Invion Limited

ABN 76 094 730 417

Annual Report - 30 June 2024

Invion Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	Invion Limited
ABN:	76 094 730 417
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023

2. Results for announcement to the market

				$
Revenues from ordinary activities	down	10.0%	to	3,694,256
Loss from ordinary activities after tax attributable to the owners of Invion Limited	up	248.5%	to	(5,627,765)
Loss for the year attributable to the owners of Invion Limited	up	248.5%	to	(5,627,765)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $5,627,765 (30 June 2023: $1,614,823).

3. Net tangible assets

	Reporting period Cent	Previous period Cent
Net tangible assets per ordinary security	0.02	0.08

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

---

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

---

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

---

11. Attachments

Details of attachments (if any):

The Annual Report of Invion Limited for the year ended 30 June 2024 is attached.

---

12. Signed

Signed ______________________ Date: 30 August 2024

Thian Chew
Chairman

Directors	Mr Thian Chew, Chairman (Executive Chairman and CEO) Mr Alan Yamashita, Non-executive Director Mr Rob Merriel, Non-executive Director Mr Alistair Bennallack, Non-executive Director
Company secretary	Tai Phan (appointed on 31 July 2024)
Australia Business Number	76 094 730 417
Registered office	Level 4, 100 Albert Road, South Melbourne Vic 3205 Australia P: (03) 9692 7222 E: investor@inviongroup.com W: www.inviongroup.com
Share register	Link Market Service Limited Locked Bag A14, Sydney South NSW 1235 Australia P: 1300 554 474 F: (02) 9287 0303 W: www.linkmarketservices.com.au
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Stock exchange listing	Invion Limited shares are listed on the Australian Securities Exchange (ASX code: IVX)

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'the Group') consisting of Invion Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024

Directors

The following persons were directors of Invion Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr Thian Chew, Chairman (appointed Executive Chairman and CEO)
Mr Alan Yamashita, Non-executive Director
Mr Rob Merriel, Non-executive Director
Mr Alistair Bennallack, Non-executive Director

Principal activities

Invion is a life sciences company that is leading the global research and development of Photosoft™ technology for the treatment of a range of cancers, atherosclerosis and infectious diseases. The Invion Group consists of Invion Limited and its wholly owned subsidiary, Epitech Dermal Science Pty Ltd.

Invion holds the exclusive Australia and New Zealand license rights and exclusive distribution rights to Hong Kong and the rest of Asia Pacific, excluding China, Macau, Taiwan and Japan, to the Photosoft ™ technology for all cancer indications. It also holds the exclusive rights to the Photosoft ™ technology in Asia and Oceania, excluding China, Hong Kong, Taiwan, Macau, the Middle East and Russia for atherosclerosis and infectious diseases, and subsequently acquired the rights to the United States, Canada and Hong Kong for infectious diseases.

Dividends

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

Review of operations

Invion is a life science company that is leading the global research and development of Photosoft™ technology for the treatment of a range of cancers, atherosclerosis and infectious diseases.

During the year, Invion made significant progress in developing new partnership opportunities to commercialise Photosoft and advancing its clinical trial program.

The Company signed a collaboration agreement with major South Korean pharmaceutical group, Hanlim Pharma Co., Ltd. (Hanlim), to develop Invion's lead drug candidate, INV043, for the treatment of glioblastoma multiforme (GBM), which is a primary brain malignancy with a poor prognosis.

Under the agreement, Hanlim will undertake and fund the evaluation including Proof-of-Concept (PoC) preclinical studies, while Invion retains all rights to the technology and to any new intellectual property (IP) resulting from the collaboration. Invion and Hanlim are working with Seoul St. Mary's Hospital, one of South Korea's most prestigious hospitals, to design the proposed in vitro and in vivo studies.

Invion secured a similar agreement with another South Korean company, Dr. I&B Co., Ltd. (Dr.inB), to develop Photosoft for the treatment of the Human Papilloma Virus (HPV).

Dr.inB will undertake and fund the formulation and evaluation of the Photosoft compounds *in vitro* and/or *in vivo* as appropriate, to demonstrate efficacy and safety, and conduct PoC clinical trials to test the safety and efficacy of Photosoft in HPV patients at gynaecology clinics in South Korea. Invion retains all benefits and rights to the Photosoft technology, including new IP that may arise out of this collaboration.

In another significant development, Invion announced the positive findings from a study by the Peter MaCallum Cancer Centre (Peter Mac) on the effect of Invion's lead drug candidate, INV043, when used in combination with an immune checkpoint inhibitor (ICI) therapy.

ICIs are a type of immunotherapy and is the standard of care for the treatment of several cancers. The results from the *in vivo* study using immune competent mouse models with anal squamous cell carcinomas (ASCC) showed that combination therapy using INV043 with ICIs led to ~80% control of ASCC tumours at the study endpoint, compared with ICI therapy alone, which achieved 12% control.

Importantly, the mice under combination treatment maintained a healthy weight while under treatment and no negative side effects from the combination therapy were noted.
Invion also expanded its existing Photosoft perpetual licence and distribution rights for cancer indications to the territory of South Korea during the financial year. The country represents a new and significant opportunity to Invion with its oncology drugs market forecast to grow at a compound annual growth rate (CAGR) of 12.6% to US$7.4 billion by 2030[1].

Meanwhile, Invion achieved an important milestone in commencing its Phase I/II non-melanoma skin cancer (NMSC) trial with the successful manufacturing of INV043 drug substance under Good Manufacturing Practice (GMP) compliant manufacturing process. Invion is currently awaiting Human Research Ethics Committee (HREC) approval to commence patient recruitment.

On the back of these successes, the Company secured a $2.4 million to $6.8 million investment by US institutional investor, Lind Partners. Invion received an upfront investment of $1.54 million in early July and will receive $100,000 a month, which may be increased by mutual agreement up to $500,000 per month, for the following 11-months. As part of the $1.54 million capital raised, the company also granted 120 million free attaching options on 28 June 2024 to Lind Partners under the share subscription agreement.

The loss for the consolidated entity after providing for income tax amounted to $5,627,765 (30 June 2023: $1,614,823). The increase in loss compared to previous year is mainly driven by provision for bad and doubtful debts of $3,696,720 taken during the year.

The Company held a cash balance of $783,526 as at 30 June 2024 and has further received net proceeds from capital raise of $1.21 million subsequent to the year-end primarily due to significant delays by RMWCG in settling receivable for the current financial year

Material Business Risks to Strategy and Financial Performance in Future

The Company has identified a number of material risks that may affect the success of the business over the coming periods, including some that are not directly within its control. The Company's risk management approach involves the ongoing assessment, monitoring and reporting of risks that could impede the Company's progress in delivering its strategic priorities. These risks are outlined below, although it is important to note that as Invion's business continues to grow and evolve, these risks and the Company's risk profile may change.

- *Efficacy of the Compound (INV43) is proved to be ineffective or less effective that other cancer treatments:*
  Invion continues to utilise the outsourced product manager to ensure the Compound continues to be effective (Quality) as well as continue to build/test pipeline of additional compounds in portfolio to identify additional candidates for a second cancer API.

- *Invion's ability to fund ongoing studies and trials for Photosoft:*
  Invion believes it has reached a point in the development of the technology that will give it the flexibility to be strategic in deploying capital. The company is undertaking a skin cancer trial, which is relatively low cost to complete. It has also signed agreements with collaboration partners who will fund studies using Photosoft for various indications and secured a $2.4 million to $6.8 million institutional placement with New York based fund manager, Lind Partners.

- *CEO dependence/single point of dependency*
  There is a risk of over reliance on key personnel and potential departure of those key employee/contractors. This risk is currently mitigated as the CEO is a major shareholder and the external contractors used are through third party companies who would have their own internal risk mitigations for this scenario.

- *Over-reliance / knowledge concentration risk on some external service providers (eg, chemistry, manufacturing)*
  The expansion of parties involved in the processes should reduce concentration of knowledge risk, and as availability of capital improves, Invion can actively identify alternatives/backup options

- *Market competition – potential of emerging therapies to supersede this technology*
  The healthcare industry can be impacted by technological advances, which may impact on the commercial success of

[1]https://www.insights10.com/report/south-korea-oncology-drugs-market-analysis/

Photosoft. However, Invion believes that its patent protected technology and distinctive method of action and applicability to multiple cancers/diseases provides levels of protection

- *Security threats via external communication services used*
  Invion has implemented controls to prevent and reduce risk of loss resulting from breach of security from external communication services. Some of the measures taken include cybersecurity training, regular back up of data/disaster recovery practices and ensuring payments for new vendors and any change of bank account details for existing vendors have to be separately approved (with the direct counterpart that is being dealt with).

Significant changes in the state of affairs

In February 2024, Invion entered into a collaboration Agreement with Dr. I&B Co., Ltd. (Dr.inB), a South Korean Company group, to develop to develop Photosoft™ for the treatment of the Human Papilloma Virus (HPV). Under the agreement, Dr.inB will formulate and evaluate the Photosoft compounds in vitro and/or in vivo as appropriate, to demonstrate efficacy and safety, and conduct Proof-of-Concept (PoC) clinical trials to test safety and efficacy of the Photosoft technology in HPV patients at agreed upon gynaecology clinics in South Korea. Invion will supply Photosoft compounds to Dr.inB. Invion retains all benefits and rights to the Photosoft technology, including new Intellectual Property (IP) that may arise out of this collaboration.

In May 2024, Invion entered into a collaboration Agreement with Hanlim Pharma Co., Ltd. (Hanlim), a major South Korean pharmaceutical group, to develop Invion’s lead drug candidate, INV043, for the treatment of glioblastoma multiforme (GBM), which is a primary brain malignancy with a poor prognosis. Under the agreement, Hanlim will undertake and fund the evaluation including Proof-of-Concept (PoC) preclinical studies, while Invion retains all rights to the technology and to any new intellectual property resulting from the collaboration.

