



ACN 632 145 334

**INVEX THERAPEUTICS LIMITED (FORMERLY INVEX THERAPEUTICS PTY LIMITED)**

**FINANCIAL REPORT  
FOR THE PERIOD FROM INCORPORATION  
ON 8 MARCH 2019 TO 31 MARCH 2019**

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## Corporate Directory

This financial report includes the financial statements and notes of the Company consisting of Invex Therapeutics Limited (formerly Invex Therapeutics Pty Limited) (Invex or Company).

The Company's functional and presentation currency is Australian Dollars (\$).

A description of the Company's operations and principal activity is included in the review of operations and activities in the Director's report on pages 4 to 6. The Directors' Report is not part of the Financial Report.

### **Directors:**

Dr Jason Loveridge  
Mr David McAuliffe  
Ms Narelle Warren

### **Company Secretary:**

Ms Narelle Warren

### **Registered Office & Principal Place of Business:**

Level 1, 38 Rowland St  
SUBIACO WA 6008  
Tel: +61 8 6382 0137

Website: [www.invextherapeutics.com](http://www.invextherapeutics.com)

### **Auditors:**

BDO Audit (WA) Pty Ltd  
38 Station St  
SUBIACO WA 6008

### **Bankers:**

Westpac Banking Corporation

### **Solicitors:**

Steinepreis Paganin  
Level 4, The Read Buildings  
16 Milligan St  
PERTH WA 6000

## **Directors' Report**

Your Directors present their report together with the financial statements of the Company, being Invex Therapeutics Limited (formerly Invex Therapeutics Pty Limited) ('the Company') for the financial period commencing from the date of incorporation being 8 March 2019 to 31 March 2019.

### **Director**

The name of the Directors in office for the period from incorporation on 8 March 2019 until the date of this report are as follows. All Directors were in office for the entire period unless otherwise stated.

#### **Dr Jason Loveridge**

Director

Appointed 8 March 2019

Dr. Loveridge is a founder of Invex and currently CEO of 4SC AG, a German listed oncology company. He has more than 25 years of international experience across Europe, Asia and the US in senior management positions in life sciences companies and as an investment professional dealing in both privately held and publicly traded companies. Additionally, he has substantial transactional experience in the sale and partnering of biotechnology assets.

Dr. Loveridge graduated in Biochemistry and Microbiology from the University of New South Wales, Australia, and holds a Ph.D. in Biochemistry from the University of Adelaide, Australia. He is also a fellow of the Royal Society of Medicine.

#### **Dr David McAuliffe**

Director

Appointed 8 March 2019

Mr McAuliffe is an experienced board director and entrepreneur who has had over twenty years' experience, mostly in the international biotechnology field. During that time, he was involved in numerous capital raisings and in-licensing of technologies. He is a founder of several companies in Australia, France and the United Kingdom, many of which have become public companies. Mr McAuliffe has an Honours degree in Law, a Bachelor of Pharmacy degree and is the President of the Dyslexia – Speld Foundation WA (Inc).

Mr McAuliffe is a current director of ASX listed, 4DS Memory Ltd.

#### **Ms Narelle Warren LLB B.Com**

Director/Company Secretary

Appointed 25 March 2019

Ms Warren is a Chartered Accountant with over 18 years of corporate advisory, financial management and company secretarial experience. Ms Warren has co-ordinated and assisted in a number of corporate transactions, including acquisitions, divestments and raising funds via private and public equity markets. She holds both a Bachelor of Laws and Bachelor of Commerce.

### **Principal Activity**

The principal activity of the Company during the period was establishment of a public biopharmaceutical company to focus on the development of efficacious treatments for neurological conditions derived from or involving raised intracranial pressure, such as idiopathic intracranial hypertension, acute stroke and traumatic brain injury.

No significant change in the nature of this activity occurred during the period.

## **Directors' Report (continued)**

### **Operating Results**

The result of the Company for the period ended 31 March 2019 was a loss of \$11,190. The net loss of the Company predominantly relates to establishment costs of a public company.

### **Review of Operations**

During the period the Company raised initial seed capital of \$500,000, in order to proceed to an Initial Public Offering (IPO) and to raise sufficient capital to complete the assignment of the Intellectual Property from the University of Birmingham and fund the research and development programme.

### **Dividends**

No dividends were paid or recommended by the Directors since the commencement of the period.

### **Significant Changes in State Of Affairs**

Other than as outlined above, there were no significant changes in the Company's state of affairs during the period.

