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Â Â Table of Contents UNITED STATES â€ŽSECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549 FORM 10-K (Mark One) Â â˜‘ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the fiscal year ended September 30, 2024 Â Â Â â˜ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the transition period from Â to Â Commission file number 1-13602 Â Veru Inc. (Name of registrant as specified in its charter) Â WisconsinÂ Â 39-1144397 (State or other jurisdiction of incorporation or organization) Â (I.R.S. Employer Identification No.) Â Â Â 2916 N. Miami Avenue, Suite 1000, Miami, FloridaÂ Â 33127 (Address of principal executive offices) Â (Zip Code) Â Registrantâ€™s telephone number, including area code (305) 509-6897 Â Securities registered pursuant to SectionÂ 12(b) of the Act: Â Title of each class Â Trading Symbol(s) Â Name of each exchange on which registered Common stock, $0.01 par valueÂ Â VERU Â Nasdaq Capital Market Â Securities registered pursuant to SectionÂ 12(g) of the Act: None Â Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in RuleÂ 405 of the Securities Act. Yes â˜ No â˜‘ Â Indicate by check mark if the registrant is not required to file reports pursuant to SectionÂ 13 or Section 15(d) of the Act. Yes â˜ No â˜‘ Â Indicate by check mark whether the registrant (1)Â has filed all reports required to be filed by SectionÂ 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12Â months (or for such shorter period that the registrant was required to file such reports), and (2)Â has been subject to such filing requirements for the past 90Â days. Yes â˜‘ No â˜ Â Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to RuleÂ 405 of RegulationÂ S-T during the preceding 12Â months (or for such shorter period that the registrant was required to submit such files). Yes â˜‘ No â˜ Â Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of â€œlarge accelerated filer,â€ â€œaccelerated filer,â€ â€œsmaller reporting company,â€ and â€œemerging growth companyâ€ in RuleÂ 12b-2 of the Exchange Act. Â Large accelerated filer â˜Â Accelerated filer â˜ Non-accelerated filer â˜‘Â Smaller reporting company â˜‘Â Â Â Emerging growth company â˜ Â If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to SectionÂ 13(a) of the Exchange Act. â˜ Â Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under SectionÂ 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. â˜ Â If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. â˜ Â Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrantâ€™s executive officers during the relevant recovery period pursuant to Â§240.10D-1(b). â˜ Â Indicate by check mark whether the registrant is a shell company (as defined in RuleÂ 12b-2 of the Act). Yes â˜ No â˜‘ Â The aggregate market value of the common stock held by non-affiliates of the registrant as of March 29, 2024, was approximately $91.6 million based on the per share closing price as of March 29, 2024Â quoted on the Nasdaq Capital Market for the registrantâ€™s common stock, which was $0.70. Â There were 146,383,920Â shares of the registrantâ€™s common stock, $0.01 par value per share outstanding onÂ December 12, 2024. Â Â Table of Contents Â DOCUMENTS INCORPORATED BY REFERENCE: Â Portions of the Proxy Statement for the 2025Â Annual Meeting of the Shareholders of the Registrant are incorporated by reference into Part III of this report. Â Â Table of Contents Â Â VERU INC. INDEX Â PARTÂ I Â Â Â Â Page Â Â Â Â Item 1. Business 6 Item 1A. Risk Factors 25 Item 1B. Unresolved Staff Comments 55 Item 1C. Cybersecurity 55 Item 2. Properties 56 Item 3. Legal Proceedings 56 Item 4. Mine Safety Disclosures 56 Â Â Â PARTÂ II Â Â Â Â Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities 56 Item 6. Reserved 56 Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations 57 Item 7A. Quantitative and Qualitative Disclosures About Market Risk 69 Item 8. Financial Statements and Supplementary Data 69 Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure 69 Item 9A. Controls and Procedures 69 Item 9B. Other Information 71 Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections 71 Â Â Â PARTÂ III Â Â Â Â Â Item 10. Directors, Executive Officers and Corporate Governance 72 Item 11. Executive Compensation 72 Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters 72 Item 13. Certain Relationships and Related Transactions, and Director Independence 72 Item 14. Principal Accountant Fees and Services 72 Â Â Â PARTÂ IV Â Â Â Â Â Item 15. Exhibits and Financial Statement Schedules 73 Item 16. Form 10-K Summary 77 Â Signatures 78 Â Â As used in this report, the terms â€œwe,â€ â€œus,â€ â€œour,â€ â€œVeruâ€ and the â€œCompanyâ€ mean Veru Inc. and its subsidiaries collectively, unless the context indicates another meaning, and the term â€œcommon stockâ€ means shares of our common stock, par value of $0.01 per share. Â All trademarks, service marks or trade names appearing in this report are the property of their respective owners. We do not intend the use or display of other companiesâ€™ trade names, trademarks, or service marks to imply a relationship with, or endorsement or sponsorship of or by, any of these other companies Â Â 2 Table of Contents Â Â FORWARD LOOKING STATEMENTS Â Certain statements included in this Annual Report on Form 10-K which are not statements of historical fact are intended to be, and are hereby identified as, â€œforward-looking statementsâ€ within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about our financial condition or business, our development and commercialization plans relating to our product candidates and

products, including any potential development or commercialization of enobosarm initially as a treatment to augment fat loss and to prevent lean mass (muscle) loss in sarcopenic obese or overweight elderly patients receiving a glucagon-like peptide-1 receptor agonist (â€œGLP-1 RAâ€) who are at-risk for developing muscle atrophy and muscle weakness, enobosarm for certain breast cancer patients, and sabizabulin for viral-induced acute respiratory distress syndrome (â€œARDSâ€) indications, the outlook for growth in our FC2 business through telehealth customers, our portal and the global public health sector, future financial and operating results, plans, objectives, expectations and intentions, costs and expenses, royalty payments, outcome of litigation and other contingencies, financial condition, results of operations, liquidity, cost savings, our ability to continue as a going concern, future ordering patterns of our customers, objectives of management, business strategies, clinical trial timing, plans and results, the achievement of clinical and commercial milestones, the advancement of our technologies and our products and drug candidates, and other statements that are not historical facts. You can identify forward-looking statements by the use of words or phrases such as â€œanticipate,â€ â€œbelieve,â€ â€œcould,â€ â€œexpect,â€ â€œintend,â€ â€œmay,â€ â€œopportunity,â€ â€œplan,â€ â€œpredict,â€ â€œpotential,â€ â€œestimate,â€ â€œshould,â€ â€œwill,â€ â€œwouldâ€ or the negative of those terms or other words of similar meaning. These statements are based upon our current plans and strategies, reflect our current assessment of the risks and uncertainties related to our business and are made as of the date of this report. These statements are inherently subject to known and unknown risks and uncertainties. You should read these statements carefully because they discuss our future expectations or state other â€œforward-lookingâ€ information. There may be events in the future that we are not able to accurately predict or control and our actual results may differ materially from the expectations we describe in our forward-looking statements. Factors that could cause actual results to differ materially from those currently anticipated include the following: Â Â â— potential delays in the timing of and results from clinical trials and studies, including potential delays in the recruitment of patients and their ability to effectively participate in such trials and studies, the potential suspension or termination of any such trials or studies, and the risk that such results will not support marketing approval, emergency use authorization (â€œEUAâ€), or commercialization in the United States or in any foreign country; Â â— potential delays in the timing of any submission to the U.S. Food and Drug Administration (the â€œFDAâ€) or any other regulatory authority around the world and potential delays in, or failure to obtain, from any such regulatory authority approval of products under development, including the risk of a delay or failure in reaching agreement with the FDA on the design of any clinical trial, including any post-approval or post-authorization study, or in obtaining authorization to commence a clinical trial or commercialize a product candidate in the U.S. or elsewhere, and the risk that the terms of any regulatory approval may limit the drugâ€™s commercial potential; Â â— potential delays in the timing of approval by the FDA or any other regulatory authority of the release of manufactured lots of approved products; Â â— clinical trial results supporting any potential regulatory approval or authorization of any of our products, including enobosarm initially as a treatment to augment fat loss and to prevent lean mass (muscle) loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, may not be replicated in clinical practice; Â â— clinical results or early data from clinical trials may not be replicated or continue to occur in additional trials or may not otherwise support further development in the specified product candidate or at all; Â â— risks related to our ability to obtain sufficient financing on acceptable terms when needed to fund product development, commercialization of product candidatesÂ and our operations and to enable us to continue as a going concern; Â â— as a result of our failure to timely file two reports with the SEC, we are not eligible to use our current effective shelf registration statement on Form S-3 or file new registration statements on Form S-3 until no earlier than March 1, 2025, which could impair our capital-raising activities; Â â— we need to secure significant funding to advance our drug candidates, including government grants, pharmaceutical company partnerships, or similar external sources to advance the development of sabizabulin as a treatment for viral-induced ARDS; Â â— we may not receive any additional payments from Onconetix, Inc. formerly known as Blue Water Vaccines Inc. (â€œONCOâ€) in connection with the sale of our ENTADFI assets and may not receive any value for the shares of common stock of ONCO thatÂ we might hold from time to time; Â â— risks related to the development of our product portfolio, including clinical trials, regulatory approvals and time and cost to bring any of our product candidates to market, and risks related to efforts of our collaborators; Â 3 Table of Contents Â Â â— product demand and market acceptance of our commercial products and our products in development, if approved; Â â— risks related to our ability to obtain insurance reimbursement from private payors or government payors, including Medicare and Medicaid, and similar risks relating to market or political acceptance of any potential or actual pricing for any of our product candidates that, if approved, we attempt to commercialize; Â â— some of our products are in development and we may fail to obtain regulatory approval for or successfully commercialize such products; Â â— risks related to any potential new telehealth platform developed or used by us in commercializing our current product or potential future products, including potential regulatory uncertainty around such platforms and market awareness and acceptance of any telehealth platform we develop or use; Â â— risks related to our ability to increase sales of FC2 after significant declines in recent periods due to telehealth industry consolidation and the bankruptcy of large telehealth customers; Â â— risks related to intellectual property, including the uncertainty of obtaining intellectual property protections and in enforcing them, the possibility of infringing a third partyâ€™s intellectual property, and licensing risks; Â â— competition from existing and new competitors including the potential for reduced sales, pressure on pricing, and increased spending on marketing; Â â— risks related to compliance and regulatory matters, including costs and delays resulting from extensive government regulation and reimbursement and coverage under healthcare insurance and regulation as well as potential healthcare reform measures; Â â— the risk that we will be affected by regulatory and legal developments, including a reclassification of products or repeal or modification of part or all of the Patient Protection and Affordable Care Act; Â â— our ability to generate product revenues will be impacted if coverage for our products from payors is eliminated or decreased, if patients have unacceptably high co-pays or access to or fees payable for telehealth is adversely impacted; Â â— risks inherent in doing business on an international level, including currency risks, regulatory requirements, political risks, export restrictions and other trade barriers; Â â— the risk ofÂ disruption of production at our manufacturing facilities or facilities of third parties on which we rely and/or of our ability to supply product due to raw material shortages, labor shortages, manufacturing partner business changes, physical damage to our or third partiesâ€™ facilities, product testing, transportation delays or regulatory or other governmental actions, and the duration and impact of any such disruptions; Â â— our reliance on major customers and risks related to delays in, or failure to make, payment of accounts receivable by major customers; Â â— risks from rising costs of raw materials and our ability to pass along increased costs to our customers; Â â— risks related to our growth strategy; Â â— our continued ability to attract and retain highly skilled and qualified personnel; Â â— risks relating to the restatement of our unaudited condensed consolidated financial statements as of and for the three and nine months ended June 30, 2023 and the restatement of our audited consolidated financial statements as of and for the years ended September 30, 2023 and 2022; Â â— we have a history of net losses and we may not be able to predict the extent of future losses; Â â— the costs and other effects of litigation, governmental investigations, legal and administrative cases and proceedings, settlements and investigations; Â â— the risk that we may identify material weaknesses or other deficiencies in our internal control over financial reporting in the future or otherwise fail to maintain an effective system of internal controls; Â â— government contracting risks, including the appropriations process and funding priorities, potential bureaucratic delays in awarding contracts, process errors, politics or other pressures, and the risk that government tenders and contracts may be subject to cancellation, delay, restructuring or substantial delayed payments; Â â— a governmental tender award indicates acceptance of the bidderâ€™s price rather than an order or guarantee of the purchase of any minimum number of units, and as a result government ministries or other public health sector customers may order and purchase fewer units than the full maximum tender amount; Â â— we are subject to cybersecurity risks and the information technology systems on which we rely may be subject to data security or privacy incidents; Â â— our ability to identify, successfully negotiate and complete suitable acquisitions, out-licensing transactions, in-licensing transactions or other strategic initiatives and to realize any potential benefits of such transactions or initiatives; and Â â— our ability to successfully integrate acquired businesses, technologies or products. Â 4 Table of Contents Â These factors are not exhaustive. All forward-looking statements in this report should be considered in the context of the risks and other factors described above and in â€œRisk Factorsâ€ in Item 1A. of this report. Additional factors that we do not yet know of or that we currently think are immaterial may also impair our business operations, and new risk factors may emerge from time to time.Â It is not possible to predict all such risk factors, nor can the Company assess the impact of all such risk factors on its business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. Forward-looking statements are not guarantees of performance. You should not put undue reliance on these statements, which speak only as of the date hereof. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements.Â The Company undertakes no obligation to make any revisions to the forward-looking statements contained in this report or to update them to reflect events or circumstances occurring after the date of this report except as required by applicable law. Â In addition, statements that â€œwe believeâ€ and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. Â This Annual Report on Form 10-K includes statistical and other industry and market data that we obtained from industry publications and research, surveys and studies conducted by third parties as well as our own estimates of potential market opportunities based on our analysis of these data, research, surveys and studies. All of the market data used in this Annual Report on Form 10-K involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. Our estimates of the potential market opportunities for our product candidates include a number of key assumptions based on our industry knowledge, industry publications and third-party research, surveys and studies, which may be based on a small sample size and fail to accurately reflect market opportunities. While we believe that our internal assumptions are reasonable, no independent source has verified such assumptions.Â Â 5 Table of Contents Â PART I Â Item 1. Business Â Overview Â We are a late clinical stage biopharmaceutical company focused on developing novel medicines for the treatment of metabolic diseases, oncology, and ARDS. Our drug development program consists of two late-stage new chemical entities, enobosarm and sabizabulin. Enobosarm, an oral selective androgen receptor modulator (â€œSARMâ€), is being developed for two indications: (i) as a treatment to augment fat loss and to prevent lean mass (muscle) loss in sarcopenic obese or overweight older patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness and (ii) subject to the availability of sufficient funding, as a treatment of androgen receptor positive (AR+), estrogen receptor positive (ER+) and human epidermal growth factor receptor 2 negative (HER2-) metastatic breast cancer in the 2nd line setting. Sabizabulin, a microtubule disruptor, is being developed for the treatment of hospitalized patients with viral-induced ARDS. We do not intend to undertake further development of sabizabulin for the treatment of viral-induced ARDS until we obtain funding from government grants, pharmaceutical company partnerships, or other similar third-party external sources. We also have an FDA-approved commercial product, the FC2 Female CondomÂ® (Internal Condom), for the dual protection against unplanned pregnancy and sexually transmitted infections. Â A chart showing our current drug candidate pipeline as of the date of this report is below. This chart is based on our current plans and is subject to change. See â€œForward Looking Statements.â€ Â Â Company History Â Veru is a Wisconsin corporation that is the successor to The Wisconsin Pharmacal Company, Inc. (â€œWisconsin Pharmacalâ€), a company which manufactured and marketed disparate specialty chemical and branded consumer products. Wisconsin Pharmacal was originally incorporated in 1971. In 1996, we completed a series of actions which resulted in our acquisition of worldwide rights to our first-generation female condom, the divestiture of Wisconsin Pharmacalâ€™s other businesses and the change of our name to â€œThe Female Health Company.â€ On OctoberÂ 31, 2016, we completed our acquisition of Aspen Park Pharmaceuticals, Inc. (the â€œAPP Acquisitionâ€), which transitioned us from a single product company selling FC2 to a biopharmaceutical company with a robust drug development program. On JulyÂ 31, 2017, we changed our corporate name from â€œThe Female Health Companyâ€ to â€œVeru Inc.â€ reflecting our focus on developing and commercializing biopharmaceutical products. Â 6 Table of Contents Â Our Strategy Â Our strategy focuses primarily on the clinical development and commercialization of novel medicines for the treatment of metabolic diseases, oncology, and ARDS. In addition, we seek to operate and grow our sexual health program to help fund our clinical development efforts. We will need substantial capital to support our drug development and any related commercialization efforts for our drug candidates. The key elements of our strategy are: Â Â â— Develop enobosarm for obesity. Â Our metabolic drug pipeline is focused on the clinical development of enobosarm, an oral SARM, initially as a treatment to augment fat loss and to prevent lean mass (muscle) loss in sarcopenic obese or overweight older patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness. Â In reported third-party clinical trials evaluating currently approved GLP-1 RA in obese patients, trial participants exhibited significant weight loss composed of reductions in both fat and lean (muscle and bone) mass. Of the total weight loss reported in certain of these third-party clinical trials, 20-50% of the total weight loss was attributable to lean mass (muscle) loss. Muscle is critical for metabolism, muscle strength and physical function (mobility) and prevention of injury (falls) especially in an older population. According to the Centers for Disease Control and Prevention (â€œCDCâ€), 41.5% of older adults have obesity and could benefit from weight loss medication. However, the significant amount of muscle loss which may occur when taking a currently approved GLP-1 RA has the potential to reduce a patientâ€™s muscle mass to sarcopenic, or critically low amounts. Sarcopenic obese patients areÂ patients who have obesity and age-related low muscle mass at the same timeÂ and are potentially at the greatest risk for developing critically low muscle mass when taking a currently approved GLP-1 RA. Up to 34.4% of obese patients in the United States over the age of 60 have sarcopenic obesity and are potentially at the greatest risk for developing critically low muscle mass and functional limitations when taking a currently approved GLP-1 RA for the treatment of obesity. We therefore believe there is an urgent unmet need for a drug that can both augment the fat loss and prevent the lean mass loss in sarcopenic obese or overweight elderly patients receiving GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness leading to frailty. Â We believe this urgent unmet medical need could be addressed byÂ enobosarm, a SARM, that may effectively prevent the loss of muscle mass and increase the fat loss experienced by older patients receiving a GLP-1 RA for the treatment of obesity. The leanÂ mass reductionÂ observed with GLP-1 RA drugs places older overweight or obese patients with sarcopenic obesity at risk as they already have low muscle mass reserve and may develop muscle weakness, functional limitations, mobility disability, and falls. Veru is conducting a Phase 2b multicenter, double-blind, placebo-controlled, randomized, and dose-finding QUALITY clinical study to evaluate enobosarm 3mg, enobosarm 6mg, or placebo in approximately 168 randomized older patients who are overweight or obese and are also receiving a GLP-1 RA for weight loss. Â Â â— Develop enobosarm for advanced breast cancer. Â Our oncology drug pipeline is focused on the clinical development of enobosarm 9mg for the treatment of AR+ ER+ HER2- metastatic breast cancer. As we have prioritized our clinical programs to focus on enobosarm for obesity, the continued clinical development of enobosarm for the treatment of metastatic breast cancer is subject to the availability of sufficient funding in excess of any funds we use for enobosarm for obesity or other uses. We completed the Stage 1a portion of our Phase 3 clinical trial in October 2023. We will not, however, beginÂ our Phase 3 clinical trial until sufficient funding is available. Â Â â— Develop sabizabulin for viral-induced ARDS subject to accessing government or pharmaceutical partnership funding. Â We are developing sabizabulin 9mg, which has both host targeted antiviral and broad anti-inflammatory properties, as a two-pronged approach to the treatment of hospitalized patients with viral lung infection at high risk for ARDS and death. We have completed positive Phase 2 and positive Phase 3 COVID-19 clinical trials, which have demonstrated that sabizabulin treatment resulted in a mortality benefit in hospitalized moderate to severe patients with COVID-19 viral lung infection at high risk for ARDS and death. The FDA granted Fast Track designation to our COVID-19 program in January 2022. On May 10, 2022, we had a pre-EUA meeting with the FDA to discuss next steps including the submission of an EUA application regarding sabizabulin for COVID-19. In June 2022, we submitted a request for FDA Emergency Use Authorization. In February 2023, the FDA declined to grant our request for Emergency Use Authorization for sabizabulin. In September 2023, we received positive feedback from the FDA on the design of a Phase 3 clinical trial to evaluate sabizabulin in viral-induced ARDS. Â 7 Table of Contents Â We currently plan to prioritize the use of our internal cash and the net proceeds of any future financings for the development of enobosarm, with a primary near-term focus on funding the Phase 2b clinical trial to evaluate the safety and efficacy of enobosarm initially as a treatment to augment fat loss and to prevent lean mass loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, and to seek external funding through government grants, pharmaceutical company partnerships, or similar sources to advance the development of sabizabulin as a treatment for viral-induced ARDS. Without such external funding, we do not plan to advance the development of sabizabulin as a treatment for viral-induced ARDS and will not commence our Phase 3 clinical trial to evaluate sabizabulin in viral-induced ARDS. Â Â â— Grow our sexual health program to invest proceeds in the clinical development of our drug pipeline. Â We remain focused on increasing revenue from FC2 in the U.S. market via our established dedicated direct to patient telemedicine and pharmacy services portal, while leveraging our relationships with telemedicine

and internet pharmacy providers and distributors. We are also seeking additional commercial partnership opportunities while continuing to grow revenues in the public health sector in key U.S. and global markets via partnerships/distribution agreements with regional distributors/players. Â Â â— Capitalize on expertise and reputation of our management team and board members. Â Our management team has significant expertise and experience in urology, oncology, endocrine, cardiometabolic, and infectious diseases as well as drug development, regulatory matters, marketing and sales, and business development which we believe facilitates effective management of our preclinical studies and clinical trials of drug candidates, potential launch planning, effective collaboration activity and product commercialization. In addition, we intend to capitalize on the strong reputations of the members of our management andÂ board of directors with academic institutions, hospitals, physicians, pharmacists, and distributors to expand our customer base and to introduce potential new products. â€Ž Our Products and Product Candidates Â The following table summarizes the Companyâ€™s current product and development portfolio: Â PRODUCT Â INDICATION Â DEVELOPMENT PHASE Â Â Â Â Â Â Cardiometabolic Obesity Program Enobosarm â€“Â selective androgen receptor modulator Â A treatment to augment fat loss and to prevent lean mass loss in sarcopenic obese or overweight older patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness Â Ongoing Phase 2b QUALITY clinical study Â Â Â Â Â Â Oncology Drug Candidate - Breast Enobosarm â€“Â selective androgen receptor modulator with or without abemaciclib CDK 4/6 inhibitor Â AR+ ER+ HER2- metastatic breast cancer (2nd line metastatic setting) Â Planned Phase 3 ENABLAR-2 Â Â Â Â Â Â Viral-related ARDS SabizabulinÂ â€“ oral microtubule disruptor, broad host targeted antiviral and anti-inflammatory agent Â Hospitalized patients with mild to severe viral-induced ARDS Â Planned Phase 3 Â Â Â Â Â Â Sexual Health Program Commercial Product FC2 Female CondomÂ®Â (internal condom) Â Unintended pregnancy and prevents STIs Â Marketed Â 8 Table of Contents Â Our Clinical Trials Program and Our Drug Candidates in Metabolic Diseases, Oncology, and ARDS: Â Obesity and Overweight Program - Enobosarm Â Scientific Overview. In reported third-party clinical trials evaluating currently approved GLP-1 RA in obese patients, trial participants exhibited significant weight loss composed of reductions in both fat and lean (muscle and bone) mass. Of the total weight loss reported in certain of these third-party clinical trials, 20-50% of the total weight loss was attributable to lean mass (muscle) loss. According to the CDC, 41.5% of older adults have obesity and could benefit from weight loss medication. Up to 34.4% of obese patients in the United States over the age of 60 have sarcopenic obesity. Sarcopenic obese patients are patients who have obesity and low muscle mass at the same time and are potentially at the greatest risk for developing critically low muscle mass when taking a currently approved GLP-1 RA. Patients with critically low muscle mass may experience muscle weakness leading to poor balance, decreased gait speed, mobility disability, falls, bone fractures, and increased mortality. We therefore believe there is an urgent unmet need for a drug that can ameliorate the muscle wasting effects of currently approved GLP-1 RA therapies and also allow for preferential loss of fat mass in at-risk sarcopenic obese and overweight elderly patients. While older adults are at higher risk for sarcopenia and sarcopenic obesity, in discussions with the FDA, Veru intends to ultimately seek an approval in the broadest population that could benefit in all ages rather than limiting the indication to patients over the age of 60 years as younger patients (including females of child-bearing potential) with obesity on GLP-1 receptor agonists could benefit from the potential muscle-preserving effects of enobosarm. Â Enobosarm is an oral, novel SARM that has demonstrated tissue-selective, dose-dependent improvement in body composition with increases in lean mass and decreases in fat mass, improvement in muscle strength and physical function, improves insulin resistance, has no clinically-relevant masculinizing effects in women and has neutral prostate effects in men in previous clinical trials.Â Â Â Advanced cancer can cause a loss of appetite where there is significant loss of both lean mass and fat mass. Enobosarm has been evaluated in five separate third-party clinical trials in which lean mass measurement was a primary or co-primary endpoint. These third-party clinical trials include two Phase 2 clinical trials in healthy older or sarcopenic subjects (168 subjects) and one Phase 2b clinical trial and two Phase 3 clinical trials in subjects with muscle wasting because of cancer (800 subjects), generating lean mass and safety data from a total of 968 patients. In certain of these trials, enobosarm demonstrated a dose-dependent improvement in body composition with increases in lean mass and reductions in fat mass. For example, in the Phase 2 clinical trial evaluating enobosarm in 120 men over 60 years old and postmenopausal women treated for 12 weeks, patients receiving 3mg dose of enobosarm (n=24) demonstrated a statistically significant (i) increase in total lean body mass (average increase of 1.25 kg (p = < 0.001)) and (ii) decrease in total fat mass (average decrease of 0.32 kg (p=0.049)). When measuring physical function by stair climb test, patients receiving 3mg dose of enobosarm in this trial also demonstrated statistically significant improvements compared to placebo (p=0.049) using a secondary methodology of statistical analysis provided for in the trial protocol. Based on a large safety database which includes 1,581 men and women with treatment duration for up to 3 years, enobosarm has been generally well tolerated in clinical trials completed to date. However, no preclinical studies or clinical trials evaluating the combination of enobosarm and a GLP-1 RA have been completed to date. All the nonclinical and clinical efficacy and safety data on enobosarm including those generated by these five third-party clinical trials are owned by Veru pursuant to an assignment from the University of Tennessee Research Foundation. Â We believe the clinical data we own that was generated from third-party clinical trials of enobosarm in both elderly patients and in patients with initial and ongoing muscle wasting caused by loss of appetite, provide strong clinical rationale for the co-administration of enobosarm and a GLP-1 RA in at-risk sarcopenic obese or overweight elderly patientsÂ has the potential to ameliorate the muscle loss caused by currently approved GLP-1 RA therapies and also allow for greater preferential loss of fat mass. Â Development Plan: Ongoing and Planned Clinical Trials.Â Â We submitted an Investigational New Drug Application (IND) for enobosarm for a Phase 2b clinical study in January 2024. In FebruaryÂ 2024, the Company received FDA clearance to initiate the Phase 2b, multicenter, double-blind, placebo-controlled, randomized, dose-finding QUALITY clinical trial designed to evaluate the safety and efficacy of enobosarm 3mg, enobosarm 6mg, or placebo as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight older (>60 years of age) patients receiving semaglutide (WegovyÂ®). The primary endpoint is percent change from baseline in total lean body mass, and the key secondary endpoints are percent change from baseline in total body fat mass, total body weight, and physical function as measured by stair climb test at 16 weeks. In April 2024 the Company announced that it had enrolled its first patients in the Phase 2b QUALITY clinical study, and in August 2024, the Company completed enrollment of 168 subjects in 14 clinical sites in the U.S. with the topline clinical results from the trial expected in January 2025. The purpose of the Phase 2b QUALITY clinical trial is to select the optimal dose of enobosarm in combination with semaglutide (WegovyÂ®) that best preserves muscle and reduces fat after 16 weeks of treatment to advance into a Phase 3 obesity clinical trial. Â 9 Table of Contents Â After completing the efficacy dose-finding portion of the Phase 2b QUALITY clinical trial, the participants are expected toÂ continue into a Phase 2b extension trial where all patients will stop treatment with semaglutide (WegovyÂ®), but will continue taking placebo, 3mg of enobosarm, or 6mg of enobosarm in a blinded fashion for 12 weeks. The Phase 2b extension clinical trial will evaluate whether enobosarm can maintain muscle and prevent the fat and weight regain that generally occurs after discontinuing a GLP-1 RA. The topline results of the separate blinded Phase 2b extension clinical study are expected in the second quarter of calendar 2025. Â Novel enobosarm modified release oral formulation.Â Veru is currently developing a novel, patentable, modified release formulation for enobosarm with multiple releases during a 24-hour dosing period.Â We anticipate the actual formulation, pharmacokinetic release profile(s), and method of manufacturing will be the subject of future patents.Â The purpose of the modification is to create a consistent release profile with a significantly reduced maximum exposure plus an extended-release profile toÂ minimize any dose-related adverse events whileÂ facilitating full exposure of the patient to the drug product between doses for the entire period of 24 hours.Â This formulation is currently in animal trials and is anticipated to be available for Phase 1 bioavailability clinical trial during the first half of 2025. We expect that the oral enobosarm modified release drug formulation will be utilized for any Phase 3 obesity clinical studies. Â Market. In the United States, 37% of adult men and 40.4% of adult women have obesity (CDC 2022). In third-party clinical trials evaluating currently approved GLP-1 RA in obese patients, trial participants exhibited significant weight loss composed of reductions in both fat and lean (muscle) mass, with 20-50% of the total weight loss reported by patients attributable to lean mass loss. Enobosarm is being developed to optimize weight loss by preferentially increasing fat loss and preventing loss of lean mass and physical function in at risk patients taking GLP-1 receptor agonist drugs for chronic weight management. Accordingly, enobosarm is targeting at risk older obese or overweight patients who may already have low muscle mass, also known as sarcopenic obesity, and the further drop in muscle mass of all-important muscles increases risk of muscle weakness, functional limitations, mobility disability, falls, higher hospitalizations, and greater mortality. In the U.S., up to 41.5% of older adults (> 60 years of age) have obesity (CDC) and up to 34.4% of these patients also have sarcopenia, or low muscle reserve. The overall prevalence of obesity with low lean muscle mass in the U.S. is almost 30 million adults. Â Oncology Program â€“ Breast Cancer: Enobosarm Â Scientific Overview. Breast cancer is the most commonly diagnosed cancer in women with an estimated 313,510 new cases and 42,780 deaths from invasive breast cancer in women and men are expected for 2024 in the U.S according to the American Cancer Society Breast Cancer Facts and Figures 2024-2025. Breast cancer is a heterogenous disease with diverse clinical and molecular characteristics. Estrogen is one of the main drivers of breast cancer proliferation, tumor progression, and metastasis. Up to 85% of breast cancers are ER+, and consequently, estrogen is one of the main drivers of breast cancer proliferation, tumor progression, and metastasis. Consequently, treatments that target the estrogen receptor (ER) have been the mainstay of breast cancer therapy, but unfortunately breast cancers in almost all women will eventually develop resistance to endocrine therapies with tumor progression, and alternative treatment approaches will be required including IV chemotherapy. Â Targeting the AR has the potential to be the next important endocrine therapy for women with breast cancer. 1) AR is the most abundantly expressed steroid receptor in breast cancer being detected in between 70 to 95% of breast cancer specimens; 2) Androgen receptor agonists inhibit cellular proliferation and have antitumor efficacy in ER+ human breast cancer models; and 3) the presence of AR in breast cancer specimens predicts favorable disease-free survival and overall survival. Â Enobosarm is a new class of endocrine therapy for advanced breast cancer. Enobosarm is an oral, new chemical entity, selective androgen receptor modulator designed to activate the AR in AR+ ER+ HER2- metastatic breast cancer and thereby suppress tumor growth without the unwanted masculinizing side effects. Enobosarm has extensive nonclinical and clinical experience having been evaluated in 27Â separate clinical studies in approximately 1,581 subjects dosed, including three Phase 2 clinical trials in advanced breast cancer involving more than 191 patients. In one of the Phase 2 clinical trials conducted in women with AR+ ER+ HER2- metastatic breast cancer, enobosarm demonstrated significant antitumor efficacy in heavily pretreated cohorts that failed estrogen blocking agents, chemotherapy and/or CDK 4/6 inhibitors and was well tolerated with a favorable safety profile. Â The current standard of care for first line treatment of ER+ HER2- metastatic breast cancer is treatment with a CDK 4/6 inhibitor in combination with an estrogen blocking agent. Once a patient progresses while receiving this combination therapy, the FDA-approved treatment choices are limited to another estrogen blocking agent or chemotherapy. As up to 95% of ER+ HER2- metastatic breast cancers have an androgen receptor, we are developing enobosarm as another, but different, hormone therapy for the second line treatment of ER+ HER2- metastatic breast cancer. In preclinical studies, metastatic breast cancer tissue samples taken from patients who have ER+ HER2- metastatic breast cancer that had become resistant to CDK 4/6 inhibitors and estrogen blocking agents were grown in mice. In these mice, treatment with enobosarm in combination with a CDK 4/6 inhibitor suppressed the growth of human metastatic breast cancer greater than the CDK 4/6 inhibitor alone. Further, enobosarm treatment alone was also effective in suppressing the growth of CDK 4/6 inhibitor and estrogen blocking agent resistant human metastatic breast cancer tumors in mice. Â 10 Table of Contents Â Enobosarm for the treatment of AR+ ER+ HER2- metastatic breast cancer. In the two Phase 2 clinical studies conducted in women with AR+ ER+ HER2- metastatic breast cancer, enobosarm demonstrated significant antitumor efficacy in heavily pretreated cohorts and was well tolerated with a favorable safety profile. Â The Phase 2 clinical trial (G200802) was a 2-arm study evaluating 9mg and 18mg enobosarm daily oral dosing in 136 women with AR+ ER+ HER2- metastatic breast cancer. The patients in this study were also heavily pretreated having failed an average of 3.7 endocrine treatments, 90% had received prior chemotherapy, and 12% had prior treatment with CDK4/6 inhibitor. Enobosarm showed efficacy with a CBR at 6 months which for 9mg was 32% (95% CI 19.5%,46.7%) and for the 18mg cohort was 29% (95% CI 17.1%,43.1%). The median duration of clinical benefit was not reached for the 9mg group (8.2 month - Not reached) and for the 18mg group was 14.1 months (11 months - 16.5 months). A post-hoc AR expression subset analysis using the AR testing measure used in G200802 was also performed in this population with known AR status and measurable disease (n=84). Objective tumor responses correlated with the degree of % AR staining. Using a 40% AR staining cutoff, CBR at 24 weeks for â‰¥40% AR was 52% and <40% AR was 14% (p<0.0004). Overall response rate in subjects with â‰¥40% AR staining was 34% and <40% AR was 2.7% (p=0.0003). Median progression free survival (PFS) for â‰¥40% AR was 5.47 months (95% CI 2.83-11.13) versus <40% AR was 2.73 months (95% CI 2.63 â€“ 2.80) (p<0.001). Enobosarm treatment was well tolerated with significant positive effects on quality-of-life measurements. The 9 mg group had a slightly better safety profile than the 18 mg group. Â In summary, treatment with enobosarm, a novel oral selective androgen receptor modulator, resulted in clinically significant objective tumor responses, improvement in quality of life, and favorable safety profile in a heavily pretreated population of women with AR+ER-HER2- metastatic breast cancer. Higher % AR nuclei staining correlated with a greater antitumor activity. By targeting and activating AR in breast cancer tumors with sufficient AR expression, women with metastatic breast cancer may be identified who are most likely to respond to enobosarm therapy. Overall, these studies of enobosarm clearly establish the clinical relevance of targeting the AR with a selective AR agonist. Enobosarm introduces a novel endocrine therapy to patients with breast cancer that have exhausted endocrine therapies targeting ER, but prior to IV chemotherapy. Â Development Plan: Current and Planned Clinical Trials.Â Subject to the availability of sufficient funding, we plan to complete stage 1b of our suspended clinical development of enobosarm in combination with abemaciclib compared to estrogen blocking agent (active control). If enobosarm+abemaciclib combination therapy demonstrates significant improvement in ORR, which is considered a surrogate endpoint for clinical benefit, then we may meet with the FDA to consider an accelerated approval regulatory pathway based on the clinical data from the Phase 3 clinical trial. Granting accelerated approval for investigational products is within the discretion of the FDA. Accordingly, even if we believe that one of our product candidates meets the criteria for this approval pathway, the FDA may disagree and instead determine not to make such designation. Further, even if we receive a designation, such designation for a product candidate may not result in a faster development or regulatory review or approval process compared to products considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualifies for these designations, the FDA may, among other things, later decide that the product candidates no longer meet the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. There can be no assurances that the FDA will accept our proposed trial design, that we will be able to cost-effectively continue development of enobosarm, or that enobosarm will receive FDA approval or be commercialized, for this application. Â Market. Enobosarm represents the first new class of targeted endocrine therapy in advanced breast cancer as it does not target estrogen. Enobosarm targets AR in AR+ ER+ HER2- metastatic breast cancer as a potential second line oral daily dosing endocrine therapy. Enobosarm with or without a CDK 4/6 inhibitor could be a new and important option in hormone receptor positive metastatic breast cancer patients who have exhausted endocrine therapies targeting estrogen or ER, but prior to IV chemotherapy. Â Infectious Disease Program â€“ sabizabulin for hospitalized patients with mild to severe viral-induced ARDS Â We are developing sabizabulin 9mg, which has both host targeted antiviral and broad anti-inflammatory properties, as a two-pronged approach to the treatment of hospitalized patients with viral lung infection at high risk for ARDS and death. We have completed positive Phase 2 and positive Phase 3 COVID-19 clinical trials, which have demonstrated that sabizabulin treatment resulted in a mortality benefit in hospitalized moderate to severe patients with COVID-19 viral lung infection at high risk for ARDS and death. The FDA granted Fast Track designation to our COVID-19 program in January 2022. On May 10, 2022, we had a pre-EUA meeting with the FDA to discuss next steps including the submission of an EUA application regarding sabizabulin for COVID-19. In June 2022, we submitted a request for FDA Emergency Use Authorization. In February 2023, the FDA declined to grant our request for Emergency Use Authorization for sabizabulin. In September 2023, we received positive feedback from the FDA on the design of a Phase 3 clinical trial to evaluate sabizabulin in viral-induced ARDS. Â 11 Table of Contents Â However, we currently plan to prioritize the use of our internal cash and the net proceeds of any future financings for the development of enobosarm, with a primary near-term focus on funding the clinical development program to evaluate the safety and efficacy of enobosarm as a treatment to augment fat loss and to prevent lean mass loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, and to seek external funding through government grants, pharmaceutical company partnerships, or similar sources to advance the development of sabizabulin as a treatment for viral-induced ARDS. Without such external funding, we do not plan to advance the development of sabizabulin as a treatment for viral-induced ARDS and will not commence our Phase 3 clinical trial to evaluate sabizabulin in viral-induced ARDS. Â There can be no assurances that we will be able to obtain external funding through government grants, pharmaceutical company partnerships, or similar sources, that we will be able to cost-effectively continue development of sabizabulin, or that sabizabulin will receive FDA approval or be commercialized, for this application. Â Sexual Health Program Â The Company's sexual health program consists of FC2, the only FDA-approved, female-controlled, hormone-free and latex-free female condom indicated for the prevention of pregnancy and sexually transmitted infections, including HIV/AIDS. Â Product. FC2 is the only FDA-approved single use internal condom for the prevention of pregnancy, sexually transmitted infections (STIs),

including HIV/AIDS. It comes pre-lubricated and is also the only non-hormonal, latex free contraceptive option available to women that can be used on its own or in conjunction with most other forms of contraception providing â€œlayeringâ€ benefits. It is easy to use and covered by most insurance companies with zero out-of-pocket costs due to the Affordable Care Act. Â FC2 offers several benefits over natural rubber latex, the raw material most used in male condoms. FC2â€™s nitrile polymer is stronger than latex, reducing the probability that the female condom sheath will tear during use. Unlike latex, FC2â€™s nitrile polymer quickly transfers heat. FC2 can warm to body temperature immediately upon insertion, which may enhance the userâ€™s sensation and pleasure. Unlike the male condom, FC2 may be inserted before sex, eliminating disruption during sexual intimacy. FC2 is also an alternative to latex sensitive users who are unable to use condoms without irritation. To the Companyâ€™s knowledge, there is no reported allergy to the nitrile polymer. The non-latex segment of the global condom market is estimated to grow quicker than the latex segment through 2030 at a cumulative annual growth rate of 10%. Â FC2 is manufactured from a nitrile polymer formulation that is proprietary to the Company and consists of a soft, loose-fitting sheath and two rings: an external ring of rolled nitrile and a loose internal ring made of flexible polyurethane. FC2â€™s soft sheath lines the vagina, preventing skin-to-skin contact during intercourse. Its external ring remains outside the vagina, partially covering the external genitalia. The internal ring is used for insertion and helps keep the device in place during use. Â In the U.S., FC2 is available by prescription through telemedicine and internet pharmacy channels as well as retail pharmacies. The Company has launched its own dedicated direct to patient telemedicine and pharmacy services portal/platform to continue to drive sales growth. FC2 is also available to public health sector entities such as state departments of health and 501(c)(3) organizations. Â Currently, most of the Companyâ€™s net revenues are derived from sales of FC2 in the commercial and public health sectors. Â U.S. Market. There are approximately 54Â million women between the ages of 18-49 who represent the target market due to FC2 being dually indicated for the prevention of pregnancy and/or STIs and HIV/AIDS. According to the CDC, data suggests that STIs in U.S. continued to increase throughÂ 2021Â â€“ an all-time high for the 6th straight year increasing to 2.5 million. In 2022, rates remained level overall.Â Â FC2 is the only FDA approved for market female use product that protects against unintended pregnancies andÂ the transmission of STIs, including HIV/AIDS. While we believe market conditions are favorable for continued growth, the brand has seen decreasing sales due to lower volume from digital telemedicine customers because of consolidation in the industry. As a result, the Company has established its own dedicated direct to patient digital telemedicine (telemedicine being the remote diagnosis and treatment of patients by means of telecommunications technology) platform to bring our much-needed FC2 product to patients in a cost-effective and highly convenient manner. We remain focused on growing FC2 sales and revenues in future quarters from our dedicated telemedicine solution while leveraging opportunities that help couples better understand how FC2 can help them take control of their sexual and reproductive health. Â 12 Table of Contents Â FC2 is currently reimbursable by prescription under the Affordable Care Act (ACA). The ACA guidance requires health plans to cover at 100% payment of at least one form of contraception within each of the 16 different categories identified by the FDA in its current Birth Control Guide in which FC2 is in a standalone category of its own. As FC2 is nonhormonal, it is a viable alternative for many U.S. women who have reported dissatisfaction with the side effects of hormonal birth control or are seeking the layering (i.e. STI prevention) benefits FC2 offers since it can be used with many other forms of contraception. Â We have built the infrastructure to allow for broad access across the U.S. As a result, FC2 is now available through multiple access channels including: 95% of major retail pharmacies, community-based organizations, by prescription, universities, direct purchase and 340B qualified health care clinics, and directly to the public health sector. Additionally, we are executing digital and social marketing strategies intended to drive brand interest, awareness, and education; address misconceptions about the brand; and ultimately, help ensure women know they can easily access FC2 and that it is fully reimbursable. Â Global Public Health Sector Market. In the global public sector, FC2 has been cleared by the World Health Organization (WHO) for purchase by U.N. agencies because it is a multipurpose prevention technology by preventing unintended pregnancy and the transmission of STIs, including HIV/AIDS. The Company markets FC2 to entities, including ministries of health, government health agencies, U.N. agencies, nonprofit organizations, and commercial partners, that work to support and improve the lives, health and well-being of women around the world since various governments and organizations supply critical products such as FC2, at no cost or low cost, to those who need but cannot afford to buy such products for themselves. Â The Company currently has a limited number of customers in the global public health sector that include large global agencies, such as the United Nations Population Fund (UNFPA) and the United States Agency for International Development (USAID), the Brazil Ministry of Health through Semina IndÃºstria e ComÃ©rcio Ltda (Semina), the Companyâ€™s distributor in Brazil, and the Republic of South Africa health authorities that purchase through the Companyâ€™s various local distributors. Other customers in the global public health sector include ministries of health or other governmental agencies, which either purchase directly or via in-country distributors, local sexual health distributors and non-governmental organizations (NGOs). Â The Company has sold more than 750 million female condoms worldwide and FC2 has been distributed in the U.S. and 149 other countries. A significant number of countries with the highest demand potential are in the developing world. The incidence of HIV/AIDS, other STIs, and unintended pregnancy in these countries represents a remarkable potential for significant sales of a product that benefits some of the worldâ€™s most underprivileged people. However, conditions in these countries can be volatile and result in unpredictable delays in program development, tender applications, and processing orders. Â The Company has distribution agreements and other arrangements with commercial partners which market FC2 as a consumer health product through distributors and retailers in several countries, including Brazil, Spain, France, and the United Kingdom. These agreements are generally exclusive for a single country. Under these agreements, the Company sells FC2 to the distributor partners, who market and distribute the product to consumers in the established territory. Â Sale of ENTADFIÂ® Â The Company had another FDA-approved product, ENTADFIÂ® (finasteride and tadalafil) capsules for oral use, a new treatment for benign prostatic hyperplasia that was approved by the FDA in December 2021. This product was part of the Companyâ€™s sexual health program. On AprilÂ 19, 2023, the Company entered into an Asset Purchase Agreement (the â€œAsset Purchase Agreementâ€) with Onconetix, Inc. formerly known as Blue Water Vaccines Inc. (â€œONCOâ€) to sell substantially all of the assets related to ENTADFI. The transaction closed on April 19, 2023. The purchase price for the transaction was $20.0Â million, consisting of $6.0Â million paid at closing, $4.0Â million payable pursuant to a Promissory Note due on September 30, 2023, $5.0Â million payable pursuant to a Promissory Note due on April 19, 2024 (the â€œApril 2024 Promissory Noteâ€), and $5.0 million payable pursuant to a Promissory Note due on September 30, 2024 (the â€œSeptember 2024 Promissory Noteâ€ and, together with the April 2024 Promissory Note, the â€œONCO Promissory Notesâ€), plus up to $80.0Â million based on ONCOâ€™s net revenues from ENTADFI after closing (the â€œMilestone Paymentsâ€). The Company cannot determine the likelihood of receiving any Milestone Payments at this time. Â 13 Table of Contents Â On SeptemberÂ 29, 2023, the Company entered into an amendment to the Asset Purchase Agreement. The amendment amends the Asset Purchase Agreement by providing that the Promissory Note for the $4.0Â million installment of the purchase price due September 30, 2023, was deemed paid and fully satisfied upon (1) the payment to the Company of the sum of $1.0Â million in immediately available funds on SeptemberÂ 29, 2023, and (2) the issuance to the Company by OctoberÂ 3, 2023 of 3,000 shares of Series A Convertible Preferred Stock of ONCO (â€œONCO Preferred Stockâ€). The Company received payment of $1.0Â million on SeptemberÂ 29, 2023 and the ONCO Preferred Stock on October 3, 2023. The shares of ONCO Preferred Stock held by the Company were converted into 142,749 shares of ONCO common stock on September 24, 2024. Â On AprilÂ 24, 2024, the Company entered into a Forbearance Agreement with ONCO, which was amended and restated as of SeptemberÂ 19, 2024 (as amended and restated, the â€œForbearance Agreementâ€), relating to certain defaults under the ONCO Promissory Notes. Pursuant to the Forbearance Agreement, (a) ONCO agreed to make a payment of $50,000 of the principal payable under the April 2024 Promissory Note not later than AprilÂ 29, 2024, which was paid on AprilÂ 25, 2024, and (b) the Company agreed, subject to the terms and conditions set forth in the Forbearance Agreement, to forbear from exercising its rights and remedies on account of the failure by ONCO to pay the amounts due under the April 2024 Promissory Note on the due date of April 19, 2024, and on account of any failure by ONCO to make any mandatory repayment under the ONCO Promissory Notes that may have become due or may become due in connection with certain transactions relating to ONCOâ€™s acquisition of Proteomedix AG, in each case for a period (the â€œApril 2024 Forbearance Periodâ€) commencing on AprilÂ 24, 2024 and ending on the earlier of (a)Â MarchÂ 31, 2025 and (b)Â the occurrence of an Event of Default (as defined in the Forbearance Agreement). The Company also agreed that during the Forbearance Period the default provision in the ONCO Promissory Notes relating to insolvency of ONCO will not apply.Â The Forbearance Agreement also amended certain terms of the September 2024 Promissory Note as described below. Â ONCO agreed in the Forbearance Agreement to make the following required payments (the â€œRequired Paymentsâ€) during the April 2024 Forbearance Period first to accrued and unpaid interest under the April 2024 Promissory Note and then any remainder to the outstanding principal amount of the April 2024 Promissory Note: (1)Â monthly payments equal to 25% (increased from 15% in the original April 24, 2024 Forbearance Agreement) of cash receipts of ONCO or its subsidiaries from certain sale or licensing revenues or payments, which increased amount began on October 20, 2024 for cash receipts in September 2024; and (2)Â payment of 20% (increased from 10% in the original April 24, 2024 Forbearance Agreement) of the net proceeds from certain financing or other transactions outside the ordinary course of business completed by ONCO or any of its subsidiaries during the April 2024 Forbearance Period, which increased amount began for any net proceeds received after September 19, 2024. The remaining balance of the April 2024 Promissory Note will be due at the end of the April 2024 Forbearance Period. The Company and ONCO entered into a Waiver and Amendment No. 1 to the Forbearance Agreement, dated November 26, 2024, that (x) extended the time for the payment by ONCO of the monthly payment of a percentage of its cash receipts referenced in clause (1) above in this paragraph and conditioned the payment of those amounts upon ONCO being able to raise capital of at least $97,000 and (y) increased the percentage of the net proceeds from certain financings payable to the Company from 20% to 25%.Â Â ONCO and the Company also agreed to the following amendments to the September 2024 Promissory Note in the Forbearance Agreement: (1) the maturity date of the September 2024 Promissory Note was extended to June 30, 2025; (2) the accrual of interest at the rate of 10% per annum on any unpaid principal balance of the September 2024 Promissory Note commencing on October 1, 2024 through the date that the outstanding principal balance under the September 2024 Promissory Note is paid in full; (3)Â any amounts owed on the September 2024 Promissory Note, including but not limited to unpaid principal and accrued interest, will be paid in cash or, upon the mutual written consent of ONCO and the Company, in shares of the ONCO common stock or a combination of cash and ONCO common stock; (4)Â following full repayment of all principal and interest under the April 2024 Promissory Note, ONCO will make the Required Payments first towards accrued and unpaid interest under the September 2024 Promissory Note and then towards the remaining principal balance payable under the September 2024 Promissory Note; and (5) if the aggregate unpaid principal outstanding under the April 2024 Promissory Note and the September 2024 Promissory Note and all accrued and unpaid interest thereon is repaid in cash on or before December 31, 2024, then the total principal balance under the September 2024 Promissory Note that will be payable by ONCO in satisfaction of its obligations under the September 2024 Promissory Note will be reduced from $5,000,000 to $3,500,000. Â 14 Table of Contents Â There can be no assurance as to (1) whether and when we will receive the future installment payments of purchase price or sales milestone payments under the Asset Purchase Agreement, and (2) whether and when we will be able to receive any cash proceeds from the shares of ONCO common stock that we might hold from time to time. Â The Company determined that it was not probable, at the time of the transaction and at September 30, 2024, that substantially all of the consideration promised under the Asset Purchase Agreement would be collected. Therefore, the Company recognized the difference between the nonrefundable consideration received and the carrying amount of the assets as a gain. The Company recorded a gain of approximately $5.7Â million on the transaction during fiscal 2023. The Company recognized a gain on sale of $1.2Â million during yearÂ ended September 30, 2024 based on the determination of the fair market value of the ONCO Preferred Stock when received and the cash received from ONCO under the Forbearance Agreement and the Amended Forbearance Agreement. Additional gain could be recognized in future periods if additional consideration is received or when it is deemed probable that substantially all of the consideration promised will be collected. Â Government Regulation Â The FDA and comparable regulatory agencies in state and local jurisdictions and in foreign countries impose substantial requirements upon the clinical development, manufacture and marketing of pharmaceutical products and medical devices. These agencies and other federal, state, and local entities regulate research and development activities and the testing, manufacture, quality control, safety, effectiveness, labeling, storage, recordkeeping, tracking, approval, import, export, advertising, and promotion of our products. Â FDA Regulation of Female Condoms. FC2 was approved for market by the FDA, via a Premarket Approval Application (PMA), as a ClassÂ III medical device in 2009. On SeptemberÂ 21, 2018, the FDA issued a final order reclassifying female condom from Class III to Class II medical devices, renaming them â€œsingle-use internal condomsâ€ and requiring new devices in this category to submit a 510(k) premarket notification and comply with various â€œspecial controls.â€ Special controls are a battery of product clinical testing which includes, but is not limited to, determining product effectiveness against pregnancy and against sexual transmitted infection transmission, and product tolerability. Companies seeking clearance of new single-use internal condoms may now do so by demonstrating to the FDA in a 510(k) submission that a proposed condom is substantially equivalent to FC2 with respect to intended use and technology. Â All marketed devices cleared or approved by the FDA are subject to continuing regulation by the FDA. For example, we are required to register our manufacturing establishments with the FDA and list FC2 with the FDA as a commercially distributed device. We must comply with the FDAâ€™s Quality System Regulation (QSR), which requires that devices be manufactured and records be maintained in a prescribed manner with respect to, among other things, manufacturing, testing, and control activities. We must comply with the Medical Device Reporting (MDR) regulation, which requires that we provide information to the FDA whenever evidence reasonably suggests that one of our FC2 devices may have caused or contributed to a death or serious injury, or where a malfunction has occurred that would be likely to cause or contribute to a death or serious injury if the malfunction were to recur. We must also maintain records of any corrections or removal of FC2 and make reports to the FDA of certain corrections or removals. Further, we are required to comply with FDA requirements for labeling, promotion and advertising. Any future modifications to the design, components, methods of manufacturing, or labeling of FC2 that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, require a new 510(k) clearance. Non-compliance with any of these requirements can result in, among other things, fines, injunctions, civil penalties, recalls, total or partial suspension of production, and criminal prosecution. Â Because FC2 is a commercially distributed medical device, the facilities in which FC2 is manufactured and tested are subject to periodic FDA inspection to ensure compliance with regulatory requirements, including the QSR andÂ MDR regulations. The Companyâ€™s most recent FDA inspection of its U.K. and Malaysian facilities was completed in September 2010 and November 2019, respectively. We are also audited under the Medical Device Single Audit Program (MDSAP), which is a recognized audit standard by the FDA. We hold MDR certification for CE markets and ISO 13485. Â FDA Regulation of Prescription Pharmaceutical Products. The process required by the FDA before pharmaceutical product candidates may be marketed in the United States generally involves the following: Â Â â— nonclinical laboratory and animal tests, including some that must be conducted in accordance with Good Laboratory Practices; Â â— submission of an IND, which must become effective before clinical trials may begin; Â â— adequate and well-controlled human clinical trials to establish the safety and efficacy of the proposed drug candidate for its intended use; Â â— pre-approval inspection of manufacturing facilities and selected clinical investigators for their compliance with current Good Manufacturing Practices (cGMP) and current Good Clinical Practices (cGCP); and Â â— FDA approval of an NDA to permit commercial marketing for particular indications for use. Â 15 Table of Contents Â The testing and approval process requires substantial time, effort, and financial resources. Prior to commencing the first clinical trial with a drug candidate, we must submit an IND to the FDA. The IND automatically becomes effective 30Â days after receipt by the FDA, unless the FDA, within the 30-day time period, raises safety concerns or questions about the conduct of the clinical trial by imposing a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Submission of an IND may not result in FDA authorization to commence a clinical trial. A separate submission to the existing IND must be made for each successive clinical trial conducted during product development. Further, an independent institutional review board (IRB) for each medical center proposing to conduct the clinical trial must review and approve the plan for any clinical trial and its informed consent form before the clinical trial commences at that center. Regulatory authorities, an IRB or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the subjects or patients are being exposed to an unacceptable health risk. Some studies also include a data safety monitoring board (DSMB) or independent data monitoring committee (IDMC), which receives special access to unblinded data during the clinical trial and may halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy. Â In general, for purposes of NDA approval, human clinical trials are typically conducted in three sequential phases that may overlap. Â Â â— Phase 1â€”Studies are initially conducted to test the drug candidate for safety, dosage tolerance, absorption, metabolism, distribution, and excretion in healthy volunteers or patients. Â Â â— Phase 2â€”Studies are conducted with groups of patients with a specified disease or condition to provide enough data to evaluate the preliminary efficacy, optimal dosages and dosing schedule, and expanded evidence of safety. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials. Â Â â— Phase 3â€”These clinical