In June 2024, The Company has secured funding through Share Subscription Agreement and Share Purchase Agreement (together, the “Agreements”) to provide a minimum of $2.4 million and up to $6.8 million in funding to the Company from Lind Global Fund II, LP an entity managed by New York-based The Lind Partners (together, “Lind”). As part of this institutional placement, Invion has issued 180 million shares on 28 June 2024 for a capital raising of $1.54 million. The company received $1.21 million as proceeds, net of capital raising cost, on 5 July 2024. Invion will further receive a monthly investment of $100,000 over next 12 months under the Share Purchase Agreement. The company also granted 120 million free attaching options on 28 June 2024 to Lind Partners under the share subscription agreement.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year
Subsequent to the year end, the company received the following under Share Subscription Agreement and Share Purchase Agreement (together, the “Agreements”), with US institutional investor, Lind Partners:

(i) received $1,210,410 net proceeds on 5 July 2024 towards 180 million shares issued on 28 June 24; and
(ii) received $96,000 net proceeds on 16 August 2024 towards monthly investment of $100,000 from Lind Partners as agreed under the Agreement.

As announced on ASX on 29 August 2024, Ms Melanie Leydin will be appointed as the Non-executive Director effective 31 August 2024 and Mr Rob Merriel will resign as the Non-executive Director effective 31 August 2024.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations
The likely developments in the operations of the Group and the expected results from those operations in future financial years will be affected by the success of management in reaching critical development and commercial milestones in its core program if the development of the Photosoft™ technology. This could include developing and expanding existing and emerging commercial partnerships with leading global healthcare companies and securing one or more commercial transactions for the Group’s drug asset under development.

Environmental regulation

Invion is required to carry out its activities in accordance with applicable environment and human safety regulations in each of the jurisdictions in which it undertakes its operations. The Group is not aware of any matter that requires disclosure with respect to any significant regulations in respect of its operating activities, and there have been no issues of non-compliance during the year.

Information on directors

Name:	Mr Thian Chew
Title:	Chairman and CEO
Qualifications:	Bachelor of Information Systems, MA, MBA and qualified chartered accountant
Experience and expertise:	Mr Chew has over 25 years' experience in investing, finance and transforming business operations. He is Managing Partner at Polar Ventures, a private investment and consulting firm that provides capital, strategic and operating solutions, focusing on small to mid-sized enterprises in Asia. Mr. Chew is also an Advisory Board Member at Stanford Medicine's Center for Asian Health Research and Education (CARE). Mr Chew was previously an Executive Director at Goldman Sachs (Hong Kong and New York) responsible for the firm's proprietary investments including growth capital, private equity and special situations in both private and public companies. Prior to this, he was a Consultant Project Manager to Morgan Stanley, New York. Mr Chew also held a number of positions in KPMG across Asia Pacific including Director at KPMG Consulting (Singapore and Sydney) where he led several large-scale operational restructuring, post-merger integration, transformation, and business performance improvement programs. As a Senior Manager at KPMG (Taipei and Melbourne), he led several business process re-engineering initiatives, and also performed financial and information technology audit, risk and assurance engagements across multiple industries. Mr Chew holds an MBA from the Wharton School (Palmer Scholar), MA from the Lauder Institute, University of Pennsylvania, and a Bachelor of Information Systems from Monash University. Mr Chew is an Adjunct Professor at HKUST's MBA program and previously qualified as a chartered accountant.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	546,857,721
Interests in options:	178,364,244

Name:	Alan Yamashita
Title:	Non-executive Director
Qualifications:	MPA, BA
Experience and expertise:	Mr Yamashita is a highly experienced corporate consultant and investment professional, with over 40 years' experience in investment management, investment banking and alternative investment throughout the APAC region. From 1999 to 2005, Mr Yamashita was President and CEO of Search Investment Group and founding CEO and CIO of Search Alternative Investment Ltd (SAIL), a major private global hedge fund and private equity investment practice headquartered in Asia. Prior to Search Investments Group, Mr Yamashita was Managing Director and Head of Asia Capital Markets for Merrill Lynch from 1996 to 1998. Mr Yamashita is currently Managing Partner at Polar Ventures and has held numerous positions as a 16-year veteran of Goldman Sachs and an advisor to various companies, including Plantation Timber Partners, Wuhan; Duty Free Shoppers, Asia; TVSN, Shanghai; and Mizuho Alternative Investments LLC.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of Nomination and Remuneration Committee Member - Audit and Risk Committee
Interests in shares:	Nil
Interests in options:	10,864,187

Name:	Rob Merriel
Title:	Non-executive Director
Qualifications:	BA: Grad Dip (Psychology); Grad Dip (Accounting); CPA
Experience and expertise:	Rob is a Certified Practicing Accountant (CPA) with over 35 years of experience working in medical research (Hudson Institute of Medical Research and Baker Institute), large public healthcare services (Melbourne Health and Southern Health) and commercial organisations (Pacific Dunlop and Deloitte Consulting). He has been a Director of two Venture Capital Funds and a Director and Company Secretary of several biotechnology focused medical research institute spin-off companies. Mr Merriel was appointed as the Chief Financial Officer, Chief Commercialisation Officer and Company Secretary of the Hudson Institute of Medical Research in May 2014, positions he continues to hold today.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member - Audit and Risk Committee Member - Nomination and Remuneration Committee
Interests in shares:	4,440,125
Interests in options:	20,443,211

Name:	Alistair Bennallack
Title:	Non-executive Director
Qualifications:	CA
Experience and expertise:	Mr Bennallack is currently the Group Chief Operating Officer & Chief Financial Officer of Village Roadshow Pty Ltd. He is also the Chief Executive Officer of Village Roadshow Theme Parks Asia, a division of Village Roadshow Theme Parks Pty Ltd. He is the primary executive responsible for conceptualising, executing and delivering Village Roadshow's expansion into China and Asia. He is a former member of the Village Roadshow Ltd Executive Committee, current member of the Village Roadshow Theme Parks and Village Entertainment Executive Committees and current member of all Village Roadshow Pty Ltd's Management and Risk Committees. His previous roles have included Chief Financial Officer of Village Roadshow Ltd and General Manager Business Affairs of Village Roadshow Corporation Pty Ltd (controlling shareholder of Village Roadshow Ltd.)
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of Audit and Risk Committee
Interests in shares:	19,749,987
Interests in options:	20,443,211

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

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

Company secretary
Ms Claire Newstead-Sinclair resigned as the Company Secretary on 31 July 2024. With over 21 years of professional experience, Ms Newstead-Sinclair is a Chartered Accountant at the Company Secretarial and Accounting firm Vistra Australia with extensive ASX biotechnology experience across statutory reporting, compliance and corporate governance.

Mr Tai Phan is appointed as a Company Secretary on 31 July 2024. Mr Phan has over 20 years' experience as a lawyer, Company Secretary, and corporate governance and compliance professional. He has worked directly with Boards and executive management of several ASX-listed entities and numerous unlisted companies across multiple industries. He has experience in the IPO listing process for the ASX, had been appointed as an external consultant for AUSTRAC and as the Head of Asia-Pac Compliance (for Travelex and Munich Re).

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Committee	
	Attended	Held	Attended	Held
T Chew	8	8	-	-
A Yamashita	7	8	2	2
R Merriel	8	8	2	2
A Bennallack	8	8	2	2

Held: represents the number of meetings held during the time the director held office.

There were no Nomination and Remuneration Committee meeting held during the year**.**

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The Group's guiding principle for remuneration is that remuneration should be simple and transparent, should reward achievement, and should facilitate the alignment of shareholder and executive interests. The Company's philosophy is that shareholder and executive interests are best aligned:
- by providing levels of fixed remuneration and 'at risk' pay sufficient to attract and retain individuals with the skills and experience required to build on and execute the Company's business strategy
- by ensuring 'at risk' remuneration is contingent on outcomes that grow and/or protect shareholder value; and,
- by ensuring a suitable proportion of remuneration is received as a share-based payment

The Group aims to reward personnel with a level and mix of remuneration commensurate with their position and responsibilities so as to:

- attract and retain appropriately capable and talented individuals to the company;
- reward personnel for corporate and individual performance;
- align the interest of personnel with those of shareholders; and
- build a strong cohesive leadership team which can deliver execution excellence against the strategy

Remuneration consists of:

- total fixed remuneration: base salary and superannuation; and
- 'at risk' remuneration: short-term incentives (STI) and long-term incentives (LTI).

Total fixed remuneration

To ensure that the Company continues to attract, retain and motivate talented staff at a competitive cost, the Company will aim to align total fixed remuneration to the median rate paid by others operating in the relevant market, with consideration given to experience, qualifications, performance and other non-financial benefits. Total fixed remuneration will be reviewed using market data to determine what, if any, adjustments may need to be made to individual remuneration.

'At risk' remuneration

'At risk' remuneration elements are paid/issued following the performance and remuneration review conducted by executive management; assessment by the Nomination and Remuneration Committee; and approval by the Board.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The objective of the Nomination and Remuneration Committee is to assist the Board in fulfilling its duties and responsibilities by reviewing, advising and making recommendations to the Board on:

(a) Nomination
- Board composition and succession planning, taking into account diversity objectives and the mix of Director skills and experience;
- induction and continuing education for Directors;
- Board performance evaluation; and
- the performance of the CEO and key management personnel

(b) Remuneration

- implementing policies for the purposes of using remuneration to foster long-term growth and success;
- monitoring the implementation by management of the Board's strategic objectives and policies;
- remuneration for Non-Executive Directors; and
- remuneration and incentive arrangements for the CEO and other key management personnel.

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 15 July 2011, where the shareholders approved a maximum annual aggregate remuneration of $750,000.

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI comprise up to 50% of fixed remuneration in cash for the CEO. This short-term incentive will be payable at the absolute discretion of the Board and subject to funds being available on the attainment of annual predetermined performance milestones.

The long-term incentives ('LTI') are offered to incentivise, reward and retain personnel, and to align the interests of personnel and shareholders. The Nomination and Remuneration Committee considers the recommendation of the CEO regarding the issue of LTIs in light of the performance, financial position and current issued capital of the company. There will be no automatic grant of LTIs. At the discretion of the Board, the Company may also offer grants of LTIs as an award to incentivise high-quality prospective employees to join the company. The terms of any LTI grant are determined by the Board. LTI grants normally take the form of the issue of unlisted share options. Share options are normally issued under the company's equity incentive plan (EIP). All grants of equity are determined by the Board.

