ONCOLOGY RESEARCH INTERNATIONAL LIMITED

ABN: 34 067 964 621

AND IT’S CONTROLLED ENTITY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 JUNE 2023

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# DIRECTORS’ REPORT

The Directors of Oncology Research International Limited present their Report together with the financial statements of the consolidated entity, being Oncology Research International Limited (‘the Company’) and its controlled entity (‘the Group’) for the year ended 30 June 2023 and the Independent Auditor’s Report thereon.

DIRECTORS

The names of each person who has been a director during the year and to the date of this report are:

HELENA JULIANNA WAYTE - BA, Grad Dip Human Resources Management

Mrs Wayte obtained her Bachelor of Arts degree psychology major in 1969 from the University of Toronto. She also holds a Graduate Diploma in Human Resources Management from Edith Cowan University in Perth. She has extensive experience in management and training with major telecommunications companies and in the management and operation of successful health care clinics in Canada and Australia.

STEFANY TIANA WAYTE (Appointed 10 November 2022)

A qualified Solicitor, Stefany has over 20 years experience working in law, business development, stakeholder engagement, strategic partnerships, government, and private consulting. She is admitted to the Supreme Court of WA as a solicitor and holds a Bachelor of Laws (Hons) and Bachelor of Arts and a master’s degree in law from UWA. Stefany has worked in capital raising, IPO and ASX listings, commercialisation, and partnerships, specifically relating to new product development and has extensive experience in stakeholder engagement and creating strategic alliances.

ANTHONY JOHN CAMPBELL (Appointed 10 November 2022)

A university graduate of Edith Cowan majoring in Accounting and minor in marketing.

Anthony has been a director of previous non-listed public company for 2 years and a director of Pty Ltd companies for 37 years. Anthony has been a Registered Tax Agent for 30 years and has run his own Practice for 33 years having been exposed to all facets of Business and personal tax and lodging over 52000 returns. Anthony is a member of the NTAA and was a fellow member previously. Anthony is an inventor, builder, novelist and entrepreneurial Accountant. He is the Chief Financial Officer.

PETER JOHN WILLIAMS (appointed 21St March 2023) Resigned June 2023

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

Peter Williams / Anthony Campbell

Secretaries have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year is medical research. There have been no significant changes in the nature of these activities during the financial year.

OPERATING RESULTS

The consolidated operating loss of the Group after providing for income tax for the financial year amounted to $.

DIVIDENDS PAID OR RECOMMENDED

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

REVIEW OF OPERATIONS

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group during the financial year.

LIKELY DEVELOPMENTS

Likely developments in the operations of the consolidated group and the expected results of those operations in future financial years have been discussed where appropriate in relation to the Group's medical research prospects in the Review of Operations contained in this report.

There are no further likely developments of which the Directors are aware which could be expected to affect the result of the Group's operations in future years.

ENVIRONMENTAL LEGISLATION

The Company’s operations are not subject to any particular or significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

INDEMNIFYING OFFICER OR AUDITOR

The officers of the Group have foregone insurance for the period.

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

PROCEEDINGS ON BEHALF OF 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 any part of those proceedings.

The company was not a party to any such proceedings during the year.

UNISSUED SHARES UNDER OPTION

As at the date of this report, there were no unissued ordinary shares of Oncology Research International Limited under option.

No options were issued to Directors or key management personnel as remuneration during the year ended 30 June 2022 and to the date of this report.

DIRECTORS’ MEETINGS

The number of meetings of Directors held during the financial year ended 30 June 2022 and the number of meetings attended by each Director is as follows:

|  |  |  |
| --- | --- | --- |
|  | Meetings  Attended | Meetings Eligible to Attend |
|  |  |  |
| A J Campbell | 2 | 2 |
| P Williams | 6 | 6 |
| H J Wayte | 6 | 6 |
| S T Wayte | 6 | 6 |

# AUDITOR’S INDEPENDENCE DECLARATION

A copy of the auditor’s independence declaration as required under s307C of the Corporations Act 2011 is included on the following page of this financial report and forms part of this Directors’ Report.