trials are undertaken in larger patient populations to further evaluate dosage, to provide statistically significant evidence of clinical efficacy, and to further test for safety in an expanded patient population at multiple clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the product and provide an adequate basis for product labeling. These trials may be done globally to support global registrations. A single Phase 3 or Phase 2 trial may be sufficient in rare instances, including (1) where the trial is a large, multicenter trial demonstrating internal consistency and a statistically persuasive finding of a clinically meaningful effect on mortality, irreversible morbidity or prevention of a disease with a potentially serious outcome and confirmation of the result in a second trial would be practically or ethically impossible, or (2) when in conjunction with other confirmatory evidence. Approval on the basis of a single trial may be subject to the requirement of additional post-approval studies. Â The FDA may require, or companies may pursue, additional clinical trials after a product is approved. These PhaseÂ 4 studies may be made a condition to be satisfied after approval. The results of PhaseÂ 4 studies can confirm the effectiveness of a drug candidate and can provide important safety information. Â Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug candidate, as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, must develop methods for testing the identity, strength, quality and purity of the final product. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the drug candidate does not undergo unacceptable deterioration over its shelf life. Â Emergency Use Authorizations. The Secretary of Health and Human Services may authorize unapproved medical products to be manufactured, marketed, and sold in the context of an actual or potential emergency that has been designated by the government. After an emergency has been announced, the Secretary of Health and Human Services may authorize EUAs for the use of specific products based on criteria established by statute, including that the product at issue may be effective in diagnosing, treating, or preventing serious or life-threatening diseases when there are no adequate, approved, and available alternatives. An EUA is subject to additional conditions and restrictions, such as the obligation to provide fact sheets for healthcare providers administering the product and those to whom it is administered, adverse event monitoring and reporting, and recordkeeping and reporting requirements by product manufacturers. The FDA may also establish additional discretionary conditions of authorization that the FDA deems necessary or appropriate to protect the public health, including conditions related to product distribution, product administration and data collection and analysis concerning the safety and effectiveness of the product. In issuing an EUA, the FDA considers the totality of available scientific evidence regarding quality, safety and efficacy, including the known and potential risks of such products and the adequacy and availability of approved alternatives, among other factors. An EUA is not a substitute for obtaining FDA approval, licensure, or clearance for use of a product. An EUA terminates when the emergency determination underlying the EUA terminates, and EUAs can be revoked under other circumstances, the timing of which may occur unexpectedly or be difficult to predict. Following the FDAâ€™s declination decision on the Companyâ€™s EUA application for sabizabulin as a treatment for COVID-19, the Company does not expect to apply for an EUA for any of its drug candidates currently under development. Â 16 Table of Contents Â Outside the U.S., the emergency use of medical products is subject to regulatory processes and requirements that differ from those in the U.S. These processes and requirements also vary widely from country to country, region to region, and regulatory authority to regulatory authority. Â 505(b)(2) Approval Process. SectionÂ 505(b)(2) of the Federal Food, Drug and Cosmetic Act (FDCA), which was enacted as part of the Drug Price Competition and Patent Term Restoration Act of 1984, otherwise known as the Hatch-Waxman Act, provides an expedited regulatory pathway to FDA approval for new or improved formulations or new uses of previously approved drug products. Specifically, SectionÂ 505(b)(2) permits the filing of an NDA where at least some of the information required for approval comes from studies not conducted by or for the applicant and for which the applicant has not obtained a right of reference. The applicant may rely upon the FDAâ€™s findings of safety and effectiveness for an approved product that acts as the Reference Listed Drug (RLD). The FDA may require 505(b)(2) applicants to perform additional studies or provide other data to support any change from the RLD. The FDA may then approve the new drug candidate for all or some of the labeled indications for which the referenced product has been approved, as well as for any new indication sought by the SectionÂ 505(b)(2) applicant. None of the Companyâ€™s drug candidates currently under development are expected to follow the Section 505(b)(2) approval pathway. Â Orange Book Listing. In seeking approval for a drug through an NDA, including a 505(b)(2) NDA, applicants are required to list with the FDA certain patents whose claims cover the applicantâ€™s product. Upon approval of an NDA, each of the patents listed in the application for the drug is then published in Approved Drug Products with Therapeutic Equivalence Evaluations, commonly referred to as the Orange Book. Any applicant who files a 505(b)(2) NDA referencing a drug listed in the Orange Book must certify to the FDA that (i)Â the required patent information has not been filed; (ii) the listed patent has expired; (iii) the listed patent has not expired, but will expire on a particular date and approval is not sought until after patent expiration; or (iv) the listed patent is invalid, unenforceable or will not be infringed by the proposed new product. This last certification is known as a ParagraphÂ IV certification. If the competitor has provided a ParagraphÂ IV certification to the FDA, the competitor must also send notice of the ParagraphÂ IV certification to the holder of the NDA for the RLD and the patent owner once the application has been accepted for filing by the FDA. The NDA holder or patent owner may then initiate a patent infringement lawsuit in response to the notice of the ParagraphÂ IV certification. The filing of a patent infringement lawsuit within 45Â days of the receipt of a ParagraphÂ IV certification prevents the FDA from approving the application until the earlier of 30Â months from the date of the lawsuit, expiration of the patent, settlement of the lawsuit, or a decision in the infringement case that is favorable to the applicant. The applicant may also elect to submit a â€œsection viii statementâ€ certifying that its proposed label does not contain, or carves out, any language regarding the patented method-of-use rather than certify to a listed method-of-use patent. Â 505(b)(1) Approval Process. Drug development via Section 505(b)(1) of the FDCA is typically used for novel drugs that have not previously been approved by the FDA for commercial sale in the U.S or a new indication for a drug previously approved by the FDA for commercial sale in the U.S. 505(b)(1) drug development stipulates that all of the studies required for approval are conducted by or for the Company. Enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, enobosarm for AR+ ER+ HER2- metastatic breast cancer, and sabizabulin for certain hospitalized patients with viral-induced ARDS areÂ expected to follow this regulatory pathway. Â NDA Submission and Review by the FDA. The results of product development, nonclinical studies, and clinical trials are submitted to the FDA as part of an NDA. The submission of an NDA requires payment of a substantial user fee to the FDA. The FDA may convene an advisory committee to provide clinical insight on application review questions. The FDA reviews applications to determine, among other things, whether a product is safe and effective for its intended use and whether the manufacturing controls are adequate to assure and preserve the productâ€™s identity, strength, quality, and purity. Before approving an NDA, the FDA will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Once the NDA submission has been accepted for filing, which occurs, if at all, within 60Â days after submission of the NDA, the FDAâ€™s goal to complete the review process for a non-priority review of an NDA under 505(b)(2) or 505(b)(1) is ten months from submission for a non-new chemical entity and ten months from filing for a new chemical entity and for a priority review is six months from submission for a non-new chemical entity and six months from filing for a new chemical entity to complete the review process for the application and respond to the applicant, which can take the form of either a complete response letter or approval. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing or information for the FDA to reconsider the application. If, or when, those deficiencies have been addressed to the FDAâ€™s satisfaction in a resubmission of the NDA, the FDA will issue an approval letter. The review process is often significantly extended by the FDA requests for additional information, studies, or clarification. The FDA may delay or refuse approval of an NDA if applicable regulatory criteria are not satisfied, require additional testing or information, and/or require post-marketing testing and surveillance to monitor safety or efficacy of a product. FDA approval of any NDA submitted by us will be at a time the FDA chooses. Â 17 Table of Contents Â Also, if regulatory approval of a product is granted, such approval may entail limitations on the indicated uses for which such product may be marketed. Once approved, the FDA may withdraw the product approval if compliance with pre- and post-marketing regulatory standards is not maintained or if problems occur after the product reaches the marketplace. In addition, the FDA may require PhaseÂ 4 post-marketing studies to monitor the effect of approved products and may limit further marketing of the product based on the results of these post-marketing studies. Â Post-Approval Requirements for Pharmaceutical Products. Any pharmaceutical products manufactured or distributed by us pursuant to FDA approvals will be subject to continuing regulation by the FDA, including recordkeeping requirements and reporting of adverse experiences. Drug and biologic manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP, which impose certain procedural and documentation requirements upon us and our third-party manufacturers. We cannot be certain that we or our present or future suppliers will be able to comply with the cGMP regulations and other FDA regulatory requirements. If our present or future suppliers are not able to comply with these requirements, the FDA may halt our clinical trials, require us to recall a product from distribution, or withdraw approval of the NDA. Â The FDA closely regulates the marketing and promotion of drugs. A company can make only those claims relating to safety and efficacy, purity, and potency that are supported by appropriate evidence. Generally, these are found in the approved prescribing information. Failure to comply with these requirements can result in adverse publicity, warning or untitled letters, corrective advertising, and potential civil and criminal penalties. Physicians may prescribe legally available products for uses that are not described in the productâ€™s labeling and that differ from those tested by us and approved by the FDA. Such off-label uses are common across medical specialties. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, restrict manufacturerâ€™s communications on the subject of off-label use. Â The Drug Supply Chain Security Act imposes obligations on manufacturers of finished pharmaceutical human drug products related to product tracking and tracing. Among the requirements of this legislation, manufacturers are required to provide certain information regarding the drug products to individuals and entities to which product ownership is transferred, label drug products with a product identifier, and maintain certain records regarding the drug product. The transfer of information to subsequent product owners by manufacturers will eventually be required to be done electronically. Manufacturers are also required to verify that purchasers of the manufacturersâ€™ products are appropriately licensed. Further, under this legislation, manufacturers will have drug product investigation, quarantine, disposition, and notification responsibilities related to counterfeit, diverted, stolen, and intentionally adulterated products, as well as products that are the subject of fraudulent transactions or which are otherwise unfit for distribution such that they would be reasonably likely to result in serious health consequences or death. Â Federal Trade Commission (FTC) Regulation of Advertising. The FTC regulates OTC drug and non-restricted medical device advertising and promotional materials under the Federal Trade Commission Act (FTC Act), which prohibits unfair or deceptive acts or practices as well as the dissemination of any false advertisement that is likely to induce the purchase of drugs and non-restricted medical devices. The FTC requires that all express and implied claims must be substantiated. The FTC has historically applied a standard of competent and reliable scientific evidence for health-related claims. This standard is defined generally to require tests, analyses, research or studies that have been conducted and evaluated in an objective manner by qualified persons and are generally accepted in the profession to yield accurate and reliable results. In some instances, the FTC has interpreted this standard as requiring randomized, double-blind, placebo-controlled clinical trials. The FTC is authorized to issue cease-and-desist orders enforceable by injunctions, civil penalties, and criminal contempt proceedings for violating the FTC Act, as well as to proceed directly in federal court for injunctive relief and to obtain ancillary consumer redress. Â Other Healthcare Regulations. Our business activities, including but not limited to, research, sales, promotion, distribution, medical education, and other activities will be subject to regulation by numerous regulatory and law enforcement authorities in the United States in addition to the FDA, including potentially the Department of Justice, the Department of Health and Human Services and its various divisions, including the Centers for Medicare and Medicaid Services, and state and local governments. Our business activities must comply with numerous healthcare laws, including but not limited to, the federal health care program anti-kickback statute (the â€œAKSâ€) and state equivalents, the Federal False Claims Act and state equivalents, federal and state health care practitioner payment sunshine laws, federal and state health information privacy laws, state price increase transparency laws, and various federal laws requiring price reporting or discounted pricing to the government. Â 18 Table of Contents Â The AKS prohibits, among other things, any person or entity from knowingly and willfully offering, paying, soliciting, or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for purchasing, leasing, ordering, or arranging for the purchase, lease, or order of any item or service reimbursable under Medicare, Medicaid, or other federal healthcare programs. The term remuneration has been interpreted broadly to include anything of value. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly and practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing, or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all of its facts and circumstances. Â The federal False Claims Act prohibits, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the federal government or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. Â We and our business activities are subject to the Medicare/Medicaid civil monetary penalties statute, which imposes penalties against any person or entity who, among other things, is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent. Â Additionally, the federal practitioner payment sunshine requirements within the ACA and its implementing regulations require certain manufacturers of drugs and medical devices for which payment is available under Medicare, Medicaid, or the Childrenâ€™s Health Insurance Program (with certain exceptions) to report information related to certain payments or other transfers of value made or distributed to physicians, certain other health care practitioners and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, such practitioners or teaching hospitals and to report annually certain ownership and investment interests held by physicians and their immediate family members. Â In addition, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. The Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH), and its implementing regulations, imposes certain requirements relating to the privacy, security and transmission of individually identifiable health information. Among other things, HITECH makes HIPAAâ€™s privacy and security standards directly applicable to business associatesâ€”independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also created four new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable business associates and possibly other persons, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneysâ€™ fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Â Outside the U.S., we are impacted by the privacy and data security requirements at the international, national and regional level, and on an industry specific basis. Legal requirements in the countries in which we do business relating to the collection, storage, handling and transfer of personal data and potentially intellectual property continue to evolve with increasingly strict enforcement regimes. More privacy and security laws and regulations are being adopted, and more are being enforced, with potential for significant financial penalties. In the EU, the General Data Protection Regulation (GDPR) took effect in MayÂ 2018 and imposes increasingly stringent data protection and privacy rules. Â Depending on the circumstances, failure to comply with these laws can result in penalties, including criminal, civil, and/or administrative criminal penalties, damages, fines, disgorgement, exclusion of products from reimbursement under government programs, â€œqui tamâ€ actions brought by individual whistleblowers in the name of the government, refusal to allow us to enter into supply contracts, including government contracts, reputational harm, diminished profits, and future earnings, and the curtailment or restructuring of our operations, any of which could adversely affect our business. Â The U.S. and some foreign jurisdictions are considering or have enacted a number of legislative and regulatory proposals designed to change the healthcare system in ways that could affect our ability to sell our products profitably. Among policy makers and payers in the U.S. and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and/or expanding access. In the U.S., the pharmaceutical industry

has been a particular focus of these efforts and has been significantly affected by major legislative initiatives. Â 19 Table of Contents Â Anti-Corruption Laws. The Foreign Corrupt Practices Act (FCPA) prohibits any U.S. individual or business from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party, or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the U.S. to comply with accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations. Other countries where the Company conducts business have similar anti-corruption laws, including the United Kingdomâ€™s Bribery Act. Â Foreign and Other Regulation. In addition to regulations in the U.S., we will be subject to a variety of foreign regulations governing clinical trials and commercial sales and distribution of our products to the extent we choose to develop or sell any products outside of the U.S. The approval process varies from country to country and the time may be longer or shorter than that required to obtain FDA approval. The requirements governing the conduct of clinical trials, product licensing, pricing, and reimbursement vary greatly from country to country. Â FC2 has MSAP and ISO13485 approval by regulatory authorities which covers Australian TGA, Brazil ANVISA, Health Canada, and other jurisdictions. Also, FC2 received the CE Mark which allows it to be marketed throughout the EU. Â The Companyâ€™s facility may also be subject to inspection by UNFPA, USAID, International Organization for Standardization (ISO), and country specific ministries of health. Â Intellectual Property; Regulatory Exclusivity Â We will be able to protect our technology from unauthorized use by third parties only to the extent it is covered by valid and enforceable patents or is effectively maintained as trade secrets or to the extent our technology has regulatory exclusivity. Patents and other proprietary rights are an essential element of our business. Â Enobosarm Intellectual Property and Regulatory Exclusivity. Regulatory Exclusivity. Enobosarm qualifies as a new chemical entity (NCE) as enobosarm has not been approved for any indication anywhere in the world. In the U.S., the FDA grants five years of exclusive market access for the first approved NCE drug indication. In addition, the U.S. Patent and Trademark Office (the â€œUSPTOâ€) can grant up to 5 years of patent term extension (PTE) after FDA drug approval is granted as described in more detail below to any single enobosarm patent whether composition of matter or method of use. Outside of the U.S., as an NCE, enobosarm could qualify for up to 10 years of regulatory market exclusivity in the European Union countries and up to 7.5 years of regulatory market exclusivity in Japan. Â Exclusively Licensed Patents. Veru holds an exclusive worldwide license to 16 issued U.S. patents, six pending U.S. patent applications, 59 patents and patent applications in countries outside the U.S., and one pending PCT application, including issued molecule and polymorph composition of matter and method of use patents in the U.S, EU and Japan, relating to our enobosarm drug candidate and related compounds. The latest composition of matter patent expiration is 2029 (extended to 2034 if PTE applies) directed to composition of matter of enobosarm polymorph. This license contains provisions requiring milestone and royalty payments to the licensor (University of Tennessee Research Foundation). If we fail to comply with these obligations or other obligations to the licensor, the licensor might have the right to terminate the license, in which event we would not be able to commercialize our enobosarm drug candidate. Â Owned Patents. Separately, the Company owns two pending method of use patent applications, one U.S. application and one PCT application, related to the use of enobosarm in combination with incretins and weight loss drugs for use in chronic weight management with patent expiration in 2044. Further, the Company is working on a novel modified release enobosarm formulation for Phase 3 clinical development and commercialization which utilizes proprietary third-party formulation patents which could lead to additional formulation composition of matter patents with additional patent terms. Â Sabizabulin Intellectual Property and Regulatory Exclusivity. Regulatory Exclusivity. Sabizabulin qualifies as an NCEÂ as sabizabulin has not been approved for any indication anywhere in the world. In the U.S., the FDA can grant five years of exclusive market access for the first approved drug indication with that NCE. In addition, the USPTOÂ can grant a PTE of up to 5 years after FDA drug approval is granted as described in more detail below to any single sabizabulin patent whether composition of matter or method of use. Outside of the U.S., as an NCE, sabizabulin could qualify for up to 10 years of regulatory market exclusivity in the European Union countries and up to 7.5 years of regulatory market exclusivity in Japan. Â 20 Table of Contents Â Exclusively Licensed Patents. Veru holds an exclusive worldwide license to 13 issued U.S. patents, one pending U.S. patent application and 14 patents and patent applications in countries outside the United States, including issued patents in the EU and Japan, relating to our sabizabulin drug candidates and related compounds, and methods of use. Latest molecule composition of matter patent expirationÂ is 2031 (extended to 2036 if PTE applies). This license contains provisions requiring milestone and royalty payments to the licensor (Ohio State Innovation Foundation). If we fail to comply with these obligations or other obligations to the licensor, the licensor might have the right to terminate the license, in which event we would not be able to commercialize our sabizabulin drug candidates. Â Owned Patents. Separately, the Company owns one U.S. patent, five U.S. applications and 70 patents and patent applications in countries outside of the U.S., including, but not limited to, pending composition of matter patents in the U.S., EU and Japan relating to the polymorphs of our sabizabulin drug candidate and methods of use for our sabizabulin drug candidate and related compounds. Sabizabulin polymorph composition of matter patent applications are pending with patent term to 2043 (extended to 2048 if PTE applies).Â Â Trademarks. The Company has a registration for the trademark â€œFC2 Female Condomâ€ and the FC2 Female Condom stylized logo in the U.S. The Company has filed applications in the U.S. for the trademarks â€œVeruâ€ and â€œVeruâ€ together with the chevron. The Company has filed applications or secured registrations in 40 countries or jurisdictions around the world to protect the various names and symbols used in marketing its Female Condoms. Â We cannot be certain that any of our pending patent applications, or those of our licensors, will result in issued patents. In addition, because the patent positions of biopharmaceutical companies are highly uncertain and involve complex legal and factual questions, the patents we own and license, or any further patents we may own or license, may not prevent other companies from developing similar or therapeutically equivalent products. Patents also will not protect our product candidates if competitors devise ways of making or using these product candidates without legally infringing our patents. In recent years, several companies have been extremely aggressive in challenging patents covering pharmaceutical products, and the challenges have often been successful. We cannot be assured that our patents will not be challenged by third parties or that we will be successful in any defense we undertake. Failure to successfully defend a patent challenge could materially and adversely affect our business. Â In addition, changes in patent laws, rules or regulations or in their interpretations or enforcement in the U.S. and other countries by the courts may materially diminish the value of our intellectual property or narrow the scope of our patent protection, which could have a material adverse effect on our business and financial condition. Â The term of an individual patent depends upon the legal term for patents in the country in which such patent is obtained. In most countries, including the United States, the patent term is 20 years from the earliest filing date of a non-provisional patent application. In the United States, a patentâ€™s term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTOÂ in examining and granting a patent or may be shortened if a patent is terminally disclaimed over an earlier filed patent. In addition, the term of a patent that covers a drug or biological product may also be eligible for a PTE of up to five years after FDA drug approval is granted and as determined by the FDA, and further provided certain statutory and regulatory requirements are met. In the future, if and when our product candidates receive approval by the FDA or foreign regulatory authorities, we expect to apply for patent term extensions on issued patents covering those products, depending upon the length of the clinical trials for each medicine and other factors. There can be no assurance that any of our pending patent applications will issue or that we will benefit from any patent term extension or favorable adjustment to the term of any of our patents. Â As with other biopharmaceutical companies, our ability to maintain and solidify our proprietary and intellectual property positions for our product candidates will depend on our success in obtaining effective patent claims and enforcing those claims if granted. However, certain patent applications that we have filed or may file, or that we have licensed or may license from third parties, may not result in the issuance of corresponding patents. We also cannot predict the breadth of claims that may be allowed or enforced in our patents. Any issued patents that we may receive in the future may be challenged, invalidated or circumvented. For example, we cannot be certain of the priority of inventions covered by pending third-party patent applications. If third parties prepare and file patent applications in the United States that also claim intellectual property to which we have rights, we may have to participate in proceedings in the USPTO to determine invention rights, which could result in substantial costs to us, even if the eventual outcome is favorable to us. In addition, because of the extensive time required for clinical development and regulatory review of a product candidate we may develop, it is possible that any related patent may remain in force for a short period following commercialization, thereby reducing any advantage of any such patent. Â 21 Table of Contents Â In addition to patents, we rely upon unpatented trade secrets and know-how and continuing innovation to develop and maintain our competitive position. We seek to protect our proprietary information, in part, by using confidentiality agreements with any future collaborators, scientific advisors, employees and consultants and by using invention assignment agreements with our employees. We also have agreements requiring assignment of inventions with selected consultants, scientific advisors and collaborators. The confidentiality agreements are designed to protect our proprietary information and, in the case of agreements or clauses requiring invention assignment, to grant us ownership of intellectual property that is developed through a relationship with a third party. Â Significant Customers Â The Company's fourÂ largest customers in fiscal 2024 accounted for 60%Â of the Companyâ€™s net revenues.Â Â Because FC2 is multipurpose prevention technology that provides prevention of pregnancy and transmission of STIs, including HIV/AIDS, it is an integral part of HIV/AIDS prevention and family planning programs throughout the world. These programs are typically supplied by global public health sector buyers who purchase products for distribution, at low cost or no cost, to those who need but cannot afford to buy such products themselves. Within the global public health sector are large global agencies, such as UNFPA, USAID, the U.K.â€™s Foreign, Commonwealth and Development Office (FCDO), DKT and Population Services International (PSI), other social marketing groups, various government health agencies, and NGOs. Within the global public health sector, the Companyâ€™s most significant customers are either global public health sector agencies, country specific ministries of health, or those who facilitate their purchases and/or distribution.Â Â Human Capital Management Â As of October 31, 2024, the Company had 210Â full-time employees, including 26Â located in the U.S., 9Â in the U.K., 174Â in Malaysia, and one in another country to implement training and programs. The Company does not currently have any collective bargaining agreements with its employees, and the Company believes that its employee relations are good. Â Our key human capital management objectives are to identify, recruit, integrate, retain and motivate our new and existing employees. We are committed to fostering an environment where all employees can grow and thrive. A diverse workforce results in a broader range of perspectives, helping drive our commitment to growth. We believe that our compensation and benefit programs are appropriately designed to attract and retain qualified talent. To create and maintain a successful work environment, we offer an annual base salary and a comprehensive package of additional benefits that support the physical and mental health and wellness of all of our employees and their families. Additionally, we may also grant equity awards to attract and promote employee retention, with such awards presently vesting over a three-year period, and to allow for employees to share in the performance of the Company. Â We are committed to a safe workplace for our employees and have implemented health and safety management processes into our operations. In response to the COVID-19 pandemic, we have implemented additional safety measures for the protection of our employees, including work-from-home measures for applicable employees and additional cleaning and protective measures. Â Environmental Regulation Â The Company believes there are no material issues or material costs associated with the Company's compliance with environmental laws. The Company did not incur environmental expenses in fiscal 2024 or 2023, nor does it anticipate environmental expenses in the foreseeable future. The Companyâ€™s operations in Malaysia are audited and certified against ISO 14001, the environmental management standard that was developed by the International Organization for Standardization (ISO) to help organizations manage the environmental impacts of their processes, products, and services. Â 22 Table of Contents Â Raw Materials Â The principal raw material used to produce FC2 is a nitrile polymer. While general nitrile formulations are available from a number of suppliers, the Company has chosen to work closely with the technical market leader in synthetic polymers to develop a grade ideally suited to the biocompatibility and functional needs of a female condom. As a result, the Company relies on supply for its principal raw material for FC2 from one supplier that could produce the raw material from multiple supply points within its organization. The principal partially finished component used to produce FC2 is a dipped nitrile polymer sheath. The Company procures its component sheaths from one of the leading manufacturers of nitrile surgical gloves. The supplier indicated that it intendedÂ to close the facility where our specialty grade of nitrile was manufactured. The supplier closed its facility and we successfully re-validated at their other facility in Malaysia. We are in the process of testing an alternative grade of nitrile, which will require us to incur costs to formulate and test the alternative grade and seek FDA approval of the alternative grade. The supplier has stated that it will assist in providing continuity of supply while we transfer to the alternative grade of nitrile and is currently utilizingÂ another production facility that it controls to produce the current specialty grade. Appropriate plant trials and testing have been conducted to show the new facility is capable of supplying our current nitrile grade and we are now testing the new material. Â Manufacturing Â We manufacture and warehouse FC2 within a leased facility with approximately 45,800 square feet of space in Selangor D.E., Malaysia. Production capacity at this facility is approximately 100Â million units of FC2 annually. This facility is subject to periodic inspection by the FDA to ensure compliance with cGMP, as well as the Germany-based notified body, which is responsible for CE (MDR) and ISO 13485 and MDSAP accreditations. Â Competition Â FC2 participates in the same market as male condoms; however, it is not seen as directly competing with male condoms. Rather, studies show that providing FC2 increases use of female as well as male condoms. Male condoms cost less and can have brand names that are more widely recognized than FC2. In addition, male condoms are generally manufactured and marketed by companies with significantly greater financial resources than the Company. Â Other parties have developed and marketed female condoms. None of these female condoms marketed or under development by other parties have secured FDA market approval. FDA market approval is required to sell female condoms in the U.S. USAID, a U.S. government funded agency, prefers to procure from the FDA product approval for market; however, there can be exceptions. Outside of the U.S., the Company has experienced increasing competition and pricing pressures for FC2. In addition to FC2, three female condoms have successfully completed the WHO prequalification process and been cleared by UNFPA for purchase by U.N. agencies: the Cupid female condom (which was prequalified by WHO in July 2012 and cleared by UNFPA thereafter), the Velvet female condom marketed by Hindustan Latex Limited (which was prequalified by WHO and cleared by UNFPA in March 2016) and the female condom marketed by PATH (which was prequalified by WHO and cleared by UNFPA in March 2016). The PATH female condom lost its prequalification in 2019, which leaves only two other competitive female condoms with WHO prequalification in addition to FC2. We are not currently aware of any other female condoms currently in the WHO prequalification process. The female condom marketed by Hindustan Latex Limited, which is the Companyâ€™s former exclusive distributor in India, is substantially similar in design to FC2, except it is made of latex. FC2 has also been competing with other female condoms in markets that do not require either FDA market approval or WHO prequalification, especially in the EU. Reflecting increased competition, competitors received part of the last three South African tenders and the last two Brazilian tenders. Increasing competition in FC2â€™s markets outside the U.S. has, and will likely continue to, put pressure on pricing for FC2 and may also adversely affect sales of FC2. Some customers, particularly in the global public health sector, prioritize price over other features where FC2 may have an advantage. The FDAâ€™s reclassification of female condoms in 2018 from Class III medical devices to Class II medical devices may reduce the barriers for other types of female condoms to enter the U.S. market. If other female condoms enter the U.S. market, we may face increased competition in the U.S., which may put downward pressure on pricing for FC2 and adversely affect sales of FC2 in the U.S. Â The pharmaceutical industry is highly competitive and is characterized by extensive research efforts and rapid technological progress. The success of our pharmaceutical products will depend on our ability to acquire, develop and commercialize products and our ability to establish and maintain markets for any products for which we receive marketing approval. Potential competitors in North America, Europe and elsewhere include major pharmaceutical companies, specialty pharmaceutical companies and biotechnology firms, universities and other research institutions and government agencies. Many of the competitors with respect to our pharmaceutical products under development have substantially greater research and development and regulatory capabilities and experience, and substantially greater management, manufacturing, distribution, marketing and financial resources, than we have or will have. Â 23 Table of Contents Â Enobosarm is an oral, first-in-class, novel, selective androgen receptor modulator, that is being developedÂ in combination with weight loss drugs (GLP-1 receptor agonists), to increase the preferential loss of fat while preventing the loss of lean massÂ and bone in at risk sarcopenic obese or overweight older adults. No drugs are currently approved by the FDA for the indication of chronic weight management with preservation of lean mass (muscle) and bone, either alone or in combination with GLP-1 receptor agonists.Â Â Available Information Â The Company maintains a corporate website for investors at https://verupharma.com/investors/ and it makes available, free of charge, through this website its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports that the Company files with or furnishes to the Securities and Exchange Commission (SEC), as soon as reasonably practicable after it electronically files such material with, or furnishes it to, the SEC. Information on the Company's website is not part of this report. Â 24 Table of Contents Â Item 1A. Risk Factors Â Our business is subject to a number of risks of which you should be

aware before making an investment decision. The following summary highlights some of the risks you should consider with respect to our business and prospects. This summary is not complete and the risks summarized below are not the only risks we face. For a more complete understanding of the risks related to our business and an investment in our common stock, we encourage you to read and consider the more detailed discussion of these highlighted risks, which discussion immediately follows this summary. A summary of the material risks that may affect our business, operating results and financial condition include, but are not necessarily limited to, those relating to: Â Risks Related to the Regulation and Commercialization of Our Products and Drug Candidates Â Â â— We have limited experience in obtaining regulatory approval or emergency use authorization for a drug. Â â— We could experience delays in our planned clinical trials. Â â— Our clinical trials may be suspended or discontinued. Â â— We could experience delays or unanticipated costs in connection with our planned clinical development programÂ of enobosarm as a treatment to augment fat loss and to prevent lean mass (muscle) loss in sarcopenic obese or overweight patients receiving a GLP-1 RA. Â â— Interim, preliminary and topline data from our preclinical studies and clinical trials that we announce or publish from time to time may change as more data become available and are subject to audit and verification procedures that could result in material changes in the final data. Â â— We may be subject to risks relating to collaboration with third parties. Â â— We rely on CROs to conduct our research and development activities. Â â— We rely on third party manufacturers for our drug candidates. Â â— Disruptions to or significantly increased costs associated with transportation and other distribution channels for our products may adversely affect our margins and profitability. Â â— Changes in law could have a negative impact on the approval of our drug candidates. Â â— We may fail or elect not to commercialize our drug candidates or our approved or authorized products. Â â— Our development and commercialization of sabizabulin as a treatment for ARDS will depend on our ability to secure significant funding through government grants, pharmaceutical company partnerships or similar external sources. Â â— We are subject to extensive and costly governmental regulation, including healthcare reform measures that may negatively impact sales of FC2. Â â— We could experience misconduct by our employees. Â â— Coverage and reimbursement may not be available for our products. Â â— We may not be able to gain and retain market acceptance for our drug candidates. Â â— Our drug products may be subject to governmental pricing controls. Â â— Third parties may obtain FDA regulatory exclusivity to our detriment. Â Risks Related to Our Financial Position and Need for Capital Â Â â— We have incurred net losses in recent fiscal years and expect to continue to incur losses for the foreseeable future. Â â— Our independent registered public accounting firm has included an explanatory paragraph relating to our ability to continue as a going concern in its report on our audited financial statements included in this Annual Report on Form 10-K for the fiscal year ended September 30, 2024. Â â— We will need to raise additional capital to fund our operations in the future. If we are unsuccessful in attracting new capital, we may not be able to continue operations or may be forced to sell assets to do so. Alternatively, capital may not be available to us on favorable terms, or if at all. If available, financing terms may lead to significant dilution of our stockholdersâ€™ equity. Â â— The amount of additional financing that we will need to support our development and commercialization activities is uncertain. Â 25 Table of Contents Â Â â— As a result of our failure to timely file two reports with the SEC, we are currently ineligible to file new registration statements on Form S-3 or to use our current effective shelf registration statement on Form S-3 until March 1, 2025, which may impair our ability to raise capital on terms favorable to us, in a timely manner or at all. Â â— We may not receive any additional payments from ONCO in connection with the sale of our ENTADFI assets and may not receive any value for the shares of ONCOÂ common stock that we might hold from time to time. Â Risks Related to Our Business Â Â â— Our FC2 business may be affected by contracting risks with government and other international health agencies. Â â— The FDA issued a final order reclassifying female condoms as Class II medical devices, which may result in increased competition for FC2 in the U.S. market. Â â— We may experience competition, especially for enobosarm as a treatment for metabolic diseases, if approved, and FC2. Â â— Our net revenues from sales of FC2 may not return to past levels. Â â— We may not be able to successfully implement our strategy to grow sales of FC2 in the U.S. market through our own telehealth portal. Â â— An inability to identify or complete future acquisitions could adversely affect our future growth. Â â— We may experience difficulties in integrating strategic acquisitions. Â â— We may be subject to claims or investigations relating to The Pill Clubâ€™s business practices with respect to sales of FC2. Â â— It is unlikely that we will collect any amount of our accounts receivable with The Pill Club. Â â— We are subject to significant payment obligations pursuant to the resolution ofÂ a dispute with a supplier. Â â— Since we sell FC2 in foreign markets, we are subject to international business risks that could adversely affect our operating results. Â â— Increases in the cost of raw materials, labor, and other costs used to manufacture FC2 could increase our cost of sales and reduce our gross margins. Â â— Currency exchange rate fluctuations could increase our expenses. Â â— We rely on a single facility to manufacture FC2, and single source suppliers for certain raw materials, which subjects us to the risk of supply disruptions. Â â— We may incur costs or experience supply interruptions relating to our need to transition the supply of the nitrile polymer for FC2. Â â— Uncertainty and adverse changes in the general economic conditions may negatively affect our business. Â â— Material adverse or unforeseen legal judgments, fines, penalties, or settlements could have an adverse impact on our profits and cash flows. Â â— We have been named a defendant in stockholder class actions. These, and potential similar or related lawsuits or investigations, could result in substantial legal fees, fines, penalties or damages and may divert managementâ€™s time and attention from our business. Â â— Our business and operations would suffer if we sustain cyber-attacks or other privacy or data security incidents that result in security breaches. Â â— Any failure to comply with the FCPA and similar anti-bribery laws in non-U.S. jurisdiction could materially adversely affect our business and result in civil and/or criminal sanctions. Â â— We will need to increase the size and complexity of our organization in the future, and we may experience difficulties in executing our growth strategy and managing any growth. Â â— Uncertainties in the interpretation and application of tax rules in the various jurisdictions in which we operate could materially affect our deferred tax assets, tax obligations and effective tax rate. Â â— Our effective tax rate may be negatively impacted if we are unable to realize deferred tax assets or by future changes to tax laws in jurisdictions in which we operate. Â â— Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. Â 26 Table of Contents Â Risks Relating to Our Intellectual Property Â Â â— We may be unable to protect the proprietary nature of the intellectual property covering our products. Â â— Our or our licensorsâ€™ patents may expire or be invalidated, found to be unenforceable, narrowed or otherwise limited or our or our licensorsâ€™ patent applications may not result in issued patents or may result in patents with narrow, overbroad, or unenforceable claims. Â â— We may not have sufficient intellectual property protection for enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness. Â â— We are dependent in part on some license relationships. Â â— We may face claims that our intellectual property infringes on the intellectual property rights of third parties. If we infringe intellectual property rights of third parties, it may increase our costs or prevent us from being able to commercialize our product candidates. Â â— We may be subject to claims that our employees have wrongfully used or disclosed alleged trade secrets of our competitors. Â â— We may need to file lawsuits or take other actions to protect or enforce our intellectual property rights. Â â— We may fail to protect the confidentiality of commercially sensitive information. Â Risks Related to Ownership of Our Common Stock Â Â â— Ownership in our common stock is highly concentrated and your ability to influence corporate matters may be limited as a result. Â â— We have received a notice of delisting from Nasdaq. Â â— We incurred charges to earnings in fiscal 2020 and in fiscal 2023 resulting from the APP Acquisition, and additional charges to earnings resulting from the APP Acquisition in the future may cause our operating results to suffer. Â â— The restatements of our prior financial statements may affect stockholder and investor confidence in us or harm our reputation, and may subject us to additional risks and uncertainties, including increased costs and the increased possibility of legal proceedings and regulatory inquiries, sanctions or investigations. Â â— We previously had identified twoÂ material weaknesses in our internal control over financial reporting, and determined that they resulted in our internal control over financial reporting and disclosure controls and procedures not being effective, as of September 30, 2023. Although we have remediated these material weaknesses, we may identify additional material weaknesses or otherÂ deficiencies in the future or otherwise fail to maintain an effective system of internal controls, including disclosure controls and procedures, and this could result in material misstatements of our financial statements or cause us to fail to meet our reporting obligations. Â â— We are a â€œsmaller reporting companyâ€ and will be able to avail ourselves of reduced disclosure requirements applicable to smaller reporting companies, which could make our common stock less attractive to investors. Â â— There are provisions in our charter documents, Wisconsin law and our residual royalty agreement that might prevent or delay a change in control of our company. Â â— The trading price of our common stock has been volatile, and investors in our common stock may experience substantial losses. Â â— A substantial number of shares may be sold in the market, which may depress the market price for our common stock. Â â— Because we do not anticipate paying any cash dividends on our common stock in the foreseeable future, capital appreciation, if any, will be our shareholdersâ€™ sole source of gain. Â Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, together with all of the other information included in this Annual Report and our other SEC filings, in considering our business and prospects. The risks described below are not the only risks we face. Additional risks that we do not yet know of or that we currently think are immaterial may also impair our business operations. If any of the events or circumstances described in the following risks occurs, our business, financial condition, results of operations or prospects could be materially adversely affected. In such cases, the trading price of our common stock could decline. Â 27 Table of Contents Â Risks Related to the Regulation and Commercialization of Our Products and Drug Candidates Â We have limited experience in obtaining regulatory approval or emergency use authorization for a drug. Â We have only obtained regulatory approval for one drug, ENTADFI (tadalafil and finasteride) capsules, for oral use, which we sold to ONCO in April 2023. We have never obtained an EUA in the U.S. or in any other jurisdiction. It is possible that the FDA or other regulatory authorities may refuse to accept any or all of our planned NDAs for substantive review or may conclude, after review of our data, that our applications are insufficient to obtain regulatory authorization or approval of any of our drug candidates. The FDA may also require that we conduct additional clinical or manufacturing validation studies, which may be costly and time-consuming, and submit that data before it will reconsider our applications. Depending on the extent of these or any other FDA required studies, approval of any NDA or authorization of any EUA application that we submit may be significantly delayed, possibly for years, or may require us to expend more resources than we have available or can secure. Any delay or inability in obtaining regulatory approvals would delay or prevent us from commercializing our drug candidates, generating revenue from these proposed products and achieving and sustaining profitability. It is also possible that additional studies, if performed and completed, may not be considered sufficient by the FDA to approve any NDA or any EUA we submit. If any of these outcomes occur, we may be forced to abandon our planned NDAs or EUAs for one or more of our drug candidates, which would materially adversely affect our business. Â Clinical trials involve a lengthy and expensive process with an uncertain outcome and results of earlier studies and trials may not be predictive of future trial results. Failure can occur at any time during the clinical trial process as a result of inadequate performance of a drug, inadequate adherence by patients or investigators to clinical trial protocols or other factors. New drugs in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through earlier clinical trials. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials as a result of a lack of efficacy or adverse safety profiles, despite promising results in earlier trials. Our future clinical trials may not be successful or may be more expensive or time-consuming than we currently expect. If clinical trials for any of our drug candidates fail to demonstrate safety or efficacy to the satisfaction of the FDA, the FDA will not approve that drug and we would not be able to commercialize it, which will have a material adverse effect on our business, financial condition, results of operations and prospects. Â We could experience delays in our planned clinical trials. Â We may experience delays in any of the clinical trials that will be required to be conducted for our drug candidates. Our planned clinical trials might not begin on time; may be interrupted, delayed, suspended, or terminated once commenced; might need to be redesigned; might not enroll a sufficient number of patients; or might not be completed on schedule, if at all. Clinical trials can be delayed for a variety of reasons, including the following: Â Â â— delays in obtaining regulatory approval to commence a trial; Â â— imposition of a clinical hold following an inspection of our clinical trial operations or trial sites by the FDA or other regulatory authorities; Â â— imposition of a clinical hold because of safety or efficacy concerns by the FDA, a DSMB or IDMC, a clinical trial siteâ€™s IRB or us; Â â— delays in reaching agreement on acceptable terms with prospective contract research organizations (CROs) and clinical trial sites; Â â— delays in obtaining required IRB approval at each site; Â â— delays in identifying, recruiting and training suitable clinical investigators; Â â— delays in recruiting suitable patients to participate in a trial; Â â— delays in having patients complete participation in a trial or return for post-treatment follow-up; Â â— clinical sites dropping out of a trial to the detriment of enrollment; Â â— time required to add new sites; Â â— delays in obtaining sufficient supplies of clinical trial materials, including suitable active pharmaceutical ingredients; Â â— delays resulting from negative or equivocal findings of DSMB or IDMC for a trial; or Â â— delays resulting from shutdowns or quarantines or staffing shortages relating to a pandemic or other reasons. Â 28 Table of Contents Â Patient enrollment, a significant factor in the timing of clinical trials, is affected by many factors, including the size and nature of the patient population, the proximity of patients to clinical sites, the eligibility criteria for the trial, the design of the clinical trial, a pandemic, competing clinical trials, and clinicians' and patients' perceptions as to the potential advantages of the drug being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating. Any of these delays in completing our clinical trials could increase our costs, slow down our product development and approval process and jeopardize our ability to commence product sales and generate revenue as to the affected drug candidate. Â Our clinical trials may be suspended or discontinued. Â Before we can obtain regulatory approval for the commercial sale of our drug candidates, we may be required to complete preclinical development with respect to such drug candidates and/or extensive clinical trials in humans to demonstrate the safety and efficacy of the drug candidates. To date, regulatory approval has not been obtained for any of our drug candidates. Â Unfavorable results from preclinical studies or clinical trials could result in delays, modifications or abandonment of ongoing or future clinical trials. Clinical results are frequently susceptible to varying interpretations that may delay, limit or prevent regulatory approvals. Negative or inconclusive results or adverse medical events during a clinical trial could cause a clinical trial to be delayed, repeated or terminated. In addition, we may report top-line data from time to time, which is based on a preliminary analysis of key efficacy and safety data. Such top-line data may be subject to change following a more comprehensive review of the data related to the applicable clinical trial. If we delay or abandon our development efforts related to any of our drug candidates, we would experience potentially significant delays in, or be required to abandon, development of that drug candidate. If we delay or abandon our development efforts related to any of our drug candidates, our business, financial condition, results of operations and prospects may be materially adversely affected. Â Our clinical trials may be suspended or terminated at any time for a number of reasons. A clinical trial may be suspended or terminated by us, our collaborators, the FDA or other regulatory authorities because of a failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, presentation of unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using the investigational drug, changes in governmental regulations or administrative actions, lack of adequate funding to continue the clinical trial or negative or equivocal findings of the DSMB, IDMC or the IRB for a clinical trial. An IRB may also suspend or terminate our clinical trials for failure to protect patient safety or patient rights. We may voluntarily suspend or terminate our clinical trials if at any time we believe that they present an unacceptable risk to participants. In addition, regulatory agencies may order the temporary or permanent discontinuation of our clinical trials at any time if they believe the clinical trials are not being conducted in accordance with applicable regulatory requirements or present an unacceptable safety risk to participants. If we elect or are forced to suspend or terminate any clinical trial of any drug candidate we are developing, the commercial prospects of such drug candidate will be harmed and our ability to generate revenue from such drug candidate will be delayed or eliminated. Any of these occurrences may materially harm our business, financial condition, results of operations and prospects.Â Â We could experience delays or unanticipated costs in connection with our Phase 2b clinical trial of enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA. Â Our future prospects are substantially dependent on our ability to successfully advance the development of enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA.Â We are currently conducting a Phase 2b multicenter, double-blind, placebo-controlled, randomized, dose-finding clinical trial designed to evaluate the safety and efficacy of enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, with the first data from the trial expected in the second quarter of calendar 2025. Any delays of or unanticipated changes to the planned Phase 2b clinical trial may increase our costs, slow down our product development and approval process and jeopardize our ability to develop enobosarm for and ultimately generate revenue from enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, which may cause a change in our development strategy. Additional costs may also require us to raise additional capital, which may not be available when needed or on terms acceptable to us. As a result, we may be forced to abandon our development of enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk

for developing muscle atrophy and muscle weakness. There can be no assurances that we will be able to cost-effectively continue development of enobosarm, or that enobosarm will receive FDA approval or be commercialized, for any application. Â 29 Table of Contents Â Interim, preliminary and topline data from our preclinical studies and clinical trials that we announce or publish from time to time may change as more data become available and are subject to audit and verification procedures that could result in material changes in the final data. Â We may publicly discloseÂ interim, preliminary or topline data from our preclinical studies and clinical trials. These interim updates are based on preliminary analyses of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. For example, we may report responses in certain patients that are unconfirmed at the time and which do not ultimately result in confirmed responses to treatment after follow-up evaluations. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the interim, preliminary or topline results that we report may differ from future results of the same studies or trials, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Interim, preliminary and topline data also remain subject to audit and verification procedures that may result in the final data being materially different from the interim, preliminary or topline data we previously published. As a result, interim, preliminary and topline data should be viewed with caution until the final data are available. In addition, we may report interim analyses of only certain endpoints rather than all endpoints. Interim, preliminary and topline data from clinical trials are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse changes between interim, preliminary or topline data and final data could significantly harm our business and prospects. Further, additional disclosure of interim, preliminary or topline data by us or by our competitors in the future could result in volatility in the price of our common stock. Â In addition, the information we choose to publicly disclose regarding a particular study or trial is typically selected from a more extensive amount of available information. Investors may not agree with what we determine is the material or otherwise appropriate information to include in our public disclosures, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product candidate or our business. If the interim, preliminary or topline data that we report differ from late, final or actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, any of our product candidates may be harmed, which could harm our business, financial condition, results of operations and prospects. Â We may be subject to risks relating to collaboration with third parties. Â As part of our business strategy, we may enter into collaboration arrangements with strategic partners to develop and commercialize our drug candidates or to develop companion diagnostics for our drug candidates. For our collaboration efforts to be successful, we must identify partners whose competencies complement our competencies. We may be unsuccessful in entering into collaboration agreements with acceptable partners or negotiating favorable terms in these agreements. Also, we may be unsuccessful in integrating the resources and capabilities of these collaborators with our own. In addition, we may face a disadvantage in seeking to enter into or negotiating collaborations with potential partners because other potential collaborators may have greater management and financial resources than we do. Our collaborators may prove difficult to work with or less skilled than originally expected or may require more time to achieve the planned goals of any such collaboration, if they are achieved at all. For companion diagnostics, any such collaborator may be unsuccessful in obtaining regulatory approval for the planned diagnostic and, even if approved, may not be successful in commercializing the diagnostic or achieving widespread adoption of the diagnostic by physicians. If we are unsuccessful in our collaborative efforts, our ability to develop and market drug candidates could be severely limited. Â We rely on CROs to conduct our research and development activities. Â We do not have the resources to independently conduct research and development activities. Therefore, we intend to and do rely on CROs to conduct research and development activities for our drug candidates and for the execution of our clinical studies. Although we will control only certain aspects of our CROs' activities, we will be responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol and legal, regulatory and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities. We cannot be sure that the CROs will conduct the research properly in a timely manner or on a cost-effective basis, or that the results will be reproducible. We and our CROs are required to comply with the FDA's cGCPs, which are regulations and guidelines enforced by the FDA for all of our drug products in clinical development. The FDA enforces these cGCPs through periodic inspections of trial sponsors, principal investigators and clinical trial sites. If we or our CROs fail to comply with applicable cGCPs, the clinical data generated in our clinical trials may be deemed unreliable or invalid and the FDA may require us to perform additional clinical trials before approving our drug candidates. In addition, to evaluate the safety and effectiveness compared to placebo of our drug candidates to a statistically significant degree, our clinical trials will require an adequately large number of test subjects. Any clinical trial that a CRO conducts abroad on our behalf is subject to similar regulation. Accordingly, if our CROs fail to comply with these regulations or recruit a sufficient number of patients, we may be required to repeat clinical trials, which would delay the regulatory approval process. Â 30 Table of Contents Â In addition, we will not employ the personnel of our CROs, and, except for remedies available to us under our agreements with such organizations, we cannot control whether or not they will devote sufficient time and resources to our research and development and our clinical studies. Our CROs may also have relationships with other commercial entities, including one or more of our competitors, for which they may also be conducting clinical studies or other drug development activities, which could impede their ability to devote appropriate time to our clinical programs. If our CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced, or if the quality or accuracy of the clinical data they obtain is compromised because of the failure to adhere to our clinical protocols or regulatory requirements, or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our drug candidates that we seeks to develop. As a result, our financial results and the commercial prospects for our drug candidates that we seek to develop would be harmed, our costs could increase and our ability to generate revenue from such drug candidates could be delayed or ended. Â If any of our relationships with these third parties terminate, we may not be able to enter into arrangements with alternative CROs or do so on commercially reasonable terms. Switching or entering into new relationships with CROs involves substantial cost and requires extensive management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially affect our ability to meet our desired clinical development timelines and can increase our costs significantly. We may encounter challenges or delays in entering into or maintaining these relationships, and any such delays or challenges may have a material adverse impact on our business, financial condition, results of operations and prospects. Â We rely on third party manufacturers for our drug candidates. Â For the foreseeable future, we expect to and do rely on third-party manufacturers and other third parties to produce, package and store sufficient quantities of drug candidates for use in our clinical trials. These drug candidates and products are complicated and expensive to manufacture. If our third-party manufacturers fail to deliver our drug candidates for clinical use on a timely basis, with sufficient quality, and at commercially reasonable prices, we may be required to delay or suspend clinical trials or otherwise discontinue development and production of our drug candidates. While we may be able to identify replacement third-party manufacturers or develop our own manufacturing capabilities for these drug candidates or products, this process would likely cause a delay in the availability of our drug candidates or products and an increase in costs. In addition, third-party manufacturers may have a limited number of facilities in which our drug candidates or products can be produced, and any interruption of the operation of those facilities due to events such as equipment malfunction or failure or damage to the facility by natural disasters could result in the cancellation of shipments, loss of product in the manufacturing process or a shortfall in available drug candidates or products. Â In addition, regulatory requirements could pose barriers to the manufacture of our drug candidates. Third-party manufacturers are required to comply with the FDAâ€™s cGMPs. As a result, the facilities used by any manufacturers of our drug candidates must maintain a compliance status acceptable to the FDA. Holders of NDAs, or other forms of FDA approvals or clearances, or those distributing a regulated product under their own name, are responsible for manufacturing even though that manufacturing is conducted by a third-party contract manufacturing organization (CMO). Our third-party manufacturers will be required to produce our drug candidatesÂ under FDA cGMPs in order to meet acceptable standards. Our third-party manufacturers may not perform their obligations under their agreements with us or may discontinue their business before the time required by us to gain approval for or commercialize our drug candidates. In addition, our manufacturers will be subject to ongoing periodic unannounced inspections by the FDA and corresponding state and foreign agencies for compliance with cGMPs and similar regulatory requirements. Failure by any of our manufacturers to comply with applicable cGMPs could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspensions or withdrawals of approvals, operating restrictions, interruptions in supply, recalls, withdrawals, issuance of safety alerts and criminal prosecutions, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Finally, we also could experience manufacturing delays if our CMOs give greater priority to the supply of other products over our products or otherwise do not satisfactorily perform according to the terms of their agreements with us. Â If any supplier for our drug candidates experiences any significant difficulties in its manufacturing processes, does not comply with the terms of the agreement between us or does not devote sufficient time, energy and care to providing our manufacturing needs, we could experience significant interruptions in the supply of our drug candidates, which could impair our ability to supply our drug candidates at the levels required for our clinical trials or commercialization and prevent or delay their successful development and commercialization. Â 31 Table of Contents Â Disruptions to or significantly increased costs associated with transportation and other distribution channels for our products may adversely affect our margins and profitability. Â We expect to rely on the uninterrupted and efficient operation of third-party logistics companies to transport, storeÂ and deliver our products, including FC2. These third-party logistics companies may experience disruptions to the transportation channels used to distribute our products, including disruptions caused by pandemics, increased airport and shipping port congestion, a lack of transportation capacity, increased fuel expenses and storage costs, and a shortage of manpower or capital or due to other business interruptions. Disruptions to the transportation channels experienced by our third-party logistics companies may result in increased costs, including the additional use of airfreight to meet demand. Disruptions to this business model or our relationship with the third party if, for example, performance fails to meet our expectations, could harm our business. Â Changes in law could have a negative impact on the approval of our drug candidates. Â The FDA has established regulations, guidelines and policies to govern the drug development and approval process, as have foreign regulatory authorities. Any change in regulatory requirements resulting from the adoption of new legislation, regulations or policies may require us to amend existing clinical trial protocols or add new clinical trials to comply with these changes. Such amendments to existing protocols or clinical trial applications or the need for new ones, may significantly and adversely affect the cost, timing and completion of the clinical trials for our drug candidates. In addition, the FDAâ€™s policies may change and additional government regulations may be issued that could prevent, limit or delay regulatory approval of our drug candidates, or impose more stringent product labeling and post-marketing testing and other requirements. The political environment in the U.S. could result in significant changes in, and uncertainty with respect to, legislation, regulation and government policy that could significantly impact our business and the health care industry. While it is not possible to predict whether and when any such changes will occur, specific proposals that have been discussed or implemented which could have a material impact on us include, but are not limited to, potential changes to the ACA, recently issued regulations offering employers religious and moral exemptions from the ACAâ€™s requirement to provide insurance covering birth control, and the enactment of the 21st Century Cures Act. If we are slow or unable to adapt to any such changes, our business, prospects and ability to achieve or sustain profitability would be adversely affected. Â We may fail or elect not to commercialize our drug candidates or our approved or authorized products. Â We cannot be sure that, if our clinical trials for any of our drug candidates are successfully completed, we will be able to submit an NDA to the FDA or that any NDA we submit will be approved by the FDA in a timely manner, if at all, or that the submission of any NDA is commercially feasible. Similar risks apply to EUA applications in the U.S. and other jurisdictions. After completing clinical trials for a drug candidate in humans, a drug dossier is prepared and submitted to the FDA as an NDA, and includes all preclinical studies and clinical trial data relevant to the safety and effectiveness of the product at the suggested dose and duration of use for the proposed indication as well as manufacturing information, in order to allow the FDA to review such drug dossier and to consider a drug candidate for approval for commercialization in the United States. If we are unable to submit an NDA with respect to any of our current drug candidates, if any NDA we submit is not approved by the FDA, or we elect not to file an NDA, or if we are unable to obtain any required state and local distribution licenses or similar authorizations, we will be unable to commercialize that product. The FDA can and does reject NDAs and require additional clinical trials, even when drug candidates achieve favorable results in Phase 3 clinical trials. Â If we fail to commercialize any of these drug candidates, or approved or authorized products, our business, financial condition, results of operations and prospects may be materially adversely affected and our reputation in the industry and in the investment community would likely be damaged. Â 32 Table of Contents Â Our development and commercialization of sabizabulin as a treatment for ARDS will depend on our ability to secure significant funding through government grants, pharmaceutical company partnerships or similar external sources. Â We currently plan to prioritize the use of our internal cash and the net proceeds of any future financings to the development of enobosarm, with a primary near-term focus on funding a Phase 2b clinical trial to evaluate the safety and efficacy of enobosarm initially as a treatment to augment fat loss and to prevent lean mass loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness, and to seek external funding through government grants, pharmaceutical company partnerships or similar sources to advance sabizabulin as a treatment for viral-induced ARDS. Such funding may not be available on a timely basis or at all, which may cause a significant delay in or the suspension of our development of sabizabulin as a treatment for viral-induced ARDS. Government funding for private sector research and development activities can be difficult to obtain and may contain limitations on its use. For example, in October 2023, we were notified that we were not selected for participation in the planned Phase 2 ARDS clinical trial to be sponsored by BARDA. There are also uncertainties regarding our ability to obtain funding through partnerships with pharmaceutical companies, including significant competition in seeking appropriate partners and the possibility that potential partners may not view sabizabulin as having the requisite potential to demonstrate safety and efficacy or adequate intellectual property protection. Â We are subject to extensive and costly governmental regulation, including healthcare reform measures that may negatively impact sales of FC2. Â Our marketed product, FC2, and our drug candidates are subject to extensive and rigorous domestic government regulation, including regulation by the FDA, the FTC, the Centers for Medicare & Medicaid Services (CMS), other divisions of the U.S. Department of Health and Human Services, including its Office of Inspector General, the U.S. Department of Justice, the Departments of Defense and Veterans Affairs, to the extent our products are paid for directly or indirectly by those departments, state and local governments and their respective foreign equivalents. The FDA regulates the research, development, preclinical and clinical testing, manufacture, safety, effectiveness, record keeping, reporting, labeling, storage, approval, advertising, promotion, sale, distribution, import and export of pharmaceutical products and medical devices under various regulatory provisions. The Office of Prescription Drug Promotion (OPDP) division of the FDA also regulates the advertising, marketing, and promotion of the Companyâ€™s products. Many states and local governments require distribution licenses or similar authorizations to sell products in their jurisdictions. Any of our products that are tested or marketed outside the U.S. are also subject to extensive regulation by foreign governments, whether or not we have obtained FDA approval for a given product and its uses. Such foreign regulation may be equally or more demanding than corresponding U.S. regulation. Â The ACA mandates coverage of FC2 by U.S. health insurance plans. The ACA is periodically subject to legal challenges and a continuing political effort to limit its scope or even potentially repeal it. We do not expect any imminent such modifications or repeal, but we can offer no assurance that the political situation regarding the ACA will not change in ways in the future that could have a material adverse effect on our ability to commercialize FC2 as a prescription product in the U.S. Â Specific to the contraception coverage mandate, ACA regulations provide exemptions from this requirement for qualifying religious employers and individuals and non-governmental entities that object to providing the coverage on the basis of sincerely held religious beliefs. The Trump administration issued two interim final regulations in October 2017 expanding the exemptions to those entities objecting to the requirement on the basis of religious and moral convictions, which were finalized in November 2018. Federal court judges in Pennsylvania and California separately blocked enforcements of these exemption regulations, with appellate courts upholding the decisions. On July 8, 2020, the Supreme Court reversed the lower courtsâ€™ rulings, allowing the rules to go into effect. Even though the U.S. Department of Labor issued a statement on January 10, 2022, reminding plans and issuers subject to these requirements of their responsibility to fully comply with the requirements under PHS Act section 2713 and the HRSA Guidelines, challenges or future regulatory efforts to erode the contraception mandate may persist. If successful, such challenges may adversely impact sales of FC2 in states that do not separately provide for reimbursement of FC2. Â Medical devices such as FC2 are cleared or approved for one or more specific intended uses and performance claims that must be adequately substantiated. Promoting a device for an off-label use or making misleading or unsubstantiated claims could result in government enforcement action. Any changes to the device, including labeling, post-clearance or approval must be assessed

to determine if a new clearance or approval is required. Furthermore, the facility in which we manufacture FC2 is subject to periodic inspection by the FDA and other federal, state and foreign government authorities, which require manufacturers of medical devices to adhere to certain regulations, including the FDAâ€™s Quality System Regulation, which requires, among other things, periodic audits, design controls, quality control testing and documentation procedures, as well as complaint evaluations and investigation. The FDA also requires the reporting of certain adverse events and product malfunctions and may require the reporting of recalls or other correction or removals of devices in commercial distribution. Issues identified through such inspections and reports may result in FDA enforcement action. Moreover, issues identified through such inspections and reports may require significant resources to resolve. Â 33 Table of Contents Â The FDA may inspect our facilities periodically to determine compliance with provisions of the FDC Act and FDA regulations. The FDA also requires the reporting of certain adverse events and product malfunctions and may require the reporting of recalls or other field safety corrective actions. Issues identified through such inspections and reports may result in FDA enforcement action. Moreover, issues identified through such inspections and reports may require significant resources to resolve. Â Failure to comply with applicable laws and regulations could lead to the following actions: Â â— partial suspension or total shutdown of manufacturing; Â â— product shortages; Â â— delays in product manufacturing; Â â— FDA warning letters or other notifications of violations of law; Â â— fines or civil penalties; Â â— delays in or restrictions on obtaining new regulatory clearances or approvals; Â â— withdrawal or suspension of required clearances, approvals or licenses; Â â— product seizures or recalls; Â â— injunctions; Â â— criminal prosecution; Â â— advisories or other field actions; Â â— operating restrictions, including the inability to market a product in certain state or local jurisdictions; and Â â— prohibitions against exporting of products to, or importing products from, countries outside the U.S. Â Any of these actions could have a material adverse effect on our business. Â Any of our products that are tested or marketed abroad are also subject to extensive regulation by foreign governments, whether or not we have obtained FDA approval for a given product and its uses. Such foreign regulation may be equally or more burdensome than U.S. regulation. Â We are subject to additional health care regulation and enforcement by the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include the following: Â Â â— the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, receiving, offering, or paying remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual for, or the purchase, order, or recommendation of, any good or service for which payment may be made under government health care programs such as the Medicare and Medicaid programs; Â â— the federal False Claims Act that prohibits, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid or other government health care programs that are false or fraudulent; Â â— federal criminal laws that prohibit executing a scheme to defraud any health care benefit program or making false statements relating to health care matters; and Â â— state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws that may apply to items or services reimbursed by any third-party payor, including commercial insurers. Â In addition, there has been a recent trend of increased federal and state regulation of payments made by drug and device manufacturers to health care practitioners. Some states, such as California, Connecticut, Massachusetts and Nevada, mandate implementation of corporate compliance programs, while other state laws prohibit, or require tracking and reporting of, certain gifts, compensation and other remuneration to physicians and other health care practitioners. Â In recent years, a number of states, including California, Minnesota, Oregon, Texas and Washington, have enacted laws requiring manufacturers to submit reports on drugs whose list price has increased by more than a certain percentage during a specified period and/or new drugs that are being launched at a price exceeding a specified amount. Among other things, the reports must explain the justifications for the price or price increase. Â The scope and enforcement of these laws is uncertain and subject to change in the current environment of health care reform, especially in light of the lack of applicable precedent and regulations. We cannot predict the impact on our business of any changes in these laws. Federal or state regulatory authorities may challenge our current or future activities under these laws. Any such challenge could have a material adverse effect on our reputation, business, results of operations and financial condition. Any state or federal regulatory review of us, regardless of the outcome, would be costly and time-consuming. Â 34 Table of Contents Â We could experience misconduct by our employees. Â We will be exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include failures to comply with FDA regulations, marketing and promotional laws, rules, and policies, to provide accurate information to the FDA, to comply with federal and state health care fraud and abuse laws and regulations, to comply with anti-corruption laws, including the FCPA, to report financial information or data accurately or to disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the health care industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and prevent employee 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 these laws or regulations. 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, including the imposition of significant fines or other sanctions. Â Coverage and reimbursement may not be available for our products. Â Market acceptance and sales for our marketed product, FC2, and drug candidates will depend on coverage and reimbursement policies and may be affected by health care reform measures. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which products they will pay for and establish reimbursement levels. We cannot be sure that coverage and reimbursement will be available for our drug candidates, if approved. We also cannot be sure that the amount of reimbursement available, if any, will not reduce the demand for, or the price of, our products. If reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our drug candidates. Â We may not be able to gain and retain market acceptance for our drug candidates. Â Physicians may not prescribe our drug candidates, if approved by the appropriate regulatory authorities for marketing and sale, which would prevent any such drug candidate from generating revenue. Market acceptance of our marketed product, FC2, and drug candidates by physicians, patients and payors, will depend on a number of factors, many of which are beyond our control, including the following: Â Â â— the clinical indications for which our drug candidates are approved, if at all; Â â— acceptance by physicians and payors of each product as safe and effective treatment; Â â— the cost of treatment in relation to alternative treatments; Â â— the relative convenience and ease of administration of our products in the treatment of the conditions for which they are intended; Â â— the availability and efficacy of competitive drugs; Â â— the effectiveness of our sales and marketing efforts; Â â— the extent to which the product is approved for inclusion on formularies of hospitals and managed care organizations; Â â— the availability of coverage and adequate reimbursement by third parties, such as insurance companies and other health care payors, or by government health care programs, including Medicare and Medicaid; Â â— limitations or warnings contained in a product's FDA or other applicable regulatory agencyâ€™s approved labeling; and Â â— prevalence and severity of adverse side effects. Â Even if the medical community accepts that our drug candidates are safe and efficacious for their approved indications, physicians may not immediately be receptive to the use or may be slow to adopt such products as an accepted treatment for the conditions for which they are intended. Without head-to-head comparative data, we will also not be able to promote our products as being superior to competing products. If our drug candidates, if approved, do not achieve an adequate level of acceptance by physicians and payors, we may not generate sufficient or any revenue from these products. In addition, our efforts to educate the medical community and third-party payors on the benefits of our products may require significant resources and may never be successful. Â 35 Table of Contents Â In addition, even if our drug candidates achieve market acceptance, we may not be able to maintain that market acceptance over time if: Â Â â— new products or technologies are introduced that are more favorably received than our products, are more cost effective or render our products obsolete; Â â— unforeseen complications arise with respect to use of our products; or Â â— sufficient third-party insurance coverage or reimbursement does not remain available. Â Our drug products may be subject to governmental pricing controls. Â In many foreign markets, including the countries in the EU, pricing of pharmaceutical products is subject to governmental control. In the United States, there have been, and we expect that there will continue to be, a number of federal and state proposals to implement similar governmental pricing controls. While we cannot predict whether such legislative or regulatory proposals will be adopted, the adoption of such proposals could have a material adverse effect on our likelihood of launching a product and on the profitability of any marketed product. Â Third parties may obtain FDA regulatory exclusivity to our detriment. Â We plan to seek to obtain market exclusivity for our drug candidates and any other drug candidates we develop in the future. To the extent that patent protection is not available or has expired, FDA marketing exclusivity may be the only available form of exclusivity available for these proposed products. Marketing exclusivity can delay the submission or the approval of certain marketing applications. Potentially competitive products may also seek marketing exclusivity and may be in various stages of development, including some more advanced than our drug candidates. We cannot predict with certainty the timing of FDA approval or whether FDA approval will be granted, nor can we predict with certainty the timing of FDA approval for competing products or whether such approval will be granted. It is possible that competing products may obtain FDA approval with marketing exclusivity before we do, which could delay our ability to submit a marketing application or obtain necessary regulatory approvals, result in lost market opportunities with respect to our drug candidates and materially adversely affect our business, financial condition and results of operations. Â Risks Related to Our Financial Position and Need for Capital Â We have incurred net losses in recent fiscal years and expect to continue to incur losses for the foreseeable future. Â We incurred a net loss of $37.8Â million during the year ended September 30, 2024. Pharmaceutical product development is a speculative undertaking, involves a substantial degree of risk and is a capital-intensive business. We expect to incur significant expenses until we are able to obtain regulatory approval and subsequently sell one or more of our drug candidates under development in significant quantities, which may not happen. We expect to devote most of our financial resources to research and development, including our non-clinical development activities and clinical trials. Our drug candidates will require the completion of regulatory review, significant marketing efforts and substantial investment before they can provide us with any revenue. We are uncertain when or if we will be able to achieve or sustain profitability. If we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Failure to become and remain profitable would impair our ability to sustain operations and adversely affect the price of our common stock and our ability to raise capital. Â Our independent registered public accounting firm has included an explanatory paragraph relating to our ability to continue as a going concern in its report on our audited financial statements included in this Annual Report on Form 10-K for the fiscal year ended September 30, 2024. Â The report from our independent registered public accounting firm for the year ended September 30, 2024, includes an explanatory paragraph stating that our losses from operations and required additional funding to finance our operations raise substantial doubt about our ability to continue as a going concern for a period of one year after the date the financial statements are issued. If we are unable to obtain sufficient funding, our business, prospects, financial condition and results of operations will be materially and adversely affected, and we may be unable to continue as a going concern. If we are unable to continue as a going concern, we may have to liquidate our assets and may receive less than the value at which those assets are carried on our audited financial statements, and it is likely that investors will lose all or a part of their investment. If we seek additional financing to fund our business activities in the future and there remains substantial doubt about our ability to continue as a going concern, investors or other financing sources may be unwilling to provide additional funding to us on commercially reasonable terms or at all. There can be no assurance that the current operating plan will be achieved in the time frame anticipated by us, or that our cash resources will fund our operating plan for the period anticipated by the Company or that additional funding will be available on terms acceptable to us, or at all. Â 36 Table of Contents Â We will need to raise additional capital to fund our operations in the future. If we are unsuccessful in attracting new capital, we may not be able to continue operations or may be forced to sell assets to do so. Alternatively, capital may not be available to us on favorable terms, or if at all. If available, financing terms may lead to significant dilution of our stockholdersâ€™ equity. Â We are not profitable and have had negative cash flow from operations. We will need large amounts of capital to support our development and commercialization efforts for our drug candidates, including the Phase 2b clinical trial to evaluate the efficacy and the safety of enobosarm in preventing significant muscle wasting in obese patients receiving a GLP-1 therapeutic to treat obesity. Our existing cash and cash equivalents as of the date of this report may not be sufficient to fund our working capital needs and operating expenses. To obtain the capital necessary to fund our operations, we expect to finance our cash needs through public or private equity offerings, debt financing and/or other capital sources. Additional capital may not be available at such times or amounts as needed by us. Â Even if capital is available, it might be available only on unfavorable terms. Any additional equity or convertible debt financing into which we enter could be dilutive to our existing stockholders. Any future debt financing into which we enter may impose covenants upon us that restrict our operations, including limitations on our ability to incur liens or additional debt, pay dividends, repurchase our stock, make certain investments and engage in certain merger, consolidation or asset sale transactions. Any debt financing or additional equity that we raise may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, we may need to relinquish rights to our technologies or our products or grant licenses on terms that are not favorable to us. If access to sufficient capital is not available as and when needed, our business will be materially impaired, and we may be required to cease operations, curtail one or more product development or commercialization programs, scale back or eliminate the development of business opportunities, or significantly reduce expenses, sell assets, seek a merger or joint venture partner, file for protection from creditors or liquidate all of our assets. Any of these factors could harm our operating results. Â The amount of additional financing that we will need to support our development and commercialization activities is uncertain. Â We expect to incur significant expenditures over the next several years to support our preclinical and clinical development activities, particularly with respect to clinical trials for certain of our drug candidates and to commence the commercialization of our drug candidates. This may require us to obtain additional financing for our business until revenues from our current commercial operations independently fund our drug development programs. We may also need to obtain additional financing to complete the development of any additional drug candidates we might acquire or to pay other operating expenses. Â Our future capital requirements will depend upon a number of factors, including: Â Â â— the size, complexity, results and timing of our development programs and clinical trials; Â â— our ability to successfully commercialize our drug candidates, if approved; Â â— our ability to obtain sufficient supply of the compounds necessary for our drug candidates at a reasonable cost; Â â— the time and cost involved in obtaining regulatory approvals; Â â— the time and cost involved in developing any required companion diagnostics for any of our product candidates, including enobosarm; Â â— the terms and timing of any potential future collaborations, licensing or other arrangements we may establish; Â â— cash requirements of any future acquisitions, in-licenses or the development of other drug candidates; Â â— our receipt of funds from other potential sources, including cash flow from licenses and sales, and payments on outstanding receivables; Â â— the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims; Â â— the costs involved in manufacturing and commercializing our drug candidates; Â â— the amount of sales or other revenues from drug candidates that we may commercialize, if any, including the selling prices for such drug candidates and the availability of adequate third-party coverage and reimbursement; Â â— regulatory changes; Â â— changes to federal, state or local health care or prescription drug programs; Â â— market and economic conditions; and Â â— competing technological and market developments. Â These factors could result in variations from currently projected operating and liquidity requirements. Â 37 Table of Contents Â As a result of our failure to timely file two reports with the SEC, we are currently ineligible to file new registration statements on Form S-3 or to use our current effective shelf registration statement on Form S-3 until March 1, 2025, which may impair our ability to raise capital on terms favorable to us, in a timely manner or at all. Â Form S-3 permits eligible issuers to conduct registered offerings using a short form registration statement that allows the issuer to incorporate by reference its past and future filings and reports made under the Securities Exchange Act of 1934, as amended (the â€œExchange Actâ€). In addition, Form S-3 enables eligible issuers to conduct primary offerings under Rule 415 of the Securities Act. The shelf registration process, combined with the ability to forward incorporate information, allows issuers to avoid delays and interruptions in the offering process and to access the capital markets in a more expeditions and efficient manner than raising capital in a standard registered offering pursuant to a registration statement on Form S-1. The ability to newly register securities for resale may also be limited as a result of the loss of Form S-3 eligibility with respect to such registrations. Â As a result of our failure to timely file the Quarterly Report on Form 10-Q for the quarter ended DecemberÂ 31, 2023 and a Current Report on Form 8-K that was due on FebruaryÂ 27, 2024, we are ineligible to file new registration statements on Form S-3 or to use our current effective shelf registration statement on Form S-3 (File No. 333-270606) (the â€œCurrent Shelf Registration Statementâ€) until no earlier than March 1, 2025. Our Form S-3 ineligibility may significantly impair our ability to raise necessary capital needed for our business. If we seek to access the capital markets through a registered offering pursuant to a new registration statement on Form S-1, we would be required to disclose the proposed offering and the material terms thereof

before the offering commences. As a result of such disclosure and potential for SEC review of such registration statement on Form S-1, we may experience delays in the offering process and we may incur increased offering and transaction costs and other impediments to such an offering. If we are unable to raise capital through a registered offering, we would be required to raise capital on a private placement basis, which may be subject to pricing, size and other limitations imposed under NASDAQ rules, or seek other sources of capital. Until March 1, 2025, we will not be able to sell any securities pursuant to the Current Shelf Registration Statement, including under our current common stock purchase agreement with Lincoln Park Capital Fund, LLC (â€œLincoln Parkâ€). Â We may not receive any additional payments from ONCOÂ in connection with the sale of our ENTADFI assets and may not receive any value for the shares of ONCOÂ common stock that we might hold from time to time. Â In April 2023, we sold our ENTADFI assets to ONCOÂ and on September 29, 2023, we entered into an amendment to theÂ Asset Purchase Agreement which provided that the promissory note for the $4 million installment of the purchase price due September 30, 2023 was deemed paid and fully satisfied upon (1) the payment to us of the sum of $1.0 million in immediately available funds on September 29, 2023, and (2) the issuance to us by October 3, 2023 of 3,000 shares of ONCO Preferred Stock. The shares of ONCO Preferred Stock held by the Company were converted into 142,749 shares of ONCO common stock on SeptemberÂ 24, 2024. Although ONCOâ€™s common stock is currently traded on the Nasdaq Capital Market, there is limited trading volume and we may find it difficult to sell the shares of ONCO common stock that we might hold from time to time at an acceptable price or at all, and as a result we may not receive any value for the shares of ONCO common stock that we might hold from time to time. Under theÂ Asset Purchase Agreement, ONCO was obligated to pay an additional $10 million in installments in our fiscal year 2024 pursuant to the ONCO Promissory Notes, plus up to an additional $80 million in milestone payments based on ONCOâ€™s net sales from ENTADFI business after closing. Â There is uncertainty as to whether and when we will receive any future installment payments of purchase price under the ONCO Promissory Notes or sales milestone payments under the Asset Purchase Agreement, and there is a risk of a future default by ONCO in performing its payment obligations, and we do not have a security interest in any of ONCO's assets and accordingly would be an unsecured creditor in the event that ONCO defaulted. We received payment of $1.0 million on September 29, 2023 and total payments of $0.3 million during the year ended September 30, 2024 from ONCO pursuant to the ONCO Promissory Notes. We have entered into the Forbearance Agreement with ONCO, relating to certain defaults under the ONCO Promissory Notes, which includes a forbearance period as to the April 2024 Promissory Note that ends on the earlier of (a)Â MarchÂ 31, 2025 and (b)Â the occurrence of an Event of Default (as defined in the Forbearance Agreement) and an extension of the due date of the September 2024 Promissory Note to JuneÂ 30, 2025.Â ONCO is required to make certain Required Payments towards the outstanding balance of the ONCO Promissory Notes during such periods. There can be no assurance as to (1) whether and when we will receive any payments pursuant to the terms of the Forbearance Agreement or otherwise under the ONCO Promissory Notes or any sales milestone payments under the Asset Purchase Agreement, (2) the extent of the risk of a future default by ONCO in performing its payment or other obligations under the Forbearance Agreement and the ONCO Promissory Notes, and (3) whether and when we will be able to receive any cash proceeds from the shares of ONCO common stock that we might hold from time to time. If ONCO fails to pay the outstanding ONCO Promissory Notes when due or an event of default under the ONCO Promissory Notes or the Forbearance Agreement otherwise occurs, we may, among other things, declare the full amount outstanding to be due and sue to collect the ONCO Promissory Notes, which actions may force ONCO into bankruptcy. There can be no assurance as to whether we would be able to collect any amounts due under the ONCO Promissory Notes if ONCO files for bankruptcy and, in such event, the shares of ONCO common stock we hold would likely have no value. Â 38 Table of Contents Â Risks Related to Our Business Â Our FC2 business may be affected by contracting risks with government and other international health agencies. Â Large international agencies and government health agencies which purchase and distribute FC2 for use in family planning and HIV/AIDS prevention programs have historically purchased significant quantities of FC2. Sales to such agencies may be subject to government contracting risks, including the appropriations process and funding priorities, potential bureaucratic delays in awarding contracts under governmental tenders, process errors, politics or other pressures, and the risk that contracts may be subject to cancellation, delay, or restructuring. A governmental tender award indicates acceptance of the bidderâ€™s price rather than an order or guarantee of the purchase of any minimum number of units. Many governmental tenders are stated to be â€œup toâ€ the maximum number of units, which gives the applicable government agency discretion to purchase less than the full maximum tender amount. As a result, government agencies may order and purchase fewer units than the full maximum tender amount and there are no guarantees as to the timing or amount of actual orders or shipments under government tenders. Orders received may vary from the amount of the tender award based on a number of factors, including vendor supply capacity, quality inspections, and changes in demand. These contracting risks may cause significant quarter-to-quarter variations in our operating results and could adversely affect our net revenues and profitability. Budget issues, spending cuts, and global health spending priorities affecting government health agencies may also adversely affect demand for FC2 and our net revenues. Â The FDA issued a final order reclassifying female condoms as Class II medical devices, which may result in increased competition for FC2 in the U.S. market. Â On September 21, 2018, the FDA issued a final order reclassifying female condoms from Class III to Class II medical devices, renaming them â€œsingle-use internal condomsâ€ and requiring new devices in this category to submit a 510(k) premarket notification and comply with various â€œspecial controls.â€ Special controls are a battery of product clinical testing which includes, but is not limited to, determining product effectiveness against pregnancy and against infection transmission, and product tolerability. While FC2 is the only currently available female condom approved for marketing by the FDA in the U.S., this reclassification by the FDA may reduce the barriers for other types of female condoms to enter the U.S. market. If other female condoms enter the U.S. market, we may face increased competition in the U.S., which may put downward pressure on pricing for FC2 and adversely affect sales of FC2 in the U.S. Â We may experience competition, especially for enobosarm as a treatment for metabolic diseases, if approved, and FC2. Â We are engaged in the marketing and development of products in industries, including the pharmaceutical industry, that are highly competitive. The pharmaceutical industry is also characterized by extensive research and rapid technological progress. Potential competitors with respect to our drug candidates in North America, Europe and elsewhere include major pharmaceutical companies, specialty pharmaceutical companies and biotechnology firms, universities and other research institutions and government agencies. Many of our competitors have substantially greater research and development and regulatory capabilities and experience, and substantially greater management, manufacturing, distribution, marketing and financial resources, than we have. We may be unable to compete successfully against current and future competitors, and competitive pressures could have a negative effect on our net revenues and profit margins. Â The market for treatments relating to obesity, including treatments relating to muscle atrophy and muscle weakness in patients receiving a GLP-1 RA, is highly competitive and includes major pharmaceutical companies. Such competitors may have substantially greater research and development and regulatory capabilities and experience, and substantially greater management, manufacturing, distribution, marketing and financial resources, than we have. We may be unable to compete successfully against current and future competitors, and competitive pressures could have a negative effect on our net revenues and profit margins. In addition, if we believe that a competitorâ€™s development activities infringe on our intellectual property rights relating to enobosarm, we may lack the resources to file infringement claims, which can be expensive and time-consuming. Â 39 Table of Contents Â Other parties have developed and marketed female condoms, although only two such products presently have WHO pre-qualification and none of these female condoms have been approved for market by the FDA. FDA market approval is required to sell female condoms in the U.S., and WHO pre-qualification is required to sell female condoms to U.N. agencies. The FDAâ€™s reclassification of female condoms from Class III to Class II medical devices may reduce the barriers for other types of female condoms to enter the U.S. market. FC2 has also been competing with other female condoms in markets that do not require either FDA market approval or WHO prequalification. There are other polyurethane brands from China that have CE-certification. We have experienced increasing competition in the global public health sector, and competitors received part of the last three South African tenders and the latest Brazilian tender. Increasing competition in FC2â€™s markets has put pressure on pricing for FC2 and adversely affected sales of FC2, and some customers, particularly in the global public health sector, may prioritize price over other features where FC2 may have an advantage. It is also possible that other companies will develop a female condom, and such companies could have greater financial resources and customer contacts than us. In addition, other contraceptive and HIV-prevention and treatment methods compete with FC2 for funding and attention in the global public health sector. Â Our net revenues from sales of FC2 may not return to past levels. Â Net revenues from sales of FC2 have declined significantly in recent periods, particularly in the U.S. prescription channel. Although we are working to restore ordering and utilization patterns in future periods, net revenues from sales of FC2 may not return to past levels. Ordering patterns may not rebound or may continue to decline if our distribution partners in the telehealth sector encounter issues, we or our distribution partners are not able or willing to spend sufficient amounts to market and promote FC2, or underlying demand for FC2 decreases. In particular, sales to our largest telehealth customer, The Pill Club, have been eliminated due to The Pill Clubâ€™s Chapter 11 bankruptcy filing on April 18, 2023 and the termination of our contract with The Pill Club. In addition, we may lack resources to increase FC2 marketing efforts by an amount sufficient to grow revenues and drive awareness of our independent, FC2-dedicated direct to patient telemedicine and pharmacy services portal. Any failure to attain or sustain sales growth for FC2 in the U.S. market may have a material adverse effect on our results of operations. Â We may not be able to successfully implement our strategy to grow sales of FC2 in the U.S. market through our own telehealth portal. Â We have developed and continue to refine our own telehealth portal to grow revenues from the U.S. prescription channel. We have never developed a telemedicine platform before. The cost and regulatory complexity required to operate and continue to refine this platform, including costs for collaborators who are helping us refine the platform andÂ who will help us in our efforts to market the telehealth platform and FC2, may outweigh any increased sales resulting from this effort. Patients may also incur costs in paying for the telehealth physician consultations. Any of these risks could harm patient acceptance of the platform and our ability to continue to grow FC2 sales. Market acceptance of our platform may be slow to develop, and to date we have not experienced significant sales through our platform. Â An inability to identify or complete future acquisitions could adversely affect our future growth. Â We intend to pursue acquisitions of new products, technologies, and/or businesses that enable us to leverage our competitive strengths. While we continue to evaluate potential acquisitions, we may not be able to identify and successfully negotiate suitable acquisitions, obtain financing for future acquisitions on satisfactory terms, obtain regulatory approval for acquisitions where required, or otherwise complete acquisitions in the future. An inability to identify or complete future acquisitions could limit our future growth. Similarly, any use of our equity or a convertible debt security in any acquisition would be dilutive to our stockholders and may affect the market price of our shares. Â We may experience difficulties in integrating strategic acquisitions. Â The integration of acquired companies and their operations into our operations involves a number of risks, including: Â Â â— the acquired business may experience losses or we may assume liabilities from the acquired company that could adversely affect our profitability; Â â— unanticipated costs relating to the integration of acquired businesses may increase our expenses; Â â— possible failure to accomplish the strategic objectives for an acquisition; Â â— the loss of key personnel of the acquired business; Â â— difficulties in achieving planned cost-savings and synergies may increase our expenses or decrease our net revenues; Â â— diversion of managementâ€™s attention could impair their ability to effectively manage our business operations; Â â— the acquired business may require significant expenditures for product development or regulatory approvals; Â 40 Table of Contents Â Â â— the acquired business may lack adequate internal controls or have other issues with its financial systems; Â â— there may be regulatory compliance or other issues relating to the business practices of an acquired business; Â â— we may record goodwill and nonamortizable intangible assets that are subject to impairment testing on a regular basis and potential impairment charges and we may also incur amortization expenses related to intangible assets; and Â â— unanticipated management or operational problems or liabilities may adversely affect our profitability and financial condition. Â Additionally, we may borrow funds or issue equity to finance strategic acquisitions. Debt leverage resulting from future acquisitions could adversely affect our operating margins and limit our ability to capitalize on future business opportunities. Such borrowings may also be subject to fluctuations in interest rates. Equity issuances may dilute our existing shareholders and adversely affect the market price of our shares. Â We may be subject to claims or investigations relating to The Pill Clubâ€™s business practices with respect to sales of FC2. Â The Pill Club was one of our largest customers, accounting for 44% of our net revenues in fiscal 2022 and 43% of our net revenues in fiscal 2021. On February 7, 2023, the California Attorney General announced a settlement with The Pill Club over a number of alleged improper actions by The Pill Club, including alleged overbilling for FC2. Although we were not involved in the business practices that were the subject of the California Attorney Generalâ€™s allegations, it is possible that the California Attorney General or another governmental authority may investigate or assert claims against us in connection with The Pill Clubâ€™s practices with respect to sales of FC2. Any such claims or investigations could have a material adverse effect on our reputation, business, results of operations and financial condition. Any such claims or investigations, regardless of the outcome, would be costly and time-consuming. Â It is unlikely that we will collect any amount of our accounts receivable with The Pill Club. Â We have a concentration of accounts receivable at The Pill Club, with $3.9 million of accounts receivable as of September 30, 2024. On April 18, 2023, The Pill Club filed for Chapter 11 bankruptcy and its assets were sold in June 2023 to satisfy a secured creditor. Our claims against The Pill Club for these receivables have been filed with The Pill Club bankruptcy estate and we will continue to pursue payment for as much of the receivables as possible but based on the amount of the claims of other unsecured creditors and the limited assets remaining in The Pill Club bankruptcy estate it is unlikely that we will recover any of these receivables. We recorded in fiscal 2023 and maintain as of September 30, 2024 an allowance for credit losses of $3.9 million due to The Pill Clubâ€™s Chapter 11 bankruptcy filing in April 2023. Â We are subject to significant payment obligations pursuant to the resolution of a dispute with a supplier. Â A supplier had claimed that we owe approximately $10 million for products and services relating to our efforts to commercialize sabizabulin under an EUA. We disputed the amount we owe, and to resolve this dispute we agreed to pay the supplier a total of $8.3 million, consisting of $2.3 million paid in February 2024, $3.5 million payable in 48 equal monthly installments between March 31, 2024 and January 31, 2028, and $2.5 million payable in an amount equal to 25% of payments pursuant to the ONCO Promissory Notes, provided that if this amount is not paid in full by December 31, 2025, we must pay the balance in 24 equal monthly installments commencing in January 2026. If we lack sufficient cash to pay amounts due to this supplier when due, we may need to raise additional capital, curtail one or more product development or commercialization programs, scale back or eliminate the development of business opportunities, or significantly reduce expenses, sell assets, seek a merger or joint venture partner, file for protection from creditors or liquidate all of our assets. Â Since we sell FC2 in foreign markets, we are subject to international business risks that could adversely affect our operating results. Â Our international operations subject us to risks, including: Â Â â— economic and political instability; Â â— currency fluctuations; Â â— global pandemics, as governments reallocate their health or development budgets to other health areas; Â â— changes in international regulatory requirements, import duties, or export restrictions, including limitations on the repatriation of earnings; Â â— disruptions and price increases in the global transportation network, such as work stoppages, strikes or shutdowns of ports of entry or such other transportation sources, or delays or difficulties in products clearing customs; Â â— difficulties in staffing and managing foreign operations; Â 41 Table of Contents Â Â â— greater difficulty in collecting accounts receivable and longer collection periods; Â â— the uncertainty of protection for intellectual property in some countries; Â â— multiple, conflicting and changing laws and regulations such as privacy regulations, including GDPR, tax laws, export and import restrictions, employment laws, immigration laws, labor laws, regulatory requirements and other governmental approvals, permits and licenses; Â â— complications in complying with trade and foreign tax laws and greater risk of a failure of foreign employees, distributors or other agents to comply with both U.S. and foreign laws, including antitrust regulations, the FCPA and other anti-bribery or corruption laws, and trade regulations; Â â— price controls and other restrictions on foreign currency; and Â â— difficulties in our ability to enforce legal rights and remedies. Â Any of these risks might disrupt the supply of our products, increase our expenses or decrease our net revenues. The cost of compliance with trade and foreign tax laws increases our expenses, and actual or alleged violations of such laws could result in enforcement actions or financial penalties that could result in substantial costs. Â Increases in the cost of raw materials, labor, and other costs used to manufacture FC2 could increase our cost of sales and reduce our gross margins. Â We may experience increased costs of raw materials, including the nitrile polymer used in FC2, and increased labor costs. We may not be able to pass along such cost increases to our customers. As a result, an increase in the cost of raw materials, labor or other costs associated with manufacturing FC2 could increase our cost of sales and reduce our gross margins. We have seen a global shortage of a key ingredient used to manufacture FC2 lubricant, which may give future pricing pressure and stock availability. Strategic supply stocks have been ordered to mitigate this risk, but our supply may not be sufficient to meet demand for FC2 globally or in any particular market. Â Currency exchange rate fluctuations could increase our expenses. Â Because we manufacture FC2 in a leased facility located in Malaysia, a portion of our operating costs are denominated in a foreign currency. While a material portion of our future sales of FC2 are likely to be in foreign markets, all sales of FC2 are denominated in U.S. dollars. Manufacturing costs are subject to normal currency risks associated with fluctuations in the exchange rate of the Malaysian ringgit (MYR) relative to the U.S. dollar. Historically, we have not hedged our foreign currency risk. Â We rely on a single facility to manufacture FC2, and single source suppliers

