 26. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company, and unrelated firms:

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Audit services - BDO Audit Pty Ltd* | | |
| Audit or review of the financial statements | 385,000 | 418,039 |
| *Other services - BDO Audit Pty Ltd* | | |
| Comfort letter ATM | 107,528 | 28,774 |
| Consent letter F-1 | 78,080 | 104,687 |
| Consent letter F-3 | 91,408 | 11,199 |
| | 277,016 | 144,660 |
| | 662,016 | 562,699 |
| *Financial review services - Grant Thornton Audit Pty Ltd* | | |
| Review of the financial statements | - | 72,105 |
| Consent letter F-1 | 17,407 | 94,599 |
| Consent letter F-3 | 27,509 | 32,283 |
| | 44,916 | 198,987 |

The audit fees include the aggregate fees incurred in the financial years 2025 and 2024 for professional services rendered in connection with the audit of the Company's annual financial statements and for related services that are reasonably related to the performance of the audit or services that are normally provided by the auditor in connection with regulatory filings of engagements for those financial years (including review of the Company's Annual Report on Form 20-F, consents and other services related to SEC matters).

Comfort letter ATM refers to the fee in relation to Comfort Letter provided to Oppenheimer for ATM facility.

## Note 27. Related party transactions

*Parent entity*
Kazia Therapeutics Limited is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in Note 29.

*Key management personnel*
Disclosures relating to key management personnel are set out in Note 25.

*Transactions with related parties*
There were no other transactions with KMP and their related parties.

*Receivable from and payable to related parties*
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Loans to/from related parties*
There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*
All transactions were made on normal commercial terms and conditions and at market rates.

## Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

*Statement of profit or loss and other comprehensive income*

| | Parent | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Loss after income tax | (18,195,022) | (24,007,532) |
| Total comprehensive income | (18,195,022) | (24,007,532) |

*Statement of financial position*

| | Parent | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Total current assets | 4,335,465 | 3,047,586 |
| Total assets | 5,461,980 | 18,487,609 |
| Total current liabilities | 13,754,128 | 25,529,431 |
| Total liabilities | 14,062,395 | 31,334,547 |
| Equity | | |
| Contributed equity | 123,045,889 | 101,637,758 |
| Other contributed equity | 380,224 | - |
| Reserves | 3,873,198 | 4,224,947 |
| Accumulated losses | (135,899,726) | (118,709,643) |
| Total deficiency in equity | (8,600,415) | (12,846,938) |

Reserves comprise Share Based Payments Reserve.

*Contingent liabilities*
The parent entity contingent liabilities as at 30 June 2025 and 30 June 2024 are as set out in Note 17.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2025 and 30 June 2024.

*Material accounting policy information*
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

## Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

| Name | Principal place of business / Country of incorporation | Ownership interest 2025 % | Ownership interest 2024 % |
|---|---|---|---|
| Kazia Laboratories Pty Limited | Australia | 100.00% | 100.00% |
| Kazia Research Pty Limited | Australia | 100.00% | 100.00% |
| Kazia Therapeutics Inc. | United States of America | 100.00% | 100.00% |
| Glioblast Pty Limited | Australia | 100.00% | 100.00% |

## Note 30. Reconciliation of loss after income tax to net cash used in operating activities

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| Loss after income tax benefit for the year | (20,701,922) | (26,778,014) |
| Adjustments for: | | |
| Amortisation | 934,711 | 1,869,409 |
| Share-based payments | 653,194 | 532,597 |
| Foreign exchange differences | 309,536 | (20,403) |
| Interest | 232,447 | - |
| Impairment loss | 13,378,796 | - |
| Movement in contingent consideration | (7,553,905) | 133,838 |
| Loss on remeasurement of promissory note | - | (25,174) |
| Gain/(loss) on remeasurement of financial liabilities | 2,477,717 | (1,256,846) |
| Issuance of liability classified warrants for services | - | 5,959,960 |
| Change in operating assets and liabilities: | | |
| Decrease in trade and other receivables | 3,798,819 | 5,346 |
| Decrease in other assets | 100,604 | 1,041,310 |
| (Decrease)/increase in trade and other payables | (4,951,176) | 10,738,996 |
| Decrease in deferred tax liabilities | (1,746,551) | (271,089) |
| Increase/(decrease) in other provisions | 26,663 | (348,973) |
| Decrease in borrowings | (238,551) | (1,162,310) |
| Net cash used in operating activities | (13,279,618) | (9,581,353) |