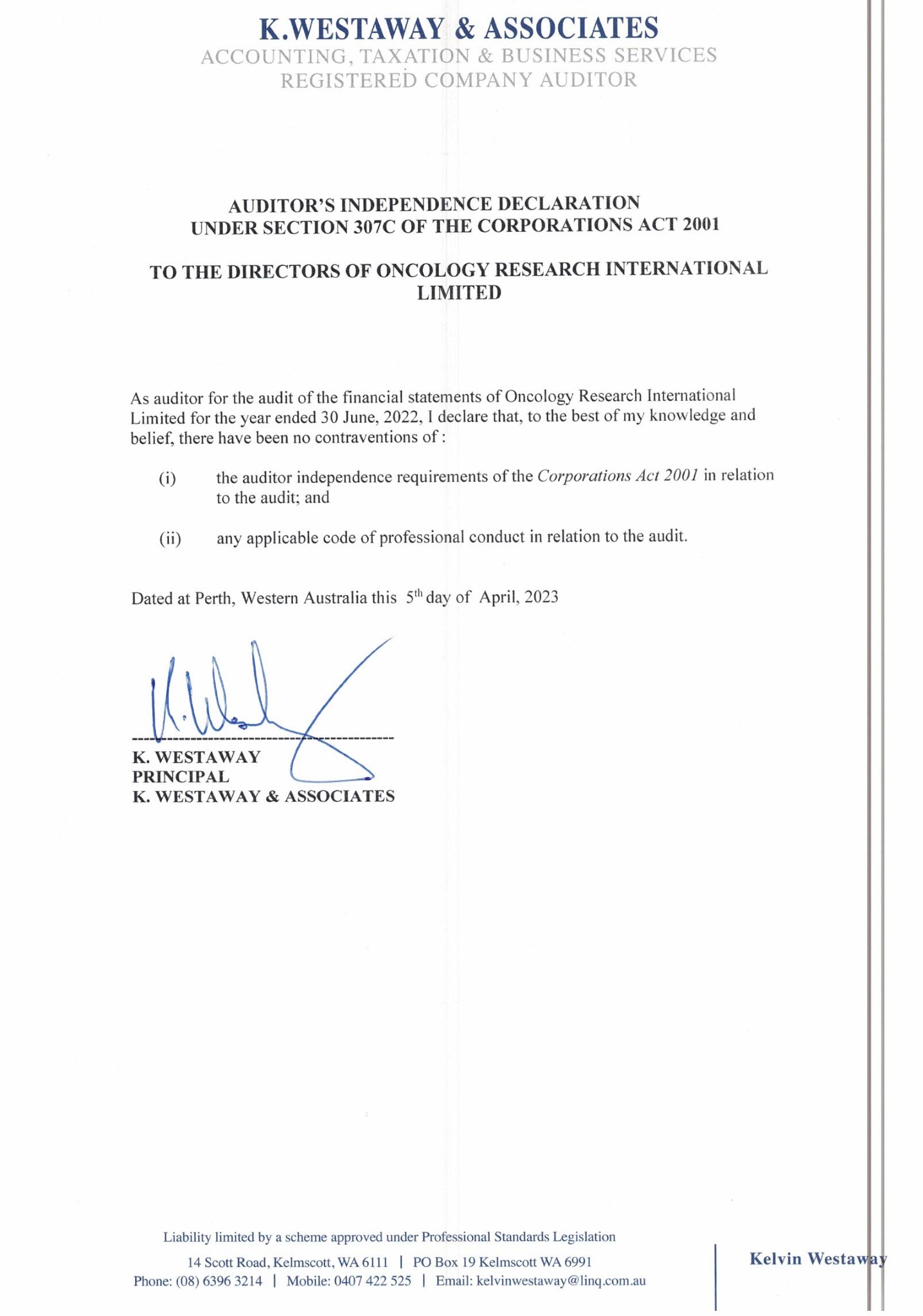
Signed in accordance with a resolution of the Board of Directors.