for certain raw materials, which subjects us to the risk of supply disruptions. Â We manufacture FC2 in a single leased facility located in Malaysia and source certain raw materials from single suppliers. Difficulties encountered by this facility or these suppliers, such as fire, accident, natural disaster, labor disruptions, or an outbreak of a contagious disease, could halt or disrupt production at our facility or the facilities of our suppliers, delay the completion of orders, or cause the cancellation of orders. Any of these risks could increase our expenses or reduce our net revenues. Â We may incur costs or experience supply interruptions relating to our need to transition the supply of the nitrile polymer for FC2. Â We have relied on a sole supplier for the principal raw material for FC2. The supplier has indicated that it intends to close the facility where our specialty grade of nitrile is currently manufactured at the end of the current calendar year. We intend to move to an alternative grade of nitrile, which will require us to incur costs to formulate and test the alternative grade and seek FDA approval of the alternative grade. We are not certain of the amount of time or costs involved in this transition. In addition, the supplier has stated that it will assist in providing continuity of supply while we transfer to the standardized grade of nitrile and has confirmed that it will utilize another production facility that it controls to produce the current specialty grade. Appropriate plant trials and testing have been conducted to show the new facility is capable of supplying our current nitrile grade. Â 42 Table of Contents Â Uncertainty and adverse changes in the general economic conditions may negatively affect our business. Â If general economic conditions, including continued or worsening inflation or supply chain challenges, recessionary pressures, rising interest rates, labor shortages, and rising unemployment, in the U.S. and other global markets in which we operate decline, or if consumers fear that economic conditions will decline, consumers may reduce expenditures for products such as our existing and potential products. Adverse changes may occur as a result of adverse global or regional economic conditions, fluctuating oil prices, supply chain problems, inflation, political instability, declining consumer confidence, a pandemic, unemployment, fluctuations in stock markets, contraction of credit availability, or other factors affecting economic conditions generally. These changes may negatively affect the sales of our existing or development of future products, increase the cost, and decrease the availability of financing, or increase costs associated with producing and distributing our products and potential drug candidates. In addition, a substantial portion of the sales of FC2 are made in the public market to government agencies, including USAID and other government agencies around the world. Worsening economic conditions as well as budget deficits and austerity measures may cause pressures on government budgets and result in a reduction in quantities or prices for purchases of FC2 by governmental agencies. Â Sales of FC2 fluctuate, which causes our operating results to vary from quarter-to-quarter. Sales of FC2 fluctuate based upon demand from our commercial partners and the public health sector and the nature of government procurement processes. Historically, our net revenues have varied from quarterâ€"to-quarter due to such buying patterns. Quarterly variations in operating results may cause us to fail to meet market expectations for our operating results and may tend to depress our stock price during such quarters. Â Material adverse or unforeseen legal judgments, fines, penalties, or settlements could have an adverse impact on our profits and cash flows. Â We may, from time to time, become a party to legal proceedings incidental to our business, including, but not limited to, alleged claims relating to product liability, environmental compliance, patent infringement, commercial disputes, securities laws, antitrust and competition laws, regulatory or administrative actions, corporate matters and employment matters. The current and future use of our drug candidates by us and potential collaborators in clinical trials, and the sale of any approved products in the future, may expose us to product liability claims. We will face an inherent risk of product liability claims as a result of the clinical testing of our drug candidates and will face an even greater risk if we obtain FDA approval and commercialize our drug candidates in the U.S. or other additional jurisdictions or if we engage in the clinical testing of proposed new products or commercialize any additional products. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our existing products or drug candidates, if approved. Regardless of the merits or eventual outcome, product liability claims may result in any of the following: Â Â â— the inability to commercialize our drug candidates; Â â— difficulty recruiting subjects for clinical trials or withdrawal of these subjects before a trial is completed; Â â— labeling, marketing, or promotional restrictions; Â â— product recalls or withdrawals; Â â— decreased demand for our products or products that we may develop in the future; Â â— loss of revenue; Â â— injury to reputation; Â â— initiation of investigations by regulators; Â â— costs to defend the related litigation; Â â— substantial monetary awards to trial participants or patients; and Â â— a decline in the value of our shares. Â Litigation could require us to record reserves or make payments which could adversely affect our profits and cash flows. Even the successful defense of legal proceedings may cause us to incur substantial legal costs, may divert managementâ€™s attention and resources away from our business, may prevent us or our partners from achieving or maintaining market acceptance of the affected product and may substantially increase the costs of commercializing our future products and impair the ability to generate revenues from the commercialization of these products either by us or by our strategic alliance partners. Â 43 Table of Contents Â We currently maintain limited general commercial liability insurance coverage. However, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses. If a successful product liability claim or series of claims is brought against us for uninsured liabilities or for liabilities in excess of our insurance limits, our assets may not be sufficient to cover such claims and our business operations could be impaired. Â We have been named a defendant in stockholder class actions. These, and potential similar or related lawsuits or investigations, could result in substantial legal fees, fines, penalties or damages and may divert managementâ€™s time and attention from our business. Â On December 5, 2022, a putative securities class action complaint was filed in federal district court for the Southern District of Florida against us certain of our current officers and directors. The amended complaint alleges that certain public statements about sabizabulin as a treatment for COVID-19 between March 1, 2021 and March 2, 2023 violated Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder, and seeks monetary damages. We and certain of our offices and directors are also parties to four derivative actions asserting state law claims primarily in connection with the issues and claims asserted in the securities class action. Â These legal proceedings and any other similar or related legal proceedings are subject to inherent uncertainties, and the actual costs to be incurred relating to these matters will depend upon many unknown factors. The outcome of these legal proceedings is uncertain, and we could be forced to expend significant resources in the defense of these actions, and we may not prevail. Although we have insurance coverage for these actions, we have a $5 million retention amount, which means that we are responsible for the first $5 million of costs or damages relating to these actions, and as a result must pay for any defense costs ourselves up to such retention amount before any insurance coverage will apply. Monitoring and defending against legal actions is time-consuming for management and detracts from our ability to fully focus our internal resources on our business activities. In addition, we may incur substantial legal fees and costs in connection with these matters. We are also generally obligated, to the extent permitted by law, to indemnify our current and former directors and officers who are named as defendants in these and similar actions. We are not currently able to estimate the possible cost to us from these matters, as these actions are currently at an early stage and we cannot be certain how long it may take to resolve these matters or the possible amount of any damages that we may be required to pay. It is possible that we could, in the future, incur judgments or enter into settlements of claims for monetary damages. Decisions adverse to our interests in these actions could result in the payment of substantial damages, and could have a material adverse effect on our cash flow, results of operations and financial position. These and additional legal proceedings may also increase the costs of, or result in adverse changes in, our director and officer insurance coverage, and if we are unable in the future to obtain an acceptable level of director and officer insurance coverage we may face challenges in recruiting or retaining qualified independent directors or officers. Â Our business and operations would suffer if we sustain cyber-attacks or other privacy or data security incidents that result in security breaches. Â Our information technology may be subject to cyber-attacks, security breaches or computer hacking. Experienced computer programmers and hackers may be able to penetrate our security controls and misappropriate or compromise sensitive personal, proprietary or confidential information, create system disruptions or cause shutdowns. They also may be able to develop and deploy malicious software programs that attack our systems or otherwise exploit any security vulnerabilities. Our systems and the data stored on those systems may also be vulnerable to security incidents or security attacks, acts of vandalism or theft, misplaced or lost data, human errors, or other similar events that could negatively affect our systems and our data, as well as the data of our business partners. Further, third parties, such as hosted solution providers, that provide services to us, could also be a source of security risk in the event of a failure of their own security systems and infrastructure. Â The costs to eliminate or address the foregoing security threats and vulnerabilities before or after a cyber-incident could be significant. Our remediation efforts may not be successful and could result in interruptions, delays or cessation of service, and loss of existing or potential suppliers or customers. In addition, breaches of our security measures and the unauthorized dissemination of sensitive personal, proprietary or confidential information about us, our business partners, participants in our clinical trials or other third parties could expose us to significant potential liability and reputational harm. In addition, the loss of clinical trial data from completed or ongoing or planned clinical trials as a result of a data security incident or other systems failure could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. As threats related to cyber-attacks develop and grow, we may also find it necessary to make additional investments to protect our data and infrastructure, which may impact our profitability. As a global enterprise, we could also be negatively impacted by existing and proposed laws and regulations, as well as government policies and practices related to cybersecurity, data privacy, data localization and data protection such as GDPR and the California Consumer Privacy Act. Â 44 Table of Contents Â Any failure to comply with the FCPA and similar anti-bribery laws in non-U.S. jurisdiction could materially adversely affect our business and result in civil and/or criminal sanctions. Â The FCPA and similar anti-bribery laws in non-U.S. jurisdictions generally prohibit companies and their intermediaries from making improper payments to non-U.S. government officials for the purpose of obtaining or retaining business. Because of the importance of the global public health sector for sales of FC2, many of our customer relationships outside of the U.S. are with governmental entities and are therefore potentially subject to such laws. Global enforcement of anti-corruption laws has increased substantially in recent years, with more frequent voluntary self-disclosures by companies, aggressive investigations and enforcement proceedings by U.S. and non-U.S. governmental agencies, and assessment of significant fines and penalties against companies and individuals. Our international operations create the risk of unauthorized payments or offers of payments by one of our employees, consultants, sales agents, or distributors, because these parties are not always subject to our control. Any alleged or actual violations of these regulations may subject us to government scrutiny, severe criminal or civil sanctions and other liabilities, including exclusion from government contracting, and could disrupt our business, and result in a material adverse effect on our reputation, results of operations and financial condition. Â We will need to increase the size and complexity of our organization in the future, and we may experience difficulties in executing our growth strategy and managing any growth. Â Our management, personnel, systems and facilities currently in place may not be adequate to support our business plan and future growth. We will need to further expand our scientific, sales and marketing, managerial, operational, financial and other resources to support our planned research, development and commercialization activities. Â Our need to manage our operations, growth and various projects effectively requires that we: Â Â â— improve our operational, financial, management and regulatory compliance controls and reporting systems and procedures; Â â— attract and retain sufficient numbers of talented employees; Â â— manage our commercialization activities for our drug candidates effectively and in a cost-effective manner; Â â— manage our relationship with our partners related to the commercialization of our drug candidates; Â â— manage our clinical trials effectively; Â â— manage our internal manufacturing operations effectively and in a cost-effective manner while increasing production capabilities for our current drug candidates to commercial levels; and Â â— manage our development efforts effectively while carrying out our contractual obligations to partners and other third parties. Â In addition, historically, we have utilized and continue to utilize the services of part-time outside consultants to perform a number of tasks for us, including tasks related to preclinical and clinical testing. Our growth strategy may also entail expanding our use of consultants to implement these and other tasks going forward. Because we rely on consultants for certain functions of our business, we will need to be able to effectively manage these consultants to ensure that they successfully carry out their contractual obligations and meet expected deadlines. There can be no assurance that we will be able to manage our existing consultants or find other competent outside consultants, as needed, on economically reasonable terms, or at all. If we are not able to effectively expand our organization by hiring new employees and expanding our use of consultants, we might be unable to implement successfully the tasks necessary to execute effectively on our planned research, development and commercialization activities and, accordingly, might not achieve our research, development and commercialization goals. Â Uncertainties in the interpretation and application of tax rules in the various jurisdictions in which we operate could materially affect our deferred tax assets, tax obligations and effective tax rate. Â We are subject to a variety of taxes and tax collection and remittance obligations in the U.S. and foreign jurisdictions. Additionally, at any point in time, we may be under examination for value added, sales-based, payroll, product, import or other non-income taxes. We may recognize additional tax expense, be subject to additional tax liabilities, incur losses and penalties, due to changes in laws, regulations, administrative practices, principles, assessments by authorities and interpretations related to tax, including tax rules in various jurisdictions. We compute our income tax provision based on enacted tax rates in the countries in which we operate. As tax rates vary among countries, a change in earnings attributable to the various jurisdictions in which we operate could result in an unfavorable change in our overall tax provision. Changes in enacted tax rates and the assumptions and estimates we have made, as well as actions we may take, could result in a write down of deferred tax assets or otherwise materially affect our tax obligations or effective tax rate, which could negatively affect our financial condition and results of operations. Â 45 Table of Contents Â Our effective tax rate may be negatively impacted if we are unable to realize deferred tax assets or by future changes to tax laws in jurisdictions in which we operate. Â We are subject to income taxes in the U.S., the U.K. and other global jurisdictions. Our effective tax rate could be adversely affected by changes in the valuation of deferred tax assets and liabilities. We recognize deferred tax assets and liabilities based on the differences between the consolidated financial statement carrying amounts and the tax basis of assets and liabilities. Significant judgment is required in determining our provision for income taxes. We regularly review our deferred tax assets for recoverability and establish a valuation allowance if it is more likely than not that some portion or all of a deferred tax asset will not be realized. If we are unable to generate sufficient future taxable income, if there is a material change in the actual effective tax rates, or if there is a change to the time period within which the underlying temporary differences become taxable or deductible, we could be required to increase our valuation allowance against our deferred tax assets, which could result in a material increase in our effective tax rate. Changes in tax laws or tax rulings could have a material impact on our effective tax rate. Jurisdictions in which we operate, including the U.S. and the UK, may consider changes to existing tax laws. Such changes could increase our tax obligations in those countries where we do business. Any changes in the taxation of our activities in such jurisdictions may result in a material increase in our effective tax rate. Â Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. Â As of September 30, 2024, we had federal and state net operating loss carryforwards of approximately $164.2Â million and $70.0Â million, respectively, of which $28.6Â million and $35.6Â million, respectively, if not utilized to offset taxable income in future periods, will begin to expire in 2025Â and will completely expire in 2044. Under the Internal Revenue Code of 1986, as amended (the â€œCodeâ€) and the regulations promulgated thereunder, including, without limitation, the consolidated income tax return regulations, various corporate ownership changes could limit our ability to use our net operating loss carryforwards and other tax attributes to offset our income. Â An â€œownership changeâ€ (generally a 50% change in equity ownership over a three-year period) under Section 382 of the Code could limit our ability to offset, post-change, our U.S. federal taxable income. Section 382 of the Code imposes an annual limitation on the amount of post-ownership change taxable income a corporation may offset with pre-ownership change net operating loss carryforwards and certain recognized built-in losses. Â Risks Relating to Our Intellectual Property Â We may be unable to protect the proprietary nature of the intellectual property covering our products. Â Our commercial success depends in part on our ability to obtain and maintain intellectual property rights to our products, drug candidates and technology as well as successfully defending these rights against third party challenges. 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 profitability. The patent positions of pharmaceutical products are highly uncertain. The legal principles applicable to patents are in transition due to changing court precedent and legislative action and we cannot be certain that the historical legal standards surrounding questions of validity will continue to be applied or that current defenses relating to issued patents in these fields will be sufficient in the future. Changes in patent laws in the United States, such as the America Invents Act of 2011, may affect the scope, strength and enforceability of our patent rights or the nature of proceedings that may be brought by us related to our patent rights. In addition, the laws of some foreign countries do not protect proprietary rights to the same extent as the laws of the United States and we may encounter significant problems in protecting our proprietary rights in these countries. We are limited in protecting our proprietary rights from unauthorized use by third parties by the extent that our proprietary technologies are covered by valid and enforceable patents or are effectively maintained as trade secrets. Â These risks include the possibility of the following: Â Â â— the patent applications that we have filed may fail to result in issued patents in the United States or

in foreign countries; Â â— patents issued or licensed to us or our partners may be challenged or discovered to have been issued on the basis of insufficient, incomplete or incorrect information, and thus held to be invalid or unenforceable; Â â— the scope of any patent protection may be too narrow to exclude competitors from developing or designing around these patents; Â â— we or our licensor was not the first to make the invention covered by an issued patent or pending patent application; Â â— we or our licensor was not the first inventor to file a patent application for the technology in the United States or was not the first to file a patent application directed to the technology abroad; Â â— we may fail to comply with procedural, documentary, fee payment and other similar provisions during the patent application process, which can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights; Â 46 Table of Contents Â Â â— future drug candidates or our proprietary technologies may not be patentable or legal decisions may limit patent-eligible subject matter; Â â— others may claim rights or ownership with regard to patents and other proprietary rights that we hold or license; Â â— delays in development, testing, clinical trials and regulatory review may reduce the period of time during which we could market our drug candidates under patent protection; Â â— we may fail to timely apply for patents on our technologies or products; and Â â— inability to control patent prosecution, maintenance, or enforcement of any in-licensed intellectual property. Â We cannot predict whether third parties will assert these claims against us or our strategic partners or against the licensors of technology licensed to us, or whether those claims will harm our business. In addition, the outcome of intellectual property litigation is subject to uncertainties that cannot be adequately quantified in advance. If we or our partners were to face infringement claims or challenges by third parties relating to our drug candidates, an adverse outcome could subject us to significant liabilities to such third parties and force us or our partners to curtail or cease the development of some or all of our drug candidates, which could adversely affect our business, financial condition, results of operations and prospects. Â Our or our licensorsâ€™ patents may expire or be invalidated, found to be unenforceable, narrowed or otherwise limited or our or our licensorsâ€™ patent applications may not result in issued patents or may result in patents with narrow, overbroad, or unenforceable claims. Â Our commercial success will depend in part on obtaining and maintaining patent and trade secret protection for our drug candidates, as well as the methods for treating patients in the prescribed indications using these drug candidates. We will be able to protect our drug candidates and the methods for treating patients in the indications using these drug candidates from unauthorized use by third parties only to the extent that we or our licensors own or control such valid and enforceable patents or trade secrets. Â Even if our drug candidates and the methods for treating patients for prescribed indications using these drug candidates are covered by valid and enforceable patents and have claims with sufficient scope, disclosure and support in the specification, the patents will provide protection only for a limited amount of time. Our and our licensorâ€™s ability to obtain patents can be highly uncertain and involve complex and in some cases unsettled legal issues and factual questions. Furthermore, different countries have different procedures for obtaining patents, and patents issued in different countries provide different degrees of protection against the use of a patented invention by others. Therefore, if the issuance to us or our licensor, in a given country, of a patent covering an invention is not followed by the issuance, in other countries, of patents covering the same invention, or if any judicial interpretation of the validity, enforceability, or scope of the claims in, or the written description or enablement in, a patent issued in one country is not similar to the interpretation given to the corresponding patent issued in another country, our ability to protect our intellectual property in those countries may be limited. Changes in either patent laws or in interpretations of patent laws in the United States and other countries may materially diminish the value of our intellectual property or narrow the scope of our patent protection. Â While we will apply for patents covering our technologies and products, as we deem appropriate, many third parties may already have filed patent applications or have received patents in our areas of product development. These entitiesâ€™ applications, patents and other intellectual property rights may conflict with our patent applications or other intellectual property rights and could prevent us from obtaining patents, could call into question the validity of any of our patents, if issued, or could otherwise adversely affect our ability to develop, manufacture, commercialize or market our products. In addition, if third parties file patent applications which include claims covering any technology to which we have rights, we may have to participate in interference, derivation or other proceedings with the USPTO, or foreign patent regulatory authorities to determine our rights in the technology, which may be time-consuming and expensive. Moreover, issued patents may be challenged in the courts or in post-grant proceedings at the USPTO, or in similar proceedings in foreign countries. These proceedings may result in loss of patent claims or adverse changes to the scope of the claims. Â If we or our licensors or strategic partners fail to obtain and maintain patent protection for our products, or our proprietary technologies and their uses, companies may be dissuaded from collaborating with us. In such event, our ability to commercialize our drug candidates or future drug candidates, if approved, may be threatened, we could lose our competitive advantage and the competition we face could increase, all of which could adversely affect our business, financial condition, results of operations and prospects. Â In addition, mechanisms exist in much of the world permitting some form of challenge by generic drug marketers to patents prior to, or immediately following, the expiration of any regulatory exclusivity, and generic companies are increasingly employing aggressive strategies, such as â€œat riskâ€ launches and compulsory licensing to challenge relevant patent rights. Â Our business also may rely on unpatented proprietary technology, know-how, and trade secrets. If the confidentiality of this intellectual property is breached, it could adversely impact our business. Â 47 Table of Contents Â We may not have sufficient intellectual property protection for enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness. Â The value of enobosarm as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight elderly patients receiving a GLP-1 RA who are at-risk for developing muscle atrophy and muscle weakness will depend in part on our ability to obtain and maintain intellectual property rights to this drug candidate as well as successfully defend these rights against third party challenges. We have existing composition of matter and polymorph composition of matter issued patents with the last patent terms expiring in 2028 and 2029 as well as a pending provisional patent method of use application related to the use of enobosarm in weight management, with the longest patent term, if issued, being for the method of use application which would expire in 2044, if issued. This method of use patent application may fail to result in an issued patent, may be challenged, or may result in patent protection that may be too narrow to exclude competitors from developing or designing around any issued patent. 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 profitability. Â We are dependent in part on some license relationships. Â We have acquired by license intellectual property and technology relating to our sabizabulin and enobosarm drug candidates and might enter into additional licenses in the future. Licenses to which we are a party contain, and we expect that any future licenses will contain, provisions requiring up-front, milestone and royalty payments to licensors. If we fail to comply with these obligations or other obligations to a licensor, that licensor might have the right to terminate the license on relatively short notice, in which event we would not be able to commercialize the drug candidates that were covered by the license. Also, the milestone and other payments associated with these licenses will make it less profitable for us to develop our drug candidates. Â We may face claims that our intellectual property infringes on the intellectual property rights of third parties. If we infringe intellectual property rights of third parties, it may increase our costs or prevent us from being able to commercialize our product candidates. Â Our success depends, in part, on not infringing the patents and proprietary rights of other parties and not breaching any license, collaboration or other agreements we enter into with regard to our technologies and products. Numerous United States and foreign issued patents and pending patent applications owned by others also exist in the therapeutic areas in, and for the therapeutic targets for, which we intend to develop drugs. Patent applications are confidential when filed and remain confidential until publication, approximately 18Â months after initial filing, while some patent applications remain unpublished until issuance. As such, there may be other third-party patents and pending applications of which we will be unaware with claims directed towards composition of matter, formulations, methods of manufacture, or methods for treatment related to the use or manufacture of our products or drug candidates. Therefore, we cannot know with certainty the nature or existence of every third-party patent filing. We cannot be sure that we or our partners will be free to manufacture or market our drug candidates as planned or that us or our licensors' and partners' patents will not be opposed or litigated by third parties. If any third-party patent was held by a court of competent jurisdiction to cover aspects of our materials, formulations, methods of manufacture or methods of treatment related to the use or manufacture of any of our drug candidates, the holders of any such patent may be able to block our ability to develop and commercialize the applicable drug candidate unless we obtained a license or until such patent expires or is finally determined to be held invalid or unenforceable. We may not be able to obtain a license to such patent on favorable terms or at all. Failure to obtain such license may have a material adverse effect on our business. Â There is a risk that we are infringing the proprietary rights of third parties because numerous United States and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields that are the focus of our development and manufacturing efforts. Others might have been the first to make the inventions covered by each of our or our licensorâ€™s pending patent applications and issued patents and/or might have been the first to file patent applications for these inventions. In addition, because patent applications take many months to publish and patent applications can take many years to issue, there may be currently pending applications, unknown to us or our licensor, which may later result in issued patents that cover the production, manufacture, synthesis, commercialization, formulation or use of our product candidates. In addition, the production, manufacture, synthesis, commercialization, formulation or use of our product candidates may infringe existing patents of which we are not aware. Defending ourselves against third-party claims, including litigation in particular, would be costly and time consuming and would divert managementâ€™s attention from our business, which could lead to delays in our development or commercialization efforts. If third parties are successful in their claims, we might have to pay substantial damages or take other actions that are adverse to our business. Â 48 Table of Contents Â There is a substantial amount of litigation involving intellectual property in the pharmaceutical industry. If a third party asserts that we infringe its patents or other proprietary rights, we could face a number of risks that could adversely affect our business, financial condition, results of operations and prospects, including the following: Â Â â— infringement and other intellectual property claims would be costly and time-consuming to defend, whether or not we are ultimately successful, and could delay the regulatory approval process, consume our capital and divert management's attention from our business; Â â— we may have to pay substantial damages for past infringement if a court determines that our products or technologies infringe a competitor's patent or other proprietary rights; Â â— a court may prohibit us from selling or licensing our technologies or future products unless a third party licenses its patents or other proprietary rights to us on commercially reasonable terms, which it is not required to do; Â â— if a license is available from a third party, we may have to pay substantial royalties or lump sum payments or grant cross licenses to our patents or other proprietary rights to obtain that license; or Â â— we may need to redesign our products so they do not infringe, which may not be possible or may require substantial monetary expenditures and time. Â We cannot predict whether third parties will assert these claims against us or our strategic partners or against the licensors of technology or other intellectual property licensed to us, or whether those claims will harm our business. In addition, the outcome of intellectual property litigation is subject to uncertainties that cannot be adequately quantified in advance. If we or our partners were to face infringement claims or challenges by third parties relating to our drug candidates, an adverse outcome could subject us to significant liabilities to such third parties and force us or our partners to curtail or cease the development of some or all of our drug candidates, which could adversely affect our business, financial condition, results of operations and prospects. Â We may be subject to claims that our employees have wrongfully used or disclosed alleged trade secrets of our competitors. Â As is common in the pharmaceutical industry, we will employ individuals who were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that these employees, or we, have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. Such claims may lead to material costs for us, or an inability to protect or use valuable intellectual property rights, which could adversely affect our business, financial condition, results of operations and prospects. Â We may need to file lawsuits or take other actions to protect or enforce our intellectual property rights. Â We may be subject to competition from third parties with products in the same class of products as our drug candidates or products with the same active pharmaceutical ingredients as our drug candidates in those jurisdictions in which we have no patent protection. Even if patents are issued to us or our licensor regarding our drug candidates or methods of using them, those patents can be challenged by our competitors who can argue such patents are invalid or unenforceable, lack of utility, lack sufficient written description or enablement, or that the claims of the issued patents should be limited or narrowly construed. Patents also will not protect our product candidates if competitors devise ways of making or using these product candidates without legally infringing our patents. The Federal Food, Drug, and Cosmetic Act and FDA regulations and policies create a regulatory environment that encourages companies to challenge branded drug patents or to create non-infringing versions of a patented product in order to facilitate the approval of abbreviated new drug applications for generic substitutes. These same types of incentives encourage competitors to submit new drug applications that rely on literature and clinical data not prepared for or by the drug sponsor, providing another less burdensome pathway to approval. Â Competitors may infringe our patents or the patents of our licensors. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. Moreover, we may not have sufficient financial or other resources to file and pursue such infringement claims, which typically last for years before they are concluded. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents and other intellectual property protection, particularly those relating to pharmaceuticals, 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. Â 49 Table of Contents Â In addition, in an infringement proceeding, a court may decide that one of our patents or one of our licensor's patents is not valid or is unenforceable or may refuse to stop the other party from using the technology at issue on the grounds that our patents, or those of our licensors, do not cover the technology in question or on other grounds. An adverse result in any litigation or defense proceedings could put one or more of our patents, or those of our licensors, at risk of being invalidated, held unenforceable or interpreted narrowly and could put our patent applications, or those of our licensors, at risk of not issuing. Moreover, we may not be able to prevent, alone or with our licensors, misappropriation of our proprietary rights, particularly in countries in which the laws may not protect those rights as fully as in the United States or in those countries in which we do not file national phase patent applications. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. The occurrence of any of the above could adversely affect our business, financial condition, results of operations and prospects. Â We may fail to protect the confidentiality of commercially sensitive information. Â We also rely on trade secrets to protect our technology, especially where we do not believe that patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. Our employees, consultants, contractors, outside scientific collaborators and other advisors 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. Enforcing a claim that a third party illegally obtained and is using our trade secrets is expensive and time-consuming, and the outcome is unpredictable. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how. Failure to obtain or maintain trade secret protection could adversely affect our competitive business position. Â Risks Related to Ownership of Our Common Stock Â Ownership in our common stock is highly concentrated and your ability to influence corporate matters may be limited as a result. Â As of December 12, 2024, our executive officers and directors collectively beneficially owned approximately 14.9%Â of the outstanding shares of our common stock, including approximately 6.6%Â beneficially owned by Mitchell Steiner, M.D., our Chairman, President and Chief Executive Officer, and 6.2%Â beneficially owned by Harry Fisch, M.D., our Vice Chairman and Chief Corporate Officer. These shareholders may have the ability to exert significant influence over the outcome of shareholder votes, including votes concerning director elections, amendments to our Amended and Restated Articles of Incorporation and other significant corporate transactions. In addition, this concentration of ownership may have the effect of delaying, deferring or preventing a change in control, impeding a merger, consolidation, takeover or other business combination involving us, or discouraging a potential acquiror from making a tender offer or otherwise attempting to obtain control of our business, even if such a transaction would benefit other stockholders. The interests of such stockholders may not always coincide with your interests or the interests of other stockholders and they may act in a manner that advances their best interests and not necessarily those of other stockholders. Â We have received a notice of delisting from Nasdaq. Â On August 29, 2024, we received a letter from The Nasdaq Stock Market, LLC ("Nasdaq"), notifying us we had fallen below compliance with respect to the continued listing standard set forth in Rule 5550(a)(2) of the Nasdaq Listing Rules because the closing bid price of our common stock over the previous 30 consecutive trading-day period had fallen below $1.00 per share. Â In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have a period of 180 calendar days from the date of notification, or until FebruaryÂ 25, 2025, to regain compliance with the minimum bid price requirement. During this period, our common stock will continue to trade on the Nasdaq Capital Market. If at any time before FebruaryÂ 25, 2025, the bid price of our common stock closes at or above $1.00 per share for a minimum of 10 consecutive trading days (which period may be extended to greater than 10 consecutive trading days at the sole discretion of Nasdaq),

Nasdaq will provide written notification that we have achieved compliance with this minimum bid price requirement. In the event we do not regain compliance by FebruaryÂ 25, 2025, we may be eligible for an additional 180 calendar day compliance period to demonstrate compliance with the bid price requirement. To qualify for the additionalÂ 180-dayÂ period, we will be required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for Nasdaq, with the exception of the bid price requirement, and will need to provide written notice to Nasdaq of our intention to cure the deficiency during the second compliance period by effecting a reverse stock split, if necessary. If we do not qualify for the second compliance period or fail to regain compliance during the secondÂ 180-dayÂ period, then Nasdaq will notify us of its determination to delist our common stock. Â 50 Table of Contents Â If Nasdaq delists our shares of common stock from trading on its exchange for failure to meet Nasdaqâ€™s listing standards, we and our stockholders could face significant material adverse consequences including: Â Â â— a limited availability of market quotations for our shares; Â â— reduced liquidity for our shares; Â â— a determination that our common stock is a â€œpenny stockâ€ which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our shares; Â â— a limited amount of news and analyst coverage; and Â â— a decreased ability to issue additional securities or obtain additional financing in the future. Â We incurred charges to earnings in fiscal 2020 and in fiscal 2023 resulting from the APP Acquisition, and additional charges to earnings resulting from the APP Acquisition in the future may cause our operating results to suffer. Â Under the acquisition method of accounting in accordance with ASC 805, Business Combinations, we allocated the total purchase price of the APP Acquisition to APP's net tangible assets and intangible assets based on their respective fair values as of the date of the APP Acquisition and recorded the excess of the purchase price over those fair values as goodwill. Management's estimates of the fair value of such assets was based upon assumptions that they believed to be reasonable but that will be inherently uncertain. Impairment of goodwill, among other factors, could result in material charges that would cause our financial results to be negatively impacted. Â The restatements of our prior financial statements may affect stockholder and investor confidence in us or harm our reputation, and may subject us to additional risks and uncertainties, including increased costs and the increased possibility of legal proceedings and regulatory inquiries, sanctions or investigations. Â Subsequent to the filing of our Form 10-Q for the quarter ended JuneÂ 30, 2023 on August 10, 2023 (the â€œOriginal Form 10-Qâ€), we reached a determination to restate certain financial information and related footnote disclosures in our previously issued consolidated financial statements in the Original Form 10-Q. In addition, subsequent to the filing of the Original Form 10-K for the year ended SeptemberÂ 30, 2023 on DecemberÂ 8, 2023, we reached a determination to restate certain financial information and related footnote disclosures in our previously issued consolidated financial statements in the Original Form 10-K.Â As a result of the restatements, we have incurred, and may continue to incur, unanticipated costs for accounting and legal fees in connection with, or related to, such restatements. In addition, such restatements could subject us to a number of additional risks and uncertainties, including the increased possibility of legal proceedings and inquiries, sanctions or investigations by the SEC or other regulatory authorities, which effect may be compounded by having two restatements in close proximity. Any of the foregoing may adversely affect our reputation, the accuracy and timing of our financial reporting, or our business, results of operations, liquidity and financial condition, or cause stockholders, investors, members and customers to lose confidence in the accuracy and completeness of our financial reports or cause the market price of our common stock to decline. Â We previously had identified twoÂ material weaknesses in our internal control over financial reporting, and determined that they resulted in our internal control over financial reporting and disclosure controls and procedures not being effective, as of September 30, 2023. Although we have remediated theseÂ material weaknesses, we may identify additional material weaknesses or other deficiencies in the future or otherwise fail to maintain an effective system of internal controls, including disclosure controls and procedures, and this could result in material misstatements of our financial statements or cause us to fail to meet our reporting obligations. Â SEC rules define a material weakness as a deficiency, or a combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of a registrantâ€™s financial statements will not be prevented or detected on a timely basis. We are required to annually provide managementâ€™s attestation on internal control over financial reporting. We are also required to disclose significant changes made to our internal control procedures on a quarterly basis and any material weaknesses identified by our management in our internal control over financial reporting during the course of related assessments. Â 51 Table of Contents Â Management previously had identified material weaknesses in our internal control over financial reporting as of SeptemberÂ 30, 2023 related to:Â (1) its controls over applying technical accounting guidance to nonrecurring events and transactions, specific to the evaluation of information that was known or knowable at the time of the transaction or event, and (2) its management review control over its estimate of research and development expenses associated with activities conducted by third-party service providers. Management determined that such material weaknesses resulted in the Companyâ€™s internal control over financial reporting and disclosure controls and procedures not being effective as of September 30, 2023. During the quarter ended September 30, 2024, we successfully completed the testing necessary to concludeÂ that these material weaknesses have been remediated. Â Effective internal controls are necessary for us to provide reliable financial statements and prevent or detect fraud. Although the material weaknesses in internal control over financial reporting described above have been remediated, any new material weaknesses or other deficiencies identified in the future or any deficiencies in our disclosure controls and procedures, if not timely remediated, could limit our ability to prevent or detect a misstatement of our accounts or disclosures that could result in a material misstatement of our annual or interim financial statements. We can provide no assurance that the remediation measures we have takenÂ will be effective at preventing or avoiding potential future significant deficiencies or material weaknesses in our internal controls. Â If we identify any new deficiencies in the future, the accuracy and timing of our financial reporting may be adversely affected, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, we could be subject to sanctions or investigations by the SEC, or other regulatory authorities, and we may not be able to source external financing for our capital needs on acceptable terms or at all. Each of the foregoing items could adversely affect our business, results of operations, financial condition, and the market price and volatility of our common stock. In addition, we have expended, and expect to continue to expend, significant resources, including accounting-related costs and significant management oversight, in order to assess, implement, maintain, remediate and improve the effectiveness of our internal control over financial reporting and our general control environment. Â In addition, as a result of the material weaknesses described above and other matters raised or that may in the future be raised by the SEC, we face the potential for litigation or other disputes which may include, among others, claims invoking the federal and state securities laws, contractual claims or other claims arising from the deficiencies in our internal control over financial reporting described above, the preparation of our financial statements and the restatement described above. Any such litigation or dispute, whether successful or not, could have a material adverse effect on our business, results of operations, liquidity and financial condition. Â We are a â€œsmaller reporting companyâ€ and will be able to avail ourselves of reduced disclosure requirements applicable to smaller reporting companies, which could make our common stock less attractive to investors. Â We are a â€œsmaller reporting company,â€ as defined in theÂ Exchange Act, and we intend to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not â€œsmaller reporting companies,â€ including reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile. We may take advantage of these reporting exemptions until we are no longer a â€œsmaller reporting company.â€ We will remain a â€œsmaller reporting companyâ€ until (a) the aggregate market value of our outstanding common stock held by non-affiliates as of the last business day of our most recently completed second fiscal quarter is $250Â million or more and we reported annual net revenues as of our most recently completed fiscal year is $100Â million or more, or (b) the aggregate market value of our outstanding common stock held by non-affiliates as of the last business day of our most recently completed second fiscal quarter is $700 million or more, regardless of annual revenue. Â 52 Table of Contents Â There are provisions in our charter documents, Wisconsin law and our residual royalty agreement that might prevent or delay a change in control of our company. Â We are subject to a number of provisions in our charter documents, Wisconsin law and our residual royalty agreement with SWK Funding LLC that may discourage, delay, or prevent a merger or acquisition that a shareholder may consider favorable. These provisions include the following: Â Â â— the authority provided to our Board of Directors in our Amended and Restated Articles of Incorporation to issue preferred stock without further action by our shareholders; Â â— the provision under Wisconsin law that permits shareholders to act by written consent only if such consent is unanimous; Â â— the provision under Wisconsin law that requires for a corporation such as us, that was formed before January 1, 1973, the affirmative vote of the holders of at least two-thirds of the outstanding shares of our voting stock to approve an amendment to our articles of incorporation, a merger submitted to a vote of our shareholders, or a sale of substantially all of our assets; Â â— advance notice procedures for nominations of candidates for election as directors and for shareholder proposals to be considered at shareholdersâ€™ meetings; Â â— the Wisconsin control share acquisition statute and Wisconsin's â€œfair priceâ€ and â€œbusiness combinationâ€ provisions which limit the ability of an acquiring person to engage in certain transactions or to exercise the full voting power of acquired shares under certain circumstances; and Â â— our residual royalty agreement with SWK Funding LLC requires a mandatory prepayment upon a change of control of Veru or a sale of our FC2 business. Â The trading price of our common stock has been volatile, and investors in our common stock may experience substantial losses. Â The trading price of our common stock has been volatile and may continue to be volatile. The trading price of our common stock could decline or fluctuate in response to a variety of factors, including: Â Â â— our failure to meet market expectations for our performance; Â â— the timing of announcements by us or our competitors concerning significant product developments, acquisitions, or financial performance; Â â— adverse results or delays in our clinical trials for our drug candidates; Â â— changes in laws or regulations applicable to our business; Â â— competition from new products that may emerge; Â â— actual or anticipated fluctuations in our financial condition or operating results; Â â— substantial sales of our common stock; Â â— issuance of new or updated research reports from securities analysts; Â â— announcement or expectation of additional debt or equity financing efforts; Â â— additions or departures of key personnel; Â â— general stock market conditions; Â â— attacks by short sellers or substantial short interest in our common stock; or Â â — other economic or external factors. Â You may be unable to sell your stock at or above your purchase price. Â 53 Table of Contents Â A substantial number of shares may be sold in the market, which may depress the market price for our common stock. Â Sales of a significant number of shares of our common stock, or the expectation that such sales may occur, could significantly reduce the market price of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. We have also registered the offer and sale of all shares of common stock that we may issue under our equity compensation plans, including upon the exercise of stock options, shares of common stock we may issue under our current common stock purchase agreement with Lincoln Park, including 3,025,000 shares of common stock that we have issued under our current common stock purchase agreement with Lincoln Park through the date of this report. These shares can be freely sold in the public market upon issuance. Â Additionally, sales of our common stock by our executive officers or directors, even when done during an open trading window under our policies with respect to insider sales, may adversely impact the trading price of our common stock. Although we do not expect that the relatively small volume of such sales will itself significantly impact the trading price of our common stock, the market could react negatively to the announcement of such sales, which could in turn affect the trading price of our common stock. Â Because we do not anticipate paying any cash dividends on our common stock in the foreseeable future, capital appreciation, if any, will be our shareholdersâ€™ sole source of gain. Â We have not declared or paid cash dividends on our common stock since May 2014. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. As a result, capital appreciation, if any, of our common stock will be our shareholdersâ€™ sole source of gain for the foreseeable future. Â 54 Table of Contents Â Item 1B. Unresolved Staff Comments Â Not Applicable Â Item 1C. Cybersecurity Â Risk Management and Strategy Â We have developed and implemented a cybersecurity risk management program intended to materially protect the confidentiality, integrity and availability of our critical systems and information. Our cybersecurity risk management program includes policies and processes for assessing, identifying, and managing risk from cybersecurity threats as well as a cybersecurity incident response plan. Our cybersecurity risk management program is integrated into our overall risk management system and processes, and shares common methodologies, reporting channels and governance processes that apply across the enterprise risk management program to other strategic, operational, legal, compliance, and financial risk areas. Â Our cybersecurity policies and procedures are designed to ensure that appropriate cybersecurity measures and controls are developed, implemented, and maintained, with assistance from a third-party service provider. These policies and procedures and the resulting safeguards are designed and evaluated in light of our risk assessments. We have implemented access controls, firewalls, and intrusion detection and prevention systems, vulnerability and patch management processes, and we also use a variety of other automated tools and manual processes to safeguard our information systems. We maintain aÂ business continuity and disaster recovery plan designed to enhance our incident response preparedness. We also require employees to undergo security awareness training when hired and based on periodic phishing tests.Â Â As of the date of this Annual Report on Form 10-K, we have not identified risks from known cybersecurity threats, including or as a result of any prior cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. Â For additional information regarding risks to us from cybersecurity threats, seeÂ â€œRisk Factorsâ€ in Item 1A. of this report. Â Governance Â One of the key functions of our board of directors is risk oversight, including risks from cybersecurity threats. Our board of directors is responsible for monitoring and assessing strategic risk exposure, and our executive officers are responsible for the day-to-day management of the material risks we face. Our board of directors administers its cybersecurity risk oversight function directly and through the audit committee. Â Our Chief Financial Officer is primarily responsible for assessing and managingÂ our material risks from cybersecurity threats with assistance from a third-party service provider. Our Chief Financial Officer supervises efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which includeÂ quarterly briefings from our third-party service providerÂ and alerts and reports produced by security tools deployed in the IT environment. Our Chief Financial Officer has over 10 years of experience in overseeing our cybersecurity and information technology programs. We also rely on our third-party service provider for advice and expertise on monitoring evolving industry standards and best practices.Â Â Our Chief Financial Officer provides periodic briefings to the board of directors regarding the Company's cybersecurity risks and activities, including any recent cybersecurity incidents and related responses, cyber security systems testing, and activities of third parties.Â Â 55 Table of Contents Â Item 2. Properties Â The Companyâ€™s headquarters are located in Miami, Florida in approximately 12,000 square feet of office space. The Company executed the lease for this office space in June 2021. The lease is for an eight-year term, which commenced on MarchÂ 1, 2022 and ends on February 28, 2030. Â The Company leases approximately 6,400 square feet of office space located in London, England. The lease has a five-year term that expires in August 2025. Â The Company manufactures and warehouses FC2 within a leased facility with approximately 45,800 square feet of space in Selangor D.E., Malaysia. Production capacity at this facility is approximately 100Â million units of FC2 annually. The Company executed the lease for this space in August 2019, for a three-year term commencing on SeptemberÂ 1, 2019 and ending on AugustÂ 31, 2022. The Company had an option to extend the term of the lease for a period of three years, which was executed so that the lease is effective through August 31, 2025. This facility is subject to periodic inspection by the FDA to ensure compliance with cGMP, as well as the U.K.-based notified body, which is responsible for CE and ISO accreditation. Â We believe that the facilities noted above are suitable and adequate for our current needs. Â Item 3. Legal Proceedings. Â For a description of our material pending legal proceedings, see Litigation in Note 13, Contingent Liabilities, to the financial statements included in this report and incorporated herein by reference. Â Item 4. Mine Safety Disclosures Â Not Applicable Â Â Â PART II Â Item 5. Market for Registrantâ€™s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities Â Shares of our common stock trade on the Nasdaq Capital Market under the symbol â€œVERUâ€. The number of record holders of our common stock onÂ December 12, 2024 was approximately 148. Â Item 6. Reserved Â 56 Table of Contents Â Item 7. Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operations Â Overview Â We are a late clinical stage biopharmaceutical company focused on developing novel medicines for the treatment of metabolic diseases, oncology, and viral-induced ARDS. Our drug development program includes two late-stage new chemical entities, enobosarm and sabizabulin. Enobosarm, a selective androgen receptor modulator (â€œSARMâ€), is being developed in two different programs: (i) obesity- enobosarm in combination with GLP-1 RA to augment fat loss, to prevent muscle loss, and maintain physical function for higher quality weight loss and (ii) breast cancer- enobosarm plus abemaciclib for the 2nd line treatment of androgen receptor positive (AR+), estrogen receptor positive (ER+) and human epidermal growth factor receptor 2 negative (HER2-) metastatic breast cancer, subject to the availability of sufficient funding. Sabizabulin, a microtubule disruptor, is being developed for the treatment of hospitalized patients with viral-induced ARDS. We do not intend to undertake further development of sabizabulin for the treatment of viral-induced ARDS unless we obtain funding from government grants, pharmaceutical company