## Note 31. Earnings per Share

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Earnings per share for loss from continuing operations* | | |
| Loss after income tax attributable to the owners of Kazia Therapeutics Limited | (20,701,922) | (26,778,014) |

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| Loss after income tax attributable to the owners of Kazia Therapeutics Limited | (20,701,922) | (26,778,014) |

## Note 31. Earnings per Share (continued)

| | Number | Number |
|---|---|---|
| Weighted average number of ordinary shares used in calculating basic earnings per share | 547,941,171 | 263,676,313 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 547,941,171 | 263,676,313 |

| | Cents | Cents |
|---|---|---|
| Basic earnings per share | (3.78) | (10.16) |
| Diluted earnings per share | (3.78) | (10.16) |

The number of unissued shares under option that have been excluded from the diluted EPS are 50,813,500 (2025) 36,180,000 (2024).

## Note 32. Share-based payments

All of the options set out below have been issued to employees and directors under the ESOP. During the financial year an expense of $653,194 (30 June 2024: $532,597) was recognised.

| | Number of options - ordinary shares 2025 | Weighted average exercise price 2025 | Number of options - ordinary shares 2024 | Weighted average exercise price 2024 |
|---|---|---|---|---|
| Outstanding at the beginning of the financial year | 10,180,000 | $0.7207 | 14,780,000 | $0.6292 |
| Forfeited | (25,000) | $0.9400 | (3,400,000) | $0.4159 |
| Expired | (2,075,000) | $1.0798 | (1,200,000) | $0.4925 |
| Outstanding at the end of the financial year | 8,080,000 | $0.6278 | 10,180,000 | $0.7207 |
| Exercisable at the end of the financial year | 7,805,000 | $0.6520 | 7,290,000 | $0.8398 |

| | Number of options - ADS 2025 | Weighted average exercise price 2025 | Number of options - ADS 2024 | Weighted average exercise price 2024 |
|---|---|---|---|---|
| Outstanding at the beginning of the financial year | 52,000 | $27.9000 | - | - |
| Granted | 33,467 | $37.3518 | 57,000 | $28.0000 |
| Forfeited | - | - | (5,000) | $28.8000 |
| Outstanding at the end of the financial year | 85,467 | $30.0800 | 52,000 | $27.9000 |
| Exercisable at the end of the financial year | 50,217 | $31.8258 | - | - |

## Note 32. Share-based payments (continued)

2025

| Tranche Number | Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired / lapsed | Balance at the end of the year |
|---|---|---|---|---|---|---|---|---|
| 4 | 13/01/2020 | 13/01/2025 | $0.8812 | 137,500 | - | - | (137,500) | - |
| 5 | 09/11/2020 | 09/11/2024 | $1.1320 | 1,200,000 | - | - | (1,200,000) | - |
| 6 | 09/11/2020 | 13/01/2025 | $0.8812 | 600,000 | - | - | (600,000) | - |
| 7 | 04/01/2021 | 04/01/2025 | $1.6900 | 137,500 | - | - | (137,500) | - |
| 8 | 09/09/2021 | 26/06/2026 | $1.3650 | 100,000 | - | - | - | 100,000 |
| 9 | 16/11/2021 | 16/11/2025 | $1.6900 | 750,000 | - | - | - | 750,000 |
| 10 | 16/11/2021 | 16/11/2025 | $2.2400 | 500,000 | - | - | - | 500,000 |
| 11 | 16/11/2021 | 16/11/2025 | $1.5600 | 800,000 | - | - | - | 800,000 |
| 13 | 01/02/2022 | 01/02/2027 | $0.9400 | 325,000 | - | - | (25,000) | 300,000 |
| 14 | 24/05/2022 | 24/05/2027 | $0.7800 | 100,000 | - | - | - | 100,000 |
| 15 | 03/03/2023 | 03/03/2027 | $0.1500 | 2,530,000 | - | - | - | 2,530,000 |
| 16 | 03/05/2023 | 03/05/2027 | $0.1870 | 3,000,000 | - | - | - | 3,000,000 |
| | | | | 10,180,000 | - | - | (2,100,000) | 8,080,000 |
| Weighted average exercise price | | | | $0.7207 | - | - | $1.0782 | $0.6278 |