## H J Wayte

H J WAYTE

DIRECTOR

Dated 15/12/23



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
|  | NOTE | Consolidated Group |  |
|  |  | 2022 | 2023 |
|  |  | $ | $ |
| Other revenue |  | 1 |  |
| Depreciation expense |  | - |  |
| Audit fees | 19 | (10.650) |  |
| Patents |  | (21,301) |  |
| Other expenses |  | (8,378) |  |

FOR THE YEAR ENDED 30 JUNE 2023

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| Loss before income tax |  | (40,328) |  |  |
|  |  |  |  |  |

Income tax expense 2 - -

Loss for the year (40,328)

Other comprehensive income - -

Total comprehensive loss, net of tax, attributable to owners of the parent entity (40,328)

The accompanying notes form part of these financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

|  |  |  |
| --- | --- | --- |
|  | AS AT 30 JUNE 2023 |  |
|  | NOTE | Consolidated Group |
|  |  | 2022 2023 |
|  |  | $ $ |
|  |  |  |
| CURRENT ASSETS |  |  |
| Cash and cash equivalents | 3 | 25,997 |
| Trade and other receivables | 4 | 1,187 |

TOTAL CURRENT ASSETS 27,184

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| NON-CURRENT ASSETS |  |  |  |  |
| Property, plant & equipment | 5 | - |  | - |

TOTAL NON-CURRENT ASSETS - -

27,184

TOTAL ASSETS

CURRENT LIABILITIES

Trade and other payables 6

13,061

13,061

TOTAL CURRENT LIABILITIES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| NON-CURRENT LIABILITIES |  |  |  |  |
| Borrowings | 7 | 18,000 |  | - |

TOTAL NON-CURRENT LIABILITIES

18,000

-

31

,061

(

3,877

)

TOTAL LIABILITIES

NET ASSETS /(LIABILITIES)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| EQUITY |  |  |  |  |
| Share capital | 8 | 17,628,763 |  | 17,598,763 |
| Reserves | 9 | 237,540 |  | 237,540 |
| Accumulated losses |  | (17,870,180) |  | (17,829,852) |

TOTAL EQUITY/(DEFICIENCY)

(

3,877

)

The accompanying notes form part of these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Share Capital | Accumulated | |  | Reserves |  | Total |
|  | Losses |
|  | $ |  | $ |  | $ |  | $ |
| Consolidated group |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Balance at 1 July 2020 | 17,548,763 |  | (17,779,169) |  | 237,540 |  | 7,134 |
| Loss for the year | - |  | (50,683) |  | - |  | (50,683) |
| Transactions with owners |  |  |  |  |  |  |  |
| Issue of share capital, net of issue costs | 50,000 |  | - |  | - |  | 50,000 |

Balance at 30 June 2021 17,598,763 (17,829,852) 237,540 6,451

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
| Loss for the year |  | - |  | (40,328) |  | - |  | (40,328) |
| Convertible loan received |  | - |  | - |  | - |  | - |
| Transactions with owners |  |  |  |  |  |  |  |  |
| Issue of share capital, net of issue costs |  | 30,000 |  | - |  | - |  | 30,000 |

Balance at 30 June 2022 17,628,763 (17,870,180) 237,540 (3,877)

The accompanying notes form part of these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

### NOTE Consolidated Group

2022 2023

$ $

CASH FLOWS FROM OPERATING ACTIVITIES

Interest received 1 476

Goods & Services tax refund 3,247 1935

Payments to suppliers (48,930) (43,315)

Net cash used in operating activities 18 (45,682) (42,839)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issue of share capital, net of issue costs 30,000 10,000

Funds held – Share application in progress (15,000) 0

Proceeds from convertible loan 18,000 0

Net cash provided by financing activities 33,000 10,000

Net increase/(decrease) in cash held (12,682) (32,839)

Cash at the beginning of the financial year 38,679 16,823

25,997

Cash at the end of the financial year 3

The accompanying notes form part of these financial statements.

### FOR THE YEAR ENDED 30 JUNE 20223

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Nature of operations

The principal activity of Oncology Research International Limited and its subsidiary (the Group) is medical research.

General Information and statement of compliance

The consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB.) Oncology Research International Limited is a for-profit entity for the purpose of preparing the financial statements.

Oncology Research International Limited is the Group’s ultimate parent company. Oncology Research International Limited is an unlisted public company incorporated and domiciled in Australia. The registered office of the company is at GWELUP. The principal place of business is at GWELUP.

The consolidated financial statements for the year ended 30 June 2023 (including comparatives) were approved and authorised for issue by the board of directors on 11 December 2023.

Going Concern

These financial statements have been prepared on a going concern basis which the Directors believe to be appropriate. The Directors are confident that the Group will be able to maintain sufficient levels of working capital to continue as a going concern and continue to pay its debts as and when they fall due.