The Board reviews the general terms of new options to be issued. Options will be typically granted with an exercise price that is between a 40-60% premium to the market price of shares on the day of issue, and with an expiry date that is between three and four years from the date of issue. As LTIs are offered to incentivise, reward and retain personnel, options will typically vest over a number of years.

The terms of the options, and what happens to options in the event of cessation of employment, are at the discretion of the Board. However generally, in the event that a holder of unvested options ceases to be employed, then at the absolute discretion of the Board, if the ceasing of employment is due to death or permanent disability, or in any other circumstances determined by the Board to be on a “good leaver” basis, the next tranche of unvested options vests and becomes exercisable for 30 days after the last day of engagement, after which those options expire. If at the absolute discretion of the Board, the ceasing of employment occurs for any other reason than in “good leaver” circumstances, including, but not limited to, termination for cause, or due to resignation, all unvested options lapse immediately and the expiry date is taken to have occurred on the last day of engagement. In the event of a change of control, the Board, at its absolute discretion, may determine that a proportion or all unvested awards will vest.

Voting and comments made at the company's 30 June 2023 Annual General Meeting ('AGM')
At the 29 November 2023 AGM, 99.46% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
30 June 2024	**Cash salary and fees $**	**Cash bonus $**	**Non-monetary $**	**Super-annuation $**	**Long service leave $**	**Equity-settled[1] $**	**Total $**
Non-Executive Directors:							
A Yamashita(i)	54,741	-	-	-	-	-	54,741
R Merriel(ii)	50,203	-	-	4,538	-	-	54,741
A Bennallack(iii)	54,741	-	-	-	-	-	54,741
Executive Directors:							
T Chew(iv)	399,000	-	-	-	23,769	87,072	509,841
	558,685	-	-	4,538	23,769	87,072	674,064

(i) Out of $54,741 of Director fee of A Yamashita, $9,123 is outstanding as of 30 June 2024
(ii) Out of $54,741 of Director fee of R Merriel, $9,123 is outstanding as of 30 June 2024.
(iii) Out of $54,741 of Director fee of A Bennallack, $9,123 is outstanding as of 30 June 2024.
(iv) T. Chew's salary and fee of $399,000 comprise of Director fee of $90,000 and CEO salary of $309,000. Out of the salary and the Director fee for the year $66,500 is outstanding as of 30 June 2024. Equity-settled share-based payments of $87,072 consists of share-based payment expenses on unvested options.

[1]Equity-settled share-based payments in the table above represents the valuation of the options granted and/or performance rights to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year as disclosed in note 28 and does not represent cash remuneration to the KMP.

30June 2023	Short-term benefits Cash salary and fees $	 Cash bonus $	 Non-monetary $	Post-employment benefits Super-annuation $	Long-term benefits Long service leave $	Share-based payments Equity-settled[1] $	 Total $
Non-Executive Directors:							
A Yamashita(i)	54,740	-	-	-	-	6,577	61,317
R Merriel(ii)	49,538	-	-	5,202	-	-	54,740
A Bennallack(iii)	49,538	-	-	5,202	-	-	54,740
Executive Directors:							
T Chew(iv)	399,000	123,000	-	-	23,769	304,939	850,708
	552,816	123,000	-	10,404	23,769	311,516	1,021,505

(i) Out of $54,740 of Director fee of A Yamashita, $13,685 was paid through the issue of share options in lieu of cash. Equity-settled share-based payments consists of $6,577 of share-based payment expenses on options.
(ii) Out of $49,538 of Director fee of R Merriel, $12,402 was paid through the issue of share options in lieu of cash.
(iii) Out of $49,538 of Director fee of A Bennallack, $12,402 was paid through the issue of share options in lieu of cash.
(iv) T. Chew's salary and fee of $399,000 comprise of Director fee of $90,000 and CEO salary of $309,000. Out of the Director fee for the year $22,500 was paid through the issue of share options in lieu of cash. Equity-settled share-based payments of $304,939 consists of share-based payment expenses on unvested options.

[1] Equity-settled share-based payments in the table above represents the valuation of the options/and/or performance rights granted to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year as disclosed in note 28 and does not represent cash remuneration to the KMP.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 30 June 2024	 30 June 2023	At risk - STI 30 June 2024	 30 June 2023	At risk - LTI 30 June 2024	 30 June 2023
Non-Executive Directors:						
A Yamashita	100%	89%	-	-	-	11%
R Merriel	100%	100%	-	-	-	-
A Bennallack	100%	100%	-	-	-	-
Executive Directors:						
T Chew	82%	50%	-	14%	18%	36%

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Thian Chew
Title:	Executive Chairman and CEO effective 31 October 2020.
Agreement commenced:	1 November 2020
Term of agreement:	Remuneration: Total annual remuneration package of $309,000. Short term Incentives: An annual short term incentive of up to 50% of the Remuneration Package payable in cash net of any applicable deduction for income taxes etc. This short-term incentive will be payable at the absolute discretion of the Board and subject to funds being available on the attainment of annual predetermined performance milestones. Long term Incentive: Eligible to participate in the Company's equity participation plans. The amount, price and other terms of any securities issued (if any) is at the sole discretion of the Board and will be subject to the rules of the plans and to shareholder approval. The Employee will receive, subject to shareholder approval, up to 2.5 percent equity in the form of premium priced, non-dilutive options to be vested 25% up front, followed by 25% annually until the end of the third year. The options will expire after four years. In the event of a change of control after the first anniversary of continuous service, then the balance of any unissued shares subject to this clause will be issued and will vest immediately. Notice period: 6 months' notice in writing.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as compensation during the year ended 30 June 2024. Following shares were issued to directors and other key management personnel upon exercise of remuneration related options:

Name	Grant Date	Date of exercise of option	Exercise price	Number of Options exercised	Number of shares issued
R Merriel	15/03/2022	18/01/2024	$0.00	642,728	642,728
R Merriel	16/06/2022	18/01/2024	$0.00	1,016,546	1,016,546
R Merriel	12/09/2022	18/01/2024	$0.00	1,240,726	1,240,726
				2,900,000	2,900,000

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
R Merriel	20,443,211	31/08/2020	31/08/2020	31/08/2024	$0.020	$0.012
A Bennallack	20,443,211	22/10/2020	22/10/2020	22/10/2024	$0.020	$0.012
T Chew	3,537,736	31/10/2020	31/10/2020	31/10/2024	$0.000	$0.012
A Yamashita	2,151,887	31/10/2020	31/10/2020	31/10/2024	$0.000	$0.012
A Yamashita	1,222,558	15/12/2020	15/12/2020	31/10/2024	$0.000	$0.012
T Chew	2,010,052	15/12/2020	15/12/2020	31/10/2024	$0.000	$0.012
T Chew	2,525,590	07/04/2021	07/04/2021	31/10/2024	$0.000	$0.012
A Yamashita	1,536,120	07/04/2021	07/04/2021	31/10/2024	$0.000	$0.012
T Chew	1,589,620	10/06/2021	10/06/2021	31/10/2024	$0.000	$0.010
A Yamashita	966,842	10/06/2021	10/06/2021	31/10/2024	$0.000	$0.010
T Chew	1,727,211	16/09/2021	16/09/2021	31/10/2024	$0.000	$0.010
A Yamashita	1,050,528	16/09/2021	16/09/2021	31/10/2024	$0.000	$0.010
T Chew	138,488,557	30/09/2021	30/09/2021	23/09/2025	$0.020	$0.010
T Chew	1,097,756	07/12/2021	07/12/2021	31/10/2025	$0.000	$0.020
A Yamashita	667,680	07/12/2021	07/12/2021	31/10/2025	$0.000	$0.020
T Chew	1,291,619	15/03/2022	15/03/2022	31/10/2025	$0.000	$0.020
A Yamashita	785,591	15/03/2022	15/03/2022	31/10/2025	$0.000	$0.020
T Chew	1,838,460	16/06/2022	16/06/2022	31/10/2025	$0.000	$0.011
A Yamashita	1,118,192	16/06/2022	16/06/2022	31/10/2025	$0.000	$0.011
T Chew	2,243,898	12/09/2022	12/09/2022	31/10/2025	$0.000	$0.011
A Yamashita	1,364,789	12/09/2022	12/09/2022	31/10/2025	$0.000	$0.011
T Chew	5,503,437	17/11/2022	17/11/2022	17/11/2026	$0.017	$0.006
T Chew	5,503,436	17/11/2022	01/12/2023	17/11/2026	$0.017	$0.006
T Chew	5,503,436	17/11/2022	01/12/2024	17/11/2026	$0.017	$0.006
T Chew	5,503,436	17/11/2022	01/12/2025	17/11/2026	$0.017	$0.006

Options granted carry no dividend or voting rights.

Additional information
Relative movements in Basic Earnings per share, Net tangible assets per share and Dividend per share (cents per share) for the last five years are as follows. Period end share price has been included as one measure of shareholder wealth:

	2024	2023	2022	2021	2020
Net tangible assets per share ($)	-	-	-	-	0.01
Earnings per share (cent per share)	(0.09)	(0.03)	(0.04)	(0.03)	(0.03)
Share price at financial year end (cent)	0.40	0.40	0.90	1.30	0.80

INVION

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions*	Disposal/ other movement	Balance at the end of the year
Ordinary shares					
T Chew	546,857,721	-	-	-	546,857,721
R Merriel	1,540,125	-	2,900,000	-	4,440,125
A Bennallack	19,749,987	-	-	-	19,749,987
	568,147,833	-	2,900,000	-	571,047,833

* The additions represents share issued upon exercise of options

Option holding
The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
T Chew	178,364,244	-	-	-	178,364,244
A Yamashita	10,864,187	-	-	-	10,864,187
R Merriel*	23,343,211	-	(2,900,000)	-	20,443,211
A Bennallack	20,443,211	-	-	-	20,443,211
	233,014,853	-	(2,900,000)	-	230,114,853

* During the year, Rob Merriel exercised 2,900,000 options on 18 January 2024.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Invion Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
01/07/2020	01/07/2024	$0.020	15,928,570
31/08/2020	31/08/2024	$0.020	20,443,211
22/10/2020	22/10/2024	$0.020	20,443,211
29/10/2020	31/10/2024	$0.010	2,725,762
31/10/2020	31/10/2024	$0.000	5,689,623
15/12/2020	31/10/2024	$0.000	3,232,610
07/04/2021	31/10/2024	$0.000	4,061,710
10/06/2021	31/10/2024	$0.000	2,556,462
16/09/2021	31/10/2024	$0.000	2,777,739
30/09/2021	23/09/2025	$0.020	138,488,557
07/12/2021	31/10/2025	$0.000	1,765,436
15/03/2022	31/10/2025	$0.000	2,077,210
16/06/2022	31/10/2025	$0.000	2,956,652
12/09/2022	31/10/2025	$0.000	3,608,687
17/11/2022	17/11/2026	$0.020	22,013,745
13/01/2023	13/01/2026	$0.020	35,000,000
01/05/2023	01/05/2026	$0.010	20,000,000
29/11/2023	01/12/2026	$0.010	12,000,000
28/06/2024	28/11/2026	$0.010	120,000,000
			435,769,185

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

Shares issued on the exercise of options

The following ordinary shares of Invion Limited were issued during the year ended 30 June 2024 and up to the date of this report on the exercise of options granted:

Date options granted	Exercise price	Number of shares issued
15/03/2022	$0.000	642,728
16/06/2022	$0.000	1,016,546
12/09/2022	$0.000	1,240,726
		2,900,000

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

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

Indemnity and insurance of auditor

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

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

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

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of William Buck
There are no officers of the company who are former partners of William Buck.