### **Events Arising Since the End of the Reporting Period**

Since period end:

On 23 March 2019 Shareholders approved a change of status from a private company to a public company to be renamed Invex Therapeutics Limited. This became effective on the 10 May 2019.

No other significant events occurred after balance date which may affect either the Company's operations or results of those operations or the Company's state of affairs.

## Directors' Report (continued)

### Likely Developments

The Directors are hopeful the 2019/2020 year will see the Company successfully complete and IPO and undertake its proposed research and development programme.

### Meetings of Directors

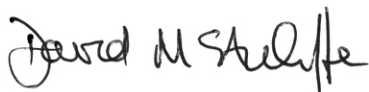
During the period the following Director meetings were held.

Director	Board Meetings	
	Number Eligible to Attend	Number Attended
Dr Jason Loveridge	2	2
Mr David McAuliffe	2	2
Ms Narelle Warren	1	1

### Unissued Shares under Option

There are no unissued ordinary shares of Invex Therapeutics Limited (formerly Invex Therapeutics Pty Limited) under option at the date of this report.

Signed in accordance with a resolution of the Board of Directors.



David McAuliffe  
**Director**

Perth, Western Australia, 10 May 2019

## **Auditors' Independence Declaration**

**Statement of Profit or Loss and Other Comprehensive Income**  
**For the period from incorporation on 8 March 2019 to 31 March 2019**

	<b>Note</b>	<b>Period from incorporation on 8 March 2019 to 31 March 2019 \$</b>
Revenue from continuing operations	4	-
Research and development expenditure	5	(4,243)
Administration expenses	5	(6,947)
<b>Loss before income tax from continuing operations</b>		<b>(11,190)</b>
Income tax expense	6	-
<b>Loss for the period from continuing operations</b>		<b>(11,190)</b>
<b>Other comprehensive income for the period, net of tax</b> <i>Items that may be reclassified subsequently to profit or loss</i>		-
<b>Total other comprehensive income for the period, net of tax attributable to members of the company</b>		<b>(11,190)</b>
<b>Loss for the period is attributable to:</b>		
Owners of Invex Therapeutics Limited (formerly Invex Therapeutics Pty Ltd)		(11,190)
<b>Total comprehensive income for the period is attributable to:</b>		
Owners of Invex Therapeutics Limited (formerly Invex Therapeutics Pty Ltd)		(11,190)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.



**Statement of Financial Position**  
**As at 31 March 2019**

	<b>Note</b>	<b>2019 \$</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	7	499,341
Other receivables	8	20,922
<b>TOTAL CURRENT ASSETS</b>		<u>520,263</u>
<b>NON CURRENT ASSETS</b>		
Acquisition assets	9	117,946
<b>TOTAL NON CURRENT ASSETS</b>		<u>117,946</u>
<b>TOTAL ASSETS</b>		<u>638,209</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	10	40,291
<b>TOTAL CURRENT LIABILITIES</b>		<u>40,291</u>
<b>TOTAL LIABILITIES</b>		<u>40,291</u>
<b>NET ASSETS</b>		<u>597,918</u>
<b>EQUITY</b>		
Contributed equity	11	609,108
Accumulated losses	12	(11,190)
<b>TOTAL EQUITY</b>		<u>597,918</u>

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity

For the period from incorporation on 8 March 2019 to 31 March 2019

	Contributed Equity \$	Accumulated Losses \$	Total Equity \$
(Loss) for the period	-	(11,190)	(11,190)
Other comprehensive income for the period	-	-	-
Total comprehensive (loss) for the period	-	(11,190)	(11,190)
Transactions with owners in their capacity as owners:			
Issue of share capital, net of transaction costs	609,108	-	609,108
<b>Balance at 31 March 2019</b>	<b>609,108</b>	<b>(11,190)</b>	<b>597,918</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## Statement of Cash Flows

For the period from incorporation on 8 March 2019 to 31 March 2019

	Note	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees		(12)
Interest received		-
Net cash outflow from operating activities	13	<u>(12)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Subscription proceeds received for ordinary shares net of costs		499,353
Net cash inflow from financing activities		<u><b>499,353</b></u>
Net increase in cash and cash equivalents held		499,341
Cash and cash equivalents at end of financial period	7	<u><u><b>499,341</b></u></u>

The above Statement of Cash Flows should be read in conjunction with accompanying the notes.