For the year ended 30 June 2023, the Group incurred a loss before tax of $40,328 (2021: $50,683). For the year ended 30 June 2023, the Group incurred net operating cash outflows of $45,682 (2021: $43,144).

The going concern of the Group is dependent upon it obtaining sufficient funds for its operations and commitments.

The company is continuing to seek funding to continue projects. This will enable ORIL to build value of its assets through further development of the technology, and the lead candidate ORIL019 towards the clinic. Should this Fund raising not be successful, the Directors continue to be focused on meeting the Group’s business objectives and are mindful of the funding requirements to meet these objectives. The Directors consider the basis of going concern to be appropriate for the following reasons:

* There are no fixed contracts in place,
* There are no expenditure commitments,
* Expenditure of the Group is entirely discretionary, and
* The underlying prospects for the Group to raise funds.

During the year, the Group successfully raised $30,000 (refer Note 8) through the issue of 400,000 fully paid ordinary shares.

Since the year end, as disclosed in Note 20, the Group has entered into a Loan Agreement dated 5 July 2022 with Rainrose Pty Ltd for the sum of $12,000 .The loan is interest free and repayable by 31 December 2023. On or before the date of repayment of the loan Oncology Research International Limited (the company) may convert the loan into 120,000 fully paid ordinary shares in the company. If the loan is not repaid in full by the date of repayment then the loan will automatically convert into 120,000 fully paid ordinary shares in the company. The loan is deemed to be repaid on issue of the conversion shares to the lender.

The Group continues to expense all costs in relation to research activities undertaken.

The Directors continue to pursue the opportunity to raise further cash through equity raising and believe there is a reasonable basis to achieve this objective. The Directors are confident that the Group can continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

Should the Group be unable to undertake the initiatives disclosed above, there is significant uncertainty which may cast doubt as to whether or not the Group will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

Adoption of New and Revised Australian Accounting Standards

In the year ended 30 June 2022, the Group has reviewed all of the new and revised Standards and

Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2021.

The Group has also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2022.

As a result of this review the directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business and therefore no change is necessary to the Group’s accounting policies.

Accounting Policies

(a) Overall Considerations

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below.

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

b) Principles of Consolidation

The Group financial statements consolidate those of the parent company and its subsidiary drawn up to 30 June 2023. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. All subsidiaries have a reporting date of 30 June.

1. Principles of Consolidation (continued)

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies.

As at reporting date, the assets and liabilities of the controlled entity have been incorporated into the consolidated financial statements as well as their results for the year then ended.

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation.

1. Property, Plant and Equipment

Plant and equipment

Plant and equipment are measured on the cost basis.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the consolidated group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Assets Useful Life

Plant and equipment 5 to 10 years

The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement.

(d) Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using the rates of tax enacted, or are substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are charged or credited directly to equity.

(d) Income Tax (continued)

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on tax rates enacted or substantially enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future tax profit will be available against which the benefits of the deferred tax asset can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income tax legislation and the anticipation that the consolidated group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Where temporary differences exist in relation to investments in subsidiaries, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Tax Consolidation

Oncology Research International Limited and its wholly owned Australian subsidiary have formed an income tax consolidated group from 1 July 2003 under tax consolidation legislation. Oncology Research International Limited is responsible for recognising the current and deferred tax liabilities for the tax consolidated group.

1. Impairment of Non-Financial Assets

At each reporting date, the Group reviews the carrying value of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being higher of the asset’s fair value less costs to sell and value in use, is compared to the asset’s carrying value. Any excess of the asset’s carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1. Intangibles

Research and Development

Expenditure during the research phase of a project is recognised as an expense when incurred. Development costs are capitalised only when technical feasibility studies identify that the project will deliver future economic benefits and these benefits can be measured reliably. Development costs not meeting these criteria for capitalisation are expensed as incurred.

* 1. Intangibles (Cont’d)

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project.

* 1. Revenue

Interest

Interest revenue is reported on an accruals basis using the effective interest rate method, which, for floating rate financial assets, is the rate inherent in the instrument.

Government and other grants

Government and other grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grants are not credited directly to shareholders equity.

When the grant relates to an asset, the fair value is credited to deferred income and is released to the profit or loss over the expected useful life of the relevant asset by equal annual instalments.