At the end of the period the following outstanding options were vested and exercisable:
- Options in tranches 4, 5, 6 & 7 expired during the year
- 25,000 options in tranche 13 were forfeited during the year

The weighted average remaining contractual life of options outstanding at 30 June 2025 is 1.52 years

| Tranche | Grant date | Expiry Date | Exercise price | Balance at the start of the year - ADS | Granted | Exercised | Expired/ Lapsed on termination of employment | Ratio Change 50:1 | Balance at the end of the year - ADS |
|---|---|---|---|---|---|---|---|---|---|
| | | s | | | | | | | |
| 17 | 22/04/2024 | 22/04/2029 | $29.2975 | 1,500,000 | - | - | - | (1,470,000) | 30,000 |
| 18 | 17/06/2024 | 17/06/2029 | $25.6500 | 850,000 | - | - | - | (833,000) | 17,000 |
| 19 | 27/06/2024 | 27/06/2030 | $14.8500 | 250,000 | - | - | - | (245,000) | 5,000 |
| 20 | 11/09/2024 | 11/09/2029 | $24.8024 | - | 6,000 | - | - | - | 6,000 |
| 21-22 | 14/01/2025 | 14/07/2030 | $75.0000 | - | 27,467 | - | - | - | 27,467 |
| | | | | 2,600,000 | 33,467 | - | - | (2,548,000) | 85,467 |
| Weighted average exercise price | | | | $0.5580 | $37.3518 | - | - | - | $30.0800 |

At the end of the period the following outstanding options were vested and exercisable:

- Options in tranche 17, 18, 19, 20, 21 & 22 were unvested

The weighted average remaining contractual life of ADS share options outstanding at 2025 is 3.59 years.

## Note 32. Share-based payments (continued)

2024

| Tranche Number | Grant date | Expiry date | Exercise price | Balance at the start of the year | Granted | Exercised | Expired / lapsed | Balance at the end of the year |
|---|---|---|---|---|---|---|---|---|
| 3 | 13/11/2019 | 04/01/2024 | $0.4952 | 1,200,000 | - | - | (1,200,000) | - |
| 4 | 13/01/2020 | 13/01/2025 | $0.8812 | 187,500 | - | - | (50,000) | 137,500 |
| 5 | 09/11/2020 | 09/11/2024 | $1.1320 | 1,200,000 | - | - | - | 1,200,000 |
| 6 | 09/11/2020 | 13/01/2025 | $0.8812 | 600,000 | - | - | - | 600,000 |
| 7 | 04/01/2021 | 04/01/2025 | $1.6900 | 187,500 | - | - | (50,000) | 137,500 |
| 8 | 09/09/2021 | 26/06/2026 | $1.3650 | 100,000 | - | - | - | 100,000 |
| 9 | 16/11/2021 | 16/11/2025 | $1.6900 | 750,000 | - | - | - | 750,000 |
| 10 | 16/11/2021 | 16/11/2025 | $2.2400 | 500,000 | - | - | - | 500,000 |
| 11 | 16/11/2021 | 16/11/2025 | $1.5600 | 800,000 | - | - | - | 800,000 |
| 12 | 01/02/2022 | 01/02/2027 | $0.9400 | 800,000 | - | - | (800,000) | - |
| 13 | 01/02/2022 | 01/02/2027 | $0.9400 | 425,000 | - | - | (100,000) | 325,000 |
| 14 | 24/05/2022 | 24/05/2027 | $0.7800 | 100,000 | - | - | - | 100,000 |
| 15 | 03/03/2023 | 03/03/2027 | $0.1500 | 3,930,000 | - | - | (1,400,000) | 2,530,000 |
| 16 | 03/05/2023 | 03/05/2027 | $0.1870 | 4,000,000 | - | - | (1,000,000) | 3,000,000 |
| | | | | 14,780,000 | - | - | (4,600,000) | 10,180,000 |
| Weighted average exercise price | | | | $0.6292 | - | - | $0.4349 | $0.7207 |