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

Auditor
William Buck was appointed as Company's auditor during the year and continues in office in accordance with section 327 of the Corporations Act 2001

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

On behalf of the directors

Thian Chew
Chairman

30 August 2024

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Invion Limited

As lead auditor for the audit of Invion Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis
Director
Melbourne, 30 August 2024

Level 20, 181 William Street, Melbourne VIC 3000 +61 3 9824 8555 vic.info@williambuck.com
williambuck.com.au

	Note	Consolidated 30 June 2024 $	Consolidated 30 June 2023 $
Revenue	6	3,694,256	4,104,711
Other income		49,437	33,650
Expenses			
Employee benefits expense	7	(587,902)	(709,989)
Depreciation and amortisation expenses		(816,013)	(683,107)
Impairment of receivables	11	(3,696,720)	-
Administrative & corporate expenses	8	(1,345,971)	(1,090,579)
Share-based payment expense	28	(233,835)	(371,301)
Research & development expenses	9	(2,691,017)	(2,898,208)
Loss before income tax expense		(5,627,765)	(1,614,823)
Income tax expense	10	-	-
Loss after income tax expense for the year attributable to the owners of Invion Limited		(5,627,765)	(1,614,823)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Invion Limited		(5,627,765)	(1,614,823)
		Cent	**Cent**
Basic loss per share	27	(0.09)	(0.03)
Diluted loss per share	27	(0.09)	(0.03)

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

Invion Limited
Statement of financial position
As at 30 June 2024

	Note	Consolidated 30 June 2024 $	30 June 2023 $
Assets			
Current assets			
Cash and cash equivalents		783,526	4,084,903
Trade and other receivables	11	1,210,400	1,615,723
Other current assets		87,245	59,874
Total current assets		2,081,171	5,760,500
Non-current assets			
Plant and equipment		39,474	58,483
Intangibles	12	13,330,842	13,227,846
Total non-current assets		13,370,316	13,286,329
Total assets		15,451,487	19,046,829
Liabilities			
Current liabilities			
Trade and other payables	13	926,661	587,243
Employee benefits		87,154	63,382
Total current liabilities		1,013,815	650,625
Total liabilities		1,013,815	650,625
Net assets		14,437,672	18,396,204
Equity			
Issued capital	14	148,354,600	146,883,159
Reserves	15	2,163,165	1,988,269
Accumulated losses		(136,080,093)	(130,475,224)
Total equity		14,437,672	18,396,204

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

Invion Limited
Statement of changes in equity
For the year ended 30 June 2024

Consolidated	**Issued capital $**	**Options reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2022	146,543,659	3,871,119	(130,836,041)	19,578,737
Loss after income tax expense for the year	-	-	(1,614,823)	(1,614,823)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,614,823)	(1,614,823)
Transactions with owners in their capacity as owners:				
-Options granted to Directors and employees	-	432,290	-	432,290
Shares issued on exercise of options	74,600	(74,600)	-	-
Expiry of employee options	-	(1,975,640)	1,975,640	-
Adjustment to capital raising cost on expiry of lead manager service options	264,900	(264,900)	-	-
Balance at 30 June 2023	146,883,159	1,988,269	(130,475,224)	18,396,204

Consolidated	**Issued capital $**	**Options reserves $**	**Accumulated losses $**	**Total equity $**
Balance at 1 July 2023	146,883,159	1,988,269	(130,475,224)	18,396,204
Loss after income tax expense for the year	-	-	(5,627,765)	(5,627,765)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(5,627,765)	(5,627,765)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 14)	1,435,400	-	-	1,435,400
Options expense for:	-	-	-	-
-Options granted to Directors and employees	-	233,833	-	233,833
Shares issued on exercise of options	36,041	(36,041)	-	-
Expiry of employee options	-	(22,896)	22,896	-
Balance at 30 June 2024	148,354,600	2,163,165	(136,080,093)	14,437,672

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

	Note	Consolidated 30 June 2024 $	30 June 2023 $
Cash flows from operating activities			
Receipts from customers		1,600,000	3,066,424
Payments to suppliers and employees		(4,064,927)	(4,898,665)
		(2,464,927)	(1,832,241)
Interest received		63,550	19,537
Net cash used in operating activities	26	(2,401,377)	(1,812,704)
Cash flows from investing activities			
Payments for property, plant and equipment		-	(75,832)
Payments for intangibles	12	(900,000)	(2,500,000)
Net cash used in investing activities		(900,000)	(2,575,832)
Net cash from financing activities		-	-
Net decrease in cash and cash equivalents		(3,301,377)	(4,388,536)
Cash and cash equivalents at the beginning of the financial year		4,084,903	8,473,439
Cash and cash equivalents at the end of the financial year		783,526	4,084,903

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

Note 1. General information

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

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

Registered office	**Principal place of business**
Level 4, 100 Albert Road, South Melbourne Vic 3205 Australia	692 High Street, East Kew Vic 3102

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 August 2024. The directors have the power to amend and reissue the financial statements.

Note 2. Corporate information

Invion Limited is a Company limited by shares incorporated in Australia whose shares have been publicly traded on the Australian Securities Exchange since its listing on 15 February 2011 (ASX:IVX). Invion is a clinical-stage life-sciences company that is leading the global clinical development of the Photosoft™ technology for the treatment of cancers, atherosclerosis and infectious diseases. Through the Exclusion distribution and licencing agreements of 2017, 2021, 2022 and 2023, Invion has been appointed exclusive licensee of Photosoft™ for cancer indications in Australia, New Zealand, countries in Central, South & South East Asia and all Asia Pacific countries excluding China (other than Hong Kong), Macau, Taiwan, Japan and South Korea. The appointment has been made by technology licensor, The Cho Group, a Hong Kong based group that has funded and successfully commercialised a number of unique and advanced technologies. Via 2017 R&D services agreement between the two entities, the research and clinical trials of Photosoft™ on cancer treatments are funded by The Cho Group for Australia and New Zealand territories. Through the Second and Third Amended & Restated Co-development agreement, the research on atherosclerosis and infectious diseases (AID) and cancer indications will be co-funded by Invion and the Cho Group, in AID and Cancer territories defined in this agreement including the Extended ID Territory (United States of America, Canada and Hong Kong). Refer to note 12 for more details.

The Invion Group (“the Group”) consists of Invion Limited (“Invion” or “the Company”) and its wholly owned subsidiary Epitech Dermal Science Pty Ltd. The Group is headquartered in Melbourne (Australia). This consolidated financial report of Invion Limited for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the Directors on 30 August 2024.

Note 3. Material accounting policy information

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

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The impact of these standards did not have a material impact on the consolidated entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The impact of these standards did not have a material impact on the consolidated entity.

Note 3. Material accounting policy information (continued)

Going concern
This financial report for year ended 30 June 2024 has been prepared on a going concern basis. The Group incurred an operating loss after income tax of $5,627,765 (30 June 2023: $1,614,823) for the year. At 30 June 2024 the Company had net assets of $14,437,672 (30 June 2023: $18,396,204) and a Net current assets position of $1,067,356 (30 June 2023: $5,109,875). In common with other companies in the biotechnology sector, the Group's operations are subject to risks and uncertainty primarily due to the nature of the drug development and commercialisation.

The ability of the Group to continue as a going concern and meet its strategic objectives is principally dependent upon funds continuing to be available for research and development expenditure and other principal activities. The Directors have identified funding risk as an area of uncertainty and material risk impacting the Group due to significant delays from RMW Cho Group to settle the outstanding R&D service fee invoiced for the current financial year under the R&D Services Agreement and Co-development agreements with RMW Cho Group.

The ability to continue as a going concern is dependent upon a number of factors, one being the continuation and availability of funds. The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of its business, realisation of assets and the settlement of liabilities in the normal course of business.

In determining that the going concern assumption is appropriate, the Directors have had regard to:

- Company's potential to raise capital. In June 2024, Invion secured a $2.4 million to $6.8 million investment from Lind, a New York-based fund manager. The Company received $1.2 million in upfront payments (net of costs) on 5 July 2024 and will be provided $100,000 monthly instalments, which may be increased by mutual agreement to $500,000 per month, over a 12-month period;

- Strategic collaboration with potential partners on the research and development activities. During the 2024 financial year the Company has initiated collaboration with:
  - Hanlim Pharma Co.,Ltd, a major South Korean pharmaceutical group, for the pre-clinical studies for the treatment of glioblastoma multiforme (GBM) with Hanlim to undertake and fund the evaluation studies; and

  - Dr. I&B Co., Ltd(Dr.inB), South Korean company, to develop Photosoft™ for the treatment of the Human Papilloma Virus (HPV), with Dr.inB undertake and fund evaluation studies and clinical trials;

- Forecast receipt of research and development tax incentive rebate (R&D) for the research and development and clinical trial costs to be funded by the company in future;

- Access to R&D financing on quarterly draw downs;

- The ability of the group to scale back parts of its operations and reduce costs if required; and

- Other avenues that may be available to the Group.