## Notes to the Financial Statements

### 1. Basis of Preparation

The directors have prepared the financial statements for the period from date of incorporation being 8 March 2019 to 31 March 2019. The Company was incorporated on 8 March 2019 and this represents the first reporting period for the Company. The financial report therefore does not include comparative information. The financial statements are prepared on the basis that the Company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the needs of members.

The financial statements have been prepared in accordance with significant accounting policies discussed below, which the directors have determined are appropriate and meet the needs of members.

### 2. New and amended Accounting Standards and Interpretations issued but not yet effective

The following new and amended Accounting Standards and Interpretations have been identified as those which may impact the entity in the period of initial application. Based on current operations, the standards are not expected to have a material impact on the Company but will be reassessed as the business develops. They are available for early adoption at 1 July 2019, but have not been adopted by the Company:

- *AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*. The Standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. The amendments also clarify that companies should use professional judgment in determining where and in what order information is presented in the financial disclosures. This standard will be effective from 1 July 2019.
- *IFRIC 23 Uncertainty over Income Tax Treatments* which clarifies the application of the recognition and measurement criteria in IAS 12 Income Taxes when there is uncertainty over income tax treatments. This standard will be effective from 1 July 2019. The Interpretation specifically addresses the following:
  - Whether an entity considers uncertain tax treatments separately
  - The assumptions an entity makes about the examination of tax treatments by taxation authorities
  - How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances.

The following material accounting policies adopted by the Company in the preparation of the financial report, have been consistently applied unless otherwise stated.

## Notes to the Financial Statements (continued)

### 3. Summary of Accounting Policies

#### (a) Going Concern

The Company incurred a net loss of \$11,190 for the period and operating cash outflows of \$12. Subsequent to period end, the Company resolved to undertake an IPO to be admitted to the Official List of the ASX to raise a minimum of \$10 million. The Company's commitments are conditional upon a successful admission to the Official List of the ASX.

The ability of the Company to continue as a going concern and to fund its planned research and development activities and working capital is dependent upon a successful IPO. These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern, and therefore, that it may be unable to realise its assets and discharge liabilities in the normal course of business.

The Directors believe there are sufficient funds to meet the Company's working capital requirements as at the end of the financial period. The financial statements have been prepared on the basis that the Company is a going concern, which contemplates the continuity of normal course of business activity, realisation of assets and settlement of liabilities in the normal course of business. The basis of this reasoning is the Directors confidence in the Company's ability to raise additional funding from capital raisings and the Company has the option, if necessary, to relinquish certain projects in order to maintain its cash funds at appropriate levels.

Should the Company not continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

#### (b) Revenue recognition

Revenue is measured at the fair value of the consideration receivable and is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

##### *Interest income*

Revenue is recognised as the interest accrues (using the effective interest method), which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

#### (c) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method. At each reporting date, the Company assesses whether there is objective evidence that a financial instrument has been impaired.

## Notes to the Financial Statements (continued)

### 3. Summary of Accounting Policies (continued)

#### (d) Income Tax

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, the Australian Taxation Office (ATO) and other fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the full liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Company's forecast of future operating results which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

#### (e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

## Notes to the Financial Statements (continued)

### 3. Summary of Accounting Policies (continued)

#### (f) Cash and Cash Equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and on hand and short-term deposits.

#### (g) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.

A provision for doubtful debts is made when there is objective evidence that an individual trade receivable is impaired where the collection of the full trade receivable amount is no longer probable. Bad debts are written off when identified.

#### (h) Asset acquisition

When an asset acquisition does not constitute a business combination, the assets and the liabilities carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalized cost of the asset.

#### (i) Equity, reserves and dividend payments

Share capital represents the fair value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a General Meeting prior to the reporting date.

All transactions with owners of the parent are recorded separately within equity.

#### (j) Provisions, contingent liabilities and contingent assets

Provisions for legal disputes, onerous contracts or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of present obligation is not probable. Such situations are disclosed as contingent liabilities, unless the outflow of resources is remote in which case no liability is recognised.

## Notes to the Financial Statements (continued)

### 3. Summary of Accounting Policies (continued)

#### (k) Trade and other Payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the period end and which are unpaid. These amounts are unsecured, have 30-60 day payment terms and are measured at amortised cost.

#### (l) Research and Development

Research expenditure is recognised as an expense is incurred.