partnerships, or other similar third-party external sources. We also have an FDA-approved commercial product, the FC2 Female CondomÂ® (Internal Condom), for the dual protection against unplanned pregnancy and sexually transmitted infections. Â Obesity Program Â In reported third-party clinical trials evaluating currently approved GLP-1 RA in obese patients, trial participants exhibited significant weight loss composed of reductions in both fat and lean (muscle and bone) mass. Of the total weight loss reported in certain of these third-party clinical trials, 20-50% of the total weight loss reported by patients was attributable to lean mass (muscle) loss. According to the CDC, 41.5% of older adults are obese and could benefit from weight loss medication. Up to 34.4% of people over the age of 60 withÂ obesityÂ in the United States have sarcopenic obesity. Sarcopenic obese patients are patients who have obesity and low muscle mass at the same time and are potentially at the greatest risk for developing critically low muscle mass when taking a currently approved GLP-1 RA. We therefore believe there is an urgent unmet need for a drug that can ameliorate the muscle wasting effects of currently approved GLP-1 RA therapies and also allow for preferential loss of fat mass in at-risk sarcopenic obese and overweight elderly patients. While older adults are at higher risk for sarcopenia and sarcopenic obesity, in discussions with the FDA, Veru intends to ultimately seek an approval in the broadest population that could benefit in all ages rather than limiting the indication to patients over the age of 60 years as younger patients (including females of child-bearing potential) with obesity on GLP-1 receptor agonists could benefit from the potential muscle-preserving effects of enobosarm. Â Enobosarm is an oral, novel SARM that has demonstrated tissue-selective, dose-dependent improvement in body composition with increases in lean mass and decreases in fat mass, improvement in muscle strength and physical function, has no clinically-relevant masculinizing effects in women and has neutral prostate effects in men in previous clinical trials.Â Advanced cancer can cause a loss of appetite where there is significant loss of both lean mass and fat mass. Enobosarm has been evaluated in five separate third-party clinical trials in which lean mass measurement was a primary or co-primary endpoint. These third-party clinical trials include two Phase 2 clinical trials in healthy older or sarcopenic subjects (168 subjects) and one Phase 2b clinical trial and two Phase 3 clinical trials in subjects with muscle wasting because of cancer (800 subjects), generating lean mass and safety data from a total of 968 patients. In certain of these trials, enobosarm demonstrated a dose-dependent improvement in body composition with increases in lean mass and reductions in fat mass. For example, in the Phase 2 clinical trial evaluating enobosarm in 120 men over 60 years old and postmenopausal women treated for 12 weeks, patients receiving 3mg dose of enobosarm (n=24) demonstrated a statistically significant (i) increase in total lean body mass (average increase of 1.25 kg (p = < 0.001)) and (ii) decrease in total fat mass (average decrease of 0.32 kg (p=0.049)). When measuring physical function by stair climb test, patients receiving 3mg dose of enobosarm in this trial also demonstrated statistically significant improvements compared to placebo (p=0.049) using a secondary methodology of statistical analysis provided for in the trial protocol. Â Based on a large safety database which includes 1,581 men and women with treatment duration for up to 3 years, enobosarm has been generally well tolerated in clinical trials completed to date. However, no preclinical studies or clinical trials evaluating the combination of enobosarm and a GLP-1 RA have been completed to date. All the nonclinical and clinical efficacy and safety data on enobosarm including those generated by these five third-party clinical trials are owned by Veru pursuant to an assignment from the University of Tennessee Research Foundation. Â We believe the clinical data we own that was generated from third-party clinical trials of enobosarm in both elderly patients and in patients with initial and ongoing muscle wasting caused by loss of appetite, provide strong clinical rationale for the co-administration of enobosarm and a GLP-1 RA in at-risk sarcopenic obese or overweight elderly patients as the combination has the potential to ameliorate the muscle wasting effects of currently approved GLP-1 RA therapies and also allow for preferential loss of fat mass. Â 57 Table of Contents Â We submitted an Investigational New Drug Application (IND) for enobosarm for a Phase 2b clinical study in January 2024. In FebruaryÂ 2024, the Company received FDA clearance to initiate the Phase 2b, multicenter, double-blind, placebo-controlled, randomized, dose-finding QUALITY clinical trial designed to evaluate the safety and efficacy of enobosarm 3mg, enobosarm 6mg, or placebo as a treatment to augment fat loss and to prevent muscle loss in sarcopenic obese or overweight older (>60 years of age) patients receiving semaglutide (WegovyÂ®). The primary endpoint is percent change from baseline in total lean body mass, and the key secondary endpoints are percent change from baseline in total body fat mass, total body weight, and physical function as measured by stair climb test at 16 weeks. In April 2024 the Company announced that it had enrolled its first patients in the Phase 2b QUALITY clinical study and in August 2024 the Company completed enrollment of 168 subjectsÂ in 14 clinical sites in the U.S. with the topline clinical results from the trial expected in January 2025. The purpose of the Phase 2b QUALITY clinical trial is to select the optimal dose of enobosarm in combination with semaglutide (WegovyÂ®) that best preserves muscle and reduces fat after 16 weeks of treatment to advance into a Phase 3 obesity clinical trial. Â After completing the efficacy dose-finding portion of the Phase 2b QUALITY clinical trial, the participants are expected to continue into a Phase 2b extension trial where all patients will stop treatment with semaglutide (WegovyÂ®), but will continue taking placebo, 3mg of enobosarm, or 6mg of enobosarm in a blinded fashion for 12 weeks. The Phase 2b extension clinical trial will evaluate whether enobosarm can maintain muscle and prevent the fat and weight regain that generally occurs after discontinuing a GLP-1 RA. The topline results of the separate blinded Phase 2b extension clinical study are expected in the second quarter of calendar 2025. Â Veru is also currently developing a novel, patentable, modified release formulation for enobosarm with multiple releases during a 24-hour dosing period.Â We anticipate the actual formulation, pharmacokinetic release profile(s), and method of manufacturing will be the subjectÂ of future patents.Â The purpose of the modification is to create a consistent release profile with a significantly reduced maximum exposure plus an extended-release profile toÂ minimize any dose-related adverse events whileÂ facilitating full exposure of the patient to the drug product between doses for the entire period of 24 hours.Â This formulation is currently in animal trials and is anticipated to be available for Phase 1 bioavailability clinical trial during the first half of 2025. We expect that the oral enobosarm modified release drug formulation will be utilized for any Phase 3 obesity clinical studies. Â Oncology Program Â Our oncology drug pipeline is focused on the clinical development of enobosarm, an oral selective androgen receptor modulator, for the treatment of metastatic breast cancer. As we have prioritized our clinical programs to focus on enobosarm for obesity, the continued clinical development of enobosarm for the treatment of metastatic breast cancer is subject to the availability of sufficient funding. We completed the Stage 1a portion of our Phase 3 clinical trial in October 2023. We will not, however, begin the Stage 1b portion or otherwise advance our trial Phase 3 clinical trial until sufficient funding is available. Â Enobosarm is a new class of endocrine therapy for advanced breast cancer. Enobosarm is an oral, new chemical entity, selective androgen receptor modulator designed to activate the AR in AR+ ER+ HER2- metastatic breast cancer and thereby suppress tumor growth without the unwanted masculinizing side effects. Enobosarm has extensive nonclinical and clinical experience having been evaluated in 27 separate clinical studies in 1,581Â subjects dosed, including three Phase 2 clinical trials in advanced breast cancer involving more than 191 patients. In one of the Phase 2 clinical trials conducted in women with AR+ ER+ HER2- metastatic breast cancer, enobosarm demonstrated significant antitumor efficacy in heavily pretreated cohorts that failed estrogen blocking agents, chemotherapy and/or CDK 4/6 inhibitors and was well tolerated with a favorable safety profile. Â The current standard of care for first line treatment of ER+ HER2- metastatic breast cancer is treatment with a CDK 4/6 inhibitor in combination with an estrogen blocking agent. Once a patient progresses while receiving this combination therapy, the FDA-approved treatment choices are limited to another estrogen blocking agent or chemotherapy. As up to 95% of ER+ HER2- metastatic breast cancers have an androgen receptor, we are developing enobosarm as another, but different, hormone therapy for the second line treatment of ER+ HER2- metastatic breast cancer. In preclinical studies, metastatic breast cancer tissue samples taken from patients who have ER+ HER2- metastatic breast cancer that had become resistant to CDK 4/6 inhibitors and estrogen blocking agents were grown in mice. In these mice, treatment with enobosarm in combination with a CDK 4/6 inhibitor suppressed the growth of human metastatic breast cancer greater than the CDK 4/6 inhibitor alone. Further, enobosarm treatment alone was also effective in suppressing the growth of CDK 4/6 inhibitor and estrogen blocking agent resistant human metastatic breast cancer tumors in mice. Â On March 30, 2023 and November 3, 2023, we met with the FDA to discuss the design of our Phase 3 clinical trial in patients with AR+ ER+ HER2- metastatic breast cancer who have tumor progression while receiving palbociclib (a CDK 4/6 inhibitor) plus an estrogen blocking agent (nonsteroidal aromatase inhibitor or selective estrogen receptor degrader). The design of the Phase 3 clinical trial was amended following our November 3, 2023 meeting with the FDA to implement the recommendations that were provided by the FDA.Â The primary endpoint for the Stage 1 portion of the Phase 3 clinical trial is objective tumor response rates (â€œORRâ€).Â Â 58 Table of Contents Â We began patient enrollment in April 2022. As of August 2023, we had completed the target enrollment of three patients in the Stage 1a portion of the Phase 3 ENABLAR-2 clinical trial to assess the safety and pharmacokinetics of the combination of abemaciclib and enobosarm. There were no reported drug-to-drug interactions between abemaciclib and enobosarm or new safety findings in the three patients as of the data cutoff date. Further, the early preliminary clinical results showed two partial responses and one stable disease in the first three patients based on local assessments. Â Subject to the availability of sufficient funding, we expect to reinitiate Stage 1b of our Phase 3 ENABLAR-2 clinical trial by early 2026. If enobosarm + abemaciclib combination therapy compared to estrogen blocking agent (active control) demonstrates significant improvement in ORR, which is considered a surrogate endpoint for clinical benefit, then we may meet with the FDA to consider an accelerated approval regulatory pathway based on the clinical data from the Stage 1b portion of the Phase 3 clinical trial. Granting accelerated approval for investigational products is within the discretion of the FDA. Accordingly, even if we believe that one of our product candidates meets the criteria for this approval pathway, the FDA may disagree and instead determine not to make such designation. Further, even if we receive a designation, such designation for a product candidate may not result in a faster development or regulatory review or approval process compared to products considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualifies for these designations, the FDA may, among other things, later decide that the product candidates no longer meet the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. There can be no assurances that the FDA will accept our proposed trial design, that we will be able to cost-effectively continue development of enobosarm, or that enobosarm will receive FDA approval or be commercialized, for this application. Â Infectious Disease Program Â We are developing sabizabulin 9mg, which has both host targeted antiviral and broad anti-inflammatory properties, as a two-pronged approach to the treatment of hospitalized patients with viral lung infection at high risk for ARDS and death. We have completed positive Phase 2 and positive Phase 3 COVID-19 clinical trials, which have demonstrated that sabizabulin treatment resulted in a mortality benefit in hospitalized moderate to severe patients with COVID-19 viral lung infection at high risk for ARDS and death. The FDA granted Fast Track designation to our COVID-19 program in January 2022. On May 10, 2022, we had a pre-EUA meeting with the FDA to discuss next steps including the submission of an EUA application regarding sabizabulin for COVID-19. In June 2022, we submitted a request for FDA Emergency Use Authorization. In February 2023, the FDA declined to grant our request for Emergency Use Authorization for sabizabulin. In September 2023, we received agreement from the FDA on the design of a Phase 3 clinical trial to evaluate sabizabulin in broadly any viral-induced ARDS. Â However, we currently plan to prioritize the use of our internal cash and the net proceeds of any future financings for the development of enobosarm, with a primary near-term focus on funding the Phase 2b clinical trial to evaluate the safety and efficacy of enobosarm as a treatment for obesity, and to seek external funding through government grants, pharmaceutical company partnerships, or similar sources to advance the development of sabizabulin as a treatment for viral-induced ARDS. Without such external funding, we do not plan to advance the Phase 3 development of sabizabulin as a treatment for viral-induced ARDS. Â There can be no assurances that we will be able to obtain external funding through government grants, pharmaceutical company partnerships, or similar sources, that we will be able to cost-effectively continue development of sabizabulin, or that sabizabulin will receive FDA approval or be commercialized, for this application. Â Sexual Health Program Â Our sexual health program consists of FC2, the only FDA-approved, female controlled, hormone-free and latex-free female condom indicated for the dual protection against unplanned pregnancy and sexually transmitted infections, including HIV/AIDS. Â We sell FC2 in the U.S. in both the prescription channel and in the public health sector and globally we sell FC2 in the public sector. Â In the U.S. prescription channel, FC2 is available through multiple telehealth and telepharmacy channels as well as retail pharmacies. While there has been recent consolidation in the telehealth industry, we continue to believe that telehealth will be an important commercial strategy in the U.S. for access to birth control products, including FC2, given both healthcare industry dynamics and our productâ€™s profile. In order to maximize its reach and to have more direct control of the promotion, distribution, and sales of FC2, we launched our own telehealth portal in April 2022. Â We expect revenue from the U.S. prescription channel to demonstrate growth from our dedicated FC2 telehealth portal as we continue to refine the infrastructure of the portal. We intend to continue leveraging relationships with entities in the U.S. public health sector such as state departments of health and 501(c)(3) organizations. Â 59 Table of Contents Â In the global public health sector outside the U.S., we market FC2 to entities, including ministries of health, government health agencies, U.N. agencies, nonprofit organizations and commercial partners, that work to support and improve the lives, health and well-being of women around the world. We are currently supplying a large multi-year South African tender for female condoms, which is expected to continue until 2025 and have been successful in securing supply under a new tender in Brazil, which we started to supply during the fourth quarter of fiscal 2024. Â Sale of ENTADFI Â On AprilÂ 19, 2023, the Company entered into an asset purchase agreement (the â€œAsset Purchase Agreementâ€) to sell substantially all of the assets related to ENTADFIÂ® (finasteride and tadalafil) capsules for oral use, a new treatment for benign prostatic hyperplasia that was approved by the FDA in December 2021, with Onconetix, Inc. formerly known as Blue Water Vaccines Inc. (â€œONCOâ€). The transaction closed on AprilÂ 19, 2023. The purchase price for the transaction was $20.0Â million, consisting of $6.0Â million paid at closing, $4.0Â million payable pursuant to a promissory note due on September 30, 2023, $5.0Â million payable pursuant to a Promissory Note due on April 19, 2024 (the â€œApril 2024 Promissory Noteâ€), and $5.0Â million payable pursuant to a Promissory Note due on September 30, 2024 (the â€œSeptember 2024 Promissory Noteâ€ and, together with the April 2024 Promissory Note, the â€œONCO Promissory Notesâ€), plus up to $80.0 million based on ONCOâ€™s net revenues from ENTADFI after closing (the â€œMilestone Paymentsâ€). The Company believes the probability of receiving any Milestone Payments is remote. Â On SeptemberÂ 29, 2023, the Company entered into an Amendment to the Asset Purchase Agreement providing that the promissory note for the $4.0Â million installment of the purchase price due SeptemberÂ 30, 2023 would be deemed paid and fully satisfied upon (1) the payment to the Company of the sum of $1.0Â million in immediately available funds on SeptemberÂ 29, 2023 and (2) the issuance to the Company by OctoberÂ 3, 2023 of 3,000 shares of Series A Convertible Preferred Stock of ONCO (the â€œONCO Preferred Stockâ€). The Company received payment of $1.0Â million on SeptemberÂ 29, 2023 and the ONCO Preferred Stock on OctoberÂ 3, 2023. The shares of ONCO Preferred Stock held by the Company were converted into 142,749 shares of ONCO common stock on SeptemberÂ 24, 2024. Â On AprilÂ 24, 2024, the Company entered into a Forbearance Agreement with ONCO, which was amended and restated as of September 19, 2024 (as amended and restated, the "Forbearance Agreement"), relating to certain defaults under the ONCO Promissory Notes. Pursuant to the Forbearance Agreement, (a) ONCO agreed to make a payment of $50,000 of the principal payable under the April 2024 Promissory Note not later than AprilÂ 29, 2024, which was paid on AprilÂ 25, 2024, and (b) the Company agreed, subject to the terms and conditions set forth in the Forbearance Agreement, to forbear from exercising its rights and remedies on account of the failure by ONCO to pay the amounts due under the April 2024 Promissory Note on the due date of April 19, 2024, and on account of any failure by ONCO to make any mandatory repayment under the ONCO Promissory Notes that may have become due or may become due in connection with certain transactions relating to ONCOâ€™s acquisition of Proteomedix AG, in each case for a period (the â€œApril 2024 Forbearance Periodâ€) commencing on AprilÂ 24, 2024 and ending on the earlier of (a)Â MarchÂ 31, 2025 and (b)Â the occurrence of an Event of Default (as defined in the Forbearance Agreement). The Company also agreed that during the Forbearance Period the default provision in the ONCO Promissory Notes relating to insolvency of ONCO will not apply.Â The Forbearance Agreement also amended certain terms of the September 2024 Promissory Note as described below. Â ONCO agreed in the Forbearance Agreement to make the following required payments (the â€œRequired Paymentsâ€) to Veru during the April 2024 Forbearance Period first to accrued and unpaid interest under the April 2024 Promissory Note and then any remainder to the outstanding principal balance of the April 2024 Promissory Note: (1)Â monthly payments equal to 25% (increased from 15% in the original April 24, 2024 Forbearance Agreement) of cash receipts of ONCO or its subsidiaries from certain sale or licensing revenues or payments, which increased amount began on October 20, 2024 for cash receipts in September 2024; and (2)Â payment of 20% (increased from 10% in the original April 24, 2024 Forbearance Agreement) of the net proceeds from certain financing or other transactions outside the ordinary course of business completed by ONCO or any of its subsidiaries during the April 24 Forbearance Period, which increased amount began for any net proceeds received after September 19, 2024. The remaining balance of the April 2024 Promissory Note will be due at the end of the April 2024 Forbearance Period. The remaining balance of the April 2024 Promissory Note will be due at the end of the Forbearance Period.Â The Company and ONCO entered into a Waiver and Amendment No. 1 to Forbearance Agreement, dated November 26, 2024, that (x) extended the time for the payment by ONCO of the monthly payment of a percentage of its cash receipts referenced in clause (1) above in this paragraph and conditioned the payment of those amounts upon ONCO being able to raise capital of at least $97,000 and (y) increased the percentage of the net proceeds from certain financings payable to the Company from 20% to 25%. Â 60 Table of Contents Â ONCO and the Company also agreed to the following amendments to the September 2024 Promissory Note in the Forbearance Agreement: (1) the maturity date of the September

2024 Promissory Note was extended to June 30, 2025; (2) the accrual of interest at the rate of 10% per annum on any unpaid principal balance of the September 2024 Promissory Note commencing on October 1, 2024 through the date that the outstanding principal balance under the September 2024 Promissory Note is paid in full; (3)Â any amounts owed on the September 2024 Promissory Note, including but not limited to unpaid principal and accrued interest, will be paid in cash or, upon the mutual written consent of ONCO and the Company, in shares of the ONCO common stock or a combination of cash and ONCO common stock; (4)Â following full repayment of all principal and interest under the April 2024 Promissory Note, ONCO will make the Required Payments first towards accrued and unpaid interest under the September 2024 Promissory Note and then towards the remaining principal balance payable under the September 2024 Promissory Note; and (5) if the aggregate unpaid principal outstanding under the April 2024 Promissory Note and the September 2024 Promissory Note and all accrued and unpaid interest thereon is repaid in cash on or before December 31, 2024, then the total principal balance under the September 2024 Promissory Note that will be payable by ONCO in satisfaction of its obligations under the September 2024 Promissory Note will be reduced from $5,000,000 to $3,500,000. Â Consolidated Operations Â Revenues.Â Â The Company's revenues are primarily derived from sales of FC2 in the U.S. prescription channel and global public health sector. These sales are recognized upon shipment or delivery of the product to the customers depending on contract terms. Â We have developed and continue to refine our own telehealth portal to grow revenues from the U.S. prescription channel. The Company is exploring additional commercial distribution strategies and expects to continue generating revenue from global public health sector agencies who purchase and distribute FC2 for HIV/AIDS prevention and family planning. The Company has experienced revenue growth from the U.S. and global public sector through its relationship with customers and will continue to work with these customers to identify future growth opportunities. Â The Pill Club had historically been our largest telehealth customer for FC2, accounting for 24% of our net revenues (including 67% of our U.S. prescription channel revenue) in fiscal 2023. We sold FC2 to The Pill Club at a wholesale price pursuant to purchase orders received from The Pill Club from time to time. The Pill Club took title to FC2 and then acted as a distributor of FC2. The Pill Club was solely responsible for its interactions with health care providers and patients (including, without limitation, the conduct of the telehealth physician-patient interactions), pricing of the FC2 products that it distributed, and legal and regulatory compliance. We had no oversight of The Pill Clubâ€™s operations. Â On February 7, 2023, the California Attorney General announced a settlement with The Pill Club over a number of alleged improper actions by The Pill Club, including alleged overbilling for FC2. Notwithstanding the statements in the California Attorney Generalâ€™s press release, Californiaâ€™s allegations against The Pill Club, according to the publicly available Settlement Agreement executed as of January 18, 2023, involved not only billing related to FC2 but also billing related to emergency contraceptives, improper coding of asynchronous telemedicine visits, and billing for prescriptions sent to California patients by a Texas pharmacy not then-licensed to provide pharmacy services to California patients. Â While the California Attorney Generalâ€™s allegations included The Pill Clubâ€™s practices with respect to sales of FC2 by The Pill Club, we were not involved in such business practices and no claims against Veru have been made by the California Attorney General. Â We also had a concentration of accounts receivable with The Pill Club, which totaled $3.9Â million as of SeptemberÂ 30, 2024 and 2023. In March 2023, the Company recorded a provision for credit losses for the entire amount of these receivables, due to the uncertainty as to whether or when The Pill Club would pay these amounts. The Pill Club filed for Chapter 11 bankruptcy on AprilÂ 18, 2023 and its assets have been sold to satisfy a secured creditor. Our claims against The Pill Club for these receivables, and an additional claim of $1.4Â million for contractual damages, have been filed with The Pill Club bankruptcy estate. It is uncertain at this time what assets will be available to satisfy unsecured creditors such as Veru. The Company maintains an allowance for credit losses for the full amount of receivables as of September 30, 2024. Â Due to The Pill Clubâ€™s recent Chapter 11 bankruptcy and the termination of our contract with The Pill Club, we will not have any future revenues from The Pill Club. Â In February 2022, the Company received a tender award to supply 57% of a tender covering up to 120 million female condoms over three years in the Republic of South Africa (the â€œ2022 South Africa Tenderâ€). The Company began shipping units under the 2022 South Africa Tender in the second quarter of fiscal 2023. Â 61 Table of Contents Â The Company manufactures FC2 in a leased facility located in Selangor D.E., Malaysia, resulting in a portion of the Company's operating costs being denominated in foreign currencies. While a significant portion of the Company's future unit sales are likely to be in foreign markets, all sales are denominated in the U.S. dollar. Effective OctoberÂ 1, 2009, the Companyâ€™s U.K. and Malaysia subsidiaries adopted the U.S. dollar as their functional currency, further reducing the Companyâ€™s foreign currency risk. Â The Company relies on supply for its principal raw material for FC2 from one supplier who is a technical market leader in synthetic polymers. We intend to move to an alternative grade of nitrile, which will require us to incur costs to formulate and test the alternative grade and seek FDA approval of the alternative grade. The supplier has stated that it will assist in providing continuity of supply while we transfer to the standardized grade of nitrile. Â Operating Expenses.Â Â The Company manufactures FC2 at its Malaysian facility. The Company's cost of sales consists primarily of direct material costs, direct labor costs and indirect production and distribution costs. Direct material costs include raw materials used to make FC2, principally a nitrile polymer. Indirect production costs include logistics, quality control and maintenance expenses, as well as costs for electricity and other utilities. All the key components for the manufacture of FC2 are essentially available from either multiple sources or multiple locations within a source. Â We have seen increases in the cost of the nitrile polymer used to produce FC2, as well as transportation costs, and may also experience increases in other material costs due to the impact of inflation. Also, the Company's decision to launch a telehealth portal may result in increases in expenses associated with acquiring new FC2 users. As a result, there may be an unfavorable impact on the Company's selling expenses and income from operations if it cannot pass through these increases to its customers. Â Conducting research and development is central to our drug development programs. The Company has several products under development and management routinely evaluates each product in its portfolio of products. Advancement is limited to available working capital and managementâ€™s understanding of the prospects for each product. If future prospects do not meet managementâ€™s strategic goals, advancement may be discontinued. We have invested and expect to continue to invest significant time and capital in our research and development operations.Â Our research and development expenses were $12.8Â million and $51.2Â million for fiscal 2024 and 2023, respectively. The decrease in expense is due to the termination of various trials during fiscal 2023 as a result of the Company's updated strategy to refocus development efforts on those drug candidates which it believes have the best opportunity to lead to long-term success and shareholder value creation. We expect to continue investing significant resources in research and development in the future in order to advance our drug candidates. Â Results of Operations Â YEAR ENDED September 30, 2024 COMPARED TO YEAR ENDED September 30, 2023 Â The Company generated net revenues of $16.9Â million and net loss of $37.8Â million, or $(0.28)Â per basic and diluted common share, in fiscal 2024, compared to net revenues of $16.3Â million and net loss of $93.2Â million, or $(1.10)Â per basic and diluted common share, in fiscal 2023. Net revenues increasedÂ 4%Â year over year. Â Substantially all of the Companyâ€™s net revenues were derived from sales of FC2 in the U.S. prescription channel and global public health sector. In the U.S. prescription channel, the Companyâ€™s customers include primarily telehealthÂ providers. In the global public health sector, the Companyâ€™s customers are primarily health care distributors, large global agencies, non-government organizations, ministries of health and other governmental agencies that purchase and distribute FC2 for use in HIV/AIDS prevention and family planning programs. The Company had net revenues from the U.S. prescription channel of $2.4Â million and $5.8Â million in fiscal 2024 and fiscal 2023, respectively and net revenues from the global public health sector of $14.5Â million and $10.5Â million in fiscal 2024 and fiscal 2023, respectively. There was a change in the sales mix with the U.S. prescription channel representing 14% of total FC2 net revenues in the current year compared to 36%Â in the prior year and the global public health sector representing 86%Â of total FC2 net revenues in the current year compared to 64%Â in the prior year. Â The decrease in FC2 net revenues in the U.S. prescription channel is due to sales in the prior year to The Pill Club of $3.9 million, which was 67% of net revenues from the U.S. prescription channel in the prior year. The Pill Club filed for Chapter 11 bankruptcy in April 2023. We recorded a provision for credit losses of $3.9 million during fiscal 2023, which offset the net revenues from The Pill Club during the prior year. Â The increaseÂ in FC2 net revenues in the global public health sector is primarily due to timing and shipment of orders. Significant variances in the Companyâ€™s results have historically resulted from the timing and shipment of large orders rather than from any fundamental changes in the business or the underlying demand for FC2. The Company is also currently seeing pressure on pricing for FC2 by large global agencies and governments that donate to those global agencies. As a result, the Company may continue to experience challenges for revenue from sales of FC2 in the global public health sector. Â 62 Table of Contents Â Cost of sales increasedÂ toÂ $11.0Â million in fiscal 2024Â fromÂ $8.7Â million in fiscal 2023, primarily due to an increase in units sold and an increase in the provision for obsolete inventory of $1.2 million related to inventory in the U.S. prescription channel, partially offset by a decrease in cost per unit sold due to increased production volume. Â Gross profit decreased to $5.9Â million in fiscal 2024 from $7.6Â million in fiscal 2023. Gross profit margin for fiscal 2024 was 35% of net revenues, compared to 46% of net revenues in fiscal 2023. The decrease in gross profit and gross profit margin is primarily due to the change in our sales mix, which included a decrease in FC2 net revenues in the U.S. prescription channel due to The Pill Clubâ€™s Chapter 11 bankruptcy, as sales in the U.S. prescription channel have higher gross profit margins. Â Research and development expenses decreased to $12.8Â million in fiscal 2024 fromÂ $51.2Â million in fiscal 2023. The decrease is due to the Company's updated strategy to refocus development efforts on those drug candidates that it believes have the best opportunity to lead to long-term success and shareholder value creation. The Company had reduced research and development activity during fiscal 2024Â due to a pause in the development of its drug programs as the Company was preparing to submit an IND for enobosarm for a Phase 2b clinical study for weight loss, which was initiated in April 2024. The Company incurred $26.2 million of expenses in the prior year related to sabizabulin for COVID-19 and the Company's related emergency use authorization application. The Company had other ongoing drug developments programs, such as for prostate and breast cancers, which were paused or canceled during fiscal 2023 but for which significant costs were incurred during fiscal 2023.Â The Company now has one active clinical development program and has plans for a second clinical program. Â Selling, general and administrative expenses were $31.2Â million in fiscal 2024, which is a decreaseÂ from $48.1Â million in fiscal 2023. The decrease is due primarily to commercialization costs of $13.4Â million in the prior year related to preparation for the potential launch of sabizabulin for COVID-19 prior to the FDAâ€™s declination decision on the Companyâ€™s EUA application andÂ selling costs of $1.2 million in the prior year related to ENTADFI, which was sold in April 2023.Â Â The Company recorded a provision for credit losses of $3.9Â million in fiscal 2023 for the total amount of receivables due from The Pill Club due to their Chapter 11 bankruptcy. There was no provision for credit losses recorded in fiscal 2024. Â In fiscal 2023, the Company recorded an impairment charge of $3.9Â million related to in-process research and development (â€œIPR&Dâ€) assets recorded for sabizabulin for prostate cancer and zuclomiphene, as a result of the Companyâ€™s strategic decision to refocus its drug development efforts on those drug candidates that it believes have the best opportunity to lead to long-term success and shareholder value creation. There was no impairment charge recorded in fiscal 2024. Â The Company recorded a gain on sale of ENTADFI assets of $1.2 million in fiscal 2024, compared to $5.7Â million in fiscal 2023.Â The Company recognizes a gain on sale of ENTADFI assets as nonrefundable consideration is received. See Note 15 to the financial statements included in this report for additional information. Â Interest expense, which is related to the accretion of the liability for the Residual Royalty Agreement, was $0.6Â million in fiscal 2024, which is a decrease from $2.4Â million in fiscal 2023. The decrease relates to a decrease in projected FC2 sales. Â The loss associated with the change in fair value of the embedded derivatives related to Residual Royalty Agreement was $0.2Â million in fiscal 2024 compared to aÂ gainÂ ofÂ $3.0Â million in fiscal 2023. The liabilities associated with embedded derivatives represent the fair value of the change of control provision in the Residual Royalty Agreement. The increase in the fair value of the embedded derivates is due to an increase in the probability of a change in control and a decrease in discount rates. See Note 3 and Note 9 to the financial statements included in this report for additional information. Â The loss associated with the change in fair value of equity securities wasÂ $0.2 millionÂ in fiscal 2024. This is due to the change in fair value of the shares received from ONCO during fiscal 2024. See Note 3 to the financial statements included in this report for additional information. Â Income tax expense in fiscal 2024 was $0.7Â million, compared to income tax expense of $0.5Â million in fiscal 2023. The change in income tax expense is primarily due to an increase of $0.2Â million in tax expense recorded in the current year due to an increase in income recognized by our U.K. subsidiary. The U.S. continues to have a full valuation allowance on its deferred tax assets; therefore, activity in the U.S. does not have a material effect on income tax expense. Â 63 Table of Contents Â Liquidity and Sources of Capital Â Liquidity Â Our cash and cash equivalents on hand at September 30, 2024 was $24.9Â million, compared to $9.6Â million at September 30, 2023. At September 30, 2024, the Company had working capital of $23.4Â million and stockholdersâ€™ equity of $32.3Â million compared to working capital of $5.1Â million and stockholdersâ€™ equity of $19.7Â million as of September 30, 2023. The increase in working capital is primarily due to the increase in cash on hand andÂ a decrease in accounts payable. Â The Company is not profitable and has had negative cash flow from operations. We will need substantial capital to support our drug development and any related commercialization efforts for our drug candidates. Based upon the Companyâ€™s current operating plan, it estimates that its cash and cash equivalents as of the issuance date of the financial statements included in this report are insufficient for the Company to fund operating, investing and financing cash flow needs for the twelve months subsequent to the issuance date of the financial statements included in this report. To obtain the capital necessary to fund our operations, we expect to finance our cash needs through public or private equity offerings, debt financing transactions and/or other capital sources. Additional capital may not be available at such times and in such amounts as needed by us to fund our activities on a timely basis. Â These uncertainties raise substantial doubt regarding our ability to continue as a going concern for a period of twelve months subsequent to the issuance date of the financial statements included in this report. Certain elements of our operating plan to alleviate the conditions that raise substantial doubt, including but not limited to our ability to secure equity financing or other financing alternatives, are outside of our control and cannot be included in managementâ€™s evaluation under the requirements of ASC 205-40, Disclosure of Uncertainties about an Entityâ€™s Ability to Continue as a Going Concern. Accordingly, we have concluded that substantial doubt exists about our ability to continue as a going concern for a period of at least twelve months subsequent to the issuance date of the financial statements included in this report. Â Operating activities Â Our operating activities used cash of $21.7Â million in fiscal 2024. Cash used in operating activities included net loss of $37.8Â million, adjustments to reconcile net loss to net cash used in operating activities totaling an increase of $15.9Â million and changes in operating assets and liabilities, which net to an immaterial amount. Adjustments to net loss primarily consisted of share-based compensation of $13.6Â million andÂ a provision for obsolete inventory of $1.6Â million. Changes in operating assets and liabilities included a decrease in accounts payable of $5.4Â million,Â partially offset by an increase in accrued expenses and other liabilities of $3.9 million and a decrease in inventories of $1.0 million. Â Our operating activities used cash of $88.0 million in fiscal 2023. Cash used in operating activities included net loss of $93.2Â million, adjustments to reconcile net loss to net cash used in operating activities totaling an increase of $20.3Â million and changes in operating assets and liabilities totaling a decrease of $15.2Â million. Adjustments to net loss primarily consisted of share-based compensation of $17.9Â million, a provision for credit losses of $3.9Â million, and an impairment of intangible assets of $3.9Â million, partially offset by the gain on the sale of ENTADFI assets of $5.7Â million. The decrease in cash from changes in operating assets and liabilities included a decrease in accrued expenses and other current liabilities of $11.7Â million, a decrease in accounts payable of $9.1Â million, and an increase in accounts receivable of $4.2Â million, partially offset by a decrease in prepaid expenses and other assets of $9.8Â million. Â Investing activities Â Net cash provided by investing activities was $0.1Â million in fiscal 2024, attributed to $0.3Â million received from the sale of the Companyâ€™s ENTADFIÂ® assets, partially offset by $0.2Â million in capital expenditures for property andÂ equipment, primarily at our Malaysia location. Â Net cash provided by investing activities was $6.3Â million in fiscal 2023, attributed to $7.0Â million received from the sale of the Companyâ€™s ENTADFIÂ® assets, partially offset by $0.7Â million in capital expenditures for manufacturing equipment and leasehold improvements. Â Financing activities Â Net cash provided by financing activities in fiscal 2024 was $36.8Â million and primarily consisted of proceeds from the sale of shares in a public offering, net of commissions and costs, of $35.2 million and proceeds from sale of shares under the common stock purchase agreement with Lincoln Park (see discussion below) of $1.7 million. Â 64 Table of Contents Â Net cash provided by financing activities in fiscal 2023 was $11.1Â million and primarily consisted of proceeds from the sale of shares under common stock purchase agreements of $4.8Â million, proceeds from the sale of shares in a private investment in public equity of $5.0Â million, and proceeds from the sale of shares pursuant to the Jefferies Sales Agreement of $1.0Â million. Â Sources of Capital Â SWK Credit Agreement and Residual Royalty Agreement Â On MarchÂ 5, 2018, the Company entered into a Credit Agreement (as amended, the â€œCredit Agreementâ€) with the financial institutions party thereto from time to time (the â€œLendersâ€) and SWK Funding LLC, as agent for the Lenders (the â€œAgentâ€), for a synthetic royalty financing transaction. On and subject to the terms of the Credit Agreement, the Lenders provided the Company with a term loan of $10.0Â million, which was advanced to the Company on the date of the Credit Agreement. The Company repaid the loan and return premium specified in the Credit Agreement in August 2021, and as a result has no further obligations under the Credit Agreement. The Agent has released its security interest in Company collateral previously pledged to secure its obligations under the Credit Agreement. Â In connection with the Credit Agreement, Veru and the Agent also entered into a Residual Royalty

Agreement, dated as of MarchÂ 5, 2018 (as amended, the â€œResidual Royalty Agreementâ€), which provides for an ongoing royalty payment of 5% of product revenue from net sales of FC2, which continues after the repayment of the loan and return premium under the Credit Agreement. The Residual Royalty Agreement will terminate upon (i)Â a change of control or sale of the FC2 business and the payment by the Company of the amount due in connection therewith pursuant to the Residual Royalty Agreement, or (ii)Â mutual agreement of the parties. Â The Company made total payments under the Residual Royalty Agreement of $0.7Â million and $0.6Â million during the year ended September 30, 2024 and 2023, respectively. The Company currently estimates the aggregate amount of quarterly revenue-based payments payable during the 12-month period subsequent to September 30, 2024 will be approximately $1.0Â million under the Residual Royalty Agreement. Â Common Stock Offering Â On December 18, 2023, we completed an underwritten public offering of 52,708,332 shares of our common stock, which included the exercise in full of the underwritersâ€™ option to purchase additional shares, at a public offering price of $0.72 per share. Net proceeds to the Company from this offering were approximately $35.2 million after deducting underwriting discounts and commissions and costs paid by the Company. All of the shares sold in the offering were by the Company. The offering was made pursuant to the Companyâ€™s shelf registration statement on Form S-3 (File No. 333-270606). Â Aspire Capital Purchase Agreement Â On JuneÂ 26, 2020, the Company entered into a common stock purchase agreement (the â€œAspire Purchase Agreementâ€) with Aspire Capital Fund, LLC (â€œAspire Capitalâ€) which provided that, upon the terms and subject to the conditions and limitations set forth therein, the Company had the right, from time to time in its sole discretion during the 36-month term of the Aspire Purchase Agreement, to direct Aspire Capital to purchase up to $23.9Â million of the Companyâ€™s common stock in the aggregate. Upon execution of the Aspire Purchase Agreement, the Company issued and sold to Aspire Capital under the Aspire Purchase Agreement 1,644,737 shares of common stock at a price per share of $3.04, for an aggregate purchase price of $5,000,000. Other than the 212,130 shares of common stock issued to Aspire Capital in consideration for entering into the Aspire Purchase Agreement and the initial sale of 1,644,737 shares of common stock, the Company had no obligation to sell any shares of common stock pursuant to the Aspire Purchase Agreement and the timing and amount of any such sales were in the Company's sole discretion subject to the conditions and terms set forth in the Aspire Purchase Agreement. Â During the year ended SeptemberÂ 30, 2023, prior to the expiration of the Aspire Purchase Agreement on JuneÂ 26, 2023, we sold 2,779,713 shares of common stock to Aspire Capital under the Aspire Purchase Agreement, resulting in proceeds to the Company of $3.4Â million. During the 36-month term of the Aspire Purchase Agreement, we sold 4,424,450 shares of common stock to Aspire Capital resulting in proceeds to the Company of $8.4Â million. On JuneÂ 26, 2023, the term of the Aspire Purchase Agreement expired and no additional shares of common stock will be sold under the agreement. Â 65 Table of Contents Â Private Investment in Public Equity Â On AprilÂ 12, 2023, the Company entered into a stock purchase agreement (the â€œStock Purchase Agreementâ€) with Frost Gamma Investments Trust (â€œFGIâ€), pursuant to which, on the date thereof, the Company issued and sold 5,000,000 shares of the Companyâ€™s common stock to FGI at a price of $1.00 per share, for a total investment of $5,000,000, through a private investment in public equity financing. The shares of common stock issued to FGI pursuant to the Stock Purchase Agreement were not registered under the Securities Act and may be resold pursuant to Rule 144 under the Securities Act. Â Lincoln Park Capital Fund, LLC Purchase Agreement Â On May 2, 2023, the Company entered into a common stock purchase agreement (as amended, the â€œLincoln Park Purchase Agreementâ€) with Lincoln Park Capital Fund, LLC (â€œLincoln Parkâ€) which provides that, upon the terms and subject to the conditions and limitations set forth therein, the Company has the right, but not the obligation, to sell to Lincoln Park up to $100.0 million of shares (the â€œPurchase Sharesâ€) of the Companyâ€™s common stock over the 36-month term of the Lincoln Park Purchase Agreement. On the date the Company executed the Lincoln Park Purchase Agreement, we also issued 800,000 shares of the Companyâ€™s common stock to Lincoln Park as an initial fee for Lincoln Parkâ€™s commitment to purchase shares of the Companyâ€™s common stock under the Lincoln Park Purchase Agreement, and we are obligated to issue $1.0 million of shares of the Companyâ€™s common stock at the time Lincoln Parkâ€™s purchases cumulatively reach an aggregate amount of $50.0 million (such shares, collectively, the â€œCommitment Sharesâ€). On December 13, 2023, the Company entered into an amendment (the â€œLincoln Park Amendmentâ€) with Lincoln Park to reduce the amount of shares of common stock subject to the registration from $100.0 million to $50.0 million until the Company has sold at least $50.0 million of shares of common stock under the Lincoln Park Purchase Agreement. The Purchase Shares up to $50.0 million and Commitment Shares under the Lincoln Park Purchase Agreement have been registered pursuant to the Companyâ€™s effective shelf registration statement on Form S-3 (File No. 333-270606), and a related prospectus supplement that was filed with the SEC on May 3, 2023, as further supplemented on December 13, 2023 to reflect the Lincoln Park Amendment. Â During the year ended September 30, 2024, we sold 1,800,000 shares of common stock to Lincoln Park under the Lincoln Park Purchase Agreement, resulting in proceeds to the Company of $1.7Â million. Since inception of the Lincoln Park Purchase Agreement throughÂ September 30, 2024, we have sold 3,025,000 shares of common stock to Lincoln Park under the Lincoln Park Purchase Agreement, resulting in proceeds to the Company of $3.1Â million. Until March 1, 2025, we will not be able to sell any securities pursuant to the Lincoln Park Purchase Agreement. Â Open Market Sale Agreement with Jefferies LLC Â On May 12, 2023, the Company entered into an Open Market Sale AgreementSM (the â€œJefferies Sales Agreementâ€) with Jefferies LLC (â€œJefferiesâ€), as sales agent, pursuant to which we may issue and sell, from time to time, through Jefferies, shares of the Companyâ€™s common stock, with an aggregate value of up to $75 million (not to exceed the lesser of 39,609,072 shares of common stock or the number of authorized, unissued and available shares of common stock at any time). On August 19, 2024, the Company delivered notice to Jefferies to terminate the Jefferies Sales Agreement, which was effective on September 3, 2024. Pursuant to the terms of the Jefferies Sales Agreement, the Company could issue and sell, from time to time through or to Jefferies, shares of its common stock as set forth in the Jefferies Sales Agreement with an aggregate value of up to $75 million. As a result of the termination of the Jefferies Sales Agreement, the Company will not issue or sell any additional shares of common stock under the Jefferies Sales Agreement. Â During the year ended September 30, 2024, we sold 90,156 shares of common stock under the Jefferies Sales Agreement, resulting in net proceeds to the Company of $67,000. Since inception of the Jefferies Sales Agreement through the date the Jefferies Sales Agreement was terminated, we sold 1,367,415 shares of common stock resulting in net proceeds to the Company of $1.1 million. Â Critical Accounting Estimates Â The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States. The Company is required to adopt various accounting policies and to make estimates and assumptions in preparing its financial statements that affect the reported amounts of assets, liabilities, net revenues and expenses. On an ongoing basis, the Company evaluates its estimates and assumptions. The Company bases its estimates on historical experience to the extent practicable and on various other assumptions that it believes are reasonable under the circumstances and at the time they are made. If the Companyâ€™s assumptions prove inaccurate or if future results are not consistent with historical experience, the Company may be required to make adjustments in its policies that affect reported results. The Companyâ€™s significant accounting policies are disclosed in Note 1 to the financial statements included in this report. Â 66 Table of Contents Â The Companyâ€™s most critical accounting estimates include: valuation of tax assets and liabilities, measurement of fair value, and valuation of goodwill and intangible assets. The Company has other key accounting policies that are less subjective and, therefore, their application is less subject to variations that would have a material impact on the Companyâ€™s reported results of operations. The following is a discussion of the Companyâ€™s most critical policies, as well as the estimates and judgments involved. Â Income Taxes Â The Company files separate income tax returns for its foreign subsidiaries. ASC TopicÂ 740 requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statements and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are also provided for carryforwards for income tax purposes. In addition, the amount of any future tax benefits is reduced by a valuation allowance to the extent such benefits are not expected to be realized. Â The Company accounts for income taxes using the liability method, which requires the recognition of deferred tax assets or liabilities for the tax-effected temporary differences between the financial reporting and tax bases of assets and liabilities, and for net operating loss and tax credit carryforwards. Â The Company completes a detailed analysis of its deferred income tax valuation allowances on an annual basis or more frequently if information comes to its attention that would indicate that a revision to its estimates is necessary. In evaluating the Companyâ€™s ability to realize its deferred tax assets, management considers all available positive and negative evidence on a country by country basis, including past operating results and forecasts of future taxable income, and the potential Section 382 limitation on the net operating loss carryforwards due to a change in control. In determining future taxable income, management makes assumptions to forecast U.S. federal and state, U.K. and Malaysia operating income, the reversal of temporary differences, and the implementation of any feasible and prudent tax planning strategies. These assumptions require significant judgment regarding the forecasts of the future taxable income in each tax jurisdiction and are consistent with the forecasts used to manage the Companyâ€™s business. It should be noted that the Company realized significant losses through 2005 on a consolidated basis. From fiscal 2006 through fiscal 2015, the Company generated taxable income on a consolidated basis. However, the Company had a cumulative pretax loss in the U.S. for fiscal 2024 and the three preceding fiscal years. Forming a conclusion that a valuation allowance is not needed is difficult when there is significant negative evidence such as cumulative losses in recent years. Management has projected future pretax losses in the U.S. driven by the investment in research and development and based on their analysis concluded that an additional valuation allowance of $7.3Â million should be recorded against the U.S. deferred tax assets related to federal and state net operating loss carryforwards as of September 30, 2024. In addition, the Companyâ€™s U.K. holding company for the non-U.S. operating companies, The Female Health Company Limited, continues to have a full valuation allowance of $3.2Â million. The operating U.K. subsidiary, The Female Health Company (UK) plc does not have a valuation allowance due to projections of future taxable income for the next 10 years. Veru Biopharma UK Limited has a full valuation allowance of $0.4Â million. Â Although management uses the best information available, it is reasonably possible that the estimates used by the Company will be materially different from the actual results. These differences could have a material effect on the Company's future results of operations and financial condition. Â Our effective tax rates have differed from the statutory rate primarily due to the tax impact of foreign operations, state taxes and addition of the valuation allowance against the NOL carryforwards. Our future effective tax rates could be adversely affected by earnings being lower than anticipated in countries where we have lower statutory rates and higher than anticipated in countries where we have higher statutory rates, changes in the valuation of our deferred tax assets or liabilities, or changes in tax laws, regulations, and accounting principles. In addition, we may be subject to the examination of our income tax returns by the IRS and other tax authorities. We assess the likelihood of adverse outcomes resulting from these examinations to determine the adequacy of our provision for income taxes. Â 67 Table of Contents Â Fair Value Measurements Â As of September 30, 2024, the Companyâ€™s financial liabilities measured at fair value on a recurring basis, which consisted of embedded derivatives, represents the fair value of the change of control provisions in the Residual Royalty Agreement. See Note 9 to the financial statements included in this report. Â The fair values of these liabilities were estimated based on unobservable inputs (Level 3 measurement), which requires highly subjective judgment and assumptions. The Company estimates the fair value of the embedded derivative within the Residual Royalty Agreement using a scenario-based method, whereby different scenarios are valued and probability weighted. The scenario-based valuation model incorporates transaction details such as the contractual terms of the instrument and assumptions including projected FC2 revenues, expected cash outflows, probability and estimated dates of a change of control, risk-free interest rates and applicable credit risk. As a result, the use of different estimates or assumptions would result in a higher or lower fair value and different amounts being recorded in the Companyâ€™s financial statements. Material changes in any of these inputs could result in a significantly higher or lower fair value measurement at future reporting dates, which could have a material effect on our results of operations. See Note 3 to the financial statements included in this report. Â The fair value of the embedded derivatives at September 30, 2024 was $1.6Â million compared to $1.3Â million at September 30, 2023. The Company recognized non-operating expense of $0.3Â million to adjust the fair value of these instruments. The increase in the fair value of the embedded derivates is due primarily to an increase in the probability of a change in control of FC2. Â Goodwill and Intangible Assets Â The Company has $6.9Â million recorded as goodwill at September 30, 2024 and 2023. The Company evaluates the carrying value of its goodwillÂ on an annual basis in the fourth quarter of each fiscal year or more frequently when indicators of impairment exist. An impairment of goodwill could occur if the carrying amount of a reporting unit exceeded the fair value of that reporting unit. The estimated fair value of a reporting unit is highly sensitive to changes in projections and assumptions; therefore, in some instances changes in these assumptions could potentially lead to impairment. We perform sensitivity analyses around our assumptions in order to assess the reasonableness of the assumptions and the results of our testing. The Companyâ€™s goodwill is assigned to the Research and Development reporting unit, which has a negative carrying amount as ofÂ September 30, 2024. Â Intangible assets are highly vulnerable to impairment charges, particularly IPR&D. These assets are initially measured at fair value and therefore any reduction in expectations used in the valuations could potentially lead to impairment. Some of the more common potential risks leading to impairment include competition, earlier than expected loss of exclusivity, pricing pressures, adverse regulatory changes or clinical trial results, delay or failure to obtain regulatory approval, additional development costs, inability to achieve expected synergies, higher operating costs, changes in tax laws and other macro-economic changes. The complexity in estimating the fair value of intangible assets in connection with an impairment test is similar to the initial valuation. During fiscal 2023, the Company recorded an impairment charge of $3.9Â million related to IPR&D. The charge was primarily a result of the Companyâ€™s strategic decision to refocus its drug development efforts on those drug candidates that it believes to have the best opportunity to lead to long-term success and shareholder value creation, which led the Company to indefinitely cease development of sabizabulin for prostate cancer and zuclomiphene. The Companyâ€™s intangible asset balance for IPR&D at SeptemberÂ 30, 2024 and 2023, after the impairment charge was recorded, is zero. Â Research and Development Costs Â Research and development costs are expensed as they are incurred and include salaries and benefits, costs to conduct clinical trials, and contract services. The Company records estimated costs of research and development activities conducted by third-party service providers, which include the conduct of preclinical studies and clinical trials and contract manufacturing activities. These costs are a significant component of the Companyâ€™s research and development expenses. The Company accrues for these costs based on factors such as estimates of the work completed and in accordance with agreements established with its third-party service providers under the service agreements. The Company makes significant judgments and estimates in determining the accrued liabilities balance in each reporting period. As actual costs become known, the Company adjusts its accrued liabilities. The Company has not experienced any material differences between accrued costs and actual costs incurred. However, the status and timing of actual services performed, number of patients enrolled and the rate of patient enrollments may vary from the Companyâ€™s estimates, resulting in adjustments to expense in future periods. Changes in these estimates that result in material changes to the Companyâ€™s accruals could materially affect the Companyâ€™s results of operations. Â 68 Table of Contents Â Recent Accounting Pronouncements Â See Note 1 to the financial statements included in this report for additional information on recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted. Â Impact of Inflation and Changing Prices Â Although the Company cannot accurately determine the precise effect of inflation, the Company has experienced increased costs of product, supplies, salaries and benefits, and increased general and administrative expenses. The Company has, where possible, increased selling prices to offset such increases in costs. Â Item 7A. Quantitative and Qualitative Disclosures About Market Risk Â The Company's exposure to market risk is limited to fluctuations in raw material commodity prices, particularly the nitrile polymer used to manufacture FC2, and foreign currency exchange rate risk associated with the Company's foreign operations. The Company does not utilize financial instruments for trading purposes or to hedge risk and holds no derivative financial instruments which would expose it to significant market risk. Effective OctoberÂ 1, 2009, the Company's U.K. subsidiary and Malaysia subsidiary each adopted the U.S. dollar as its functional currency. The consistent use of the U.S. dollar as the functional currency across the Company reduces its foreign currency risk and stabilizes its operating results. The Companyâ€™s distributors are subject to exchange rate risk as their orders are denominated in U.S. dollars and they generally sell to their customers in the local country currency. If currency fluctuations have a material impact on a distributor it may ask the Company for pricing concessions or other financial accommodations. The Company currently has no significant exposure to interest rate risk. Â Item 8. Financial Statements and Supplementary Data Â The response to this item is submitted in a separate section of this report. See â€œIndex to Consolidated Financial Statementsâ€ for a list of the financial statements being filed herein. Â Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure. Â None. Â Item 9A. Controls and Procedures Â Limitations on Effectiveness of Controls and Procedures Â In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. Â Evaluation of Disclosure Controls and Procedures Â Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management evaluated the effectiveness