The Group's ability to continue to operate as a going concern is dependent upon the items listed above. Should these events not occur as anticipated, the Group may be unable to continue as a going concern and may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. No adjustment has been made to recorded assets and liability amounts and classifications should the group not continue as a going concern.

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

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Note 3. Material accounting policy information (continued)

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 23.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Invion Limited ('company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Invion Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

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

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

Revenue recognition
The consolidated entity recognises revenue as follows:

Revenue from contracts with customers
The Group is in the business of performing research under R&D services agreement with RMW Cho Group. Revenue from contracts with customers is recognised when performance of the services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services, net of Goods and Services Tax (GST). The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Rendering of services

Revenue from services is recognised at over time when performance of the service is transferred to the customer, generally when the relevant research expenditure is incurred. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties, delivery). In determining the transaction price for the services, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Note 3. Material accounting policy information (continued)

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

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

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

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

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

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

Trade and other receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Intangible assets
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the profit and loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement as the expense category that is consistent with the function of the intangible assets.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Note 3. Material accounting policy information (continued)

Research and development

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:
- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of the expected future benefit. Amortisation is recorded in the Consolidated Statement of profit and loss. During the development, the asset is tested for impairment annually.

A summary of the policies applied to the Group's intangible assets is as follows:

	Patents
Useful lives	Finite
Amortisation method used	Amortised on a straight-line basis over the period of the patent
Internally generated or acquired	Acquired

Patents -Intellectual property
The Group made upfront payments to purchase patents. The patents have been granted for periods of up to 20 years by the relevant authority, often with the option of renewal at the end of this period.

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

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

Employee benefits

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

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Note 3. Material accounting policy information (continued)

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

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

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

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

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

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

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 4. Critical accounting judgements, estimates and assumptions

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

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. Where options are issued to third party for services received, management performs an assessment to determine if the fair value can be reliably measured and if not then reverts back to the fair value of the equity instrument. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Intangible assets
Under multiple Exclusive distribution and Licensing Agreements with RMW Cho Group, Invion acquired exclusive licences for various territories across the globe to use the NGPDT IP (including any improvements thereof) and any inventions, and to distribute products and procedures, in relation to the indication for Cancer and Atherosclerosis and infectious diseases. Judgement is exercised in assessing these exclusive licences as intangible assets with its useful to be amortised over 20 years. Refer to note 12 for further details on licenses acquired.

Estimation of useful lives of assets
The consolidated entity determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down. The consolidated entity has determined the useful life of the licences held under Exclusive Distribution and Licence Agreements with RMW Cho Group as 20 years.

Impairment
The Group assesses impairment of all assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If any such indication exists, the Group will estimate the recoverable amount of the asset. In assessing whether there is any indication that an asset may be impaired, the Group considers external and internal sources of information including market forces, the Group's market capitalisation, evidence of obsolescence, significant changes with an adverse effect on the Group or its assets, and any financial projections.

Note 5. Operating segments

Identification of reportable operating segments
The Invion Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Invion Group operates as a clinical-stage life sciences (drug development) group. At 30 June 2024, the Group had operations in Australia only with its wholly owned subsidiary EpiTech Dermal Science Pty Ltd (previously IVX Cosmetics Pty Ltd). The Group does not consider that the risks and returns of the Group have been or are affected by differences in either the products or services it provides. The Group operates as one segment and as such in one geographical area. Group performance is evaluated based on operating profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Group financing (including finance costs and finance income) and income taxes are managed on a Group basis.

Note 6. Revenue

	Consolidated	
	30 June 2024 $	30 June 2023 $
R&D services fee- over time	3,694,256	4,104,711

The above represents fees of $3,694,256 earned from RMW Cho Group (RMWCG) for Research and Development services provided under the R&D Service Agreement and the Co-development agreement with RMWCG. RMWCG which is the single largest customer of the Group and a related party to Invion Limited. Refer to note 22 for further details on the related party transactions.

The R&D Service Agreement and the Co-development agreement with RMWCG is not considered as joint venture under AASB 11- Joint Arrangements due to RMWCG, in the steering committee, approving the work plan based on which Invion provides Research and Development services.

Under the R&D Service Agreement, the revenue is recognised based on fully burdened cost basis which includes direct costs and expenses incurred by Invion in performing the Services, plus an allocated portion of the relevant indirect costs incurred by Invion in performing such Services. Under the Co-development agreement, the revenue from RMWCG is recognised for its portion of contribution towards the research and development activities under this agreement. Refer to note 12 for further details on the Co-development agreement.

Note 7. Employee benefits expense

	Consolidated	
	30 June 2024 $	30 June 2023 $
Salaries, wages and fees	557,954	675,816
Superannuation	6,179	10,404
Employee entitlements	23,769	23,769
	587,902	709,989

Note 8. Administrative & corporate expenses

	Consolidated	
	30 June 2024 $	30 June 2023 $
Legal fees	72,415	38,424
Compliance costs	164,016	208,134
Consulting fees incl. accounting, business development	348,607	349,753
Insurance	224,004	206,774
Office, administration and corporate expenses	137,587	77,187
Rent and occupancy expenses	14,400	43,600
Business development expenses	144,942	166,707
Finance cost	240,000	-
	1,345,971	1,090,579

Note 9. Research & development expenses

	Consolidated	
	30 June 2024	30 June 2023
	$	$
Pre- clinical trial costs	1,291,315	1,102,274
Drug formulation and manufacturing	383,036	432,853
Consultancy fee -scientific and tech.	990,580	1,361,197
Other research and development	26,086	1,884
	2,691,017	2,898,208

Note 10. Income tax expense

The Company has recorded nil tax benefit for the period ended 30 June 2024 (30 June 2023: $nil).

	Consolidated	
	30 June 2024	30 June 2023
	$	$
Income tax expense		
Deferred tax - origination and reversal of temporary differences	1,133,771	144,274
Income tax losses not recognised as a deferred tax asset	(1,133,771)	(144,274)
Aggregate income tax expense	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(5,627,765)	(1,614,823)
Tax at the statutory tax rate of 25%	(1,406,941)	(403,706)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non tax deductible items - permanent differences	319,828	259,432
Movement in temporary differences not recorded	689,196	(19,215)
	(397,917)	(163,489)
Tax assets not recognised	397,917	163,489
Income tax expense	-	-

Note 11. Current assets - trade and other receivables

	Consolidated 30 June 2024 $	Consolidated 30 June 2023 $
Trade receivables	4,065,292	1,601,610
Less: Allowance for expected credit loss	(4,065,292)	-
	-	1,601,610
Other receivables	1,210,400	-
Interest of term deposits receivable	-	14,113
	1,210,400	14,113
	1,210,400	1,615,723

Trade receivables at 30 June 2024 contained $4,054,292 for services performed under the R&D Service Agreement with RMW Cho Group. The company has taken the provision for bad and doubtful debts due to significant delays in the settlement of the trade receivables as of 30 June 2024.

Other receivables represent the receivable from Lind Partners towards 180 million shares issued under the Share Subscription Agreement and Share Purchase Agreement on 28 June 2024 for $1.3 million consideration. The proceeds net of cost at $1,210,400 was received subsequent to period end on 05 July 2024.

Note 12. Non-current assets - intangibles

	Consolidated 30 June 2024 $	Consolidated 30 June 2023 $
Intellectual property - at cost	16,150,000	15,250,000
Less: Accumulated amortisation	(2,819,158)	(2,022,154)
	13,330,842	13,227,846

Consolidated	$
Balance at 1 July 2022	11,393,125
Additions	2,500,000
Amortisation expense	(665,279)
Balance at 30 June 2023	13,227,846
Additions	900,000
Amortisation expense	(797,004)
Balance at 30 June 2024	13,330,842

Invion is developing Photosoft™ technology as an improved next generation Photodynamic Therapy. The Photosoft™ commercialisation licence acquired in 2018 for $5,500,000 was recognised as an intangible asset and is being amortised over a 20 year period. This licence is being carried at the cost of the licence and distribution agreement less accumulated amortisation. The commercial licence represents distribution rights of treatments using the Photosoft™ technology, on cancer indications in Australia and New Zealand.

Through the 2022 Co-development Agreement, Amended and Restated Co-development Agreement and Exclusive Distribution and Licence Agreements for AID and Cancer, 2023 Second Amended and Restated Co-development Agreement and further through Third Amended and Restated Co-development Agreement during the current year, Invion entered into the additional arrangements with RMWCG with following licenses acquired:

Note 12. Non-current assets - intangibles (continued)

- Co-develop Photosoft™ technology also referred to as Next Generation Photo Dynamic Therapy (NGPDT) for potential applications in atherosclerosis and infectious diseases (AID) (including viral, bacterial, fungal and parasitic) ('the AID indications'). In 2022 financial year, Invion had paid to RMWCG an amount of A$2.25 million as a contribution towards the prior development of the NGPDT IP as it relates to AID and the AID Territory. In consideration of the contributions made by Invion for the joint development of the NGPDT, RMWCG agrees to grant an exclusive licence to use the NGPDT IP (including any improvements thereof) and any Inventions, and to distribute Products and Procedures, in relation to the Indications in the AID Territory Under Amended and Restated Exclusive Distribution and Licence Agreement – AID. This commercialisation licence is reflected as an intangible asset and is being amortised over a 20-year period.

- Co-develop Photosoft™ technology for Cancer Indications in the Cancer Territory the Agreement. In 2022 financial year, Invion had paid to RMWCG an amount of $5 million as a contribution towards the prior development of the NGPDT IP as it relates to the Cancer Indications and the Cancer Territory. In consideration of the contributions made by Invion for the joint development of the NGPDT, RMWCG agrees to grant an exclusive licence to use the NGPDT IP (including any improvements thereof) and any Inventions, and to distribute Products and Procedures, in relation to the Indications in the Cancer Territory. This commercialisation licence is reflected as an intangible asset and is being amortised over a 20-year period.