At the end of the period the following outstanding options were vested and exercisable:
- Options in tranches 3 & 12 expired during the year
- Options in tranches 6 were vested and exercisable
- Options in tranches 4, 7, 8, & 9 were vested and exercisable to 69%, apart from those in the above table which have expired
- Options in tranche 5 were vested and exercisable to 75%, apart from those in the above table which have expired
- Options in tranches 10 & 15 were vested and exercisable as to 33%, apart from those in the above table which have expired
- Options in tranches 11, 14, & 16 were vested and exercisable as to 50%, apart from those in the above table which have expired
- Options in tranches 13 were vested and exercisable as to 35%, apart from those in the above table which have expired

The weighted average remaining contractual life of options outstanding at 30 June 2024 is 2.00 years

*Employee share options*
During the year ended 30 June 2025, 6,000 ADS options have been issued to directors and employees by the Consolidated Entity pursuant to the Company's Employee Share Option Plan.

• Tranche 20-22 vests yearly over 5 years from the date of the grant

Vesting conditions for options within all tranches, is based on service period only; i.e. options will only vest if the option holder continues to be a full-time employee with the Company or an Associated Company during the vesting period relating to the option.

Conditions for an option to be exercised:
• The options must have vested;
• Option holder must have provided the Company with an Exercise Notice and have paid the Exercise Price for the option;
• The Exercise Notice must be for the exercise of at least the Minimum Number of Options; and
• The Exercise Notice must have been provided to the Company and Exercise Price paid before the expiry of 5 years from the date the Option is issued.

*Options Valuation*
In order to obtain a fair valuation of these options, the following assumptions have been made:

The Black Scholes option valuation methodology has been used with the expectation that the majority of these options would be exercised towards the end of the option term. Inputs into the Black Scholes model includes the share price at grant date, exercise price, volatility, and the risk-free rate of a five-year Australian Government Bond on grant date.

**Note 32. Share-based payments (continued)**

*Risk-free rate and grant date*
For all tranches, the risk-free rate of a five-year Australian Government bond on grant date was used. Please refer to the table below for details. The above-mentioned options have various vesting periods and exercising conditions. These options are unlisted as of June 30, 2025. No dividends are expected to be declared or paid by the Consolidated Entity during the terms of the options. The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of time. No special features inherent to the options granted were incorporated into measurement of fair value. Based on the above assumptions, the table below sets out the valuation for each tranche of options.

The abovementioned options have various vesting periods and exercising conditions. These options are unlisted as at 30 June 2025.

No dividends are expected to be declared or paid by the consolidated entity during the terms of the options.

The underlying expected volatility was determined by reference to historical data of the Company's shares over a period of time. No special features inherent to the options granted were incorporated into measurement of fair value.

Based on the above assumptions, the table below sets out the valuation for each tranche of options:

| Tranche | Grant date | Expiry date | Share price at Grant Date | Exercise price | Volatility (%) | Dividend yield (%) | Risk free Rate (%) | Fair value per option |
|---|---|---|---|---|---|---|---|---|
| 4 | 13/01/2020 | 13/01/2025 | $0.6200 | $0.8812 | 74.50% | - | 1.95% | $0.3400 |
| 5 | 09/11/2020 | 09/11/2024 | $0.8900 | $1.1320 | 90.00% | - | 0.10% | $0.4130 |
| 6 | 09/11/2020 | 13/01/2025 | $0.8900 | $0.8812 | 90.00% | - | 0.10% | $0.5030 |
| 7 | 04/01/2021 | 04/01/2025 | $1.1850 | $1.6900 | 90.00% | - | 0.19% | $0.6000 |
| 8 | 09/09/2021 | 26/06/2026 | $1.4200 | $1.3650 | 76.00% | - | 1.50% | $0.8800 |
| 9 | 16/11/2021 | 16/11/2025 | $1.5700 | $1.6900 | 76.00% | - | 1.50% | $0.8500 |
| 10 | 16/11/2021 | 16/11/2025 | $1.5700 | $2.2400 | 76.00% | - | 1.50% | $0.7500 |
| 11 | 16/11/2021 | 16/11/2025 | $1.5700 | $1.5600 | 76.00% | - | 1.50% | $0.9700 |
| 13 | 01/02/2022 | 01/02/2027 | $0.9600 | $0.9400 | 79.00% | - | 1.50% | $0.5900 |
| 14 | 24/05/2022 | 24/05/2027 | $0.1700 | $0.7800 | 80.00% | - | 3.64% | $0.1014 |
| 15 | 03/03/2023 | 03/03/2027 | $0.1700 | $0.1500 | 80.00% | - | 3.64% | $0.1014 |
| 16 | 03/05/2023 | 03/05/2027 | $0.1900 | $0.1870 | 80.00% | - | 3.22% | $0.1111 |
| 17 | 22/04/2024 | 22/04/2029 | $0.5860 | $0.5859 | 95.00% | - | 3.96% | $0.4300 |
| 18 | 17/06/2024 | 17/06/2029 | $0.3484 | $0.5800 | 95.00% | - | 3.84% | $0.2300 |
| 19 | 27/06/2024 | 27/06/2030 | $0.3461 | $0.3300 | 95.00% | - | 4.17% | $0.2700 |
| 20 | 11/09/2024 | 11/09/2029 | $0.5562 | $0.4960 | 121.00% | - | 3.52% | $0.4700 |
| 21-22 | 14/01/2025 | 14/07/2030 | $1.5300 | $1.5000 | 95.00% | - | 4.17% | $1.1700 |