All revenue is stated net of the amount of goods and services tax (GST).

1. 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 Australian 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 cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

1. Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the group’s entities is measured using the currency of the primary economic environment in which it operates. The consolidated financial statements are presented in Australian dollars which is the parent entity’s functional and presentation currency.

Transactions

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Exchange rate differences arising on translation are recognised in the income statement.

1. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

1. Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following four categories:

* financial assets at amortised cost
* financial assets at fair value through profit or loss (FVPL)
* debt instruments at fair value through other comprehensive income (FVOCI)
* equity instruments at fair value through other comprehensive income (FVOCI)

Classifications are determined by both:

* The entity’s business model for managing the financial asset
* The contractual cash flow characteristics of the financial assets

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

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

* they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
* the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Financial instruments (continued)

Impairment of financial assets

AASB 9’s new impairment model use more forward looking information to recognize expected credit losses - the ‘expected credit losses (ECL) model’. The application of the new impairment model depends on whether there has been a significant increase in credit risk.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

* financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (‘Stage 1’) and
* financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (‘Stage 2’).

‘Stage 3’ would cover financial assets that have objective evidence of impairment at the reporting date.

‘12-month expected credit losses’ are recognised for the first category while ‘lifetime expected credit losses’ are recognised for the second category. Measurement of the expected credit losses is determined based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets. The Group does not track changes in credit risk, but instead recognises a loss allowance based on the expected lifetime credit losses at each reporting date.

The Group consider a financial asset to be in default when internal or external information indicates that it is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Classification and measurement of financial liabilities Financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023 (Cont’d)

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Share-based payments

The Company provides benefits to key management personnel (including directors) and research contractors of the Company in the form of share-based payment transactions, whereby services are rendered in exchange for options over shares (‘equity-settled transactions’).

The fair value of the equity to which the key management personnel become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account.

1. Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

### Consolidated Group

2022 2023

$ $

2. INCOME TAX

The prima facie tax payable (benefit) on the

profit/(loss) from activities before income tax is reconciled to the income tax expense or benefit as follows:

Prima facie income tax payable (benefit) on profit/(loss) from activities before income tax at 25%

(2021: 26%) (10,082) (13,178) Tax effect of differences:

Non allowable items:

- Other non-allowable items 128 120

-

-

Potential tax benefit at 25% (2021: 26%) of unused tax

losses for which no Deferred Tax Asset has been recognised 2,043,519 2,115,411

### FOR THE YEAR ENDED 30 JUNE 2022 (Cont’d)

Consolidated Group

2022 2023

$ $

3. CASH AND CASH EQUIVALENTS

Cash at bank and in hand 25,997 4,661

Reconciliation of Cash

Cash at the end of the financial year as shown in the Cash

Flow Statement is reconciled to items in the Statement of Financial Position as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| 4. | TRADE AND OTHER RECEIVABLES |  |  |  |
|  | Current |  |  |  |
|  | Goods & Services Tax Receivable | 1,187 |  | 1,685 |

Cash and cash equivalents 25,997 4,661

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
| 5. | PROPERTY, PLANT & EQUIPMENT |  |  |  |  |
|  | Plant & equipment, at cost |  | 14,513 |  | 14,513 |
|  | Accumulated depreciation |  | (14,513) |  | (14,513) |

-

-

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and end of the current financial year.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Plant and Equipment |  |  |  |  |
|  |  |  |  |  |
| Balance at beginning of year |  | - |  |  |
| Depreciation Expense |  | - |  |  |

Carrying amount at the end of the year -

-

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |
| 6. | TRADE AND OTHER PAYABLES    Current |  |  |  |  |  |  |
|  | Trade payables |  |  | 13,061 |  |  | 13,061 |
|  | Share application in progress |  |  | - |  |  |  |

Carrying amount at the end of the year 33,971

13,061

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 (Cont’d)

Consolidated Group

2022 2023

$ $

1. BORROWINGS

Non-current liabilities

Convertible loan 18,000 30,000

Convertible Loan

Oncology Research International Limited (the company) entered into a Loan Agreement dated 12 May

2022 with Rainrose Pty Ltd for the sum of $18,000.A further loan of $12,000 was made The loan is interest free and $30.000 repayable by 31 December 2023. On or before the date of repayment of the loan the company may convert the loan into 300,000 fully paid ordinary shares in the company. If the loan is not repaid in full by the date of repayment then the loan will automatically convert into 300,000 fully paid ordinary shares in the company. The loan is deemed to be repaid on issue of the conversion shares to the lender. The funds are being utilised on operating costs of the Group.