- In 2023 financial year, Invion paid to $2.5 million to RMWCG under this Agreement, as a contribution towards the prior development of the NGPDT IP as it relates to the infectious diseases (ID) Indications and the Extended ID Territory (United States of America, Canada and Hong Kong). Under Amended and Restated Exclusive Distribution and Licence Agreement – AID, in consideration of the contributions made by Invion for the joint development of the NGPDT, RMWCG agrees to grant an exclusive licence to use the NGPDT IP (including any improvements thereof) and any Inventions, and to distribute Products and Procedures, in relation to the Indications in the Extended ID Territory. This commercialisation licence is reflected as an intangible asset and is being amortised over a 20-year period.

- During the current financial year, Invion paid to $0.9 million to RMWCG under this Agreement, as a contribution towards the prior development of the NGPDT IP as it relates to the Cancer Indications and the territory of South Korea. Under Amended and Restated Exclusive Distribution and Licence Agreement – Cancer, in consideration of the contributions made by Invion for the joint development of the NGPDT, RMWCG appointed Invion as its exclusive distributor of the Products and Procedures in the Territory; and granted to Invion an exclusive, perpetual, royalty free licence to use the NGPDT IP including any improvements to the NGPDT IP and any Inventions owned by RMWCG in relation to the Indications in the Territory. Invion also has the right to sub-licence its distribution rights to a third party in which case, Invion would pay to RMWCG Sub-Licence Fees equal to 50% of any up-front fees, milestone payments or royalties received from third parties pursuant to any Sub Licence. This commercialisation licence is reflected as an intangible asset and is being amortised over a 20-year period.

At each Balance Date, the Group assesses whether there is any indication that an intangible asset may be impaired. Where an indicator of impairment exists, the Group makes an estimate of recoverable amount, and where the carrying amount of an asset may exceed its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In prior years, following extensive research and development (R&D) efforts, Invion selected Active Pharmaceutical Ingredient (API), called INV043. the Proof-of-Concept (PoC) tests on INV043 showed great promise across a range of cancers. Successful vitro studies demonstrated INV043's effectiveness against six squamous cell carcinoma (SCC) cell lines that represent the full range of anal cancers. The drug discovery work on both topical and intravenous (IV) formulations of INV043 were completed. The Company progressed on the pre-clinical studies for the IV drug product that will be used in future solid tumour clinical trials and continued to lay the groundwork for clinical trials in at least two types of cancers – skin and anogenital.

In the research and development on AID, in-vitro studies showed selected Photosoft™ compounds to be effective against the Zika virus and had successful in-vitro test on the virus that causes COVID-19. The results from separate studies showed that nine out of the ten Photosoft™ compounds displayed antiviral activity against the Delta and Omicron BA.1 variants of SARS-CoV-2. In-vitro study on infectious diseases including antibiotic resistant MRSA bacteria, or Superbugs, found that Photosoft compounds showed activity against multiple strains of the Superbug, which has been described by the World Health Organization (WHO) as one of the top 10 threats facing humanity.

Note 12. Non-current assets - intangibles (continued)

During 2024 financial year, the Company progressed the commencement of its Phase I/II adaptive platform protocol (APP) clinical trial on non-melanoma skin cancers (NMSC). Invion achieved a major milestone towards clinical trial with successful manufacturing of INV043, lead drug candidate, at IDT Australia Limited (ASX: IDT) under Good Manufacturing Practice (GMP) standards, which is a higher quality level than is required for trials. This ensures Invion is well placed to undertake current and future clinical trials to treat cancers. Further, Invion submitted its Human Research Ethics Committee (HREC) application for the NMSC clinical trial. Once approved, the Therapeutic Goods Administration (TGA) is notified, generating a Clinical Trial Notification (CTN), which is required to commence patient recruitment.

A further pre-clinical study by the Peter MaCallum Cancer Centre (Peter Mac) on the effect of INV043, when used in combination with an immune checkpoint inhibitor (ICI) therapy, has shown ~80% of subjects being tumour-free. The study was conducted using immune competent anal squamous cell carcinoma (ASCC) in vivo models. ICIs are a type of immunotherapy and is the standard of care for the treatment of several cancers. These results demonstrated exceptional, consistent, and highly significant tumour control. Results support previous findings by Hudson Institute using intratumorally administered INV043 in combination with ICIs on another cancer type (triple negative breast cancer). When considered with the prior Hudson findings, these results provide a strong indication that a high level of control may also be achieved in clinical trials across a number of cancers.

The Company has also decided to focus on periodontal diseases as it explores opportunities in the oral antimicrobial space as the Company believes periodontal diseases are a more commercially attractive market for the Photosoft™ technology and periodontists are looking for alternative treatments to surgery and antibiotics to deal with infections.

During the year, Invion also entered into the collaboration agreements for the following pre-clinical studies:

- Collaboration with a major South Korean pharmaceutical group, Hanlim Pharma Co.,Ltd. (Hanlim), to develop the Photosoft™ lead drug candidate, INV043, for the treatment of glioblastoma multiforme (GBM), which is a primary brain malignancy with a poor prognosis. Hanlim entered into the partnership after it assessed Invion's data demonstrating the effectiveness of INV043 against various cancer types using in vitro and in vivo models. Under the agreement, Hanlim will undertake and fund the evaluation including Proof-of-Concept (PoC) studies, while Invion retains all rights to the technology and to any new intellectual property resulting from the collaboration.

- Collaboration agreement with South Korean company, Dr. I&B Co., Ltd. (Dr.inB), to develop Photosoft™ for the treatment of the Human Papilloma Virus (HPV). The collaboration will provide an accelerated pathway to demonstrate the clinical potential of Photosoft in infectious diseases like HPV. Dr.inB will undertake and fund evaluation and in-human Proof-of-Concept clinical trials to test patient safety and efficacy of Photosoft™ on the Human Papilloma Virus (HPV). Invion retains all rights to Photosoft and to any new IP resulting from the collaboration.

In light of significant progress in R&D research on cancer treatment and encouraging preliminary results on AID Indications using the Photosoft™ technology, management did not observe any indicators for impairment to this carrying value. There have been no indicators of any technological obsolescence to the Photosoft™ technology.

Note 13. Current liabilities - trade and other payables

	Consolidated	
	30 June 2024 $	30 June 2023 $
Trade payables	720,948	399,771
Accrued expenses	110,844	128,297
Director related accruals	93,869	-
Other payables	1,000	59,175
	926,661	587,243

Refer to note 17 for further information on financial instruments.

Note 14. Equity - issued capital

	Consolidated 30 June 2024 Shares	30 June 2023 Shares	30 June 2024 $	30 June 2023 $
Ordinary shares - fully paid	6,604,532,206	6,421,632,206	148,354,600	146,883,159

Movements in ordinary share capital

Details	**Date**	**Shares**	**$**
Balance	1 July 2022	6,416,513,644	146,543,659
Shares issued on exercise of options	16 September 2022	3,578,437	49,727
Shares issued on exercise of options	01 May 2023	1,540,125	24,873
Cost of raising capital - reclassification from option reserve on the lapse of Fund Manager options	30 June 2023	-	264,900
Balance	30 June 2023	6,421,632,206	146,883,159
Shares issued on exercise of options	19 January 2024	2,900,000	36,041
Placement Share to Lind Partners*	28 June 2024	180,000,000	1,540,000
Cost of raising capital	30 June 2024	-	(104,600)
Balance	30 June 2024	6,604,532,206	148,354,600

* The Company secured a $2.4 million to $6.8 million investment by US institutional investor, Lind Partners. Under Share Subscription Agreement and Share Purchase Agreement (together, the "Agreements"), Invion issued 180 million shares in June 2024 towards an upfront investment of $1.54 million. The proceeds net of cost at $1,210,400 were received by the company subsequent to the year end on 5 July 2024. As part of the $1.54 million capital raised, the company also granted 120 million free attaching options on 28 June 2024 to Lind Partners under the share subscription agreement.

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

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

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

Capital risk management
The capital risk management policy remains unchanged from the 2023 Annual Report.

Note 15. Equity - reserves

	Consolidated 30 June 2024 $	30 June 2023 $
Options reserve	2,163,165	1,988,269

Option reserve
Items recognised as an expense with respect to share-based consideration. The movement during the year comprises of:

- vesting charge of $198,927 on the options granted to the Directors and consultants in prior years;
- vesting charge of $34,908 on the options granted to the employee and consultants during the year;
- reserve balance of $36,041 taken to share capital on the exercise of the options; and
- reserve of $22,896 is taken to accumulated losses on lapse of options granted in October 2019.

Note 16. Equity - dividends

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

Note 17. Financial instruments

Financial risk management objectives
The Group's principal financial instruments comprise receivables, payables, cash, short-term deposits. The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and making assessments of market forecasts for interest rate and foreign exchange. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, and liquidity risk is monitored through the development of future rolling cash flow forecasts. Financial assets and liabilities have contractual maturities of less than twelve months.

Risk management is carried out by senior management under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Market risk

Foreign currency risk
The consolidated entity have limited transactions denominated in foreign currency and does not have significant exposure to foreign currency risk through foreign exchange rate fluctuations. At 30 June 2024, creditors of $109,492 (30 June 2023: $77,975) were denominated in foreign currencies.

Credit risk
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to standardised financial assets, is the carrying amount, net of any expected credit loss provision, as disclosed in the statement of financial position and notes to and forming part of the financial report. The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments.

Liquidity risk
Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate cash resources will be available as and when required, as well as ensuring capital raising initiatives are conducted in a timely manner as required.

At as 30 June 2024, the Group's exposure on liquidity risk is on Trade and other payable of $926,661 (2023: $587,243) payable within next 12 months.

Note 17. Financial instruments (continued)

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

Consolidated - 30 June 2024	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	815,817	-	-	-	815,817
Accrued expenses	-	110,844	-	-	-	110,844
Total non-derivatives		926,661	-	-	-	926,661

Consolidated - 30 June 2023	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	399,771	-	-	-	399,771
Accrued expenses	-	128,297	-	-	-	128,297
Total non-derivatives		528,068	-	-	-	528,068

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

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 18. Key management personnel disclosures

Directors
The following persons were directors of Invion Limited during the financial year:

T Chew	Executive Chairman and CEO
A Yamashita	Non-executive Director
R Merriel	Non-executive Director
A Bennallack	Non-executive Director

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

	Consolidated 30 June 2024 $	30 June 2023 $
Short-term employee benefits	558,685	675,816
Post-employment benefits	4,538	10,404
Long-term benefits	23,769	23,769
Share-based payments	87,072	311,516
	674,064	1,021,505

Note 19. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the company:

	Consolidated	
	30 June 2024 $	30 June 2023 $
Audit services -		
Audit or review of the financial statements- Grant Thornton Audit Pty Ltd (Audit fee June 2023)	-	88,016
Audit or review of the financial statements- William Buck (December 2023 and June 2024)	57,500	-
	57,500	88,016

Note 20. Contingent liabilities

The consolidated entity has no material contingent liabilities as at the date of this report (2023: nil).