Costs incurred on developments projects (relating to the development and testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalized comprises all directly attributable costs, including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditures that do not meet these criteria are recognized as an expense as incurred. Development costs previously recognised as an expense are not recognized as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

#### (m) Intellectual Property

Intellectual property represents an intangible asset which underpins the business of the Company; this was acquired at the Company's inception and represents a capital contribution. Intellectual property is measured initially at fair value and subsequently measured on the cost model.

#### (n) Impairment of assets

##### *Non-financial assets*

At the end of each reporting period, 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.

##### *Financial assets*

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. In the case of available-for-sale financial assets, a significant or prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in profit or loss. Also any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.



## Notes to the Financial Statements (continued)

### 3. Summary of Accounting Policies (continued)

#### (o) Critical Accounting Estimates and Judgments Required

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

##### *Research and development expenditure*

Distinguishing the research and development phases of a new customized project and determining whether the recognition requirements for the capitalization of development costs are met requires judgement. The Company has expensed all costs relating to research and development expenditure to date on the basis that the capitalisation requirements have not been met.

The Company's consideration of whether its internal projects to develop drugs are in a research phase or development phase involves significant judgement.

The Company considers a project to be in a development phase when the following can be demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- There is intention to complete the project;
- The existence of a market to be able to sell output resulting from the project;
- How the intangible asset will generate probable future economic benefits;
- There is adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset;
- Expenditure attributable to the project can be reliably measured.

##### *Recoverability of the intangible assets*

The entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 3(n). The recoverable amounts of cash-generating units have been determined based on the higher of value-in-use calculations and fair values. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

## Notes to the Financial Statements (continued)

### 4. Revenue from continuing operations

	2019 \$
Interest income	-

### 5. Loss for the Period

The loss for the period before income tax includes the following specific expenses:

	2019 \$
(a) Research and development expenses	4,243
<b>Total</b>	<b>4,243</b>
(b) Administration expenses	
Consultants and Advisers	5,000
Logo, design and IT expenses	1,947
<b>Total</b>	<b>6,947</b>

## Notes to the Financial Statements (continued)

### 6. Income Tax

	2019 \$
(a) The components of income tax expense comprise:	
Current income tax	-
Deferred income tax	-
Income tax expense reported in the statement of profit or loss and other comprehensive income	-

	2019 \$
b) The prima facie tax on loss is reconciled and the income tax as follow:	
Prima facie tax benefit on loss from ordinary activities before income tax at 27.5%	(3,077)
Tax effect of:	
- Deferred tax assets not recognized	3,077
Income tax expense reported in statement of profit or loss and other comprehensive income	-
(c) Deferred tax recognised:	
Deferred Tax Liabilities:	
Other	-
Deferred tax liabilities	-
d) Unrecognised deferred tax assets:	
Carry forward revenue losses	-
Capital raising and other costs	-

The tax benefits of the above deferred tax assets will only be obtained if:

- (a) The company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- (b) The company continues to comply with the conditions for deductibility imposed by law; and
- (c) No changes in income tax legislation adversely affect the company in utilising the benefits.

## Notes to the Financial Statements (continued)

### 7. Cash and Cash Equivalents

	2019 \$
Cash at bank and in hand	499,341
	<u>499,341</u>

### 8. Other Receivables

	2019 \$
GST receivable	3,246
Prepayments	17,676
	<u>20,922</u>

There are no other receivables that are past due or impaired at 31 March 2019.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. At 31 March 2019, this is included as part of GST receivable above.

### 9. Asset acquisitions

#### Summary of acquisition

On 29 March 2019, the Company acquired the core intellectual property rights including orphan drug designations in Core Materials by issuing fully paid ordinary shares in the capital of the Company equivalent to 18% of the total shares in the Company.

These assets have been accounted for as an intangible assets in accordance with AASB 138 Intangible Assets. Given the payment was made by way of issuing shares, the consideration transferred is fair value in accordance with AASB 2 Share based payments for a total purchase consideration of \$109,755.

	2019 \$
Shares issue to vendor	109,755
Acquisition costs	8,191
	<u>117,946</u>

## Notes to the Financial Statements (continued)

### 10. Trade and Other Payables

	2019 \$
Trade payables	40,291
	<u>40,291</u>

Trade payables are non-interest bearing and are normally settled on 30-day terms.

### 11. Contributed Equity

	2019 \$	2019 Number of shares
Ordinary shares on issue – fully paid	609,108	25,000,001
<b>Total</b>	<b>609,108</b>	<b>25,000,001</b>

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders meetings. In the event of winding up of the Company ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation in proportion to the number and amount paid on the shares held.