1. SHARE CAPITAL

45,775,749 (2021: 45,375,749)

Fully paid ordinary shares 17,628,763 17,638,763

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  |  |
| Ordinary shares | No. |  | No. |
| At the beginning of the reporting period | 45,375,749 |  | 45,775,749 |
| Shares issued during the year | 400,000 |  | 100,000 |

At reporting date 45,775,749 45,875,749

400,000 fully paid ordinary shares were issued as follows during the financial year to fund the operations of the company:-

* + 150,000 fully paid ordinary shares at $0.10 per share
  + 250,000 fully paid ordinary shares at $0.06 per share

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Options

At balance date, no share options existed which if exercised would result in the issue of fully paid ordinary shares.

No share options were issued to key management personnel during the financial year.

No share options expired during the financial year.

### FOR THE YEAR ENDED 30 JUNE 2023 (Cont’d)

1. SHARE CAPITAL (continued)

Capital Management

The Company’s objectives when managing capital are to ensure the Group can fund its operating costs and continue as a going concern.

The Company monitors its working capital position against expenditure requirements to undertake its planned research and development program and maintain its ongoing operations. Where required the Company will issue new securities or modify its research and development program to ensure the Company’s working capital requirements are met.

There have been no changes in the policy adopted by management to control the capital of the Company since the prior year.

1. RESERVES

Option Reserve

The Option Reserve is used to recognise fair value of options issued to key management personnel (including directors), their associates and research contractors. Details of the movement in reserves are shown on the face of the statement of changes in equity. No options were issued during the financial year.

1. KEY MANAGEMENT PERSONNEL

Compensation Practices

No remuneration was paid to the key management personnel of the Group during the year (2023: Nil) and no directors fees were paid during the year (2023: Nil).

Other key management personnel transactions

Other transactions and balances with key management personnel are disclosed in Note 11.

1. RELATED PARTY TRANSACTIONS

Shares held by key management personnel during the period ended 30 June 2022:

|  |  |  |  |
| --- | --- | --- | --- |
| Director | Balance at start of year | Other changes | Held at the end of the reporting period |
| ST Wayte | 200,000 |  | 200,000 |
| Est of K M Wayte (a) | 3,772,542 |  | 3,772,542 |
| H J Wayte c | 21,500 |  | 21,500 |
| AJ CAMPBELL | 66,000 |  | 66,000 |
|  | 3,999,542 | 140,000 | 4,139,542 |

* 1. The late K M Wayte held 2,520,000 ordinary shares in his own name. These are now held by his Estate. 27,292 ordinary shares are held in the name of Altnamus Pty Ltd an associated entity of the late K M Wayte. 1,225,250 ordinary shares are held by close family members of the late K M Wayte.

b AJ CAMPBELL shareholding via Anthony J Campbell Super Fund 40,000…..6,000

in Campbell Family Trust & 20,000 in Campbell Corporation Pty Ltd

1. RELATED PARTY TRANSACTIONS (continued)

* 1. H J Wayte holds 21,500 ordinary shares in her own name. H J Wayte is the spouse of the late K M Wayte and accordingly all shareholdings of the late K M Wayte and H J Wayte are related.

There were no share-based payments existing at 30 June 2023.

1. SEGMENT INFORMATION

The consolidated group operates predominantly in the medical research industry within Australia.

1. SHARE – BASED PAYMENTS

There were no share-based payments existing at 30 June 2023.

1. INTEREST IN SUBSIDIARY

Set below are details of the directly held subsidiary:

ONCOLOGY RESEARCH ASSOCIATES PTY LTD 2022 2021 Country of Incorporation Australia Australia

Class of Share Ordinary Ordinary

Cost of Parent Company's Investment $2,000,000 $2,000,000

Equity Holding 100% 100%

Contribution to Consolidated Income (Loss) from

Ordinary activities before income tax - -

Deed of Cross Guarantee

Oncology Research International Limited and Oncology Research Associates Pty Ltd are parties to a Deed of

Cross Guarantee which was lodged with and approved by the Australian Securities and Investments Commission on 8 December 1995. Under the Deed of Cross Guarantee each of the above named companies guarantees the debts of the other company.