Note 21. Commitments

At the Balance Date, the Company had nil contractual commitments relating to R&D development activities (30 June 2023: nil).

Note 22. Related party transactions

Parent entity
Invion Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 24.

Key management personnel
Disclosures relating to key management personnel are set out in note 18 and the remuneration report included in the directors' report.

Transactions with related parties
Mr Thian Chew, Executive Chairman and CEO of Invion Limited, is Managing Partner of Polar Ventures Limited. Polar Ventures Limited and RMWCG are associates in accordance with section 12(2) of the Corporations Act. RMWCG has entered into a consultancy agreement with Polar Ventures, pursuant to the terms of which Polar Ventures has agreed to provide general advice and support for RMWCG's interests in its investment in Invion. During the year ended 30 June 2024, transaction with Mr Chew consisted of director's fees of $90,000 and CEO salary of $309,000. There were no options issued during the financial year.

RMWCG was engaged to conduct the clinical development of Photosoft™ globally. RMWCG agreed to provide funding for the clinical trials and related development, in a clinical development program designed and managed by a joint steering committee between the two companies. Current revenue during the period was $3,694,256 (2023: $4,104,711). As at 30 June 2024, there is a trade receivable balance of $4,054,292 (June 2023: $1,590,610) before expected credit loss provision.

Mr Rob Merriel, Non-Executive Director of Invion Limited is also Chief Financial Officer, Chief Commercialisation Officer and Company Secretary of the Hudson Institute of Medical Research ('Hudson'). Invion Ltd has an R&D Alliance agreement with Hudson. During the year ended 30 June 2024, the services provided by Hudson under the R&D Alliance agreement for June 2024 is $305,645 (June 2023: $210,000).

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

Note 23. Parent entity information

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

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2024 $	30 June 2023 $
Loss after income tax	(5,627,765)	(1,617,388)
Total comprehensive income	(5,627,765)	(1,617,388)

Statement of financial position

	Parent	
	30 June 2024 $	30 June 2023 $
Total current assets	2,081,171	5,495,077
Total assets	15,451,487	18,781,406
Total current liabilities	1,013,815	650,625
Total liabilities	1,013,815	650,625
Equity		
Issued capital	148,354,600	146,883,159
Options reserve	2,163,165	1,988,269
Accumulated losses	(136,080,093)	(130,740,647)
Total equity	14,437,672	18,130,781

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 3, except for the following:

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

Note 24. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 3:

Name	Principal place of business / Country of incorporation	Ownership interest 30 June 2024 %	30 June 2023 %
Epitech Dermal Science Pty Ltd	Australia	100.00%	100.00%

Note 25. Events after the reporting period

Subsequent to the year end, the company received the following under Share Subscription Agreement and Share Purchase Agreement (together, the "Agreements"), with US institutional investor, Lind Partners:

(i) received $1,210,410 net proceeds on 5 July 2024 towards 180 million shares issued on 28 June 24; and
(ii) received $96,000 net proceeds on 16 August 2024 towards monthly investment of $100,000 from Lind Partners as agreed under the Agreement.

As announced on the ASX on 29 August 2024, Ms Melanie Leydin will be appointed as the Non-executive Director effective 31 August 2024 and Mr Rob Merriel will resign as the Non-executive Director effective 31 August 2024.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 26. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 30 June 2024 $	30 June 2023 $
Loss after income tax expense for the year	(5,627,765)	(1,614,823)
Adjustments for:		
Depreciation and amortisation	816,013	683,107
Share-based payments	233,835	371,301
Director fee (non-cash)	-	60,989
Provision for bad and doubtful debts	4,065,292	-
Finance cost	240,000	-
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables and other receivables	(2,465,780)	(1,630,449)
Increase/(decrease) in trade and other payables	313,256	164,445
(Decrease)/ increase in employee benefit provisions	23,772	23,769
Decrease/ (increase) in contract assets	-	128,957
Net cash used in operating activities	(2,401,377)	(1,812,704)

Note 27. Earnings per share

	Consolidated 30 June 2024 $	30 June 2023 $
Loss after income tax attributable to the owners of Invion Limited	(5,627,765)	(1,614,823)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	6,424,407,069	6,419,594,568
Weighted average number of ordinary shares used in calculating diluted earnings per share	6,424,407,069	6,419,594,568
	Cent	Cent
Basic loss per share	(0.09)	(0.03)
Diluted loss per share	(0.09)	(0.03)

Number of share options not included in the diluted earnings per share calculation as they are anti-dilutive: 435,769,185 (2023: 309,394,946)

Note 28. Share-based payments

Summary of options granted and lapsed during the year ended 30 June 2024:

Share based payments expense during the period is $233,835 (30 June 2023: $371,301) of which relates to options issued to Directors, KMP and consultants of the company.

Unlisted options:

Set out below are summaries of options granted under the plan:

	Number of options 30 June 2024	Weighted average exercise price 30 June 2024	Number of options 30 June 2023	Weighted average exercise price 30 June 2023
Outstanding at the beginning of the financial year	309,394,946	$0.010	430,844,506	$0.020
Granted	132,000,000	$0.010	83,103,884	$0.010
Exercised	(2,900,000)	$0.000	(199,434,882)	$0.030
Expired	(2,725,761)	$0.020	(5,118,562)	$0.000
Outstanding at the end of the financial year	435,769,185	$0.010	309,394,946	$0.010
Exercisable at the end of the financial year	260,095,646	$0.015	232,258,877	$0.015

30 June 2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted*	Exercised	Expired/ forfeited/ other	Balance at the end of the year
31/10/2019	31/10/2023	$0.020	2,725,761	-	-	(2,725,761)	-
01/07/2020	01/07/2024	$0.020	15,928,570	-	-	-	15,928,570
31/08/2020	31/08/2024	$0.020	20,443,211	-	-	-	20,443,211
22/10/2020	22/10/2024	$0.020	20,443,211	-	-	-	20,443,211
29/10/2020	31/10/2024	$0.010	2,725,762	-	-	-	2,725,762
31/10/2020	31/10/2024	$0.000	5,689,623	-	-	-	5,689,623
15/12/2020	31/10/2024	$0.000	3,232,610	-	-	-	3,232,610
07/04/2021	31/10/2024	$0.000	4,061,710	-	-	-	4,061,710
10/06/2021	31/10/2024	$0.000	2,556,462	-	-	-	2,556,462
16/09/2021	31/10/2024	$0.000	2,777,739	-	-	-	2,777,739
30/09/2021	23/09/2025	$0.000	138,488,557	-	-	-	138,488,557
07/12/2021	31/10/2025	$0.000	1,765,436	-	-	-	1,765,436
15/03/2022	31/10/2025	$0.000	2,719,938	-	(642,728)	-	2,077,210
16/06/2022	31/10/2025	$0.000	3,973,198	-	(1,016,546)	-	2,956,652
12/09/2022	31/10/2025	$0.000	4,849,413	-	(1,240,726)	-	3,608,687
17/11/2022	17/11/2026	$0.020	22,013,745	-	-	-	22,013,745
13/01/2023	13/01/2026	$0.020	35,000,000	-	-	-	35,000,000
01/05/2023	01/05/2026	$0.010	20,000,000	-	-	-	20,000,000
29/11/2023	01/12/2026	$0.010	-	12,000,000	-	-	12,000,000
			309,394,946	12,000,000	(2,900,000)	(2,725,761)	315,769,185

* 12,000,000 options granted on 29 November 2023 to a consultant and an employee under the terms of Invion Limited's Executive and Employee Share Option Plan (Plan). The Options will vest proportionately on the dates agreed in the Option offer letter, subject to the rules relating to forfeiture in the Plan. The fair value of the options was determined at $57,600 using Black Scholes option pricing model with the input as details below.

In addition to the above, 120,000,000 free attaching options were granted on 28 June 2024 to Lind Partners under the share subscription agreement as part of placement of 180 million shares on 28 June 2024. Refer to note 14 for details.

Note 28. Share-based payments (continued)

30 June 2023

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
12/02/2019	12/02/2023	$0.030	199,434,882	-	-	(199,434,882)	-
31/10/2019	31/10/2023	$0.020	2,725,761	-	-	-	2,725,761
01/07/2020	01/07/2024	$0.020	15,928,570	-	-	-	15,928,570
31/08/2020	31/08/2024	$0.020	20,443,211	-	-	-	20,443,211
22/10/2020	22/10/2024	$0.020	20,443,211	-	-	-	20,443,211
29/10/2020	31/10/2024	$0.010	2,725,762	-	-	-	2,725,762
31/10/2020	31/10/2024	$0.000	5,689,623	-	-	-	5,689,623
15/12/2020	31/10/2024	$0.000	3,232,610	-	-	-	3,232,610
07/04/2021	31/10/2024	$0.000	4,061,710	-	-	-	4,061,710
10/06/2021	31/10/2024	$0.000	2,556,462	-	-	-	2,556,462
16/09/2021	31/10/2024	$0.000	3,639,427	-	(861,688)	-	2,777,739
30/09/2021	23/09/2025	$0.000	138,488,557	-	-	-	138,488,557
07/12/2021	31/10/2025	$0.000	2,979,408	-	(1,213,972)	-	1,765,436
15/03/2022	31/10/2025	$0.000	3,505,568	-	(785,630)	-	2,719,938
16/06/2022	31/10/2025	$0.000	4,989,744	-	(1,016,546)	-	3,973,198
12/09/2022	31/10/2025	$0.000	-	6,090,139	(1,240,726)	-	4,849,413
17/11/2022	17/11/2026	$0.020	-	22,013,745	-	-	22,013,745
13/01/2023	13/01/2026	$0.020	-	35,000,000	-	-	35,000,000
01/05/2023	01/05/2026	$0.010	-	20,000,000	-	-	20,000,000
			430,844,506	83,103,884	(5,118,562)	(199,434,882)	309,394,946

The weighted average share price during the financial year was $0.005 (2023: $0.009).