<b>Movement in fully paid ordinary shares on issue</b>	<b>2019 \$</b>	<b>2019 Number of shares</b>
Ordinary shares issued on 8-03-19 on incorporation	1	1
Ordinary shares issued pursuant to Acquisition (Mar 19) (Refer Note 9)	109,755	4,500,000
Ordinary shares issued pursuant to Placement (Mar 19)	500,000	20,500,000
Cost of capital raising	(648)	-
<b>Balance at end of financial period</b>	<b>609,108</b>	<b>25,000,001</b>

## Notes to the Financial Statements (continued)

### 12. Accumulated Losses

	2019
	\$
<hr/>	
Net loss attributable to members of the company	(11,190)
Accumulated losses at the end of the financial period	(11,190)
	<hr/>

### 13. Reconciliation of Net Cash Flows Operating Activities to Operating (Loss) After Tax

	2019
	\$
<hr/>	
Loss (after income tax) for the period	(11,190)
Non-cash items included in profit or loss:	
Net changes in working capital:	
Increase in trade and other receivables	(29,113)
Increase in trade and other payables	40,291
Net cash used in operating activities	(12)
	<hr/>

### 14. Events Subsequent to Reporting Period

Since period end:

On 23 March 2019, Shareholders approved a change of status from a private company to a public company to be renamed Invex Therapeutics Limited. This became effective on the 10 May 2019.

Other than as disclosed above, no matters or events have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in subsequent financial periods.

### 15. Auditor's Remuneration

	2019
	\$
<hr/>	
Amounts paid or payable to BDO for:	
Audit services	
- an audit or review of the financial report of the entity	5,000
<b>Total audit services</b>	<b>5,000</b>
	<hr/>

## **Notes to the Financial Statements (continued)**

### **16. Dividends**

There are no dividends paid or payable at 31 March 2019.

### **17. Commitments**

There are no commitments which require disclosure as at 31 March 2019.

### **18. Contingent Liabilities and Contingent Assets**

The Directors are not aware of any contingent liabilities or contingent assets which require disclosure as at 31 March 2019.

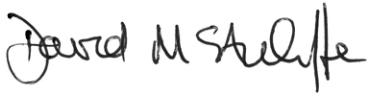
## Directors' Declaration

The Directors of Invex Therapeutics Limited (formerly Invex Therapeutics Pty Limited) have determined that the Company is not a reporting entity and that this special purpose financial report should be in prepared in accordance with accounting policies outlined in Note 3 of the financial statements.

The Directors of the Company declare that:

- (a) the financial statements and notes as set out on pages 8 to 23 for the period from incorporation on 8 March 2019 to 31 March 2019, present fairly the Company's financial position as at 31 March 2019 and of its performance for the period from incorporation on 8 March 2019 to 31 March 2019 in accordance with the accounting policies disclosed in Note 3 to the financial statements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors



David McAuliffe  
Director

Perth, Western Australia, 10 May 2019



## **Independent Auditor's Report**

## INDEPENDENT AUDITOR'S REPORT

To the members of Invex Therapeutics Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Invex Therapeutics Limited (the Entity), which comprises the statement of financial position as at 31 March 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial report, including a summary of significant accounting policies and other explanatory information, and the directors' declaration of the entity.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 31 March 2019 and of its financial performance and its cash flows for the period then ended in accordance with the basis of accounting described in Note 1.

#### 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 Entity in accordance with ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (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.

#### Material uncertainty related to going concern

We draw attention to Note 3 (a) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

#### Emphasis of matter - Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Entity to meet the need of the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' report, but does not include the financial report and our auditor's report thereon.



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

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

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

#### Responsibilities of management and those charged with governance for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report, and have determined that the basis of preparation described in Note 1 is appropriate to meet the needs of the members and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

#### Auditor's responsibilities for the audit of the Financial Report

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

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

[http://www.auasb.gov.au/auditors\\_responsibilities/ar3.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf)

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

A handwritten signature in dark ink, appearing to read 'J Prue', is written over the printed name 'Jarrad Prue'.

Jarrad Prue

Director

Perth, 10 May 2019

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF INVEX THERAPEUTICS LIMITED

As lead auditor of the Invex Therapeutics Limited for the period ended 31 March 2019, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the Australian professional accounting bodies in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.



Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 10 May 2019