of the design andÂ operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act), as of the end of the period covered by thisÂ Annual Report on Form 10-K (the â€œEvaluation Dateâ€). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of theÂ Evaluation Date, our disclosure controls and procedures are effective to ensure that information required to be disclosed in the reports that we file or submit under the Exchange ActÂ is (i) recorded, processed, summarized and reported, within the time periods specified in the Commissionâ€™s rules and forms and (ii)Â accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regardingÂ required disclosure. Â 69 Table of Contents Â Remediated Material Weaknesses in Internal Control Over Financial Reporting Â As previously disclosed in Part II, Item 9A. â€œControls and Proceduresâ€ in the Companyâ€™s Annual Report on Form 10-K for the year ended SeptemberÂ 30, 2023, as amended by Amendment No. 1 to the Companyâ€™s Annual Report on Form 10-K/A as filed with the Securities and Exchange Commission on AprilÂ 1, 2024, we identified deficiencies in our internal control over financial reporting that we believe rose to the level of a material weaknesses. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. Â With respect to nonrecurring events and transactions, specific to the evaluation of information that was known or knowable at the time of the transaction or event, our internal control over financial reporting was not designed to adequately accumulate and evaluate all information that was known or knowable at the time and apply that information to the applicable accounting guidance. This resulted in a restatement of our financial statements as of and for the three and nine months ended June 30, 2023. Â To address the material weakness related to nonrecurring events and transactions, the Company implemented changes in processes that include enhanced controls over complex and nonrecurring events and transactions and additional review procedures with respect to the evaluation of information that is known or knowable to the Company at the time a complex and nonrecurring event or transaction is executed, including development of a review checklist. During the quarter ended September 30, 2024, we successfully completed the testing necessary to concludeÂ that this material weakness has been remediated. Â With respect to the estimate of research and development expenses associated with activities conducted by third-party service providers, our internal controls did not define the precision at which the control activity operated such that the control was not properly designed to detect or prevent material errors in the inputs used in the calculation. This resulted in a restatement of our financial statements as of and for the years ended SeptemberÂ 30, 2023 and 2022 and for each of the quarterly periods within fiscal 2023. Â To address the material weakness related to the Companyâ€™s estimate of research and development expenses associated with activities conducted by third-party service providers, the Company implemented changes in processes that include enhanced controls over the review of the inputs, by defining the precision at which the control activity operates, and additional procedures, including obtaining confirmation of the work completed by third-parties or performing alternative procedures if confirmations are not available. During the quarter ended September 30, 2024, we successfully completed the testing necessary to concludeÂ that this material weakness has been remediated. Â Changes in Internal Control over Financial Reporting Â Other than as described above, relating to the Company's remediation efforts, there were no changes in the Companyâ€™s internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the period covered by this Annual Report on Form 10-K that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. Â 70 Table of Contents Â Managementâ€™s Report on Internal Control Over Financial Reporting Â Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. As required by Rule 13a-15(c) under the Exchange Act, our management has carried out an evaluation, with theÂ participation of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of its internal control over financial reporting as of the end of the last fiscal year.Â The framework on which such evaluation was based is contained in the report entitled â€œInternal Control-Integrated Frameworkâ€ issued by the Committee of SponsoringÂ Organizations of the Treadway Commission (the â€œCOSO Reportâ€) in 2013. Â Our system of internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation ofÂ financial statements for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financialÂ reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may becomeÂ inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Â Based on its assessment, management has concluded that we maintained effective internal control over financial reporting as of September 30, 2024, based on criteria inÂ â€œInternal Control - Integrated Frameworkâ€ issued by the COSO in 2013. Â Report of Independent Registered Public Accounting Firm Â Because we are a non-accelerated filer, our independent registered public accounting firm is not required to express an opinion on the effectiveness of our internal control over financial reporting. Â Â Item 9B. Other Information Â None. Â Â Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections Â Not Applicable. Â 71 Table of Contents Â Â PART III Â Item 10. Directors, Executive Officers and Corporate Governance Â Information with respect to this item is incorporated herein by reference to the discussion under the headings â€œProposalÂ 1: Election of Directors,â€ â€œExecutive Officers,â€ â€œDelinquent Section 16(a) Reports,â€ â€œCorporate Governance Matters-Director Nominations,â€ â€œCorporate Governance Matters â€“ Insider Trading Policyâ€ and â€œAudit Committee Matters â€“ Audit Committee Financial Expertâ€ in the Companyâ€™s Proxy Statement for the 2025Â Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Information regarding the Companyâ€™s Code of Business Ethics is incorporated herein by reference to the discussion under â€œCorporate Governance Matters â€“ Code of Business Ethicsâ€ in the Companyâ€™s Proxy Statement for the 2025Â Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Â The Audit Committee of the Companyâ€™s Board of Directors is an â€œauditcommitteeâ€ for purposes of Section 3(a)(58)(A) of the Exchange Act. The members of the Audit Committee are Lucy Lu, M.D. (Chairperson), Michael L. Rankowitz and Loren Mark Katzovitz. Â Item 11. Executive Compensation Â Information with respect to this item is incorporated herein by reference to the discussion under the headings â€œDirector Compensation and Benefitsâ€ and â€œExecutive Compensationâ€ in the Companyâ€™s Proxy Statement for the 2025Â Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Â Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters Â Information with respect to this item is incorporated herein by reference to the discussion under the headings â€œSecurity Ownershipâ€ and â€œEquity Compensation Plan Informationâ€ in the Companyâ€™s Proxy Statement for the 2025Â Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Â Item 13. Certain Relationships and Related Transactions, and Director Independence. Â Information with respect to this item is incorporated herein by reference to the discussion under the heading â€œCertain Relationships and Related Transactionsâ€ in the Companyâ€™s Proxy Statement for the 2025 Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Information regarding director independence is incorporated by reference to the discussion under â€œCorporate Governance Matters â€“ Director Independenceâ€ in the Companyâ€™s Proxy Statement for the 2025Â Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Â Item 14. Principal Accountant Fees and Services. Â Information with respect to this item is incorporated herein by reference to the discussion under the heading â€œAudit Committee Matters â€“ Fees of Independent Registered Public Accounting Firmâ€ in the Companyâ€™s Proxy Statement for the 2025Â Annual Meeting of Shareholders, which will be filed with the SEC on or before JanuaryÂ 28, 2025. Â 72 Table of Contents Â Â PART IV Â Item 15. Exhibits and Financial Statement Schedules. Â (a)Â Â The following documents are filed as part of this report: Â 1. Financial Statements Â Â The following consolidated financial statements of the Company are included in Item 8 of this report: Â Â Report of Independent Registered Public Accounting Firm Â Â Consolidated Balance Sheets as of September 30, 2024 and 2023 Â Â Consolidated Statements of Operations for the Years Ended September 30, 2024 and 2023 Â Â Consolidated Statements of Stockholdersâ€™Â Equity for the Years Ended September 30, 2024 and 2023 Â Â Consolidated Statements of Cash Flows for the Years Ended September 30, 2024 and 2023 Â Â Notes to Consolidated Financial Statements Â 2. Financial Statement Schedules Â All schedules for which provision is made in the applicable accounting regulations of the SEC are not required under the related instructions, are inapplicable or the required information is shown in the financial statements or notes thereto, and therefore, have been omitted. Â 73 Table of Contents Â 3. Exhibit Index Â Exhibit Number Description Â Â 2.1 Asset Purchase Agreement, dated as of AprilÂ 19, 2023, between the Company and Onconetix, Inc. (formerly known asÂ Blue Water Vaccines Inc.) (incorporated by reference to Exhibit 10.1 to the Companyâ€™s Form 8-K (File No. 1-13602) filed with the SEC on AprilÂ 20, 2023). Â Â 2.2 Amendment to Asset Purchase Agreement, dated as of SeptemberÂ 29, 2023, between the Company and Onconetix, Inc. (formerly known as Blue Water Vaccines Inc.) (incorporated by reference to Exhibit 10.1 to the Companyâ€™s Form 8-K (File No.Â 1-13602) filed with the SEC on OctoberÂ 2, 2023). Â Â 3.1 Amended and Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Form SB-2 Registration Statement (File No. 333-89273) filed with the SEC on OctoberÂ 19, 1999). Â Â 3.2 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company increasing the number of authorized shares of common stock to 27,000,000 shares (incorporated by reference to Exhibit 3.2 to the Company's Form SB-2 Registration Statement (File No. 333-46314) filed with the SEC on SeptemberÂ 21, 2000). Â Â 3.3 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company increasing the number of authorized shares of common stock to 35,500,000 shares (incorporated by reference to Exhibit 3.3 to the Company's Form SB-2 Registration Statement (File No. 333-99285) filed with the SEC on SeptemberÂ 6, 2002). Â Â 3.4 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company increasing the number of authorized shares of common stock to 38,500,000 shares (incorporated by reference to Exhibit 3.4 to the Company's Form 10-QSB (File No. 1-13602) filed with the SEC on MayÂ 15, 2003). Â Â 3.5 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company designating the terms and preferences for the Class A Preferred Stock â€“Â Series 3 (incorporated by reference to Exhibit 3.5 to the Company's Form 10-QSB (File No. 1-13602) filed with the SEC on MayÂ 17, 2004). Â Â 3.6 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company designating the terms and preferences for the Class A Preferred Stock â€“Â Series 4 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on NovemberÂ 2, 2016). Â Â 3.7 Articles of Amendment to Amended and Restated Articles of Incorporation increasing the number of authorized shares of common stock to 77,000,000 shares (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on AugustÂ 1, 2017). Â Â 3.8 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company increasing the number of authorized shares of common stock to 154,000,000 shares (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on March 29, 2019). Â 74 Table of Contents Â 3.9 Articles of Amendment to the Amended and Restated Articles of Incorporation of the Company increasing the number of authorized shares of common stock to 308,000,000 shares (incorporated by reference to Exhibit 3.1 to the Companyâ€™s Form 8-K (File No. 1-13602) filed with the SEC on JulyÂ 28, 2023). Â Â 3.10 Amended and Restated By-Laws of the Company (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on May 4, 2018). Â Â 4.1 Amended and Restated Articles of Incorporation, as amended (same as Exhibits 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, and 3.9). Â Â 4.2 Articles II, VII and XI of the Amended and Restated By-Laws of the Company (included in Exhibit 3.8). Â Â 4.3 Description of Capital Stock (incorporated by reference to Exhibit 4.3 to the Company's Form 10-K (File No. 1-13602) filed with the SEC on December 8, 2023).Â Â Â 10.1 Employment Agreement, dated AprilÂ 5, 2016, between the Company and Mitchell S. Steiner, M.D. (incorporated by reference to ExhibitÂ 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on AprilÂ 6, 2016).Â * Â Â 10.2 First Amendment to Employment Agreement, dated as of JulyÂ 18, 2016, between the Company and MitchellÂ S. Steiner, M.D. (incorporated by reference to ExhibitÂ 10.7 to the Company's Form 10-K (File No. 1-13602) filed with the SEC on DecemberÂ 12, 2016).Â * Â Â 10.3 Second Amendment to Employment Agreement, dated as of NovemberÂ 4, 2016, between the Company and Mitchell S. Steiner, M.D. (incorporated by reference to ExhibitÂ 10.6 to the Company's Form 10-Q (File No. 1-13602) filed with the SEC on FebruaryÂ 9, 2017).Â * Â Â 10.4 Executive Employment Agreement, dated as of December 31, 2017, between the Company and Harry Fisch, M.D. (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on September 27, 2018).Â * Â Â 10.5 Executive Employment Agreement, dated as of MarchÂ 21, 2018, between the Company and Michele Greco (incorporated by reference to Exhibit 10.3 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on MarchÂ 26, 2018).Â * Â Â 10.6 Executive Employment Agreement, dated as of SeptemberÂ 4, 2018, between the Company and Dr. K. Gary Barnette. (incorporated by reference to Exhibit 10.13 to the Companyâ€™s Form 10-K (File No. 1-13602) filed with the SEC on December 13, 2018).Â * Â Â 10.7 The Female Health Company 2008 Stock Incentive Plan (incorporated by reference to ExhibitÂ 99.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on MarchÂ 31, 2008).Â * Â Â 10.8 Form of Nonstatutory Stock Option Grant Agreement for The Female Health Company 2008 Stock Incentive Plan (incorporated by reference to ExhibitÂ 10.13 to the Company's Form 10-K (File No. 1-13602) filed with the SEC on DecemberÂ 17, 2009).Â * Â 75 Table of Contents Â 10.9 Form of Restricted Stock Grant Agreement for The Female Health Company 2008 Stock Incentive Plan (incorporated by reference to ExhibitÂ 10.14 to the Company's Form 10-K (File No. 1-13602) filed with the SEC on DecemberÂ 3, 2013).Â * Â Â 10.10 Veru Inc. 2017 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on AugustÂ 1, 2017).Â * Â Â 10.11 Form of Non-Qualified Stock Option Grant Agreement under Veru Inc. 2017 Equity Incentive Plan (incorporated by reference to ExhibitÂ 10.3 to the Company's Form 10-Q (File No. 1-13602) filed with the SEC on MayÂ 13, 2020).Â * Â Â 10.12 Veru Inc. 2018 Equity Incentive Plan (as amended and restated effective March 29, 2022) (incorporated by reference to Exhibit 10.1 to the Companyâ€™s Form 8-K (File No. 1-13602) filed with the SEC on March 31, 2022).Â * Â Â 10.13 Form of Non-Qualified Stock Option Grant Agreement under Veru Inc. 2018 Equity Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q (File No. 1-13602) filed with the SEC on MayÂ 13, 2020).Â * Â Â 10.14 Residual Royalty Agreement, dated as of MarchÂ 5, 2018, between the Company and SWK Funding LLC (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on MarchÂ 6, 2018). Â Â 10.15 Second Amendment to Credit Agreement & Amendment to Residual Royalty Agreement, dated as of MayÂ 13, 2019, among the Company, SWK Funding LLC and the financial institutions party thereto from time to time (incorporated by reference to Exhibit 10.3 to the Companyâ€™s Form 10-Q (File No. 1-13602) filed with the SEC on May 15, 2019). Â Â 10.16 Veru Inc. 2022 Employment Inducement Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Companyâ€™s Form 10-Q (File No. 1-13602) filed with the SEC on AugustÂ 11, 2022).Â Â Â 10.17 Purchase Agreement, dated May 2, 2023, between the Company and Lincoln Park Capital Fund LLC (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on May 3, 2023). Â Â 10.18 Registration Rights Agreement, dated May 2, 2023, between the Company and Lincoln Park Capital Fund LLC (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on May 3, 2023). Â Â 10.19 Letter Agreement, dated December 13, 2023, between the Company and Lincoln Park Capital Fund LLC (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on December 13, 2023). Â Â 10.20 Forbearance Agreement, dated as of April 24, 2024, between the Company and Onconetix, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on April 26, 2024). Â Â 10.21 Amended and Restated Forbearance Agreement and Amendment to September 2024 Note, dated as of September 19, 2024, between the Company and Onconetix, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 1-13602) filed with the SEC on September 20, 2024). Â Â 19 Veru Inc. Insider Trading Policy. ** Â Â 21 Subsidiaries of Registrant.Â ** Â Â 23.1 Consent of Cherry Bekaert LLP. ** Â Â 23.2 Consent of RSM US LLP.Â ** Â Â 24.1 Power of Attorney (included as part of the signature page hereof). Â Â 31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.Â ** Â 76 Table of Contents Â 31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.Â ** Â Â 32.1 Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley Act of 2002).Â **, *** Â Â 97.1 Veru Inc. Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Form 10-K (File No. 1-13602) filed with the SEC on December 8, 2023). Â Â 101 The following materials from the Company's Annual Report on Form 10-K for the year ended September 30, 2024, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Stockholdersâ€™Â Equity, (iv) Consolidated Statements of Cash Flows, and (v) the Notes to Consolidated Financial Statements. Â Â 104 Cover Page Interactive Data File (formatted as iXBRL and contained in Exhibit 101). Â Â * Management contract or compensatory plan or arrangement ** Filed herewith *** This certification is not â€œfiledâ€Â for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended. Â Item 16. Form 10-K Summary Â Not Applicable. Â 77 Table of Contents Â SIGNATURES Â Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized. Â Date:Â December 16, 2024 VERU INC. Â Â Â Â Â BY: /s/ Mitchell S.Â Steiner Â Â Mitchell S.Â Steiner Chairman,Â ChiefÂ ExecutiveÂ OfficerÂ andÂ President Â Â Â Â Â BY: /s/ Michele Greco Â Â MicheleÂ Greco

ChiefÂ FinancialÂ OfficerÂ andÂ ChiefÂ AdministrativeÂ Officer Â POWER OF ATTORNEY Â Each person whose signature appears below hereby appoints Mitchell S. Steiner and Michele Greco, and each of them individually, as his or her true and lawful attorney-in-fact and agent, with power to act with or without the other and with full power of substitution and resubstitution, in any and all capacities, to sign any or all amendments to the Form 10-K and file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully cause to be done by virtue hereof. Â Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated. Â Signature Title Date Â Â Â /s/ Mitchell S. Steiner Chairman of the Board, Chief Executive Officer, President, and Director December 16, 2024 Mitchell S. Steiner (Principal Executive Officer) Â Â Â Â /s/ Michele Greco Chief Financial Officer and Chief Administrative Officer December 16, 2024 Michele Greco (Principal Accounting and Financial Officer) Â Â Â Â /s/ Mario Eisenberger Director December 16, 2024 Mario Eisenberger Â Â Â Â Â /s/ Harry Fisch Vice Chairman of the Board and Director December 16, 2024 Harry Fisch Â Â Â Â /s/ Grace S. Hyun Director December 16, 2024 Grace S. Hyun Â Â Â Â /s/ Lucy Lu Director December 16, 2024 Lucy Lu Â Â Â Â /s/ Loren Mark Katzovitz Director December 16, 2024 Loren Mark Katzovitz Â Â Â Â Â /s/ Michael L. Rankowitz Director December 16, 2024 Michael L. Rankowitz Â Â Â 78 Table of Contents Â Â Veru Inc. Index to Consolidated Financial Statements Â Â Page No. Audited Consolidated Financial Statements. Â Report of Cherry BekaertÂ LLP, Independent Registered Public Accounting Firm. (PCAOB ID No. 677) F-1 Report of RSM US LLP, Independent Registered Public Accounting Firm. (PCAOB ID No. 49)F-3 Consolidated Balance Sheets as of SeptemberÂ 30, 2024 and 2023. F-4 Consolidated Statements of Operations for the years ended SeptemberÂ 30, 2024 and 2023. F-5 Consolidated Statements of Stockholdersâ€™Â Equity for the years ended SeptemberÂ 30, 2024 and 2023. F-6 Consolidated Statements of Cash Flows for the years ended SeptemberÂ 30, 2024 and 2023. F-7 Notes to Consolidated Financial Statements. F-8 Â 79 Table of Contents Â Report of Independent Registered Public Accounting Firm Â To the Board of Directors and Stockholders of Veru Inc. Â Opinion on the Consolidated Financial Statements Â We have audited the accompanying consolidated balance sheet of Veru Inc. (collectively, the â€œCompanyâ€) as of September 30, 2024, and the related consolidated statements of operations, stockholdersâ€™ equity, and cash flows for the year then ended, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2024 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Â Explanatory Paragraph â€“ Going Concern Â The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company is not profitable, has recorded negative cash flows from operations, and will need substantial capital to support its drug development operations. This raises substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters also are described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Â Basis for Opinion Â These consolidated financial statements are the responsibility of the Companyâ€™s management. Our responsibility is to express an opinion on the Companyâ€™s consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (â€œPCAOBâ€) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. Â We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Companyâ€™s internal control over financial reporting. Accordingly, we express no such opinion. Â Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion. Â Critical AuditÂ Matters Â The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing separate opinions on the critical audit matter or on the accounts or disclosures to which it relates. Â Â F-1 Table of Contents Â Accrued and Prepaid Clinical Trial Expenses Â Description of Matter Â The Companyâ€™s accrued research and development costs totaled $120,448 at September 30, 2024, which is included in accrued expenses and other current liabilities on the consolidated balance sheetÂ and the Companyâ€™s prepaid research and development costs totaled $419,371 at September 30, 2024. Â As discussed in Note 1 to the consolidated financial statements, the Company records estimated costs of research and development activities conducted by third-party service providers, which include the conduct of preclinical studies, clinical trials and contract manufacturing activities. These costs are a significant component of the Companyâ€™s clinical trial expenses. The Company accrues for these costs based on factors such as estimates of the work completed and in accordance with agreement established with its third-party service providers under the service agreement. The status and timing of actual services performed, number of patients enrolled and the rate of patient enrollments may vary from the Companyâ€™s estimates, resulting in adjustments to expense in future periods. Â Auditing the Companyâ€™s accrued and prepaid clinical trial expenses is especially challenging due to the large volume of information received from multiple third-party service providers that perform services on the Companyâ€™s behalf. While the Companyâ€™s estimates of accrued and prepaid clinical trial expenses are primarily based on information received related to each trial project from its third-party service providers, the Company may need to make an estimate for additional costs incurred. Additionally, due to the long duration of clinical trials and the timing of invoicing received from third-party service providers, the actual amounts incurred are not typically known at the time the financial statements are issued. Â How We Addressed the Matter in Our Audit Â Our audit procedures included, among others, the following: Â Â â— Obtained an understanding of the processes and internal controls used by the Company in determining the completeness and existence of accrued and prepaid research and development costs. Â Â â— Tested the completeness and accuracy of the underlying data used in determining the accrued and prepaid research and development costs. We corroborated underlying data used in the accrual calculations with the Companyâ€™s third-party contract research organizations who oversee the clinical trials. To evaluate the completeness of the accrual, we also tested subsequent invoices received to assess the impact to the accrual. Â Â â— Inspected certain contracts with third parties and related information received by the Company from third parties to test proper recording of costs incurred to date. Â Â â— Corroborated the progress of research and development activities through discussion with the Companyâ€™s research and development personnel, specifically those who oversee the projects. Â Â /s/ Cherry Bekaert LLP Â We have served as the Companyâ€™s auditor since 2024. Â Atlanta, Georgia December 16, 2024 Â F-2 Table of Contents Â Report of Independent Registered Public Accounting Firm Â To the Stockholders and the Board of Directors of Veru Inc. Â Opinion on the Financial Statements Â We have audited the accompanying consolidated balance sheet of Veru Inc. (the Company) as of September 30, 2023, the related consolidated statements of operations, stockholdersâ€™ equity and cash flows, for the year then ended, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 30, 2023, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Â Restatement of 2023 Financial Statements Â As discussed in Note 18 to the 2023 financial statements, the 2023 financial statements have been restated to correct a misstatement.Â Â Substantial Doubt About the Companyâ€™s Ability to Continue as a Going Concern Â The accompanying 2023 financial statements were prepared assuming that the Company would continue as a going concern. As discussed in Note 2 to the 2023 financial statements, the Company was not profitable, had recorded negative cash flows from operations, and needed substantial capital to support its drug development operations. This raised substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters were also described in Note 2 to the 2023 financial statements. The 2023 financial statements did not include any adjustments that might result from the outcome of this uncertainty. Â Basis for Opinion Â These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. Â We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion. Â Â /s/ RSM US LLP Â We served as the Company's auditor from 1996 to 2024. Â Chicago, Illinois December 8, 2023, except for Notes 18 and 19 to the 2023 financial statements, as toÂ which the date is April 1, 2024 Â F-3 Table of Contents Â Â VERU INC. CONSOLIDATED BALANCE SHEETS AS OF September 30, 2024 and 2023 Â Â Â 2024 Â Â 2023 Â Assets Â Â Â Â Â Â Â Â Current assets: Â Â Â Â Â Â Â Â Cash and cash equivalents Â $24,916,285Â Â $9,625,494Â Accounts receivable, net Â Â 3,960,305Â Â Â 4,506,508Â Inventories, net Â Â 4,144,179Â Â Â 6,697,117Â Prepaid research and development costs Â Â 419,371Â Â Â 1,006,252Â Prepaid expenses and other current assets Â Â 1,783,084Â Â Â 1,097,851Â Total current assets Â Â 35,223,224Â Â Â 22,933,222Â Plant and equipment, net Â Â 1,284,654Â Â Â 1,652,732Â Operating lease right-of-use asset Â Â 3,561,773Â Â Â 4,332,473Â Deferred income taxes Â Â 12,340,237Â Â Â 12,707,419Â Intangible assets, net Â Â â€”Â Â Â 5,952Â Goodwill Â Â 6,878,932Â Â Â 6,878,932Â Other assets Â Â 1,129,952Â Â Â 1,512,361Â Total assets Â $60,418,772Â Â $50,023,091Â Â Â Â Â Â Â Â Â Liabilities and Stockholders' Equity Â Â Â Â Â Â Â Â Current liabilities: Â Â Â Â Â Â Â Â Accounts payable Â $3,036,841Â Â $12,931,172Â Accrued compensation Â Â 4,679,696Â Â Â 990,609Â Accrued expenses and other current liabilities Â Â 2,060,097Â Â Â 1,987,738Â Residual royalty agreement, short-term portion (Note 9) Â Â 1,025,837Â Â Â 864,623Â Operating lease liability, short-term portion Â Â 1,065,497Â Â Â 1,036,590Â Total current liabilities Â Â 11,867,968Â Â Â 17,810,732Â Residual royalty agreement, long-term portion (Note 9) Â Â 8,850,792Â Â Â 8,870,136Â Operating lease liability, long-term portion Â Â 2,921,380Â Â Â 3,634,114Â Other liabilities Â Â 4,461,920Â Â Â 29,948Â Total liabilities Â Â 28,102,060Â Â Â 30,344,930Â Â Â Â Â Â Â Â Â Commitments and contingencies (Note 13) Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Stockholders' equity: Â Â Â Â Â Â Â Â Preferred stock, no shares issued and outstanding at September 30, 2024 and 2023, respectively Â Â â€”Â Â Â â€”Â Common stock, par value $0.01 per share; 308,000,000 shares authorized, 148,567,624 and 93,966,402 shares issued and 146,383,920 and 91,782,698 shares outstanding at September 30, 2024 and 2023, respectively Â Â 1,485,676Â Â Â 939,664Â Additional paid-in-capital Â Â 333,788,795Â Â Â 283,894,830Â Accumulated other comprehensive loss Â Â (581,519)Â Â (581,519) Accumulated deficit Â Â (294,569,635)Â Â (256,768,209) Treasury stock, 2,183,704 shares, at cost Â Â (7,806,605)Â Â (7,806,605) Total stockholders' equity Â Â 32,316,712Â Â Â 19,678,161Â Total liabilities and stockholders' equity Â $60,418,772Â Â $50,023,091Â Â See notes to consolidated financial statements. Â F-4 Table of Contents Â Â VERU INC. CONSOLIDATED STATEMENTS OF OPERATIONS YEARS ENDED September 30, 2024 and 2023 Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Net revenues Â $16,886,419Â Â $16,296,958Â Â Â Â Â Â Â Â Â Cost of sales Â Â 11,032,442Â Â Â 8,731,030Â Â Â Â Â Â Â Â Â Gross profit Â Â 5,853,977Â Â Â 7,565,928Â Â Â Â Â Â Â Â Â Operating expenses: Â Â Â Â Â Â Â Â Research and development Â Â 12,808,185Â Â Â 51,202,219Â Selling, general and administrative Â Â 31,184,097Â Â Â 48,057,834Â Provision for (recovery of) credit losses Â Â â€”Â Â Â 3,911,714Â Impairment of intangible assets Â Â â€”Â Â Â 3,900,000Â Total operating expenses Â Â 43,992,282Â Â Â 107,071,767Â Â Â Â Â Â Â Â Â Gain on sale of ENTADFIÂ® assets Â Â 1,222,908Â Â Â 5,723,623Â Â Â Â Â Â Â Â Â Operating loss Â Â (36,915,397)Â Â (93,782,216)Â Â Â Â Â Â Â Â Â Non-operating income (expenses): Â Â Â Â Â Â Â Â Interest expense Â Â (607,470)Â Â (2,427,041) Change in fair value of derivative liabilities Â Â (239,000)Â Â 2,963,000Â Change in fair value of equity securities Â Â (176,077)Â Â â€”Â Other income, net Â Â 861,619Â Â Â 573,771Â Total non-operating income (expenses) Â Â (160,928)Â Â 1,109,730Â Â Â Â Â Â Â Â Â Loss before income taxes Â Â (37,076,325)Â Â (92,672,486)Â Â Â Â Â Â Â Â Â Income tax expense Â Â 725,101Â Â Â 480,206Â Â Â Â Â Â Â Â Â Net loss Â $(37,801,426)Â $(93,152,692)Â Â Â Â Â Â Â Â Â Net loss per basic and diluted common shares outstanding Â $(0.28)Â $(1.10)Â Â Â Â Â Â Â Â Â Basic and diluted weighted average common shares outstanding Â Â 134,875,016Â Â Â 84,973,382Â Â See notes to consolidated financial statements. Â F-5 Table of Contents Â Â VERU INC. CONSOLIDATED STATEMENTS OF STOCKHOLDERSâ€™ EQUITY YEARS ENDED September 30, 2024 and 2023 Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Accumulated Â Additional Â Â Other Â Â Â Â Â Treasury Â Â Â Â Â Â Â Common Stock Â Â Paid-in Â Â Comprehensive Â Â Accumulated Â Â Stock, Â Â Â Â Â Â Â Shares Â Â Amount Â Â Capital Â Â Loss Â Â Deficit Â Â at Cost Â Â Total Â Balance at September 30, 2022 Â Â 82,692,598Â Â $826,926Â Â $253,974,032Â Â $(581,519)Â $(163,615,517)Â $(7,806,605)Â $82,797,317Â Share-based compensation Â Â â€”Â Â Â â€”Â Â Â 17,918,603Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 17,918,603Â Issuance of shares pursuant to share-based awards Â Â 191,832Â Â Â 1,918Â Â Â 387,140Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 389,058Â Shares issued in connection with common stock purchase agreement Â Â 800,000Â Â Â 8,000Â Â Â 1,000,000Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 1,008,000Â Sale of shares under common stock purchase agreements Â Â 4,004,713Â Â Â 40,047Â Â Â 4,806,644Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â 4,846,691Â Issuance of shares pursuant to Jefferies Sales Agreement, net of commission and costs Â Â 1,277,259Â Â Â 12,773Â Â Â 1,027,548Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 1,040,321Â Amortization of deferred costs Â Â Â Â Â Â Â Â Â Â Â Â (138,182)Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â (138,182) Issuance of shares in a Private Investment in Public Equity, net of costs Â Â 5,000,000Â Â Â 50,000Â Â Â 4,919,045Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 4,969,045Â Net loss Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â (93,152,692)Â Â â€”Â Â Â (93,152,692) Balance at September 30, 2023 Â Â 93,966,402Â Â Â 939,664Â Â Â 283,894,830Â Â Â (581,519)Â Â (256,768,209)Â Â (7,806,605)Â Â 19,678,161Â Share-based compensation Â Â â€”Â Â Â â€”Â Â Â 13,644,405Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 13,644,405Â Issuance of shares pursuant to share-based awards Â Â 2,734Â Â Â 27Â Â Â 3,253Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 3,280Â Sale of shares under common stock purchase agreements Â Â 1,800,000Â Â Â 18,000Â Â Â 1,643,490Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 1,661,490Â Issuance of shares pursuant to Jefferies Sales Agreement, net of commission and costs Â Â 90,156Â Â Â 902Â Â Â 65,649Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 66,551Â Amortization of deferred costs Â Â â€”Â Â Â â€”Â Â Â (164,313)Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â (164,313) Shares issued in connection with public offering of common stock, net of fees and costs Â Â 52,708,332Â Â Â 527,083Â Â Â 34,701,481Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â 35,228,564Â Net loss Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â â€”Â Â Â (37,801,426)Â Â â€”Â Â Â (37,801,426) Balance at September 30, 2024 Â Â 148,567,624Â Â $1,485,676Â Â $333,788,795Â Â $(581,519)Â $(294,569,635)Â $(7,806,605)Â $32,316,712Â Â See notes to consolidated financial statements. Â F-6 Table of Contents Â VERU INC. CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED September 30, 2024 and 2023 Â Â Â 2024 Â Â 2023 Â OPERATING ACTIVITIES Â Â Â Â Â Â Â Â Net loss Â $(37,801,426)Â $(93,152,692) Adjustments to reconcile net loss to net cash used in operating activities: Â Â Â Â Â Â Â Â Depreciation and amortization Â Â 268,177Â Â Â 269,874Â Impairment of intangible assets Â Â â€”Â Â Â 3,900,000Â Provision for credit losses Â Â â€”Â Â Â 3,911,714Â Gain on sale of ENTADFIÂ® assets Â Â (1,222,908)Â Â (5,723,623) Noncash change in right-of-use assets Â Â 770,700Â Â Â 741,257Â Noncash interest expense, net of interest paid Â Â (97,130)Â Â 1,872,223Â Share-based compensation Â Â 13,644,405Â Â Â 17,918,603Â Deferred income taxes Â Â 367,182Â Â Â 177,499Â Provision for obsolete inventory Â Â 1,566,830Â Â Â 185,499Â Change in fair value of derivative

liabilities Â Â 239,000Â Â Â (2,963,000) Change in fair value of equity securities Â Â 176,077Â Â Â â€”Â Loss on disposal of fixed assets Â Â 184,267Â Â Â Â 290Â Changes in operating assets and liabilities: Â Â Â Â Â Â Â Â Â Decrease (increase) in accounts receivable Â Â 546,203Â Â Â (4,153,327) Decrease in inventories Â Â 986,108Â Â Â 648,628Â Decrease in prepaid expenses and other assets Â Â 862,039Â Â Â 9,810,245Â Decrease in accounts payable Â Â (5,432,411)Â Â (9,072,222) Increase (decrease) in accrued expenses and other liabilities Â Â 3,944,381Â Â Â (11,717,919) Decrease in operating lease liabilities Â Â (683,827)Â Â (666,863) Net cash used in operating activities Â Â (21,682,333)Â Â (88,013,814)Â Â Â Â Â Â Â Â Â Â Â INVESTING ACTIVITIES Â Â Â Â Â Â Â Â Â Cash proceeds from sale of ENTADFIÂ® assets Â Â 304,536Â Â Â 7,000,000Â Capital expenditures Â Â (158,322)Â Â (665,700) Net cash provided by investing activities Â Â 146,214Â Â Â 6,334,300Â Â Â Â Â Â Â Â Â Â Â FINANCING ACTIVITIES Â Â Â Â Â Â Â Â Â Proceeds from stock option exercises Â Â 3,280Â Â Â 389,058Â Proceeds from sale of shares in public offering, net of commissions and costs Â Â 35,228,564Â Â Â â€”Â Proceeds from sale of shares pursuant to Jefferies Sales Agreement, net of commissions and costs Â Â 66,551Â Â Â 1,040,321Â Proceeds from sale of shares under common stock purchase agreements Â Â 1,661,490Â Â Â 4,846,691Â Payment of deferred equity financing issuance costs Â Â â€”Â Â Â (263,757) Proceeds from sale of shares in a private investment in public equity, net of costs Â Â â€”Â Â Â 4,969,045Â Proceeds from premium finance agreement Â Â â€”Â Â Â 1,425,174Â Installment payments on premium finance agreement Â Â (132,975)Â Â (1,292,199) Net cash provided by financing activities Â Â 36,826,910Â Â Â 11,114,333Â Â Â Â Â Â Â Â Â Â Â Net increase (decrease) in cash and cash equivalents Â Â 15,290,791Â Â Â (70,565,181) CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR Â Â 9,625,494Â Â Â 80,190,675Â CASH AND CASH EQUIVALENTS AT END OF YEAR Â $24,916,285Â Â $9,625,494Â Â Â Â Â Â Â Â Â Â Â Supplemental disclosure of cash flow information: Â Â Â Â Â Â Â Â Â Cash paid for income taxes Â $368,820Â Â $247,361Â Cash paid for interest Â $704,600Â Â $554,818Â Schedule of non-cash investing and financing activities: Â Â Â Â Â Â Â Â Â Equity securities received for sale of ENTADFIÂ® assets Â $918,372Â Â $â€”Â Shares issued in connection with common stock purchase agreement Â $â€”Â Â $1,008,000Â Amortization of deferred costs related to common stock purchase agreement Â $164,313Â Â $138,182Â Right-of-use assets recorded in exchange for lease liabilities Â $â€”Â Â $286,815Â Â See notes to consolidated financial statements. Â Â F-7 Table of Contents Â VERU INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS Â Â Note 1 â€“ Nature of Business and Significant Accounting Policies Â Principles of consolidation and nature of operations: Veru Inc. is referred to in these notes collectively with its subsidiaries as â€œwe,â€ â€œour,â€ â€œus,â€ â€œVeruâ€ or the â€œCompany.â€ The consolidated financial statements include the accounts of Veru and its wholly owned subsidiaries, Veru International Holdco Inc., Aspen Park Pharmaceuticals, Inc. (APP) and The Female Health Company Limited; The Female Health Company Limitedâ€™s wholly owned subsidiary, The Female Health Company (UK) plc (The Female Health Company Limited and The Female Health Company (UK) plc, collectively, the â€œU.K. subsidiaryâ€); The Female Health Company (UK) plcâ€™s wholly owned subsidiary, The Female Health Company (M) SDN.BHD (the â€œMalaysia subsidiaryâ€); and Veru International Holdco Inc.â€™s wholly owned subsidiaries, Veru Biopharma UK Limited, Veru Biopharma Europe Limited, and Veru Biopharma Netherlands B.V. All significant intercompany transactions and accounts have been eliminated in consolidation. The Company is a late clinical stage biopharmaceutical company focused on developing novel medicines for the treatment of metabolic diseases, oncology, and ARDS. Our drug development program includesÂ enobosarm, an oral selective androgen receptor modulator, to augment fat loss and to prevent lean mass loss in combination with a GLP-1 RA,Â and for the management of advanced breast cancer and sabizabulin, a microtubule disruptor, for the treatment of hospitalized patients with viral-induced ARDS. The Company also has the FC2 Female Condom/FC2 Internal CondomÂ® (FC2), an FDA-approved commercial product for the dual protection against unplanned pregnancy and sexually transmitted infections. The Company had ENTADFIÂ® (finasteride and tadalafil) capsules for oral use (ENTADFI), a new treatment for benign prostatic hyperplasia that was approved by the FDA in December 2021. We sold substantially all of the assets related to ENTADFI on April 19, 2023. See Note 15 for additional information. Most of the Companyâ€™s net revenues during fiscal 2024 and 2023 were derived from sales of FC2. Â FC2 has been distributed in either or both commercial (private sector) and public health sector markets in 150 countries. It is marketed to consumers in various countries through distributors, public health programs, and/or retailers and in the U.S. by prescription. Â Reclassifications: Certain prior period amounts in the accompanying consolidated financial statements have been reclassified to conform with the current period presentation. The reclassifications had no effect on the results of operations or financial position for any period presented. Â Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates. Â Segments: We regularly review our operating segments and the approach used by management to evaluate performance and allocate resources. The Company operates as a single operating segment. Our determination that we operate as a single segment is consistent with the financial information regularly reviewed by the chief operating decision maker (CODM) for purposes of evaluating performance, allocating resources, setting incentive compensation targets, and planning and forecasting for future periods. Our CODM allocates resources and assesses financial performance on a consolidated basis. Â Cash and cash equivalents and concentration: Cash and cash equivalents, which primarily consist of cash on deposit with financial institutions and highly liquid money market funds, are recorded in the consolidated balance sheets at cost, which approximates fair value. The Company treats short-term, highly liquid funds that are readily convertible to known amounts of cash and have original maturities of three months or less as cash equivalents. The Companyâ€™s cash is maintained primarily in three financial institutions, located in Chicago, Illinois; London, England; and Kuala Lumpur, Malaysia. Â Investments in equity securities: Investments in equity securities consist of 142,749Â shares of common stock (â€œONCO Common Stockâ€) of Onconetix, Inc., formerly known as Blue Water Vaccines Inc. (â€œONCOâ€). The Company has elected to measure the ONCO Common StockÂ using the fair value option, as provided for by FASB Accounting Standards Codification (ASC) 825, Financial Instruments, which allows entities to make an irrevocable election of fair value as the initial and subsequent measurement attribute for certain eligible financial assets and liabilities. Under the fair value option, related gains and losses on the financial instrument will be reflected in non-operating income (expenses) in the Companyâ€™s statements of operations. The decision to elect the fair value option is determined on an instrument-by-instrument basis and must be applied to an entire instrument and is irrevocable once elected. Pursuant to this guidance, the carrying value will be adjusted to estimated fair value at the end of each quarter. The value of the ONCO Common Stock is $0.7 million as of September 30, 2024 and is included in prepaid expenses and other current assets on the accompanying consolidated balance sheet. See Note 3 for additional discussion. Â F- 8 Table of Contents Â Accounts receivable and concentration of credit risk: Accounts receivable are carried at original invoice amount less an estimate made for returns, discounts, and credit losses based on a review of all outstanding amounts on a periodic basis. Â Inventories: Inventories are valued at the lower of cost or net realizable value. The cost is determined using the first-in, first-out (FIFO) method. Inventories are also written down for managementâ€™s estimates of product which will not sell prior to its expiration date. Write-downs of inventories establish a new cost basis which is not increased for future increases in the net realizable value of inventories or changes in estimated obsolescence. Â The Company capitalizes inventory costs associated with its drug products following regulatory approval when future commercialization is considered probable and the future economic benefit is expected to be realized. Prior to an initial regulatory approval for our drug products under clinical development, we expense costs relating to the production of inventory as research and development expense in the Companyâ€™s consolidated statements of operations, in the period incurred. Â Fixed assets: We record equipment, furniture and fixtures, and leasehold improvements at historical cost. Expenditures for maintenance and repairs are recorded to expense. Depreciation and amortization are primarily computed using the straight-line method, over the estimated useful lives of the assets. Leasehold improvements are depreciated on a straight-line basis over the lesser of the remaining lease term or the estimated useful lives of the assets. Â Leases: Leases are classified as either operating or finance leases at inception. A right-of-use (ROU) asset and corresponding lease liability are established at an amount equal to the present value of fixed lease payments over the lease term at the commencement date. The ROU asset includes any initial direct costs incurred and lease payments made at or before the commencement date and is reduced by lease incentive payments. The Company has elected not to separate the lease and nonlease components for all classes of underlying assets. The Company uses its incremental borrowing rate as the discount rate to determine the present value of the lease payments for leases that do not have a readily determinable implicit discount rate. The incremental borrowing rate is the rate of interest that the Company would be charged to borrow on a collateralized basis over a similar term and amount in a similar economic environment. The Company determines the incremental borrowing rates for its leases by adjusting the risk-free interest rate with a credit risk premium corresponding to the Companyâ€™s credit rating. Â Operating lease costs are recognized for fixed lease payments on a straight-line basis over the term of the lease. Finance lease costs are a combination of the amortization expense for the ROU asset and interest expense for the outstanding lease liability using the applicable discount rate. Variable lease payments are recognized when incurred based on occurrence or usage. Short-term leases with an initial term of 12 months or less are not recorded on the balance sheet; we recognize lease expense for short-term leases on a straight-line basis over the lease term. Â Patents and trademarks: The costs for patents and trademarks are expensed when incurred. Â Goodwill and intangible assets: The Companyâ€™s goodwill and intangible assets, primarily developed technology and in-process research and development (IPR&D), arose from the acquisition of APP (the â€œAPP Acquisitionâ€) on October 31, 2016. Goodwill and indefinite-lived intangible assets are not amortized. IPR&D was accounted for as indefinite-lived intangible assets until the underlying projects were discontinued, at which point the intangible assets were written off. Goodwill and indefinite-lived assets are subject to an impairment review annually, in the fourth quarter of each fiscal year, and more frequently when indicators of impairment exist. An impairment of goodwill could occur if the carrying amount of a reporting unit exceeded the fair value of that reporting unit. An impairment of indefinite-lived intangible assets would occur if the fair value of the intangible asset is less than the carrying value. Intangible assets with finite lives were tested for impairment when events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. These intangible assets were carried at cost less accumulated amortization. Â Goodwill consists of the cost of an acquired business in excess of the fair value of the net assets acquired. The Companyâ€™s goodwill is assigned to the reporting unit that is expected to benefit from the synergies of a business combination. The Company has identified two reporting units within its single operating segment. The Company tests goodwill and indefinite-lived intangible assets for impairment by first assessing qualitative factors to determine whether it is more likely than not that the fair value is less than its carrying amount. If the Company concludes it is more likely than not that the fair value is less than its carrying amount, a quantitative impairment test is performed. For its quantitative impairment tests, the Company uses an estimated future cash flow approach that requires significant judgment with respect to future volume, revenue and expense growth rates, changes in working capital use, the selection of an appropriate discount rate, asset groupings and other assumptions and estimates. The estimates and assumptions used are consistent with the Company's business plans and a market participant's views. The use of alternative estimates and assumptions could increase or decrease the estimated fair value of the assets and potentially result in different impacts to the Company's results of operations. Actual results may differ from the Company's estimates. The fair value of the reporting unit is compared with its carrying amount and an impairment charge would be recognized for the amount by which the carrying value exceeds the reporting unitâ€™s fair value. Â F- 9 Table of Contents Â Regarding goodwill, the estimated fair value of a reporting unit is highly sensitive to changes in projections and assumptions; therefore, in some instances changes in these assumptions could potentially lead to impairment. We perform sensitivity analyses around our assumptions in order to assess the reasonableness of the assumptions and the results of our testing. Changes in these assumptions may impact the estimated fair value of a reporting unit and cause the fair value of the reporting unit to be below its carrying value. We believe that our estimates are consistent with assumptions that marketplace participants would use in their estimates of fair value; however, if actual results are not consistent with our estimates and assumptions, we may be exposed to an impairment charge that could be material. Â Intangible assets are highly vulnerable to impairment charges, particularly IPR&D. These assets are initially measured at fair value and therefore any reduction in expectations used in the valuations could potentially lead to impairment. Some of the more common potential risks leading to impairment include competition, earlier than expected loss of exclusivity, pricing pressures, adverse regulatory changes or clinical trial results, delay or failure to obtain regulatory approval, additional development costs, inability to achieve expected synergies, higher operating costs, changes in tax laws and other macro-economic changes. The complexity in estimating the fair value of intangible assets in connection with an impairment test is similar to the initial valuation. During fiscal 2023, the Company recorded an impairment charge of $3.9Â million related to IPR&D. The charge was primarily a result of the Companyâ€™s strategic decision to refocus its drug development efforts on those drug candidates that it believes to have the best opportunity to lead to long-term success and shareholder value creation, which led the Company to indefinitely cease development of sabizabulin for prostate cancer and zuclomiphene. See Note 8 for additional information. The Companyâ€™s intangible asset balance for IPR&D at SeptemberÂ 30, 2024 and 2023, after the impairment charge was recorded, is zero. Â Deferred financing costs: Costs incurred in connection with the common stock purchase agreements and the at-the-market sale agreement discussed in Note 10 have been included in other assets on the accompanying consolidated balance sheets at September 30, 2024 and 2023. When shares of the Companyâ€™s common stock are sold under the common stock purchase agreement or at-the market sale agreement, a pro-rata portion of the deferred costs is recorded to additional paid-in-capital. Â Fair value measurements: Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820 â€“ Fair Value Measurements and Disclosures, defines fair value as 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. FASB ASC Topic 820 requires disclosures about the fair value of all financial instruments, whether or not recognized, for financial statement purposes. Disclosures about the fair value of financial instruments are based on pertinent information available to us as of the reporting dates. Accordingly, the estimates presented in the accompanying consolidated financial statements are not necessarily indicative of the amounts that could be realized on disposition of the financial instruments. See Note 3 for a discussion of fair value measurements. Â The carrying amounts reported in the accompanying consolidated balance sheets for cash, accounts receivable, accounts payable and other accrued liabilities approximate their fair value based on the short-term nature of these instruments. The carrying value of the residual royalty agreement liabilities, taking into consideration the related derivative instruments, is estimated to approximate fair value. Â Derivative instruments: The Company does not use derivative instruments to hedge exposures to cash flow, market or foreign currency risks. The Company reviews the terms of debt instruments it enters into to determine whether there are embedded derivative instruments, which are required to be bifurcated and accounted for separately as derivative financial instruments. Embedded derivatives that are not clearly and closely related to the host contract are bifurcated and are recognized at fair value with changes in fair value recognized as either a gain or loss in earnings. Liabilities incurred in connection with an embedded derivative are discussed in Note 9. Â Revenue recognition: Revenue is recognized when control of the promised goods is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those products. See Note 4 for further discussion on revenue. Â Research and development costs: Research and development costs are expensed as they are incurred and include salaries and benefits, costs to conduct clinical trials, and contract services. Nonrefundable advance payments made for goods or services to be used in research and development activities are deferred and capitalized until the goods have been delivered or the related services have been performed. If the goods are no longer expected to be delivered or the services are no longer expected to be performed, the Company would be required to expense the related capitalized advance payments. The Company did not have any material capitalized nonrefundable advance payments as of September 30, 2024Â or 2023. Â F- 10 Table of Contents Â The Company records estimated costs of research and development activities conducted by third-party service providers, which include the conduct of preclinical studies and clinical trials and contract manufacturing activities. These costs are a significant component of the Companyâ€™s research and development expenses. The Company accrues for these costs based on factors such as estimates of the work completed and in accordance with agreements established with its third-party service providers under the service agreements. The Company makes significant judgments and estimates in determining the accrued liabilities balance in each reporting period. As actual costs become known, the Company adjusts its accrued liabilities. The Company has not experienced any material differences between accrued costs and actual costs incurred. However, the status and timing of actual services performed, number of patients enrolled and the rate of patient enrollments may vary from the Companyâ€™s estimates, resulting in adjustments to expense in future periods. Changes in these estimates that result in material changes to the Companyâ€™s accruals could materially affect the Companyâ€™s results of operations. Â Share-based compensation: The Company recognizes share-based compensation expense in connection with its share-based awards, based on the estimated fair value of the awards on the date of grant, on a straight-line basis over the vesting period. Calculating share-based compensation expense requires the input of highly subjective judgment and assumptions, including estimates of the expected life of the share-based award, stock price volatility and risk-free interest rate. Â Advertising: The Company's policy is to expense advertising costs as incurred. Advertising costs were $0.8Â million and $0.9Â million for the years ended September 30, 2024 and 2023, respectively. Â Income taxes: The Company files separate income tax returns for its foreign subsidiaries. FASB ASC TopicÂ 740

requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statements and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are also provided for carryforwards for income tax purposes. In addition, the amount of any future tax benefits is reduced by a valuation allowance to the extent such benefits are not expected to be realized. Â Foreign currency translation and operations: Effective OctoberÂ 1, 2009, the Company determined that there were significant changes in facts and circumstances, triggering an evaluation of its subsidiariesâ€™ functional currency, resulting in the adoption of the U.S. dollar as the functional currency for all foreign subsidiaries. The consistent use of the U.S. dollar as the functional currency across the Company reduces its foreign currency risk and stabilizes its operating results. The cumulative foreign currency translation loss included in accumulated other comprehensive loss was $0.6Â million as of September 30, 2024 and September 30, 2023. Assets located outside of the U.S. totaled approximately $9.2Â million and $10.5Â million at September 30, 2024 and September 30, 2023, respectively. Â Other comprehensive loss: Accounting principles generally require that recognized revenue, expenses, gains and losses be included in net loss. Although certain changes in assets and liabilities, such as foreign currency translation adjustments, are reported as a separate component of the equity section of the accompanying consolidated balance sheets, these items, along with net loss, are components of other comprehensive loss. Â The U.S. parent company and its U.K. subsidiary routinely purchase inventory produced by its Malaysia subsidiary for sale to their respective customers. These intercompany trade accounts are eliminated in consolidation. The Companyâ€™s policy and intent is to settle the intercompany trade account on a current basis. Since the U.K. and Malaysia subsidiaries adopted the U.S. dollar as their functional currencies effective OctoberÂ 1, 2009, no foreign currency gains or losses from intercompany trade are recognized. In fiscal 2024 and 2023, comprehensive income (loss) is equivalent to the reported net income (loss). Â Recent accounting pronouncements not yet adopted: In NovemberÂ 2023, the FASB issued Accounting Standards Update (ASU) 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. The ASU expands public entitiesâ€™ segment disclosures by requiring disclosure of significant segment expenses that are regularly reviewed by the CODM and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segmentâ€™s profit or loss and assets. The ASU also allows, in addition to the measure that is most consistent with U.S. GAAP, the disclosure of additional measures of segment profit or loss that are used by the CODM in assessing segment performance and deciding how to allocate resources. All disclosure requirements under ASU 2023-07 are also required for public entities with a single reportable segment. ASU 2023-07 is effective for the Companyâ€™s Annual Report on Form 10-K for the fiscal year endingÂ SeptemberÂ 30, 2025, and subsequent interim periods, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-07 on its consolidated financial statements and disclosures. Â F- 11 Table of Contents Â In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which includes amendments that further enhance income tax disclosures, primarily through standardization and disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. ASU 2023-09 is effective for the Companyâ€™s annual periods beginning with the fiscal year endingÂ SeptemberÂ 30, 2026, with early adoption permitted, and should be applied either prospectively or retrospectively. The Company is currently evaluating the impact of adopting ASU 2023-09 on its disclosures. Â In November 2024, the FASB issued ASU 2024-03, Income Statementâ€”Reporting Comprehensive Incomeâ€”Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses,Â which requires more detailed disclosures about specified categories of expenses (including employee compensation, depreciation, and selling expenses) included in certain expense captions presented on the face of the statement of operations.Â ASU 2024-03Â is effective for the Company's annual reporting periods beginning fiscal year ending September 30, 2028, and subsequent interim periods, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03Â on its consolidated financial statements and disclosures. Â We have reviewed all other recently issued accounting pronouncements and have determined that such standards that are not yet effective will not have a material impact on our financial statements or do not otherwise apply to our operations. Â Â Note 2 â€“ Going Concern Â The Company is not profitable and has had negative cash flow from operations. We will need substantial capital to support our drug development and any related commercialization efforts for our drug candidates. Based upon the Companyâ€™s current operating plan, it estimates that its cash and cash equivalents as of the issuance date of these financial statements are insufficient for the Company to fund operating, investing and financing cash flow needs for the twelve months subsequent to the issuance date of these financial statements. To obtain the capital necessary to fund our operations, we expect to finance our cash needs through public or private equity offerings, debt financing transactions and/or other capital sources. Additional capital may not be available at such times and in such amounts as needed by us to fund our activities on a timely basis. Â These uncertainties raise substantial doubt regarding our ability to continue as a going concern for a period of twelve months subsequent to the issuance date of these financial statements. Certain elements of our operating plan to alleviate the conditions that raise substantial doubt, including but not limited to our ability to secure equity financing or other financing alternatives, are outside of our control and cannot be included in managementâ€™s evaluation under the requirement of ASC 205-40, Disclosure of Uncertainties about an Entityâ€™s Ability to Continue as a Going Concern. Accordingly, we have concluded that substantial doubt exists about our ability to continue as a going concern for a period of at least twelve months subsequent to the issuance date of these financial statements. Â Â Note 3 â€“ Fair Value Measurements Â FASB ASC Topic 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. Â The three levels of the fair value hierarchy are as follows: Â LevelÂ 1 â€“ Quoted prices for identical instruments in active markets. Â LevelÂ 2 â€“ Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable. Â LevelÂ 3 â€“ Instruments with primarily unobservable value drivers. Â There were no transfers between LevelÂ 1, LevelÂ 2 and LevelÂ 3 during fiscal 2024 and 2023. Â Amounts capitalized as IPR&D are subject to impairment testing until the completion or abandonment of the associated research and development efforts. We use probability-adjusted discounted cash flow calculations using Level 3 fair value measurements and inputs including estimated revenues, costs, probability of technical and regulatory success and discount rates to measure impairment, if any. During the second quarter of fiscal 2023, we recognized an impairment charge of $3.9Â million associated with IPR&D intangible assets due to their meeting the criteria for abandonment under the accounting standards. See Note 8 for additional information. Â F- 12 Table of Contents Â As of September 30, 2024 and 2023, the Companyâ€™s financial liabilities measured at fair value on a recurring basis, which consisted of embedded derivatives, are also classified within LevelÂ 3 of the fair value hierarchy. Â The Company determines the fair value of hybrid instruments based on available market data using appropriate valuation models, considering all of the rights and obligations of each instrument. The Company estimates the fair value of hybrid instruments using various techniques (and combinations thereof) that are considered to be consistent with the objective of measuring fair value. In selecting the appropriate technique, the Company considers, among other factors, the nature of the instrument, the market risks that it embodies and the expected means of settlement. Estimating the fair value of derivative financial instruments requires the development of significant and subjective estimates that may, and are likely to, change over the duration of the instrument with related changes in internal and external market factors. Increases in fair value during a given financial quarter result in the recognition of non-cash derivative expense. Conversely, decreases in fair value during a given financial quarter would result in the recognition of non-cash derivative income.Â Â The following table provides a reconciliation of the beginning and ending liability balance associated with embedded derivatives measured at fair value using significant unobservable inputs (Level 3) for the years ended September 30, 2024 and 2023: Â Â 2024 Â 2023 Â Â Â Â Â Â Â Â Â Beginning balance Â $1,331,000Â Â $4,294,000Â Change in fair value of derivative liabilities Â Â 239,000Â Â Â (2,963,000) Ending balance Â $1,570,000Â Â $1,331,000Â Â The expense or income associated with the change in fair value of the embedded derivatives is presented as a separate line item in the accompanying consolidated statements of operations. Â The liabilities associated with embedded derivatives represent the fair value of the change of control provisions in the Residual Royalty Agreement. See Note 9 for additional information. There is no current observable market for these types of derivatives. The Company estimates the fair value of the embedded derivative within the Residual Royalty Agreement by using a scenario-based method, whereby different scenarios are valued and probability weighted. The scenario-based valuation model incorporates transaction details such as the contractual terms of the instrument and assumptions including projected FC2 revenues, expected cash outflows, probability and estimated dates of a change of control, risk-free interest rates and applicable credit risk. Material changes in any of these inputs could result in a significantly higher or lower fair value measurement at future reporting dates, which could have a material effect on our results of operations. The increase in the fair value of derivative liabilities in fiscal 2024 was driven by an increase in the probability of a change of controlÂ and decreases in the discount rates used, due primarily to external market factors. The decrease in the fair value of derivative liabilities in fiscal 2023 was driven by a decrease in the expected cash outflows under the Residual Royalty Agreement, due to decreases in projected FC2 net revenues in future periods, and increases in the discount rates used, due primarily to external market factors. Â The following table presents quantitative information about the inputs and valuation methodologies used to determine the fair value of the embedded derivatives classified in Level 3 of the fair value hierarchy as of September 30, 2024 and 2023: Â Valuation Methodology Â Â Significant Unobservable Input Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Â Scenario-Based Â Â Estimated change of control dates Â Â March 2025 to March 2027 Â Â December 2024 to December 2026 Â Â Â Discount rate Â Â 12.1% to 12.3%Â Â 14.1% to 15.1%Â Â Â Probability of change of control Â Â 60% to 90%Â Â 20% to 90% Â F- 13 Table of Contents Â The Company also has an investment in equity securities consisting of 142,749 shares of ONCO Common Stock. The CompanyÂ received 3,000 shares of Series A Convertible Preferred Stock (the â€œONCO Preferred Stockâ€) of ONCOÂ on OctoberÂ 3, 2023 as part of a settlement of the receivable due on SeptemberÂ 30, 2023 related to the sale of ENTADFI. See Note 15 for additional information. The Company elected to measure the ONCO Preferred Stock at fair value in accordance with ASC 825. The investment in the ONCO Preferred Stock was classified within Level 3 of the fair value hierarchy because there is no market for the ONCO Preferred Stock and the fair value was determined using significant unobservable inputs. The fair value of the ONCO Preferred Stock was determined on the date received using a probability-weighted bond plus call option model, which incorporatedÂ the stock price of ONCO on the valuation date, expected volatility of 79%, expected term of 3 years, and aÂ discount rate of 35%. The Company also applied a 15% discount for lack of marketability due to the fact that there is no market for the preferred stock and a 60% probability of dissolution. The valuation was determined to be $0.9 millionÂ at October 3, 2023. Â On September 24, 2024, the Company converted all of the shares of ONCO Preferred Stock it holdsÂ into 142,749 shares ofÂ ONCO Common Stock. Following this conversion, the ONCO Common Stock is classified within Level 1 of the fair value hierarchy and the valuation is determined based on the closing price of the ONCO Common Stock. The value of the ONCO Common Stock is $0.7 million as of September 30, 2024, which is included in prepaid expenses and other current assets on the accompanying consolidated balance sheet, and the Company recognized a loss from the change in fair value of securities of $0.2 million during the year ended September 30, 2024Â on the accompanying consolidated statement of operations. Subsequent to September 30, 2024, the Company sold all of the shares of ONCO Common Stock it held for net proceeds of $0.4 million. Â Â Note 4 â€“ Revenue from Contracts with Customers Â The Company generates all its revenue from direct product sales. Revenue from direct product sales is generally recognized when the customer obtains control of the product, which occurs at a point in time, and may be upon shipment or upon delivery based on the contractual shipping terms of a contract. Sales taxes and other similar taxes that the Company collects concurrent with revenue-producing activities are excluded from revenue. Â The amount of consideration the Company ultimately receives varies depending upon sales discounts, and other incentives that the Company may offer, which are accounted for as variable consideration when estimating the amount of revenue to recognize. The estimate of variable consideration requires significant judgment. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely upon an assessment of current contract sales terms and historical payment experience. Â Product returns are typically not significant because returns are generally not allowed unless the product is damaged at time of receipt. Â The Companyâ€™s revenue is primarily from sales of FC2 in the U.S. prescription channel and direct sales of FC2 in the global public health sector, and also included sales of ENTADFI through the date the ENTADFI assets were sold on AprilÂ 19, 2023. The following table presents net revenues by product and sector for the years ended September 30, 2024 and 2023: Â Â 2024 Â 2023 Â FC2 Â Â Â Â Â Â Â Â Â Â Â Global public health sector Â $14,485,159Â Â $10,460,024Â U.S. prescription channel Â Â 2,401,260Â Â Â 5,823,921Â Total FC2 Â Â 16,886,419Â Â Â 16,283,945Â Other Â Â â€”Â Â Â 13,013Â Net revenues Â $16,886,419Â Â $16,296,958Â Â Â F- 14 Table of Contents Â The following table presents net revenue by geographic area for the years ended September 30, 2024 and 2023: Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Â United States Â $5,354,090Â Â $8,370,202Â South Africa Â Â 1,902,149Â Â Â 1,941,678Â Brazil Â Â 2,760,540Â Â Â *Â Mozambique Â Â 2,172,840Â Â Â *Â Other Â Â 4,696,800Â Â Â 5,985,078Â Net revenues Â $16,886,419Â Â $16,296,958Â Â *Less than 10% of total net revenues Â The Companyâ€™s performance obligations consist mainly of transferring control of products identified in the contracts which occurs either when: i) the product is made available to the customer for shipment; ii) the product is shipped via common carrier; or iii) the product is delivered to the customer or distributor, in accordance with the terms of the agreement. Some of the Companyâ€™s contracts require the customer to make advanced payments prior to transferring control of the products. These advanced payments create a contract liability for the Company. The balances of the Companyâ€™s contract liability, included in accrued expenses and other current liabilities on the accompanying consolidated balances sheets, was approximatelyÂ $0.4Â million andÂ $0.1Â million at September 30, 2024 and 2023, respectively. The opening balance of the Company's contract liabilities at October 1, 2022 was $0.3 million. Â The amount of revenue recognized that was included in the contract liabilities and unearned revenues balance at the beginning of the period was $0.1Â million and $0.3Â millionÂ during the years ended September 30, 2024 and 2023, respectively, after satisfying its contract obligations and transferring control. Â Â Note 5 â€“ Accounts Receivable and Concentration of Credit Risk Â The Companyâ€™s standard credit terms vary from 30 to 120 days, depending on the class of trade and customary terms within a territory, so accounts receivable is affected by the mix of sales within the period. As is typical in the Companyâ€™s business, extended credit terms may occasionally be offered as a sales promotion or for certain sales. For sales to the Companyâ€™s distributor in Brazil, the Company has agreed to credit terms of up to one year.Â Â The components of accounts receivable consist of the following at September 30, 2024 and 2023: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Â Trade receivables, gross Â $7,897,739Â Â $8,445,370Â Less: allowance for credit losses Â Â (3,923,857)Â Â (3,923,857) Less: allowance for sales returns and payment term discounts Â Â (13,577)Â Â (15,005) Accounts receivable, net Â $3,960,305Â Â $4,506,508Â Â The opening balance of the Company's net accounts receivable at October 1, 2022 was $3.6 million. Â No customer had a current accounts receivable balance that represented 10% of current assets at September 30, 2024 and 2023. Â At September 30, 2024, two customers had an accounts receivable balance greater than 10% of net accounts receivable, representing 64% of net accounts receivable in the aggregate. At September 30, 2023, threeÂ customers had an accounts receivable balance greater than 10% of net accounts receivable, representing 71%Â of the Companyâ€™s net accounts receivable in the aggregate. Â For the year ended September 30, 2024, there were four customers whose individual net revenue to the Company exceeded 10% of the Companyâ€™s net revenues, representing 60% of the Companyâ€™s net revenues in the aggregate. For the year ended September 30, 2023, there were two customers whose individual net revenue to the Company exceeded 10% of the Companyâ€™s net revenues, representing 47%Â of the Companyâ€™s net revenues in the aggregate, including The Pill Club that represented 24% of the Companyâ€™s net revenues. Â F- 15 Table of Contents Â The Company maintains an allowance for credit losses for estimated losses resulting from the inability of its customers to make required payments on accounts receivable. Management determines the allowance for credit losses by identifying troubled accounts and by using historical experience applied to an aging of accounts. Management also periodically evaluates individual customer receivables and considers a customerâ€™s financial condition, credit history, and the current economic conditions. Accounts receivable are charged-off when deemed uncollectible. During the year ended SeptemberÂ 30, 2023, the Company recorded a provision for credit losses of $3.9Â million related to the total amount of receivables due from The Pill Club due to its Chapter 11 bankruptcy, filed on AprilÂ 18, 2023. Â The table below summarizes the change in the allowance for credit losses on trade receivables for the years ended September 30, 2024 and 2023: Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Â Beginning balance Â $3,923,857Â Â $12,143Â Charge-offs, net of recoveries Â Â â€”Â Â Â 3,911,714Â Ending balance Â $3,923,857Â Â $3,923,857Â Â Recoveries of accounts receivable previously charged-off are recorded when received. In the global public health sector, the Companyâ€™s customers are primarily health care distributors, large global agencies, non-government organizations, ministries of health and other governmental agencies which purchase and distribute FC2 for use in HIV/AIDS prevention and family planning programs. In the U.S. prescription channel, the Companyâ€™s customers include primarily telemedicine providers. Â Â Note 6 â€“ Inventories Â

Inventories consisted of the following at September 30, 2024 and September 30, 2023: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Â Â Raw material Â $827,582Â Â $1,854,810Â Work in process Â Â 79,181Â Â Â 112,799Â Finished goods Â Â 4,819,331Â Â Â 4,913,295Â Inventories, gross Â Â 5,726,094Â Â Â 6,880,904Â Less: inventory reserves Â Â (1,581,915)Â Â (183,787) Inventories, net Â $4,144,179Â Â $6,697,117Â Â The Company recorded a provision for obsolete inventoryÂ of $1.6Â million and $0.2 million during the years ended September 30, 2024 and 2023, respectively, which is included in cost of sales on the accompanying consolidated statements of operations. Â Â Note 7 â€" Property and Equipment Â Property and equipment consisted of the following at September 30, 2024 and 2023: Â Â Â Estimated Â Â Â Â Â Â Â Â Â Â Â Useful Life (years) Â Â 2024 Â Â 2023 Â Property and equipment: Â Â Â Â Â Â Â Â Â Â Â Manufacturing equipment Â 5 - 8Â Â $2,863,792Â Â $3,008,122Â Office equipment, furniture and fixtures Â 3 - 10Â Â Â 1,479,193Â Â Â 1,471,870Â Leasehold improvements Â 3 - 8Â Â Â 960,694Â Â Â 960,694Â Total property and equipment Â Â Â Â Â 5,303,679Â Â Â 5,440,686Â Less: accumulated depreciation and amortization Â Â Â Â Â (4,019,025)Â Â (3,787,954) Property and equipment, net Â Â Â Â Â $1,284,654Â Â $1,652,732Â Â Â Â Â F- 16 Table of Contents Â Depreciation expense for the years ended September 30, 2024 and 2023 was approximatelyÂ $0.3Â million and $0.2Â million, respectively. Property and equipment includedÂ $0.2Â million at September 30, 2023Â for deposits on equipment, furniture, and leasehold improvements, which hadÂ not been placed into service; therefore, the Company hadÂ not started to record depreciation expense. Deposits on equipment, furniture, and leasehold improvements at September 30, 2024 were immaterial. Â Â Note 8 â€"Intangible Assets and Goodwill Â Intangible Assets Â Intangible assets includedÂ IPR&D and covenants not-to-compete. As of September 30, 2024, the net book value of intangible assets was zero.Â Â The gross carrying amounts and net book value of intangible assets, which is included in other assets on the accompanying consolidated balance sheet, were as follows at September 30, 2023:Â Â Â Â Gross Carrying Â Â Accumulated Â Â Net Book Â Â Â Amount Â Â Amortization Â Â Â Value Â Intangible asset with finite life: Â Â Â Â Â Â Â Â Â Â Â Â Covenants not-to-compete Â $500,000Â Â $494,048Â Â $5,952Â Indefinite-lived intangible assets: Â Â Â Â Â Â Â Â Â Â Â Â Acquired in-process research and development assets Â Â â€"Â Â Â â€"Â Â Â â€"Â Total intangible assets Â $500,000Â Â $494,048Â Â $5,952Â Â Amortization was recorded on a straight-line basis over seven years for the covenants not-to-compete. The amortization expense was recorded in selling, general and administrative expenses in the accompanying consolidated statements of operations. Amortization expense was approximately $71,000 for the yearÂ ended September 30, 2023. Amortization expense recorded for the year ended September 30, 2024Â was immaterial. Â In March 2023, the Company announced its strategic decision to refocus its drug development efforts on those drug candidates that it believes have the best opportunity to lead to long-term success and shareholder value creation. As part of this strategic decision, the Company has indefinitely ceased development of sabizabulin for prostate cancer and zuclomiphene. The Company has no current plans that would invest funds in the development of these two assets or that would lead to the Company deriving value from these two assets, which has met the criteria for abandonment under the accounting standards. This resulted in writing off the carrying amount of these two acquired in-process research and development assets and recording an impairment charge of $3.9Â million for the year ended SeptemberÂ 30, 2023. Â Goodwill Â The carrying amount of goodwill at September 30, 2024 and 2023 was $6.9Â million. There was no change in the balance during the years ended September 30, 2024 and 2023. The Companyâ€™s goodwill is assigned to the Research and Development reporting unit, which had a negative carrying amount as of September 30, 2024. Â Â Note 9 â€" Debt Â SWK Residual Royalty Agreement Â On MarchÂ 5, 2018, the Company entered into a Credit Agreement (the â€œCredit Agreementâ€) with the financial institutions party thereto from time to time (the â€œLendersâ€) and SWK Funding LLC, as agent for the Lenders (the â€œAgentâ€), for a synthetic royalty financing transaction. On and subject to the terms of the Credit Agreement, the Lenders provided the Company with a term loan of $10.0Â million, which was advanced to the Company on the date of the Credit Agreement. The Company repaid the loan and return premium specified in the Credit Agreement in AugustÂ 2021, and as a result has no further obligations under the Credit Agreement. The Agent has released its security interest in Company collateral previously pledged to secure its obligations under the Credit Agreement. Â F- 17 Table of Contents Â In connection with the Credit Agreement, the Company and the Agent also entered into a Residual Royalty Agreement, dated as of MarchÂ 5, 2018 (as amended, the â€œResidual Royalty Agreementâ€), which provides for an ongoing royalty payment of 5% of product revenue from net sales of FC2. The Residual Royalty Agreement will terminate upon (i)Â a change of control or sale of the FC2 business and the payment by the Company of the amount due in connection therewith pursuant to the Residual Royalty Agreement, or (ii)Â mutual agreement of the parties. If a change of control or sale of the FC2 business occurs, the Agent will receive a payment that is the greater of (A)Â $2.0Â million or (B)Â the product of (x)Â 5% of the product revenue from net sales of FC2 for the most recently completed 12-month period multiplied by (y)Â five. Â For accounting purposes, the $10.0Â million advance under the Credit Agreement was allocated between the Credit Agreement and the Residual Royalty Agreement on a relative fair value basis. A portion of the amount allocated to the Residual Royalty Agreement, equal to the fair value of the change of control provision, was allocated to an embedded derivative liability. The derivative liability is adjusted to fair market value at each reporting period. Â At September 30, 2024 and 2023, the Residual Royalty Agreement liability consisted of the following: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Â Residual royalty agreement liability, fair value at inception Â $346,000Â Â $346,000Â Add: accretion of liability using effective interest rate Â Â 12,985,419Â Â Â 12,377,949Â Less: cumulative payments Â Â (5,024,790)Â Â (4,320,190) Residual royalty agreement liability, excluding embedded derivative liability Â Â 8,306,629Â Â Â 8,403,759Â Add: embedded derivative liability at fair value (see Note 3) Â Â 1,570,000Â Â Â 1,331,000Â Total residual royalty agreement liability Â Â 9,876,629Â Â Â 9,734,759Â Residual royalty agreement liability, short-term portion Â Â (1,025,837)Â Â (864,623) Residual royalty agreement liability, long-term portion Â $8,850,792Â Â $8,870,136Â Â As the Company has repaid the original principal of $10.0Â million advanced in connection with the Credit Agreement and the Residual Royalty Agreement, payments under the Residual Royalty Agreement are classified as interest payments and included in operating activities on the accompanying consolidated statements of cash flows. The short-term portion of the Residual Royalty Agreement liability represents the aggregate of the estimated quarterly royalty payments payable during the 12-month period subsequent to the balance sheet dates. Â Interest expense on the accompanying consolidated statements of operations relates to the accretion of the liability for the Residual Royalty Agreement. The accretion of the liability is based on projected FC2 revenues. Â Premium Finance Agreement Â On NovemberÂ 1, 2022, the Company entered into an agreement to finance $1.4Â million of its directors and officers liability insurance premium at an annual percentage rate of 6.3%. The financing agreement was payable in eleven monthly installments of principal and interest, which began on DecemberÂ 1, 2022. The balance of the insurance premium liability is $0.1Â million as of September 30, 2023Â and is included in accrued expenses and other current liabilities on the accompanying consolidated balance sheet. The last payment was made in October 2023 and there is no balance outstanding as of September 30, 2024.Â Â Â Note 10 â€" Stockholdersâ€™ Equity Â Preferred Stock Â The Company has 5,000,000 shares designated as Class A Preferred Stock with a par value of $0.01 per share. There are 1,040,000 shares of Class A Preferred Stock â€" Series 1 authorized; 1,500,000 shares of Class A Preferred Stock â€" Series 2 authorized; 700,000 shares of Class A Preferred Stock â€" Series 3 authorized; and 548,000 shares of Class A Preferred Stock â€" Series 4 authorized. There were no shares of Class A Preferred Stock of any series issued and outstanding at September 30, 2024 and September 30, 2023. The Company has 15,000 shares designated as Class B Preferred Stock with a par value of $0.50 per share. There were no shares of ClassÂ B Preferred Stock issued and outstanding at September 30, 2024 and September 30, 2023. Â F- 18 Table of Contents Â Common Stock Â We are authorized to issue up to 308,000,000 shares of common stock, $0.01 par value per share. Holders are entitled to one vote for each share of common stock. Â Shelf Registration Statement Â In MarchÂ 2023, the Company filed a shelf registration statement on Form S-3 (File No. 333-270606) with a capacity of $200Â million, which was declared effective by the SEC on AprilÂ 14, 2023. As of September 30, 2024, $109Â million remains available under that shelf registration statement. As a result of the Companyâ€™s failure to timely file the Quarterly Report on Form 10-Q for the quarter ended DecemberÂ 31, 2023 and a Current Report on Form 8-K that was due on FebruaryÂ 27, 2024, the Company is not eligible to use itsÂ current effective shelf registration statement on Form S-3 (File No. 333-270606) or file new registration statements on Form S-3 until no earlier than March 1, 2025, which could impair its ability to raise capital. See Part I, Item 1A, â€œRisk Factors.â€ Â Common Stock Offering Â On DecemberÂ 18, 2023, we completed an underwritten public offering of 52,708,332 shares of our common stock, which included the exercise in full of the underwritersâ€™ option to purchase additional shares, at a public offering price of $0.72 per share. Net proceeds to the Company from this offering were approximately $35.2Â million after deducting underwriting discounts and commissions and costs incurred by the Company. All of the shares sold in the offering were by the Company. The offering was made pursuant to the Companyâ€™s shelf registration statement on Form S-3 (File No. 333-270606). Â Aspire Capital Purchase Agreement Â On JuneÂ 26, 2020, the Company entered into a common stock purchase agreement (the â€œAspire Purchase Agreementâ€) with Aspire Capital Fund, LLC (â€œAspire Capitalâ€) which provided that, upon the terms and subject to the conditions and limitations set forth therein, the Company had the right, from time to time in its sole discretion during the 36-month term of the Aspire Purchase Agreement, to direct Aspire Capital to purchase up to $23.9Â million of the Companyâ€™s common stock in the aggregate. Â During the year ended September 30, 2023, we sold 2,779,713 shares of common stock to Aspire Capital under the Aspire Purchase Agreement resulting in proceeds to the Company of $3.4Â million. As a result of these sales, we recorded approximately $105,000 of deferred costs to additional paid-in capital. Â During the 36-month term of the Aspire Purchase Agreement, we sold 4,424,450 shares of common stock to Aspire Capital resulting in proceeds to the Company of $8.4Â million. On JuneÂ 26, 2023, the term of the Aspire Purchase Agreement expired and no additional shares of common stock will be sold under the agreement. Â In consideration for entering into the Aspire Purchase Agreement, concurrently with the execution of the Aspire Purchase Agreement, the Company issued to Aspire Capital 212,130 shares of the Companyâ€™s common stock. The shares of common stock issued as consideration were valued at $0.7 million, based on the closing price per share of the Companyâ€™s common stock on the date the shares were issued. This amount and related expenses, which totaled approximately $0.7 million, were recorded as deferred costs. The unamortized amount of deferred costs related to the Aspire Purchase Agreement remaining when the agreement terminated was $0.5 million and was expensed at the time of termination. It is included in selling, general and administrative expenses on the accompanying consolidated statement of operations for the year ended SeptemberÂ 30, 2023.Â Â Private Investment in Public Equity Â On AprilÂ 12, 2023, the Company entered into a stock purchase agreement (the â€œStock Purchase Agreementâ€) with Frost Gamma Investments Trust (â€œFGIâ€), pursuant to which, on the date thereof, the Company issued and sold 5,000,000 shares of the Companyâ€™s common stock to FGI at a price of $1.00 per share, for a total investment of $5.0Â million, through a private investment in public equity financing. Proceeds were recorded net of issuance costs of $31,000. The shares of common stock issued to FGI pursuant to the Stock Purchase Agreement were not registered under the Securities Act.Â Â F- 19 Table of Contents Â Lincoln Park Capital Fund LLC Purchase Agreement Â On MayÂ 2, 2023, the Company entered into a purchase agreement (as amended, the â€œLincoln Park Purchase Agreementâ€) with Lincoln Park Capital Fund, LLC (â€œLincoln Parkâ€), which provides that, upon the terms and subject to the conditions and limitations set forth therein, the Company may sell to Lincoln Park up to $100.0Â million of shares (the â€œPurchase Sharesâ€) of the Companyâ€™s common stock over the 36 month term of the Lincoln Park Purchase Agreement. The Lincoln Park Purchase Agreement may be terminated by the Company at any time, at its sole discretion, without any cost or penalty, by giving one business day notice to Lincoln Park. Lincoln Park has covenanted not to in any manner whatsoever enter into or effect, directly or indirectly, any short selling or hedging of the Companyâ€™s common stock. On DecemberÂ 13, 2023, the Company entered into an amendment (the â€œLincoln Park Amendmentâ€) with Lincoln Park to reduce the amount of shares of common stock subject to the registration from $100.0Â million to $50.0Â million until the Company has sold at least $50.0Â million of shares of common stock under the Lincoln Park Purchase Agreement. The issuance of shares of common stock pursuant to the Lincoln Park Purchase Agreement up to $50.0Â million have been registered pursuant to the Companyâ€™s effective shelf registration statement on Form S-3 (File No. 333-270606), and a related prospectus supplement that was filed with the SEC on MayÂ 3, 2023, as further supplemented on DecemberÂ 13, 2023 to reflect the Lincoln Park Amendment. Â Under the Lincoln Park Purchase Agreement, the Company has the right, but not the obligation, on any business day selected by the Company (the â€œPurchase Dateâ€), provided that on such day the closing sale price per share of the Companyâ€™s common stock is above the Floor Price, as defined in the Lincoln Park Purchase Agreement, to require Lincoln Park to purchase up to 225,000 shares of the Companyâ€™s common stock (the â€œRegular Purchase Amountâ€) at the Purchase Price (as defined below) per purchase notice (each such purchase, a â€œRegular Purchaseâ€) provided, however, that (1) the limit on the Regular Purchase Amount will be increased to 250,000 shares, if the closing sale price of the Companyâ€™s common stock on the applicable Purchase Date is not below $6.00 and to 275,000 shares, if the closing sale price of the Companyâ€™s common stock on the applicable Purchase Date is not below $8.00. Lincoln Parkâ€™s committed obligation under each Regular Purchase shall not exceed $2,500,000 or 2,000,000 Purchase Shares per each Regular Purchase. The purchase price for Regular Purchases (the â€œPurchase Priceâ€) shall be equal to the lesser of: (i) the lowest sale price of the Companyâ€™s common stock during the Purchase Date, or (ii) the average of the three lowest closing sale prices of the Companyâ€™s common stock on the 10 consecutive business days ending on the business day immediately preceding such Purchase Date. The Company shall have the right to submit a Regular Purchase notice to Lincoln Park as often as every business day. A Regular Purchase notice is delivered to Lincoln Park after the market has closed (i.e., after 4:00 P.M. Eastern Time) so that the Purchase Price is always fixed and known at the time the Company elects to sell shares to Lincoln Park. Â In addition to Regular Purchases and provided that the Company has directed a Regular Purchase in full, the Company in its sole discretion may require Lincoln Park on each Purchase Date to purchase on the following business day (â€œAccelerated Purchase Dateâ€) up to the lesser of (i) three (3) times the number of shares purchased pursuant to such Regular Purchase or (ii) 30% of the trading volume on the Accelerated Purchase Date (the â€œAccelerated Purchaseâ€) at a purchase price equal to the lesser of 97% of (i) the closing sale price on the Accelerated Purchase Date, or (ii) the Accelerated Purchase Dateâ€™s volume weighted average price (the â€œAccelerated Purchase Priceâ€). The Company may also direct Lincoln Park, on any business day on which an Accelerated Purchase has been completed and all of the shares to be purchased thereunder have been properly delivered to Lincoln Park in accordance with the Lincoln Park Purchase Agreement, to make additional purchases upon the same terms as an Accelerated Purchase (an â€œAdditional Accelerated Purchaseâ€). Â The purchase price of Regular Purchases, Accelerated Purchases and Additional Accelerated Purchases and the minimum closing sale price for a Regular Purchase will be adjusted for any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction occurring during the business days used to compute the purchase price. The aggregate number of shares that the Company can sell to Lincoln Park under the Lincoln Park Purchase Agreement may in no case exceed 17,678,502 shares (subject to adjustment as described above) of the Companyâ€™s common stock (which is equal to approximately 19.99% of the shares of the Companyâ€™s common stock outstanding immediately prior to the execution of the Lincoln Park Purchase Agreement) (the â€œExchange Capâ€), unless (i) shareholder approval is obtained to issue Purchase Shares above the Exchange Cap, in which case the Exchange Cap will no longer apply, or (ii) the average price of all applicable sales of the Companyâ€™s common stock to Lincoln Park under the Lincoln Park Purchase Agreement equals or exceeds $1.26 per share (subject to adjustment as described above) (which represents the Minimum Price, as defined under Nasdaq Listing Rule 5635(d), on the Nasdaq Capital Market immediately preceding the signing of the Lincoln Park Purchase Agreement, such that the transactions contemplated by the Lincoln Park Purchase Agreement are exempt from the Exchange Cap limitation under applicable Nasdaq rules). Â F- 20 Table of Contents Â In consideration for entering into the Lincoln Park Purchase Agreement, concurrently with the execution of the Lincoln Park Purchase Agreement, the Company issued 800,000 shares of the Companyâ€™s common stock to Lincoln Park. The shares of common stock issued as consideration were valued at $1.0Â million, based on the closing price per share of the Companyâ€™s common stock on the date the shares were issued. This amount and related expenses of $57,000, which total approximately $1.1Â million, were recorded as deferred costs. We are obligated to issue $1.0Â million of shares of the Companyâ€™s common stock at the time Lincoln Parkâ€™s purchases cumulatively reach an aggregate amount of $50.0Â million of Purchase Shares. Â We sold 1,800,000 and 1,225,000 shares of common stock to Lincoln Park under the Lincoln Park Purchase Agreement during the years ended September 30, 2024 and 2023, respectively, resulting in proceeds to the Company of $1.7 million and $1.4 million, respectively. As a result of these sales, we recorded approximately $0.2Â million and $30,000, respectively, of deferred costs to additional paid-in capital. The unamortized amount of deferred costs related to the Lincoln Park Purchase Agreement is $0.9 million and $1.0Â million atÂ September 30, 2024 and 2023, respectively, and is included in other assets on the accompanying consolidated balance sheets. Until March 1, 2025, we will not be able to sell any securities pursuant to the Lincoln Park Purchase Agreement. Â At-the-Market Sale Agreement Â On May 12, 2023, the Company entered into an Open Market Sale Agreementâ„¢ (the â€œJefferies Sales Agreementâ€) with Jefferies LLC (â€œJefferiesâ€), as sales agent, pursuant to which the Company may issue and sell, from time to time, through Jefferies, shares of the Companyâ€™s common stock, with an aggregate value of up to $75Â million (not to exceed the lesser of 39,609,072 shares of common stock or the number of authorized, unissued and available shares of common stock at any time). Shares of common stock offered and sold pursuant to the Jefferies Sale Agreement have been registered pursuant to the Companyâ€™s effective shelf registration statement on Form S-3 (File No. 333-270606), and a related prospectus supplement that was filed with the SEC on May 12, 2023.Â On August 19, 2024, the Company delivered notice to Jefferies to terminate

the Jefferies Sales Agreement, which was effective on September 3, 2024. Pursuant to the terms of the Jefferies Sales Agreement, the Company could issue and sell, from time to time through or to Jefferies, shares of its common stock as set forth in the Jefferies Sales Agreement with an aggregate value of up to $75 million. As a result of the termination of the Jefferies Sales Agreement, the Company will not issue or sell any additional shares of common stock under the Jefferies Sales Agreement. Â We sold 90,156 and 1,277,259Â shares of common stock under the Jefferies Sales Agreement during the years ended September 30, 2024 and 2023, respectively, resulting in net proceeds to the Company of $0.1 million and $1.0 million, respectively.Â Â The Company incurred issuance costs related to the Jefferies Sales AgreementÂ of $0.2 million, which were recorded as deferred costs.Â The unamortized amount of deferred costsÂ remaining when the agreement terminated was $0.2 million and was expensed at the time of termination. It is included in selling, general and administrative expenses on the accompanying consolidated statement of operations for the year ended SeptemberÂ 30, 2024. The deferred costs were $0.2 million at September 30, 2023 and were included in other assets on the accompanying consolidated balance sheet. Â Â Note 11 â€“ Share-based Compensation Â We allocate share-based compensation expense to cost of sales, selling, general and administrative expense and research and development expense based on the award holderâ€™s employment function. We recorded income tax benefits for share-based compensation expense of approximately $3.1Â million and $4.0Â million during the years ended September 30, 2024 and 2023, respectively. During the years ended September 30, 2024 and 2023Â we recorded share-based compensation expenses as follows: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Cost of sales Â $404,348Â Â $361,843Â Selling, general and administrative Â Â 10,379,520Â Â Â 13,785,067Â Research and development Â Â 2,860,537Â Â Â 3,771,693Â Â Â $13,644,405Â Â $17,918,603Â Â We have issued share-based awards to employees and non-executive directors under the Companyâ€™s approved equity plans. Upon the exercise of share-based awards, new shares are issued from authorized common stock. Â F- 21 Table of Contents Â Equity Plans Â In June 2022, the Companyâ€™s board of directors adopted the Companyâ€™s 2022 Employment Inducement Equity Incentive Plan (the â€œInducement Planâ€). The Inducement Plan is a non-shareholder approved stock plan adopted pursuant to the â€œinducement exceptionâ€ provided under Nasdaq listing rules. The Inducement Plan is used exclusively for the issuance of equity awards to new hires who satisfy the requirements to be granted inducement grants under Nasdaq listing rules as an inducement material to the individualâ€™s entry into employment with the Company. The terms of the Inducement Plan are substantially similar to the terms of our 2018 Plan. The Company has reserved 4,000,000 shares of common stock under the Inducement Plan and as of September 30, 2024, 3,967,083Â shares remain available for issuance. Â In March 2018, the Companyâ€™s stockholders approved the Company's 2018 Equity Incentive Plan (the â€œ2018 Planâ€). On MarchÂ 29, 2022, the Companyâ€™s stockholders approved an increase in the number of shares that may be issued under the 2018 Plan to 18.5 million. As of September 30, 2024, 1,817,159 shares remain available for issuance under the 2018 Plan. Â In July 2017, the Companyâ€™s stockholders approved the Company's 2017 Equity Incentive Plan (the â€œ2017 Planâ€). A total of 4.7Â million shares are authorized for issuance under the 2017 Plan. As of September 30, 2024, 11,085 shares remain available for issuance under the 2017 Plan. The 2017 Plan replaced the Company's 2008 Stock Incentive Plan (the â€œ2008 Planâ€), and no further awards will be made under the 2008 Plan. Â Stock Options Â Each option grants the holder the right to purchase from us one share of our common stock at a specified price, which is generally the closing price per share of our common stock on the date the option is issued. Options generally vest on a pro-rata basis on each anniversary of the issuance date within three years of the date the option is issued. Options may be exercised after they have vested and prior to the specified expiry date provided applicable exercise conditions are met, if any. The expiry date can be for periods of up to ten years from the date the option is issued. The fair value of each option is estimated on the date of grant using the Black-Scholes option pricing model based on the assumptions established at that time. The Company accounts for forfeitures as they occur and does not estimate forfeitures as of the option grant date. The Company recognized a reduction in share-based compensation expense of $1.9Â million during each of the years ended September 30, 2024 and 2023.Â Â The following table outlines the weighted average assumptions for options granted during fiscal 2024 and 2023: Â Â Â 2024 Â Â 2023 Â Weighted Average Assumptions: Â Â Â Â Â Â Â Â Expected Volatility Â Â 108.97%Â Â 101.37% Expected Dividend Yield Â Â 0.00%Â Â 0.00% Risk-free Interest Rate Â Â 4.44%Â Â 3.92% Expected Term (in years) Â Â 6.0Â Â Â 6.0Â Fair Value of Options Granted Â $1.18Â Â $5.55Â Â During the years ended September 30, 2024 and 2023, the Company used historical volatility of our common stock over a period equal to the expected life of the options to estimate their fair value. The dividend yield assumption is based on the Companyâ€™s recent history and expectation of future dividend payouts on the common stock. The risk-free interest rate is based on the implied yield available on U.S. treasury zero-coupon issues with an equivalent remaining term. Â F- 22 Table of Contents Â The following table summarizes the stock options outstanding and exercisable at September 30, 2024: Â Â Â Â Â Â Â Weighted Average Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Remaining Â Â Aggregate Â Â Â Number of Â Â Exercise Price Â Â Contractual Term Â Â Intrinsic Â Â Â Shares Â Â Per Share Â Â (years) Â Â Value Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Â Outstanding at September 30, 2023 Â Â 17,367,643Â Â $5.28Â Â Â Â Â Â Â Â Â Granted Â Â 2,467,980Â Â Â 1.40Â Â Â Â Â Â Â Â Â Exercised Â Â (2,734)Â Â 1.20Â Â Â Â Â Â Â Â Â Forfeited Â Â (1,370,461)Â Â 7.56Â Â Â Â Â Â Â Â Â Outstanding at September 30, 2024 Â Â 18,462,428Â Â $4.59Â Â Â 6.32Â Â $44,938Â Exercisable at September 30, 2024 Â Â 12,740,284Â Â $4.42Â Â Â 5.27Â Â $â€”Â Â The aggregate intrinsic values in the table above are before income taxes and represent the number of in-the-money options outstanding or exercisable multiplied by the closing price per share of the Companyâ€™s common stock on the last trading day of the year ended September 30, 2024Â of $0.77, less the respective weighted average exercise price per share at period end. Â The total intrinsic value of options exercised was approximately $0.5Â million during the yearÂ ended September 30, 2023. Cash received from options exercised was $0.4Â million in the yearÂ ended September 30, 2023. The intrinsic value of and cash received from options exercised during the year endedÂ September 30, 2024 wereÂ immaterial. Â As of September 30, 2024, the Company had unrecognized compensation expense of approximately $11.7Â million related to unvested stock options. This expense is expected to be recognized over a weighted average period of 1.6Â years. Â Stock Appreciation Rights Â In fiscal 2017, the Company issued stock appreciation rights based on 50,000 shares of the Companyâ€™s common stock to an employee that vested on OctoberÂ 31, 2018. The stock appreciation rights have a ten-year term and an exercise price per share of $0.95. Upon exercise, the stock appreciation rights will be settled in common stock issued under the 2017 Plan. As of September 30, 2024 and 2023, vested stock appreciation rights based on 50,000 shares of common stock remain outstanding. Â Â Note 12 â€“ Leases Â The Company has operating leases for its office, manufacturing and warehouse space, and office equipment. The Company has a finance lease for office equipment, furniture, and fixtures. Â Corporate Headquarters Â In JuneÂ 2021, the Company executed a lease for its new corporate headquarters in Miami, Florida. The Company is leasing approximately 12,000 square feet of office space for an eight year term, which commenced on MarchÂ 1, 2022. The space replaced the Companyâ€™s previous corporate headquarters in Miami, Florida when the lease terminated at the end of FebruaryÂ 2022. Annual base rent payments are $58.00 per square foot and are subject to a 3% annual escalation. Based on the terms of the lease agreement, the Company paid a security deposit of approximately $117,000, which is included in other assets on the accompanying consolidated balance sheet as of September 30, 2024 and 2023. Â F- 23 Table of Contents Â Chicago Lease Â The Company leasedÂ approximately 6,600 square feet of office space located in Chicago, Illinois. The Company executed the lease for this office in May 2016, for a seven-year period commencing on NovemberÂ 1, 2016 and ending on OctoberÂ 31, 2023. The lease granted the Company a seven-month lease holiday beginning NovemberÂ 1, 2016, a five-month lease abatement beginning JuneÂ 1, 2017, and provided a tenant improvement allowance. Annual base rent payments were $14.00 per square foot in year one and increase on an annual basis to $17 per square foot in the final year of the lease. The lease also requiredÂ payment of related expenses, including real estate taxes, common area maintenance, utilities and insurance expenses from JuneÂ 1, 2017 to OctoberÂ 31, 2023. Based on the terms of the lease agreement, the Company paid a security deposit of $55,000. Effective September 1, 2017, the Company entered into a sublease for this office space through October 31, 2023. Monthly sublease payments of approximately $15,200 commenced in January 2018 and ended August 2023. The monthly sublease payment was subject to annual increases in September of each year and increased to approximately $17,300 per month in the final year of the sublease. Sublease income was recognized as a reduction to operating lease costs as the sublease was outside of the Companyâ€™s normal business operations. This is consistent with the Companyâ€™s recognition of sublease income prior to the adoption of FASB ASC Topic 842. The tenant under the sublease provided a security deposit of $30,000 to the Company. The Company continued to be responsible for performance under the lease until it expired on OctoberÂ 31, 2023. Â International Leases Â The Company leases approximately 6,400 square feet of office space located in London, England. The lease was effective in August 2020 with a five year term and a tenantâ€™s option to cancel after three years with no penalty to the Company. At the time the lease was commenced, it was reasonably certain that the Company will exercise that option. The option to exercise required 6 months notice on February 28, 2023. At that time, the Company determined that it would not exercise the option to cancel and recorded an adjustment of $265,000 to its lease liabilities and right-of-use asset to reflect the additional lease term. The Company maintains a security deposit of approximately $58,000. The lease requires quarterly payments of approximately $41,100. Â The Company leases 45,800 square feet of manufacturing and warehouse space in Selangor D.E., Malaysia. The Company executed the lease for this space in August 2019, for a three-year term commencing September 1, 2019 and ending August 31, 2022. The Company had an option to extend the term of the lease for a period of three years, which was executed so that the lease is effective through AugustÂ 31, 2025. The lease requires monthly payments of approximately $15,400. Based on the terms of the lease agreement, the Company maintains a security deposit of approximately $46,000. Â Certain of our lease agreements include variable lease payments for common area maintenance, real estate taxes, and insurance or based on usage for the office equipment leases. The components of the Companyâ€™s lease cost were as follows for the years ended September 30, 2024 and 2023: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Operating lease cost Â $1,078,058Â Â $1,117,463Â Short-term lease cost Â Â 42,683Â Â Â 42,809Â Variable lease cost Â Â 79,066Â Â Â 186,904Â Sublease income Â Â (15,148)Â Â (179,378) Total lease cost Â $1,184,659Â Â $1,167,798Â Â The Company paid cash of $1.0Â millionÂ and $0.9Â millionÂ for amounts included in the measurement of operating lease liabilities during the year ended September 30, 2024 and 2023, respectively. The Companyâ€™s operating lease ROU assets and related lease liabilities are presented as separate line items on the accompanying consolidated balance sheet as of September 30, 2024 and 2023. Â Other information related to the Companyâ€™s leases as of September 30, 2024 and 2023 was as follows: Â Â Â 2024 Â Â 2023 Â Operating Leases Â Â Â Â Â Â Â Â Weighted-average remaining lease term Â Â 5.0Â Â Â 6.1Â Weighted-average discount rate Â Â 7.5%Â Â 7.7% Â F- 24 Table of Contents Â The Companyâ€™s lease agreements do not provide a readily determinable implicit rate. Therefore, the Company estimates its incremental borrowing rate based on information available at lease commencement in order to discount lease payments to present value. Â As of September 30, 2024, maturities of lease liabilities were as follows: Â Â Â Operating Â Â Â Leases Â Fiscal year ended September 30, Â Â Â Â 2025 Â $1,110,198Â 2026 Â Â 801,893Â 2027 Â Â 814,728Â 2028 Â Â 833,137Â 2029 Â Â 856,526Â Thereafter Â Â 361,270Â Total lease payments Â Â 4,777,752Â Less imputed interest Â Â (790,875) Total lease liabilities Â $3,986,877Â Â The Company does not have any leases that have not yet commenced as of September 30, 2024. Â The lease liabilities presented above do not include variable lease payments for common area maintenance, real estate taxes, and insurance or based on usage for the office equipment leases. These amounts are not fixed and can fluctuate from year to year. Â Â Note 13 â€“ Contingent Liabilities Â The testing, manufacturing and marketing of consumer products by the Company entail an inherent risk that product liability claims will be asserted against the Company. The Company maintains product liability insurance coverage for claims arising from the use of its products. The coverage amount is currently $10.0Â million. Â Litigation Â On December 5, 2022, a putative class action complaint was filed in federal district court for the Southern District of Florida (Ewing v. Veru Inc., et al., Case No. 1:22-cv-23960) against the Company and Mitchell Steiner, its Chairman, CEO and President, and Michele Greco, its CFO (the â€œEwing Lawsuitâ€). The First Amended Class Action Complaint, filed on September 15, 2023 by purported stockholders Dr. Myo Thant and Karen Brounstein, alleges that certain public statements about sabizabulin as a treatment for COVID-19 between March 1, 2021 and March 2, 2023 violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, and seeks monetary damages. Â On July 7, 2023, Anthony Maglia, a purported stockholder, filed a derivative action in the Circuit Court for the Eleventh Judicial Circuit, Miami-Dade County, Florida (Maglia v. Steiner et al., Case No. 2023-019406-CA-01), against the Company as a nominal defendant, and Company officers and directors Mitchell S. Steiner, Michele Greco, Harry Fisch, Mario Eisenberger, Grace S. Hyun, Lucy Lu and Michael L. Rankowitz (the â€œMaglia Lawsuitâ€). The Maglia lawsuit asserts claims for breach of fiduciary duty, waste of corporate assets, and unjust enrichment primarily in connection with the issues and claims asserted in the Ewing Lawsuit. The Maglia Lawsuit seeks to direct the Company to improve its corporate governance and internal procedures, and also seeks monetary damages, injunctive relief, restitution, and an award of reasonable fees and expenses. Â On SeptemberÂ 1, 2023, Anthony Franchi, a purported stockholder, filed a derivative action in the United States District Court for the Eastern District of Wisconsin (Franchi v. Steiner et al., Case No. 2:23-CV-01164), against the Company as a nominal defendant, and Company officers and directors Mitchell S. Steiner, Mario Eisenberger, Harry Fisch, Michael L. Rankowitz, Grace Hyun, Lucy Lu, and Michele Greco (the â€œFranchi Lawsuitâ€). The Franchi lawsuit asserts claims for breach of fiduciary duty and unjust enrichment primarily in connection with the issues and claims asserted in the Ewing Lawsuit. The Franchi Lawsuit seeks to direct the Company to improve its corporate governance and internal procedures, and also seeks monetary damages, restitution, and an award of reasonable fees and expenses. On NovemberÂ 8, 2023, this action was consolidated with the Renbarger action, discussed below. Â F- 25 Table of Contents Â On SeptemberÂ 28, 2023, Philip Renbarger, a purported stockholder, filed a derivative action in the United States District Court for the Eastern District of Wisconsin (Renbarger v. Steiner et al., Case No. 2:23-CV-01291), against the Company as a nominal defendant, and Company officers and directors Mitchell Steiner, Mario Eisenberger, Harry Fisch, Michael L. Rankowitz, Grace S. Hyun, Lucy Lu, and Michele Greco (the â€œRenbarger Lawsuitâ€). The Renbarger lawsuit asserts claims for breach of fiduciary duty, aiding and abetting, gross mismanagement, waste of corporate assets, and unjust enrichment primarily in connection with the issues and claims asserted in the Ewing Lawsuit. The Renbarger Lawsuit seeks to direct the Company to improve its corporate governance and internal procedures, and also seeks monetary damages and an award of reasonable fees and expenses. On November 8, 2023, the Renbarger Lawsuit was consolidated with the Franchi Lawsuit, discussed above. Â On OctoberÂ 9, 2023, Mohamed Alshourbagy, a purported stockholder, filed a derivative action in the United States District Court for the Southern District of Florida (Alshourbagy v. Steiner et al., Case No. 1:23-cv-23846), against the Company as a nominal defendant, and Company officers and directors Mitchell S. Steiner, Mario A. Eisenberger, Harry D. Fisch, Michael L. Rankowitz, Grace S. Hyun, Lucy Lu, and Michele Greco (the â€œAlshourbagy Lawsuitâ€). The Alshourbagy lawsuit asserts claims for breach of fiduciary duty and contribution primarily in connection with the issues and claims asserted in the Ewing Lawsuit. The Alshourbagy Lawsuit seeks to direct the Company to improve its corporate governance and internal procedures, and also seeks monetary damages, injunctive relief, restitution, and an award of reasonable fees and expenses. Â On September 30, 2024, June Ovadias, a purported stockholder, filed a derivative action in the United States District Court for the Western District of Wisconsin (Ovadias v. Steiner et al., Case No. 3:24-cv-00676), against the Company as a nominal defendant, and Company officers and directors Mitchell S. Steiner, Michele Greco, Mario A. Eisenberger, Harry D. Fisch, Grace S. Hyun, Lucy Lu, and Michael L. Rankowitz (the â€œOvadias Lawsuitâ€). The Ovadias lawsuit asserts claims for breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, waste of corporate assets, and contribution primarily in connection with the issues and claims asserted in the Ewing Lawsuit. The Ovadias Lawsuit seeks to direct the Company to improve its corporate governance and internal procedures, and also seeks monetary damages, restitution, and an award of reasonable fees and expenses. Â The Ewing Lawsuit, Maglia Lawsuit, Franchi Lawsuit, Renbarger Lawsuit, Alshourbagy Lawsuit and Ovadias LawsuitÂ are collectively referred to as the â€œShareholder Litigation.â€ At this time, the Company is unable to estimate potential losses, if any, related to the Shareholder Litigation. Â License and Purchase Agreements Â From time to time, we license or purchase rights to technology or intellectual property from third parties. These licenses and purchase agreements require us to pay upfront payments as well as development or other payments upon successful completion of preclinical, clinical, regulatory or revenue milestones. In addition, these agreements may require us to pay royalties on sales of products arising from the licensed or acquired technology or intellectual property. Because the achievement of future milestones is not reasonably estimable, we have not recorded a liability in the accompanying consolidated financial statements for any of these contingencies. Â Collaborative Arrangements Â On January 31, 2022, the Company entered into a Clinical Trial Collaboration and Supply Agreement (the â€œLilly Agreementâ€) with Eli Lilly and Company (â€œLillyâ€). The Company was sponsoring a clinical trial in which both the Companyâ€™s enobosarm compound and Lillyâ€™s compound were being dosed in combination. Under the Lilly agreement, the Company conducts the research at its own cost and Lilly contributes its compound towards the study at no cost to the Company. The parties continue to hold exclusive rights to all intellectual property relating solely to their own respective compounds. The Company would provide to Lilly copies of clinical data relating to the clinical trial and certain rights to use the clinical data. Veru maintains full exclusive, global commercialization rights to the enobosarm compound. As the ENABLAR-2 clinical trial is currently suspended, on August 22, 2024 Lilly sent Veru a notice of expiration effectively terminating the Lilly Agreement. Â The terms of the Lilly Agreement met the criteria under ASC Topic 808, Collaborative Arrangements (â€œASC 808â€), as both parties were active participants in the activity and were exposed to the risks and rewards dependent on the