The options issued during the year were fair valued using the Black Scholes option pricing model using the following inputs:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
29/11/2023	01/12/2026	$0.007	$0.010	124%	-	4.010%	$0.005

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Invion Limited	Body Corporate	Australia	N/A (Parent Entity)	Australia
Epitech Dermal Science Pty Ltd	Body Corporate	Australia	100.00%	Australia

* Invion Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Basis of preparation

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

Determination of tax residency
Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

Partnerships and Trusts
None of the entities noted above were trustees of trusts within the consolidated entity, partners in a partnership within the consolidated entity or participants in a joint venture within the Group

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 3 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the directors

Thian Chew
Chairman

30 August 2024

For personal use only

Independent auditor's report to the members of Invion Limited

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of Invion Limited (the Company) and its subsidiaries (the Group) is in accordance with the Corporations Act 2001, including:

— giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

— complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

— the consolidated statement of financial position as at 30 June 2024,

— the consolidated statement of profit or loss and other comprehensive income for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended,

— notes to the financial statements, including material accounting policy information,

— the consolidated entity disclosure statement, and

— the directors' declaration.

Basis for opinion

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

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

Level 20, 181 William Street, Melbourne VIC 3000
+61 3 9824 8555
vic.info@williambuck.com
williambuck.com.au

WilliamBuck
ACCOUNTANTS & ADVISORS

For personal use only

Key audit matter

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

Intangible assets	**Area of focus (refer also to notes 3, 4 & 12)**	**How our audit addressed the key audit matter**
	Invion Limited holds licences to technology, which is recorded as an intangible asset. In the current year, the Group capitalised $0.9 million in respect of extending the co-development agreement further. The intangible assets are carried at the cost of the licence less accumulated amortisation, with the asset being amortised over a 20 year period. The initial carrying value is based on the distribution agreement. Accounting for these transactions is a complex and judgmental exercise requiring management to determine the accounting treatment, estimate and useful life and assess whether any impairment indicators exist. On this basis it has been determined as a key audit matter.	Our audit procedures included: — Reviewing and evaluating the technical papers prepared by management and ensuring that the accounting treatment is in line with accounting standards. — Assessing if intangible assets have been correctly recorded in line with *AASB 138 Intangible Assets* and confirming that it is appropriate that the intangible assets have finite useful lives. — Assessing managements judgment around the useful life of intangibles and amortisation recorded. — Evaluating management's assessment for the existence of any impairment indicators in line with *AASB 136 Impairment of assets*. We also considered the adequacy of the Group's disclosures in the notes to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

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

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

WilliamBuck
ACCOUNTANTS & ADVISORS

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

Responsibilities of the directors for the financial report

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

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

WilliamBuck
ACCOUNTANTS & ADVISORS

Report on the Remuneration Report

Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Invion Limited, for the year ended 30 June 2024, complies with section 300A of the Corporations Act 2001.

What was audited?

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2024.

Responsibilities

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

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis
Director
Melbourne, 30 August 2024

Invion Limited ACN 094 730 417

Registered Office
Level 4, 100 Albert Road
South Melbourne
VIC 3205
+61 (3) 9672 9222
www.inviongroup.com

Share Registry
Shareholder information in relation to shareholding or share transfer can be obtained by contacting the Company's share registry:
Boardroom Pty Limited
Level 8, 210 George Street
Sydney, NSW 2000
Tel: 1300 737 760
Boardroom Pty Limited (boardroomlimited.com.au)

For all correspondence to the share registry, please provide your Security-holder Reference Number SRN) or Holder Identification Number (HIN).

Change of address
Changes to your address can be updated online at Boardroom Pty Limited (boardroomlimited.com.au) or by obtaining a Change of Address Form from the Company's share registry. CHESS sponsored investors must change their address details via their broker.

Annual General Meeting
The Annual General Meeting will be held in Melbourne on or about 27 November 2024. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to the ASX immediately upon dispatch.

The Closing date for receipt of nomination for the position of Director is Wednesday, 16 October 2024. Any nominations must be received in writing no later than 5.00pm (Melbourne time) on Wednesday, 16 October 2024, at the Company's Registered Office.

The Company notes that the deadline for the nominations for the position of Director is separate to voting on Director elections Details of the Director's to be elected will be provided in the Company's Notice of Annual General Meeting in due course.

Corporate Governance Statement
The Company's 2024 Corporate Governance Statement has been released to the ASX on this day and is available on the Company's website at https://inviongroup.com/corporate-governance/.

Annual report mailing list
All shareholders are entitled to receive the Annual Report. In addition, shareholders may nominate not to receive an annual report by advising the share registry in writing, by fax, or by email, quoting their SRN/HIN.

Securities exchange listing
Invion's shares are listed on the Australian Securities Exchange and trade under the ASX code IVX. The securities of the Company are traded on the ASX under CHESS (Clearing House Electronic Sub-register System).

ASX Shareholder Disclosures
The following additional information is required by the Australian Securities Exchange in respect of listed public companies. The information is current as at 21 August 2024.

INVION

1. Total securities on issue

ASX Code	Description	Expiry	Listed	Unlisted
IVX	Fully paid ordinary shares		6,637,865,540	-
IVXAX	Share options ($0.0177)	22/10/2024	-	20,443,211
IVXAZ	Share options ($0.0106)	31/10/2024	-	2,725,762
IVXAA	Share options ($0.00)	31/10/2024	-	7,313,661
IVXAV	Share options ($0.0172)	31/08/2024	-	20,443,211
IVXAY	Share options ($0.00)	31/10/2024	-	5,670,282
IVXAAE	Share options ($0.00)	31/10/2025	-	2,372,422
IVXAAC	Share options ($0.017)	23/09/2025	-	138,488,557
IVXAAA	Share options ($0.00)	31/10/2024	-	1,694,774
IVXAAF	Share options ($0.00)	31/10/2025	-	1,470,224
IVXAAB	Share options ($0.00)	31/10/2024	-	3,639,427
IVXAAG	Share options ($0.00)	31/10/2025	-	2,956,652
IVXAAH	Share options ($0.00)	31/10/2025	-	3,608,687
IVXAAJ	Share options ($0.00)	13/01/2026	-	35,000,000
IVXAAI	Share options ($0.00)	17/11/2026	-	22,013,745
IVXAAK	Share options ($0.00)	01/05/2026	-	20,000,000
IVXAAL	Share options ($0.01)	01/12/2026	-	12,000,000
IVXAAM	Share options ($0.01)	28/11/2026	-	120,000,000
			6,637,865,540	419,840,615
		Total Fully diluted	6,637,865,540	

Top Holders	Securities	%
Top 20 holders	3,982,599,409	61.56%
Balance of Register	2,655,266,131	38.44%
Total Issued Capital	6,637,865,540	

2. Distribution of equity securities - Ordinary shares

Range	Securities	%	No of holders	%
100,001 and Over	6,547,609,490	98.64%	1,751	38.77%
10,001 to 100,000	86,996,239	1.31%	1,813	40.15%
5,001 to 10,000	2,028,272	0.03%	261	5.78%
1,001 to 5,000	1,125,160	0.02%	368	8.15%
1 to 1,000	106,379	-	323	7.15%
	6,637,865,540		4,516	
Unmarketable Parcels	139,125,358	2.11%	3,134	69.00%

3. Voting Rights

Shareholders in Invion Limited have a right to attend and vote at general meetings. At a general meeting, individual shareholder may vote in person or by proxy. All quoted and unquoted share options, and convertible notes, have no voting rights.

4. Substantial shareholders

Substantial shareholders as disclosed in the last substantial holder notices given to the Company under the Corporation Act.

Rank	Name	21 August 2024	% IC
1	MR HONSUE CHO AND ASSOCIATES	1,146,031,359	17.84%
2	SHENGLI WANG AND ASSOCIATES	408,940,371	6.37%

5. Share buy-back

There is no current or planned buy-back of the Company’s shares.

6. Statement in accordance with ASX Listing Rule 4.10.19

The Company confirms that is has used the cash and assets in a form readily convertible to cash at the time of admission in a way consistent with its business objectives

7. Twenty largest shareholders - ordinary shares

Rank	Name	21 August 2024	% IC
1	POLAR VENTURES LIMITED	545,217,721	8.21%
2	BNP PARIBAS NOMINEES PTY LTD IB AU NOMS RETAIL CLIENT DRP>	528,480,596	7.96%
3	RMWC PTY LTD RMWC FAMILY A/C>	314,237,156	4.73%
4	MR HONSUE CHO	284,626,482	4.29%
5	NGPDT GREATER CHINA LIMITED	272,652,297	4.11%
6	MEI JUN LIN	272,500,000	4.11%
7	ACSLNC PTY LTD ACSLNC FAMILY A/C>	224,610,000	3.38%
8	MS XIAOYI WU XIAOYI WU SHANGHAI COMMERCIAL BANK LTD A/C>	200,000,000	3.01%
9	SURFIT CAPITAL PTY LTD	181,259,875	2.73%
10	LIND GLOBAL FUND II LP	180,833,334	2.72%
11	CITICORP NOMINEES PTY LIMITED	153,690,429	2.32%
12	SHENGLI WANG	136,288,074	2.05%
13	MS XIAOYI WU XIAOYI WU INTERACTIVE BROKERS U7411855 A/C>	121,428,571	1.83%
14	YONG CHEN	110,000,000	1.66%
15	MR YONG CHEN	93,253,079	1.40%
16	MS DANDAN WANG	82,819,526	1.25%
17	MR SHENGWEI OU	77,304,171	1.16%
18	SHUBO MIAO	73,333,333	1.10%
19	MR ESMOND WONG & MRS QUYNH THI KIM NGUYEN	67,564,765	1.02%
20	EQ INVESTMENT PTY LTD	62,500,000	0.94%
		3,982,599,409	

8. Twenty largest shareholders - quoted share options

No options are quoted.

9. Holders of greater than 20% unquoted securities

No equity holders hold greater than 20% or more of the following unquoted equity securities (by class) of the Company.