The aggregate assets and liabilities of the above named entities relieved under the deed, and their aggregate net profit/(loss) after tax for the period then ended (after eliminating intercompany investment and other intercompany transactions) are as follows:

### 2022 2023

$ $

Assets - -

Liabilities - -

### FOR THE YEAR ENDED 30 JUNE 2023 Cont’d)

1. COMMITMENTS AND CONTINGENT LIABILITIES

Not applicable

1. PARENT ENTITY – ONCOLOGY RESEARCH INTERNATIONAL LIMITED

2022 2023

$ $

Parent entity

Assets

|  |  |  |  |
| --- | --- | --- | --- |
| Total assets | 27,184 |  | 6,345 |
|  |  |  |  |
| Liabilities |  |  |  |
| Current liabilities | 13,061 |  |  |
| Non-current liabilities | 18,000 | 30,000 | 30,000 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Total liabilities | 31,061 |  |  |  |  |
|  |  |  |  |  |  |
| Equity |  |  |  |  |  |
| Issued capital | 17,628,763 |  | 17,638,763 |  |  |
| Option Reserve | 237,540 |  | 237,540 |  |  |
| Retained earnings | (17,870,180) |  | (17,913,019 |  |  |
|  |  |  |  |  |  |
| Financial performance |  |  |  |  |  |
| Loss for the year | 40,328 |  | 42,839 |  |  |
| Other comprehensive income | - |  |  |  |  |

Current assets 27,184 6,345 Non-current assets -

Total comprehensive loss 40,328 42,839

1. FINANCIAL INSTRUMENTS

Financial Risk Management

The group’s financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The group does not have any derivative instruments at 30 June 2023.

(a) Interest rate risk

Interest rate risk is where the value of a financial instrument will fluctuate due to changes in market interest rates.

Receivables and loans to and from related entities are interest free and therefore do not evidence interest rate risk.

The consolidated group's exposure to interest rate risk and the effective interest rates on financial assets and financial liabilities at the balance date is as follows:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Financial  Instruments |  | Floating Interest rate | | Non-interest Bearing | |  | Total carrying  Amount as per the Statement of  Financial Position | | Weighted average  Effective interest rate | |
|  |  | 2022    25,997 | 2023  4,661 | 2022    - | 2023    - |  | 2022    25,997 | 2023  4,661 | 2022    0.00% | 2023    0.01% |
| 1. Financial assets   Cash  Total financial  assets     1. Financial   liabilities  Trade creditors & accruals |
|  | 38,679 | 4,661 | - | - |  | 25,997 | 4,661 | - | - |
|  | - | - | 13,061 | 13,061 |  | 13,061 | 13,061 | - | - |
| Borrowings  Total financial liabilities |  | - | - | 18,000 | 30,000 |  | 18,000 | 30,000 | - | - |
|  | - | - | 31,061 | 43,061 |  | 31,061 | 43,061 | - | - |

Interest rate sensitivity

At 30 June 2022, if interest rates had changed by -100/+70 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been $1 lower/ $188 higher (2021 – change of 100/+70 bps: $1 lower/ $128 higher), mainly as a result of higher/lower interest income from cash and cash equivalents. Equity would have been $1 lower/ $188 higher (2021 – change of -100/+70 bps: $1 lower/ $128 higher) mainly as a result of an increase/decrease in the interest income from cash and cash equivalents.

(b) Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity’s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the consolidated entity’s reputation.

The consolidated entity manages liquidity risks by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

The table below reflects the contractual maturities of financial liabilities, including estimated interest payments.