**Note 34. Events Since the End of the Year (continued)**

**Note 33. Events After the Reporting Period**

**Fundraising Activities**
From July 2025 through October 2025, the Consolidated Entity raised net proceeds of A$2,112,090 (US$1,397,016) using the ATM facility and the company executed a private placement of equity securities (PIPE), raising A$3,169,546 (US$2,049,992) and continues to seek additional funding sources both in Australia and overseas.

**Licensing Activities**
On 7 October 2025 the company announced an exclusive collaboration and in-licensing agreement with QIMR Berghofer for a first-in-class PD- L1 degrader program. The lead optimized compound, NDL2, is an advanced PD-L1 protein degrader currently in development and represents a new and innovative frontier of cancer immunotherapy.

**MVLS Requirement**
On November 12, 2025, the Company received a staff determination letter (“Staff Letter”) from the Staff of Nasdaq indicating that the Company had not regained compliance with the MVLS Requirement by November 10, 2025. The Company requested a hearing before the Panel. The hearing request will automatically stay any suspension or delisting action pending the hearing and the expiration of any additional extension period granted by the Panel following the hearing.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future financial years.

**Kazia Therapeutics Limited**
**Consolidated entity disclosure statement**
**As at 30 June 2025**

| Entity name | Entity type | Place formed / Country of incorporation | Ownership interest % | Tax residency |
|---|---|---|---|---|
| Kazia Laboratories Pty Limited | Body Corporate | Australia | 100.00% | Australia |
| Kazia Research Pty Limited | Body Corporate | Australia | 100.00% | Australia |
| Kazia Therapeutics Inc. | Body Corporate | United States of America | 100.00% | United States of America |
| Glioblast Pty Limited | Body Corporate | Australia | 100.00% | Australia |

* **Basis of preparation**
This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

** **Determination of tax residency**
Section 295 (3A)(vi) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.
In determining tax residency, the consolidated entity has applied the following interpretations:
- Australian tax residency
- The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.
- Foreign tax residency
- Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax
residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

**Kazia Therapeutics Limited**
**Directors' declaration**
**30 June 2025**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Board of Directors

DocuSigned by:
Steven Coffey
90ECD9C7792B4F9...

Steven Coffey
Director

26 November 2025
Sydney

Tel: +61 2 9251 4100
Fax: +61 2 9240 9821
www.bdo.com.au

Parkline Place
Level 25, 252 Pitt Street
Sydney NSW 2000
Australia

# INDEPENDENT AUDITOR'S REPORT

To the members of Kazia Therapeutics Limited

## Report on the Audit of the Financial Report

### Opinion

We have audited the financial report of Kazia Therapeutics Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or 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 report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(i) 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 ended on that date; and

(ii) 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 *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 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about 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 in the normal course of business. Our opinion is not modified in respect of this matter.

**Other information**

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, 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 on the other information obtained prior to the date of this auditor's report, 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 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

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

i) the financial report 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 has 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/apzlwn0y/ar3_2024.pdf
This description forms part of our auditor's report.

**BDO Audit Pty Ltd**

Gareth Few
Director

Sydney
26 November 2025