commercial success of the activity. ASC 808 does not provide guidance on how to account for the activities under the collaboration, and the Company determined that Lilly did not meet the definition of a customer under ASC 606, Revenue from Contracts with Customers. The Company has concluded that ASC 730, Research and Development, should be applied by analogy. There is no financial statement impact for the Lilly Agreement as the value of the drug supply received from Lilly would be offset against the drug supply cost within research and development expense. Â F- 26 Table of Contents Â Resolution of Commercial Dispute Â A supplier claimed that we owed approximately $10Â million for products and services relating to our efforts to commercialize sabizabulin under an EUA. We disputed the amount owed and on February 29, 2024, we entered into an agreement with the supplier, which resolves the dispute by modifying the payment terms under the original agreement. The Company agreed to pay $8.3Â million, with $2.3Â million payable upon execution of the agreement, $3.5Â million payable in equal monthly installments over 48 months, and $2.5Â million payable (the â€œBalanceâ€) on or prior to DecemberÂ 31, 2025 out of the proceeds of certain payments that may be received by the Company from ONCO on promissory notes due in April 2024 and September 2024. If all or any portion of the Balance remains unpaid as of DecemberÂ 31, 2025, the Company shall pay the amount of the unpaid Balance in equal monthly installments over 24 months, commencing in January 2026. The agreement resulted in a reduction in research and development expense for theÂ year ended September 30, 2024Â of $0.6Â million. $0.9Â million is included in accounts payable and $4.5Â million is included in other liabilities related to this agreement as of September 30, 2024Â on the accompanying consolidated balance sheet. Â Â Note 14 â€“ Income Taxes Â The Company accounts for income taxes using the liability method, which requires the recognition of deferred tax assets or liabilities for the tax-effected temporary differences between the financial reporting and tax bases of its assets and liabilities, and for net operating loss (NOL) and tax credit carryforwards. Â Within the calculation of the Companyâ€™s annual effective tax rate the Company has used assumptions and estimates that may change as a result of future guidance, interpretations, and rule-making from the Internal Revenue Service, the SEC, the FASB and/or various other taxing jurisdictions. For example, the Company anticipates that state jurisdictions will continue to determine and announce their conformity to the Tax Act which would have an impact on the annual effective tax rate. The Companyâ€™s calculations are based on the information available, prepared or analyzed (including computations) in reasonable detail. Â The Company completes a detailed analysis of its deferred income tax valuation allowances on an annual basis or more frequently if information comes to its attention that would indicate that a revision to its estimates is necessary. In evaluating the Companyâ€™s ability to realize its deferred tax assets, management considers all available positive and negative evidence on a country-by-country basis, including past operating results, forecasts of future taxable income, and the potential Section 382 limitation on the NOL carryforwards due to a change in control. In determining future taxable income, management makes assumptions to forecast U.S. federal and state, U.K. and Malaysia operating income, the reversal of temporary differences, and the implementation of any feasible and prudent tax planning strategies. These assumptions require significant judgment regarding the forecasts of the future taxable income in each tax jurisdiction and are consistent with the forecasts used to manage the Companyâ€™s business. The Company had a cumulative pretax loss in the U.S. for fiscal 2024 and the two preceding fiscal years. Forming a conclusion that a valuation allowance is not needed is difficult when there is significant negative evidence such as cumulative losses in recent years. Management has projected future pretax losses in the U.S. driven by the investment in research and development and based on our analysis, concluded that a full valuation allowance should be recorded related to federal and state NOL carryforwards as of September 30, 2024. The valuation allowance against U.S. deferred tax assets was increased by $7.3Â million during the year ended September 30, 2024. As of September 30, 2024 and 2023 respectively, the Company has recorded a valuation allowance of $69.0Â million and $61.7Â million against U.S. deferred tax assets. In addition, the Companyâ€™s U.K. holding company for the non-U.S. operating companies, The Female Health Company Limited, continues to have a full valuation allowance of $3.2Â million as of September 30, 2024 and 2023. The operating U.K. subsidiary, The Female Health Company (UK) plc does not have a valuation allowance due to projections of future taxable income. The Company projects that the deferred tax assets of The Female Health Company (UK) plc will be realized over a significant period of time, which may exceed 20 years. Veru Biopharma UK Limited has a full valuation allowance of $0.4Â million andÂ $0.3 million as of September 30, 2024 and 2023, respectively. Â F- 27 Table of Contents Â As of September 30, 2024, the Company had U.S. federal and state NOL carryforwards of approximately $164.2Â million and $70.0Â million, respectively, for income tax purposes with $28.6Â million and $35.6Â million, respectively, expiring in fiscal years 2025Â to 2044Â and $135.6Â million and $34.4Â million, respectively, which can be carried forward indefinitely. The Company also has U.S. federal research and development tax credit carryforwards of $7.6Â million, expiring in fiscal years 2038 to 2044. The Companyâ€™s U.K. subsidiary and Veru Biopharma UK Limited have U.K. NOL carryforwards of approximately $61.2Â million as of September 30, 2024, which can be carried forward indefinitely to be used to offset future U.K. taxable income. Â Loss before income taxes was taxed by the following jurisdictions for the years ended September 30, 2024 and 2023: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Domestic Â $(37,791,920)Â $(90,522,387) Foreign Â Â 715,595Â Â Â (2,150,099) Total Â $(37,076,325)Â $(92,672,486) Â A reconciliation between the effective tax rate and the U.S. statutory rate and the related income tax expense is as follows: Â Â Â 2024 Â Â 2023 Â Â Â Amount Â Â Tax Rate Â Â Amount Â Â Tax Rate Â Income tax benefit at U.S. federal statutory rates Â $(7,786,028)Â Â 21.0%Â $(19,461,222)Â Â 21.0% State income tax benefit, net of federal benefits Â Â (602,861)Â Â 1.6Â Â Â (1,506,855)Â Â 1.6Â Non-deductible expenses Â Â 200,233Â Â Â (0.5)Â Â 330,281Â Â Â (0.3) U.S. research and development tax credit Â Â 655,526Â Â Â (1.8)Â Â 178,378Â Â Â (0.2) Effect of foreign income tax rates Â Â 292,970Â Â Â (0.8)Â Â 454,808Â Â Â (0.5) Effect of common stock options exercised Â Â 13,339Â Â Â 0.0Â Â Â 180,847Â Â Â (0.2) Effect of global intangible low-taxed income Â Â 500,613Â Â Â (1.4)Â Â (24,691)Â Â (0.0) Change in valuation allowance Â Â 7,367,014Â Â Â (19.9)Â Â 20,205,808Â Â Â (21.8) Other, net Â Â 84,295Â Â Â (0.2)Â Â 122,852Â Â Â (0.1) Income tax expense Â $725,101Â Â Â (2.0)%Â $480,206Â Â Â (0.5)% Â The federal and state income tax expense (benefit) for the years ended September 30, 2024 and 2023 is summarized below: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Deferred â€“ U.S. Â $â€“Â Â $(63,426) Deferred â€“ U.K. Â Â 423,127Â Â Â 262,612Â Deferred â€“ Malaysia Â Â (55,945)Â Â (21,687) Subtotal Â Â 367,182Â Â Â 177,499Â Â Â Â Â Â Â Â Â Â Current â€“ U.S. Â Â â€“Â Â Â (8,624) Current â€“ Malaysia Â Â 357,919Â Â Â 311,331Â Subtotal Â Â 357,919Â Â Â 302,707Â Â Â Â Â Â Â Â Â Â Income tax expense Â $725,101Â Â Â $480,206Â Â Â F- 28 Table of Contents Â Significant components of the Companyâ€™s deferred tax assets and liabilities are as follows: Â Â Â 2024 Â Â 2023 Â Deferred tax assets: Â Â Â Â Â Â Â Â Federal net operating loss carryforwards Â $34,485,560Â Â $29,100,871Â State net operating loss carryforwards Â Â 3,662,406Â Â Â 3,322,715Â Foreign net operating loss carryforwards â€“ U.K. Â Â 15,303,535Â Â Â 15,749,809Â Foreign capital allowance â€“ U.K. Â Â 184,779Â Â Â 174,748Â Share-based compensation â€“ U.K. Â Â 299,868Â Â Â 217,821Â U.S. research and development tax credit carryforward Â Â 7,647,885Â Â Â 8,303,411Â U.S. research and development expense Â Â 8,969,277Â Â Â 9,771,166Â Accrued compensation Â Â 911,277Â Â Â 190,397Â Share-based compensation Â Â 10,198,368Â Â Â 7,896,221Â Interest expense Â Â 2,241,652Â Â Â 2,602,890Â U.S. credit loss provision Â Â 885,562Â Â Â 885,562Â Other, net â€“ Malaysia Â Â 59,992Â Â Â 4,046Â Other, net â€“ U.K. Â Â 2,500Â Â Â 2,500Â Other, net â€“ U.S. Â Â 385,414Â Â Â 71,509Â Gross deferred tax assets Â Â 85,238,075Â Â Â 78,293,666Â Valuation allowance for deferred tax assets Â Â (72,502,102)Â Â (65,135,088) Net deferred tax assets Â Â 12,735,973Â Â Â 13,158,578Â Deferred tax liabilities: Â Â Â Â Â Â Â Â Change in fair value of derivative liability Â Â (395,736)Â Â (449,812) Covenant not-to-compete Â Â â€”Â Â Â (1,347) Net deferred tax liabilities Â Â (395,736)Â Â (451,159) Net deferred tax asset Â $12,340,237Â Â $12,707,419Â Â The deferred tax amounts have been classified in the accompanying consolidated balance sheets as follows: Â Â Â 2024 Â Â 2023 Â Â Â Â Â Â Â Â Â Â Long-term deferred tax asset â€“ U.K. Â $12,280,245Â Â $12,703,373Â Long-term deferred tax asset â€“ Malaysia Â Â 59,992Â Â Â 4,046Â Total long-term deferred tax asset Â $12,340,237Â Â $12,707,419Â Â ASC Topic 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Topic 740 developed a two-step process to evaluate a tax position and also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Company has not recorded a reserve for any tax positions for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility.Â Â F- 29 Table of Contents Â The Company files tax returns in all appropriate jurisdictions, including foreign, U.S. federal and state tax returns. The following summarizes open tax years in the relevant jurisdictions: Â Â â— For the U.S., a tax return may be audited any time within 3 years from filing date or 3 years after an NOL is utilized. The U.S. open tax years are for fiscal 2005Â through 2007, fiscal 2015 through fiscal 2019, and fiscal 2022 through fiscal 2023, for which the Company is carrying forward NOLs, which expire in years 2025Â through 2038 or are being carried forward indefinitely with no expiration. Â â— For Malaysia, a tax return may be audited any time within 5 years from filing date (7 months after the fiscal year end). The Malaysia open tax years are for 2019Â through 2023, which expire on December 31, 2024Â through 2028. Â â— For the U.K., a tax return may be audited within 1 year from the later of: the filing date or the filing deadline (1 year after the end of the accounting period). The U.K. open tax year is for 2023, which expires in 2025. Â The fiscal 2024 tax returns for all jurisdictions have not been filed as of the date of this filing. As of September 30, 2024 and 2023, the Company has no recorded liability for unrecognized tax benefits. Â The Company recognizes interest and penalties related to uncertain tax positions as income tax expense as incurred. No material expense for interest and penalties was recognized for the years endedÂ September 30, 2024 and 2023. Â Â Note 15 â€“ Sale of ENTADFI Â On April 19, 2023, the Company entered into an asset purchase agreement (the â€œAsset Purchase Agreementâ€) to sell substantially all of the assets related to ENTADFIÂ® (finasteride and tadalafil) capsules for oral use, a new treatment for benign prostatic hyperplasia that was approved by the FDA in December 2021, with ONCO. The transaction closed on AprilÂ 19, 2023. The purchase price for the transaction was $20.0 million, consisting of $6.0 million paid at closing, $4.0 million payable pursuant to a promissory note due on September 30, 2023, $5.0 million payable pursuant to a promissory note due on AprilÂ 19, 2024 (the â€œApril 2024 Promissory Noteâ€), and $5.0 million payable pursuant to a promissory note due on September 30, 2024 (the â€œSeptember 2024 Promissory Noteâ€ and, together with the April 2024 Promissory Note, the â€œONCO Promissory Notesâ€), plus up to $80.0 million based on ONCOâ€™s net revenues from ENTADFI after closing (the â€œMilestone Paymentsâ€). The Company believes the probability of receiving any Milestone Payments is remote. Â On September 29, 2023, the Company entered into an Amendment to the Asset Purchase Agreement (the â€œAmendmentâ€) providing that the promissory note for the $4.0 million installment of the purchase price due September 30, 2023 would be deemed paid and fully satisfied upon (1) the payment to the Company of the sum of $1.0Â million in immediately available funds on September 29, 2023 and (2) the issuance to the Company by OctoberÂ 3, 2023 of 3,000 shares of ONCO Preferred Stock. The Company received payment of $1.0Â million on September 29, 2023 and the ONCO Preferred Stock on OctoberÂ 3, 2023, which the Company determined had a fair value as of OctoberÂ 3, 2023 of $0.9Â million. The ONCO Preferred Stock was convertible by the Company at any time and from time to time from and after one year from the date of issuance of the ONCO Preferred Stock into that number of shares of the Purchaserâ€™s common stock determined by dividing the stated value of $1,000 per share by the Conversion Price of $0.5254 per share. The ONCO Preferred Stock issued to the Company was initially convertible into an aggregate of approximately 5,709,935 shares of ONCOâ€™s common stock, subject to certain shareholder approval limitations. ONCO agreed in the Amendment to use commercially reasonable efforts to obtain such shareholder approval by December 31, 2023. Shareholder approval was obtained on September 5, 2024. Effective September 24, 2024, ONCO effected a reverse stock split of all the outstanding shares of its issued and outstanding common stock at a ratio of one-for-forty (1:40). Proportional adjustments were made to the number of shares of common stock issuable upon conversion of the ONCO Preferred Stock, such that the ONCO Preferred Stock was convertible into 142,749 shares of ONCO's common stock. On September 24, 2024, the Company converted all of the ONCO Preferred Stock into 142,749 shares of ONCO Common Stock.Â Â On AprilÂ 24, 2024, the Company entered into a Forbearance Agreement (the "Forbearance Agreement") with ONCO, relating to certain defaults under the ONCO Promissory Notes. Pursuant to the Forbearance Agreement, (a) ONCOÂ agreed to make a payment of $50,000 of the principal payable under the April 2024 Promissory Note not later than AprilÂ 29, 2024, which was paid on AprilÂ 25, 2024, and (b) the Company agreed, subject to the terms and conditions set forth in the Forbearance Agreement, to forbear from exercising its rights and remedies on account of the failure by ONCO to pay the amounts due under the April 2024 Promissory Note on the due date of April 19, 2024, and on account of any failure by ONCO to make any mandatory repayment under the ONCO Promissory Notes that may have become due or may become due in connection with certain transactions relating to ONCOâ€™s acquisition of Proteomedix AG, in each case for a period (the â€œForbearance Periodâ€) commencing on April 24, 2024 and ending on the earlier of (a) March 31, 2025 and (b) the occurrence of an Event of Default (as defined in the Forbearance Agreement). The Company also agreed that during the Forbearance Period the default provision in the ONCO Promissory Notes relating to insolvency of ONCO will not apply. Â F- 30 Table of Contents Â ONCO agreed in the Forbearance Agreement to make the following required payments during the Forbearance Period towards the remaining principal balance of the April 2024 Promissory Note: (1) monthly payments equal to 15% of cash receipts of ONCOÂ or its subsidiaries from certain sale or licensing revenues or payments; and (2) payment of 10% of the net proceeds from certain financing or other transactions outside the ordinary course of business completed by ONCO or any of its subsidiaries during the Forbearance Period. Â On SeptemberÂ 19, 2024, the CompanyÂ entered into an Amended and Restated Forbearance Agreement and Amendment to September 2024 Note (the â€œAmended Forbearance Agreementâ€) with ONCO. The Amended Forbearance Agreement amends and restates the entirety of the Forbearance Agreement. Â Pursuant to the Amended Forbearance Agreement, the forbearance period relating to the Companyâ€™s agreement to forbear from exercising its rights and remedies on account of the failure by the Borrower to pay the amounts due under the April 2024 Promissory Note on the due date of AprilÂ 19, 2024 continues to end on the earlier of (a)Â MarchÂ 31, 2025 and (b)Â the occurrence of an Event of Default (as defined in the Amended Forbearance Agreement) (such period, the â€œApril 2024 Forbearance Periodâ€). The Amended Forbearance Agreement extends the due date for the September Promissory Note until the earlier to occur of: (i)Â JuneÂ 30, 2025 or (ii)Â the occurrence of any Event of Default under the Amended Forbearance Agreement. The Amended Forbearance Agreement also effected certain modifications to the payment terms in the Forbearance Agreement and amended certain terms of the September 2024 Promissory Note as summarized below. Â The Borrower agreed in the Amended Forbearance Agreement to make the following required payments (the â€œRequired Paymentsâ€) during the April 2024 Forbearance Period first to accrued and unpaid interest under the April 2024 Promissory Note and then any remainder to the outstanding principal amount of the April 2024 Promissory Note: Â â— monthly payments equal to 25% (increased from 15% in the Original Forbearance Agreement) of cash receipts of the Borrower or its subsidiaries from certain sale or licensing revenues or payments, which increased amount shall begin on OctoberÂ 20, 2024 for cash receipts in September 2024; andÂ â—payment of 20% (increased from 10% in the Original Forbearance Agreement) of the net proceeds from certain financing or other transactions outside the ordinary course of business completed by the Borrower or any of its subsidiaries during the April 2024 Forbearance Period, which increased amount will begin for any net proceeds received after SeptemberÂ 19, 2024. Â The remaining balance of the April 2024 Promissory Note will be due at the end of the April 2024 Forbearance Period. Â The Borrower and the Company also agreed to the following amendments to the September 2024 Promissory Note in the Amended Forbearance Agreement: Â â— As noted above, an extension of the maturity date to JuneÂ 30, 2025;Â â—The accrual of interest at the rate of 10% per annum on any unpaid principal balance of the September 2024 Promissory Note commencing on OctoberÂ 1, 2024 through the date that the outstanding principal balance under the September 2024 Promissory Note is paid in full.Â â—Any amounts owed on the September 2024 Promissory Note, including but not limited to unpaid principal and accrued interest, will be paid in cash or, upon the mutual written consent of the Borrower and the Company, in shares of the Borrowerâ€™s common stock or a combination of cash and the Borrowerâ€™s common stock.Â â—Following full repayment of all principal and interest under the April 2024 Promissory Note, the Borrower will make the Required Payments first towards accrued and unpaid interest under the September 2024 Promissory Note and then towards the remaining principal balance payable under the September 2024 Promissory Note.Â â—If the aggregate unpaid principal outstanding under the April 2024 Promissory Note and the September 2024 Promissory Note and all accrued and unpaid interest thereon is repaid in cash on or before DecemberÂ 31, 2024, then the total principal balance under the September 2024 Promissory Note that will be payable by the Borrower in satisfaction of its obligations under the September 2024 Promissory Note will be reduced from $5,000,000 to $3,500,000. Â F- 31 Table of Contents Â The Company and ONCO entered into a Waiver and Amendment No. 1 to the Forbearance Agreement, dated November 26, 2024, that (x) extended the time for the payment by ONCO of the monthly payment of a percentage of its cash receipts referenced above and conditioned the payment of those amounts upon ONCO being able to raise capital of at least $97,000 and (y) increased the percentage of the net proceeds from certain financings payable to the Company from 20% to 25%.Â Â The Company received payments of $0.3 million during the year ended September 30, 2024 and $0.4Â millionÂ subsequent to September 30, 2024 under the Forbearance Agreement and the Amended Forbearance Agreement.Â Â The Company determined that it was not probable, at the time of the transaction and at September 30, 2024, that substantially all of the consideration promised under the Asset Purchase Agreement would be collected. Therefore, the Company recognized the difference between the nonrefundable consideration received and the carrying amount of the assets as a gain. The Company recorded a gain of approximately $5.7Â million on the transaction during fiscal 2023. The Company recognized a gain on sale of $1.2Â million during yearÂ ended September 30, 2024 based on the determination

of the fair market value of the ONCO Preferred Stock when received and the cash received from ONCO under the Forbearance Agreement and the Amended Forbearance Agreement. Additional gain could be recognized in future periods if additional consideration is received or when it is deemed probable that substantially all of the consideration promised will be collected. The Company will continue to evaluate the collectability of the ONCO Promissory Notes for future installments of the purchase price.Â Â Â Note 16 â€“ Loss per Share Â Basic net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding for the period. Diluted net loss per share is computed by dividing net income by the weighted average number of common shares outstanding during the period after giving effect to all dilutive potential common shares that were outstanding during the period. Dilutive potential common shares consist of the incremental common shares issuable upon the exercise of stock options and stock appreciation rights as determined under the treasury stock method. Due to our net loss for the periods presented, all potentially dilutive instruments were excluded because their inclusion would have been anti-dilutive. See Note 11 for a discussion of our potentially dilutive common shares. Â Â Note 17 â€“ Employee Benefit Plans Â Effective January 1, 2018, the Company established a 401(k) plan in which substantially all U.S. employees are eligible to participate. Contributions made by employees are limited to the maximum allowable for U.S. federal income tax purposes. The Company matchedÂ employee contributions at a rate of 100% of applicable contributions up to 6% of included compensation. Effective January 1, 2024, the Company discontinued matching contributions for U.S. employees. Company contributions to the 401(k) plan were approximately $0.6 million for the yearÂ ended September 30, 2023Â and $42,000 for the year ended September 30, 2024. The Company plans to reinstate matching contributions for U.S. employees effective January 1, 2025 at up to 4% of included compensation.Â Â In March 2014, the Company elected to contribute 3% of eligible employee compensation into the personal pension schemes of certain senior U.K. employees. Effective January 1, 2019, this contribution amount was increased to 4%. Company contributions were approximately $29,000 for each of the years ended September 30, 2024 and 2023. Â Â F-32 0001437749-24-037576ex_755206.htm Â Exhibit 19Â Â Insider Trading PolicyÂ Â PurposeÂ Â The Board of Directors of Veru Inc. (the "Company") has adopted this Insider Trading Policy (â€œPolicyâ€) with respect to transactions in the Company's securities, as well as the securities of publicly traded companies with whom the Company has a business relationship.Â This Policy is designed to prevent insider trading or allegations of insider trading, and to protect the Company's reputation for integrity and ethical conduct. It is your obligation to understand and comply with this Policy. Should you have any questions about this Policy, please contact the Compliance Officer for this Policy.Â ScopeÂ This Policy applies to all officers, directors and employees of the Company and its subsidiaries. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who receive or have access to Material Nonpublic Information (as defined below) regarding the Company. This Policy also applies to members of the immediate families and other members of the household of any person covered by this Policy and to any entity controlled by a person covered by this Policy. The persons covered by this Policy are sometimes referred to in this Policy as "Insiders."Â Transactions Subject to this PolicyÂ This Policy applies to all transactions in the Company's securities, including common stock, options for common stock and any other securities the Company may issue from time to time, such as preferred stock, warrants and convertible debentures, as well as to derivative securities relating to the Company's stock, whether or not issued by the Company, such as exchange-traded options (the foregoing are collectively referred to in this Policy as "Company Securities"). Transactions subject to this Policy include purchases, sales and bona fide gifts of Company Securities.Â Individual ResponsibilityÂ Insiders have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company Securities while in possession of Material Nonpublic Information. Each individual is responsible for making sure that he or she complies with this Policy, and that any family member, household member or entity whose transactions are subject to this Policy also complies with this Policy. In all cases, the responsibility for determining whether an individual is in possession of Material Nonpublic Information rests with that individual, and any action on the part of the Company, the Compliance Officer or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws, as described below in more detail under the heading "Consequences of Violations."Â Â Â Â Â Â Administration of this PolicyÂ The Companyâ€™s Executive Vice President - Legal shall serve as the Compliance Officer for the purposes of this Policy, and in his or her absence, another employee designated by the Compliance Officer shall be responsible for the administration of this Policy. All determinations and interpretations relating to this Policy by the Compliance Officer shall be final and not subject to further review.Â PolicyÂ Trading on Material Nonpublic Information. No Insider shall engage in any transaction involving any Company Securities during any period in which he or she possesses Material Nonpublic Information concerning the Company, except as otherwise specified in this Policy under the heading "Certain Exceptions."Â Short Sales. No Insider shall engage in a short sale of any Company Securities. A "Short Sale" is a sale of securities not owned by the seller or, if owned, not delivered against such sale within 20 days thereafter (a "Short Against the Box"). Transactions in certain put and call options for Company Securities may in some instances constitute a short sale.Â Disclosure of Material Nonpublic Information. No Insider may, directly or indirectly, disclose Material Nonpublic Information to persons within the Company whose jobs do not require them to have that information, or outside of the Company to other persons, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless any such disclosure is made in accordance with the Company's policies regarding the protection or authorized external disclosure of information regarding the Company. No Insider may make recommendations or express opinions as to trading in any Company Securities on the basis of Material Nonpublic Information.Â 2Â Â Â Margin Accounts and Pledged Securities. Securities held in a margin account may be sold without your consent by a broker if you fail to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan (including pursuant to a margin loan) may be sold in foreclosure if the borrower defaults on the loan. All Insiders are prohibited from holding Company Securities in a margin account or otherwise pledging Company Securities as collateral for a loan. However, the Company may, on a case-by-case basis, grant an exception to this prohibition and permit an Insider to hold outstanding shares of Company Common Stock in a margin account or otherwise pledge outstanding shares of Company Common Stock as collateral for a loan. Any such exception must be approved in advance by the Compliance Officer. The Compliance Officer may consider any factors he or she deems relevant in deciding whether to approve a margin account or pledge, including the financial capacity of the Insider to satisfy any obligations without resort to the pledged shares and whether the obligations pursuant to the margin account or pledge are full recourse to the Insider. In all cases, no Insider may have at any time more than 20% of his or her outstanding shares of Company Common Stock in the aggregate subject to margin accounts and/or pledges and, if the Insider is subject to the Addendum to this Policy, any such margin account or pledge may not be established during any Quarterly Blackout Period or Event-Specific Blackout as provided in the Addendum.Â Hedging Transactions. Hedging transactions are transactions that are designed to or have the effect of hedging or offsetting any decrease in the market value of any Company Securities. Hedging transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Such hedging transactions may permit an Insider to continue to own Company Securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, the Insider may no longer have the same objectives as the Companyâ€™s other shareholders. Therefore, Insiders are prohibited from engaging in any such transactions.Â No Exception for Hardship. The existence of a personal financial emergency does not excuse any Insider from compliance with this Policy.Â Confidentiality of Nonpublic Information. Material Nonpublic Information relating to the Company is the property of the Company and the unauthorized disclosure of such information is forbidden. In the event any officer, director, employee or consultant of the Company receives any inquiry from outside the Company, such as a stock analyst, for information (particularly financial results and/or projections), the inquiry should be referred to the Company's Chief Executive Officer, who is responsible for coordinating and overseeing the release of such information to the investing public, analysts and others in compliance with applicable laws and regulations.Â 3Â Â Â Blackout and Pre-Clearance Procedures. To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on the basis of inside information, the Company's Board of directors has adopted an Addendum to Insider Trading Policy that applies to Directors, executive officers subject to Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act"), and certain designated employees and consultants of the Company and its subsidiaries who have access to Material Nonpublic Information about the Company. The Company will notify you if you are subject to the Addendum.Â The Addendum generally prohibits persons covered by it from trading in the Company Securities during quarterly blackout periods (beginning at the close of market on the 20th day of the third month of each quarter and ending at the beginning of the second trading day following the release of the Company's earnings for that quarter) and during certain event-specific blackouts. Persons covered by the Addendum also must pre-clear all transactions in the Company Securities.Â Consequences of ViolationsÂ Liability for Insider Trading. The purchase or sale of Company Securities while in possession of Material Nonpublic Information concerning the Company is prohibited by the federal and state laws. Insider trading violations are pursued vigorously by the Securities and Exchange Commission ("SEC"), U.S. Attorneys and state enforcement authorities as well as the laws of foreign jurisdictions. Punishment for insider trading violations is severe and could include significant fines and imprisonment.Â Liability for Tipping. Insiders may also be liable for improper transactions by any person (commonly referred to as a "tippee") to whom they have disclosed Material Nonpublic Information regarding the Company or to whom they have made recommendations or expressed opinions as to trading in Company Securities on the basis of such information. The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the Financial Industry Regulatory Authority use sophisticated electronic surveillance techniques to uncover insider trading.Â Possible Disciplinary Actions. The Company may also impose sanctions for failure to comply with this Policy, including dismissal for cause, whether your failure to comply with this Policy results in a violation of law. Needless to say, a violation of law, or even an SEC investigation that does not result in prosecution, can tarnish a person's reputation and irreparably damage a career.Â 4Â Â Â Material Nonpublic Information Regarding Other CompaniesÂ This Policy and the guidelines described herein also apply to Material Nonpublic Information relating to other companies, including the Company's distributors, vendors, suppliers or customers ("Business Partners"), when that information is obtained in the course of employment with, or during the rendering of services by or on behalf of, the Company. Civil and criminal penalties, and termination of employment, may result from trading on or entering into any transaction related to Material Nonpublic Information regarding the Company's Business Partners. All Insiders should treat Material Nonpublic Information about the Company's Business Partners with the same care required with respect to information related directly to the Company.Â Definition of Material Nonpublic InformationÂ Material Information. Information is material if there is a reasonable likelihood that it would be considered important to an investor in making a decision to purchase, sell or hold Company Securities (or securities of any of the Company's Business Partners). Any information that could be expected to affect the Company's stock price, whether it is positive or negative, should be considered material. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it may be difficult under this standard to determine whether particular information is material, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material. Examples of such information may include:Â Â â€¢ Financial results Â â€¢ Changes in financial guidance Â â€¢ Known but unannounced future earnings or losses Â â€¢ Execution or termination of significant contracts with distributors, collaborators and other business partners Â â€¢ News of a pending or proposed merger or other acquisition Â â€¢ News of the disposition, construction, attachment, detention or acquisition of significant assets Â â€¢ Impending bankruptcy or financial liquidity problems Â â€¢ Patent or other intellectual property milestones Â â€¢ Scientific achievements or other developments from research efforts Â â€¢ News relating to the timing or results of a clinical trial involving any of the Companyâ€™s drug candidates Â â€¢ A cybersecurity risk or incident involving the Company, including relating to customers, suppliers, employees or any Company data Â â€¢ Significant developments involving corporate relationships Â â€¢ Changes in dividend policy or a stock repurchase program Â â€¢ New product announcements of a significant nature Â â€¢ Significant product defects or modifications Â 5Â Â Â Â â€¢ Stock splits Â â€¢ New equity or debt offerings Â â€¢ Positive or negative developments in outstanding litigation Â â€¢ Significant litigation exposure due to actual or threatened litigation Â â€¢ Major changes in senior management Â When Information is Considered Nonpublic. Information is nonpublic if it has not previously been disclosed to the general public. In order to establish that the information has been disclosed to the general public, it is generally necessary to demonstrate that the information has been widely disseminated. Information would be considered widely disseminated if it has been disclosed in a press release distributed through a newswire service or in a public disclosure document filed with the SEC that is available on the SECâ€™s website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company's employees, or if it is only available to a select group of analysts, brokers and institutional investors.Â Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until the start of the second business day after the day on which the information is released. If, for example, the Company were to make an announcement on a Monday, you should not trade in Company Securities until Wednesday. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific Material Nonpublic Information.Â Post-Termination TransactionsÂ This Policy continues to apply to transactions by an Insider in the Company Securities even after the Insider's employment or services to the Company have terminated until any Material Nonpublic Information concerning the Company that the Insider possesses as of the date of termination has become public. Post-Insider transactions are not subject to the Addendum.Â Certain ExceptionsÂ Transactions Under Company Plans. For purposes of this Policy, the Company considers that the exercise of stock options for cash under the Company's stock incentive plan, the exercise of stock appreciation rights under the Company's stock incentive plan, and the grant of restricted stock or other equity awards under the Company's stock incentive plan (but not the sale of any shares issued upon such exercise or grant) is exempt from this Policy, since the other party to the transaction is the Company itself and the price does not vary with the market but is fixed by the terms of the grant agreement or the plan.Â Rule 10b5-1 Plan. If a person subject to this Policy enters into a plan which meets the requirements of Rule 10b5-1, transactions in Company Securities may occur pursuant to such plan even when the person who has entered into the plan is aware of material nonpublic information. Any Rule 10b5-1 plan must be submitted for approval to the Compliance Officer prior to the entry into the Rule 10b5-1 plan. See the Addendum for further information regarding Rule 10b5-1 plans.Â Questions?Â Your compliance with this Policy is extremely important to you and the Company. If you have any questions about this Policy or its application to a proposed transaction, please direct your questions to the Compliance Officer at securitiestrading@verupharma.com. Do not try to resolve uncertainties on your own, as the rules relating to insider trading are complex and there can be severe consequences for any violation of the rules.Â This Insider Trading Policy is revised as of December 11, 2024.Â 6Â Â Â Addendum to Insider Trading PolicyPre-Clearance and Blackout ProceduresÂ Â This is an Addendum to the Insider Trading Policy (the â€œPolicyâ€) of Veru Inc. (the "Company"). You should carefully review the Policy along with this Addendum for important terms and definitions that relate to this Addendum, including the definition of Material Nonpublic Information. This Addendum is in addition to and supplements the Policy.Â To help prevent inadvertent violations of the federal securities laws and to avoid even the appearance of trading on inside information, the Company's Board of Directors has adopted this Addendum. This Addendum applies to directors, executive officers subject to Section 16 of the Exchange Act and certain designated employees of the Company or its subsidiaries (collectively, "Covered Persons"). The names of the Covered Persons subject to this addendum are listed on the attached Schedule 1. The Compliance Officer may update Schedule 1 from time to time as necessary to reflect any changes he or she deems appropriate, such as the appointment, resignation or change in status of any individual.Â This Addendum also includes additional procedures designed to address the two-business day Form 4 filing requirement under Section 16.Â Blackout ProceduresÂ Quarterly Blackout Periods for Covered Persons. The period beginning at the close of market on the 20th day of the third month of each quarter and ending at the beginning of the second trading day following the date of public disclosure of the financial results for that quarter is a particularly sensitive period of time for transactions in Company Securities from the perspective of compliance with applicable securities laws. This sensitivity is due to the fact that the Covered Persons will, during that period, often possess Material Nonpublic Information about the expected financial results for the quarter during that period. Accordingly, this period of time is referred to as a "Quarterly Blackout Period." All Covered Persons (as well any Covered Personâ€™s family members, household members or entities whose transactions are subject to the Policy) are prohibited from trading or engaging in any transaction that involves any Company Securities during the Quarterly Blackout Period.Â Event-Specific Blackout Periods. In addition to the Quarterly Blackout Periods, from time to time, Material Nonpublic Information regarding the Company may be pending. While such information is pending, the Company may impose a special Event-Specific Blackout Period during which the same prohibitions on trading Company Securities shall apply. The Company will notify those persons who are subject to any Event-Specific Blackout Period. All Insiders are urged to remember that even if they are not subject to a Quarterly or Event-Specific Blackout Period, they are still prohibited from the unauthorized disclosure of any Material Nonpublic Information and the misuse of Material Nonpublic Information in securities trading.Â 7Â Â Â Exception for Approved

Rule 10b5-1 Plans. Rule 10b5-1 under the Exchange Act provides a defense from insider trading liability under Rule 10b-5. In order to be eligible to rely on this defense, a person subject to the Policy must enter into a Rule 10b5-1 plan for transactions in Company Securities that meets certain conditions specified in Rule 10b5-1 and must be in accordance with the â€œGuidelines for Rule 10b5-1 Plansâ€ below. If the plan meets the requirements of Rule 10b5-1, transactions in Company Securities may occur even when the person who has entered into the plan is aware of material nonpublic information.Â To comply with the Policy, a Rule 10b5-1 plan must be approved by the Compliance Officer and meet the requirements of Rule 10b5-1 and the â€œGuidelines for Rule 10b5-1 Plansâ€ below. In general, a Rule 10b5-1 plan must be entered into at a time when the person entering into the plan is not aware of material nonpublic information. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party. The plan must include a cooling-off period before trading can commence that, for directors or executive officers, ends on the later of 90 days after the adoption of the Rule 10b5-1 plan or two business days following the disclosure of the Companyâ€™s financial results in an SEC periodic report for the fiscal quarter in which the plan was adopted (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption of the plan), and for persons other than directors or officers, 30 days following the adoption or modification of a Rule 10b5-1 plan. A person may not enter into overlapping Rule 10b5-1 plans (subject to certain exceptions) and may only enter into one single-trade Rule 10b5-1 plan during any 12-month period (subject to certain exceptions). Directors and executive officers must include a representation in their Rule 10b5-1 plan certifying that: (i) they are not aware of any material nonpublic information; and (ii) they are adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions in Rule 10b-5. All persons entering into a Rule 10b5-1 plan must act in good faith with respect to that plan. Any Rule 10b5-1 plan must be submitted for approval to the Compliance Officer prior to the entry into the Rule 10b5-1 plan. If you enter into a 10b5-1 plan which is in writing and approved in advance by the Compliance Officer, then you may trade in the Company Securities pursuant to such 10b5-1 plan during a Blackout Period and while otherwise in possession of Material Nonpublic Information.Â Guidelines for Rule 10b5-1 Plans. The following guidelines apply to all Rule 10b5-1 plans:Â Â Â â€¢ You may not enter into, modify or terminate a Rule 10b5-1 plan during a Blackout Period or while in possession of Material Nonpublic Information. Â Â Â â€¢ All Rule 10b5-1 plans must have a duration of at least 6 months and no more than 2 years. Â Â Â â€¢ For executive officers and directors, no transaction may take place under a Rule 10b5-1 plan until the later of (a) 90 days after adoption or modification (as specified in Rule 10b5-1) of the Rule 10b5-1 plan or (b) two business days following the disclosure of the Companyâ€™s financial results in a Form 10-Q or Form 10-K for the fiscal quarter (the Companyâ€™s fourth fiscal quarter in the case of a Form 10-K) in which the Rule 10b5-1 plan was adopted or modified (as specified in Rule 10b5-1). In any event, the cooling-off period is subject to a maximum of 120 days after adoption of the plan. Â Â Â â€¢ For persons other than executive officers and directors, no transaction may take place under a Rule 10b5-1 plan until 30 days following the adoption or modification (as specified in Rule 10b5-1) of a Rule 10b5-1 plan. Â 8Â Â Â Â â€¢ Subject to certain limited exceptions specified by Rule 10b5-1, you may not enter into more than one Rule 10b5-1 plan at the same time. Â Â Â â€¢ Subject to certain limited exceptions specified in Rule 10b5-1, you are limited to only one Rule 10b5-1 designed to effect an open market purchase or sale of the total amount of securities subject to the Rule 10b5-1 plan as a single transaction in any 12-month period. Â Â Â â€¢ If a Rule 10b5-1 plan is terminated, you must wait at least 30 days before trading outside of the Rule 10b5-1 plan. Â Â Â â€¢ You must act in good faith with respect to a Rule 10b5-1 plan. A Rule 10b5-1 plan cannot be entered into as part of a plan or scheme to evade the prohibition of Rule 10b- 5. Therefore, although modifications to an existing Rule 10b5-1 plan are not prohibited, a Rule 10b5-1 plan should be adopted with the intention that it will not be amended or terminated prior to its expiration Â Â Â€¢ You may not purchase or sell any Company Securities while the Rule 10b5-1 plan is in effect. Â The Company's approval of a Covered Person's Rule 10b5-1 plan does not constitute any advice or assurance to the Covered Person that the plan complies with Rule 10b5-1 or will result in an effective affirmative defense under the rule and such approval shall no way reduce or eliminate any Covered Person's obligations under Section 16 of the Exchange Act, including such person's disclosure and short-swing trading liabilities thereunder. If any questions arise, such person should consult with his or her own counsel in implementing a Rule 10b5-1 plan.Â Preclearance of Trades by Covered PersonsÂ The Company has determined that all Covered Persons (as well any Covered Personâ€™s family members, household members or entities whose transactions are subject to the Policy) must refrain from trading in Company Securities or engaging in any transaction related to Company Securities, even outside of a Blackout Period, without first complying with the Company's preclearance process. Each such person must contact the Compliance Officer prior to commencing any trade in or transaction related to any Company Securities, including any permitted trade pursuant to a 10b5-1 plan. The Compliance Officer will consult as necessary with senior management of the Company before clearing any proposed trade.Â Additional Information - Directors and Executive OfficersÂ Directors and executive officers of the Company must also comply with the reporting obligations and limitations on short-swing transactions set forth in Section 16 of the Exchange Act. The practical effect of these provisions is that directors and executive officers who purchase and sell certain Company Securities within a six-month period must disgorge all profits to the Company whether or not they had knowledge of any Material Nonpublic Information. Under these provisions, and so long as certain other criteria are met, neither the receipt of restricted stock or an option, stock appreciation right or other equity award under the Company's stock incentive plans, nor the exercise of that option or stock appreciation right is deemed a purchase under Section 16; however, the sale of any such shares is a sale under Section 16. Section 16 prohibits executive officers and directors from ever making a short sale of the Company's stock. A short sale is a sale of securities not owned by the seller or, if owned, not delivered (a "short sale against the box"). Transactions in put and call options for Company Securities may in some instances constitute a short sale or may otherwise result in liability for short swing profits. All such transactions are prohibited by the Company's Insider Trading Policy.Â This Addendum to the Insider Trading Policy is revised as of December 11, 2024.Â 9 0001437749-24-037576ex_691680.htm Exhibit 21Â Subsidiaries of Veru Inc. (1)ï»¿The subsidiaries of Veru Inc. are as follows:ï»¿ ï»¿ Â Name Jurisdiction of Organization ï»¿ Â Aspen Park Pharmaceuticals, Inc. Delaware Badger Acquisition Sub, Inc. Delaware The Female Health Company Limited United Kingdom The Female Health Company (UK) Plc. United Kingdom The Female Health Company (M) SDN.BHD Malaysia Veru International Holdco Inc. Delaware Veru Biopharma UK Limited United Kingdom Veru Biopharma Europe Limited Ireland ï»¿Â (1) All subsidiaries are wholly owned, directly or indirectly, by Veru Inc. ï»¿Â 0001437749-24-037576ex_755208.htm Exhibit 23.1 Â Consent of Independent Registered Public Accounting FirmÂ Â We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (No. 333-154252, 333-222513, 333-228789, 333-231489, 333-238218, 333-264877, and 333-266791) and Registration Statements on Form S-3 (No. 333-271891 and 333-270606) included in this Annual Report on Form 10-K of Veru Inc. (the â€œCompanyâ€) relating to the consolidated balance sheet of the Company as of September 30, 2024 and the related consolidated statements of operations, stockholdersâ€™ equity, and cash flows for the year ended September 30, 2024. Our report contains anÂ explanatory paragraph regarding substantial doubt about the Company's ability to continue as a going concern.Â /s/ Cherry Bekaert LLPÂ Atlanta, GeorgiaDecember 16, 2024Â ï»¿Â Â 0001437749-24-037576ex_691681.htm Exhibit 23.2 Â Consent of Independent Registered Public Accounting FirmÂ We consent to the incorporation by reference in the Registration Statements (No. 333â€‘154252, 333â€‘222513, 333â€‘228789, 333â€‘231489, 333â€‘238218, 333â€‘264877 and 333â€‘266791) on Form Sâ€‘8 and the Registration Statements (No. 333-271891 and 333-270606) on Form S-3 of Veru Inc. of our report dated December 8, 2023, except for the restatement described in Notes 18 and 19 to the 2023 financial statements, as to which the date is April 1, 2024, relating to the consolidated financial statements of Veru Inc., appearing in this Annual Report on Form 10â€‘K of Veru Inc. for the year ended September 30, 2024.Â ï»¿/s/ RSM US LLPï»¿Chicago, IllinoisDecember 16, 2024ï»¿Â 0001437749-24-037576ex_691682.htm Exhibit 31.1ï»¿CERTIFICATION OF CHIEF EXECUTIVE OFFICERPURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002ï»¿I, Mitchell S. Steiner, certify that:ï»¿1.Â Â Â Â Â Â Â I have reviewed this annual report on Form 10-K of Veru Inc.;Â 2.Â Â Â Â Â Â Â Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;Â 3.Â Â Â Â Â Â Â Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;Â 4.Â Â Â Â Â Â Â The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act RulesÂ 13aâ€‘15(f) and 15dâ€‘15(f)) for the registrant and have:Â (a)Â Â Â Â Â Â Â Â designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;Â (b)Â Â Â Â Â Â Â Â designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;Â (c)Â Â Â Â Â Â Â Â evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; andÂ (d)Â Â Â Â Â Â Â Â disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; andÂ 5.Â Â Â Â Â Â Â The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):Â (a)Â Â Â Â Â Â Â Â all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; andÂ (b)Â Â Â Â Â Â Â Â any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.Â Date:Â December 16, 2024ï»¿Â /s/Mitchell S. Steiner Â Mitchell S. Steiner Â Chairman, President and Chief Executive Officer Â Â 0001437749-24-037576ex_691683.htm Exhibit 31.2ï»¿CERTIFICATION OF CHIEF FINANCIAL OFFICERPURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002ï»¿I, Michele Greco, certify that:Â 1.Â Â Â Â Â Â Â I have reviewed this annual report on Form 10-K of Veru Inc.;Â 2.Â Â Â Â Â Â Â Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;Â 3.Â Â Â Â Â Â Â Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;Â 4.Â Â Â Â Â Â Â The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act RulesÂ 13aâ€‘15(f) and 15dâ€‘15(f)) for the registrant and have:Â (a)Â Â Â Â Â designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;Â (b)Â Â Â Â designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;Â (c)Â Â Â Â evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; andÂ (d)Â Â Â Â disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; andÂ 5.Â Â Â Â Â Â Â The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):Â (a)Â Â Â Â all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; andÂ (b)Â Â Â Â any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.Â Date:Â December 16, 2024ï»¿Â ï»¿ Â /s/Michele Greco Â Michele Greco Â Chief Financial Officer and Chief Administrative Officer ï»¿Â 0001437749-24-037576ex_691684.htm Exhibit 32.1ï»¿Certification of Periodic Financial ReportPursuant to 18 U.S.C. Section 1350ï»¿Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Veru Inc. (the "Company") certifies that the Annual Report on Form 10-K of the Company for the year ended September 30, 2024Â fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and information contained in that Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.ï»¿ï»¿ Date:Â December 16, 2024 /s/Mitchell S. Steiner ï»¿ Mitchell S. Steiner ï»¿ Chairman, President and Chief Executive Officer ï»¿ Â ï»¿ Â Date:Â December 16, 2024 /s/Michele Greco ï»¿ Michele Greco ï»¿ Chief Financial Officer and ï»¿ Chief Administrative Officer ï»¿ï»¿This certification is made solely for purpose of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.ï»¿Â