Cash flows realised from financial assets reflect management’s expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

### FOR THE YEAR ENDED 30 JUNE 2023 C)nt’d)

Financial liability and financial asset maturity analysis

30 June 2022 Carrying 6 months or 6-12 months 1-2 years 2-5 years More than

amount less 5 years

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Financial assets liabilities due for payment |  |  |  |  |  |  |  |  |  |  |  |  |
| Trade creditors and accruals |  | 13,061 |  | 10,861 |  | 2,200 |  | - |  | - |  | - |
| Borrowings |  | - |  | - |  | - |  | 18,000 |  | - |  | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Financial assets – cash flows realisable |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and cash equivalents |  | 25,997 |  | 25,997 |  | - |  | - |  | - |  | - |

30 June 2023 Carrying 6 months or 6-12 1-2 years 2-5 years More than

amount less months 5 years

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Financial assets liabilities due for payment |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Trade creditors and accruals |  | 43,061 |  | 43,061 |  |  | - |  | - |  | - |  | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Financial assets – cash flows realisable |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and cash equivalents |  | 4,661 |  | 4,661 |  | - |  |  | - |  | - |  | - |

1. Fair values

The aggregate net fair values of financial assets and financial liabilities at the reporting date, are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Total carrying amount | | Aggregate | |
|  | As per balance sheet | | Fair value | |
| 2022 | 2023 | 2022 | 2023 |
| Financial assets |  |  |  |  |
| Cash | 25,997 | 4,661 | 25,997 | 4,661 |
| Total financial assets | 25,997 | 4,661 | 25,997 | 4,661 |
| Financial liabilities |  |  |  |  |
| Trade creditors & accruals | 13,061 | 13,061 | 13,061 | 13,061 |
| Borrowings | 18,000 | 30,000 | 18,000 | 30,000 |
| Total financial liabilities | 31,061 | 43,061 | 31,061 | 43,061 |

The following methods and assumptions are used to determine the fair values of financial assets and liabilities.

Recognised financial instruments

Cash: The carrying amount equals fair value because of their short-term to maturity.

Trade receivables: Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

Trade creditors and accruals are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

1. Credit risk exposures

The consolidated group’s maximum exposures to credit risk at balance date in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the balance sheet.

18. RECONCILIATION OF CASH FLOWS USED IN OPERATING ACTIVITIES

Details of the reconciliation of cash flows used in operating activities are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Consolidated Group | |  |
|  |  |
|  |  | 2022 |  | 2021 |
|  |  | $ |  | $ |
|  |  |  |  |  |
| Cash flows used in operating activities |  |  |  |  |
| Loss for the period |  | (40,328) |  | (50,683) |
| Adjustment for depreciation |  | - |  | 13 |
| Change in trade and other receivables |  | 556 |  | (110) |
| Change in other current assets |  | - |  | 5,881 |

Change in trade creditors and accruals 1,755

(5,910)

(

45,682

)

Net cash used in operating activities (43,144)

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | |  |
|  | Consolidated Group | |  |
|  |  |
|  | 2022 |  | 2023 |
|  | $ |  | $ |
| 19. AUDITORS REMUNERATION |  |  |  |
| Audit review services |  |  |  |
| Auditors of the Group  Audit and review of the financial statements- Group  - Grant Thornton Audit Pty Ltd (Resigned 24 January 2023) | 8,650 |  | 2,000 |
| - New Auditor – Kelvin Westaway (Appointed 24 January 2023) | 2,000 |  | 2,000 |

10,650

### FOR THE YEAR ENDED 30 JUNE 2023 (Cont’d)

20. EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any other matters or circumstances that have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

# DIRECTORS’ DECLARATION

In the opinion of the directors of Oncology Research International Limited:

1. a) The consolidated financial statements and notes of Oncology Research International Limited, as set out on pages 6 to 26 are in accordance with the Corporations Act 2001, including:

* 1. giving a true and fair view of its financial position as at 30 June 2023 and of the performance for the year ended on that date; and

* 1. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b) there are reasonable grounds to believe that Oncology Research International Limited will be able to pay its debts as and when they become due and payable.

1. The consolidated financial statements comply with International Financial Reporting Standards.

The company and a wholly owned subsidiary, Oncology Research Associates Pty Ltd, have entered into a deed of cross guarantee as described in Note 14 under which the company and its subsidiary guarantee the debts of each other.

At the date of this declaration there are reasonable grounds to believe that the companies which are party to the deed of cross guarantee will be able to meet any obligations or liabilities to which they are, or may become, subject to by virtue of the deed.

Signed in accordance with a resolution of the directors:

H J Wayte

Director Helena Wayte

## Anthony J Campbell

Director Anthony Campbell

Dated: 15 December 2023

