

VGI Health Technology Limited

ABN 35 111 082 485

Interim Report

for the half year ended

31 December 2024

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CORPORATE DIRECTORY

VGI HEALTH TECHNOLOGY LIMITED

ABN 35 111 082 485

Directors

Steven Jiayi Yu	Non-Executive Chairman
Glenn Tong	Managing Director
Johnathan Wong	Non-Executive Director

Company Secretary

Catriona Glover

Registered Office and Principal Place of Business

Suite 4, 24 Birdwood Lane,
Lane Cove, NSW, 2066,

Ph: (02) 8279 8908

Postal Address

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Suite 4, 24 Birdwood Lane,
Lane Cove, NSW, 2066,

Share Register

MUFG Corporate Markets
Tower 4, 727 Collins Street,
Docklands VIC 3008
Ph: +61 3 9106 5812

Auditors

Hall Chadwick
Level 40, 2 Park Street
SYDNEY, NSW, 2000

Securities Exchange Listing

National Stock Exchange of Australia
(Home Branch – Sydney)
NSX Code: VTL

DIRECTORS' REPORT

Your Directors submit the financial report of VGI Health Technology Limited ("VGI" or "the Company") for the half year ended 31 December 2024. In order to comply with the provisions of the Corporations Act 2001, the Directors report is as follows:

Directors

The names of Directors who held office during the half year and up to the date of this Report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Appointed
Steven Jiayi Yu	Non-Executive Director (Appointed 28 March 2019)
Glenn Tong	Executive Director (Appointed 19 December 2019)
Richard Estalella	Executive Director (appointed 14 February 2024, resigned 12 August 2024)
Johnathan Wong	Non-Executive Director (appointed 12 August 2024)

PRINCIPAL ACTIVITIES

During the half year ended 31 December 2024 the principal activity of VGI Health Technology Limited is to research, develop, distribute and market a range of health and therapeutic products and technologies, including innovative drugs and wellbeing supplements.

REVIEW OF OPERATIONS

On 12 August 2024, the Company announced the appointment of Mr Jonathan Wong as a non-executive director and the resignation of Mr Richard Estalella as a non-executive director to focus on his role as the Executive Director (the President and CEO of VTL's wholly-owned subsidiary in the US, Invictus Nutraceuticals, Inc.). This change in the Board structure is in line with VTL's corporate governance policies where the Company aims to maintain a majority of independent directors and allows Mr Estalella to focus on the manufacturing, marketing and sales of the Company's nutraceutical products.

The focus for the Company during this year was to ensure that the pharmaceutical assets held in the Invictus BioPharma Pty Ltd Group are ready for divestment to Invictus BioPharma Holdings Ltd, the entity that will advance the drug development programs, including:

- The Investigators' Brochure for the Phase II clinical studies in MAFLD/MASH and Pancreatic Adenocarcinoma was updated to reflect recent developments in the MASH market, namely the FDA approval and subsequent US launch of Madrigal Pharmaceuticals Inc.'s MASH drug Rezdiffra.
- Studies to date in rats confirm that tocotrienol prodrugs have far superior (greater than 10-fold) bioavailability than tocotrienols with no lipid tail administered orally. Since rats have a different metabolic profile to larger mammals like humans, it was deemed to be prudent to perform pharmacokinetic studies in dogs to confirm the pharmacokinetic data collected from rats prior to conducting first in human studies on these tocotrienol prodrugs. These studies were designed and are expected to commence in the US in Q1 of 2026. In FY25 work was focused on amending the study protocol to gain a more detailed insight into whether the lipophilic adjuvants used in the formulation of the prodrugs is important for achieving the desired bioavailability improvements. An additional arm was included in the study where the prodrug formulation excluded the lipophilic adjuvant.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 14 August 2025, the directors of VGI Health Technology Limited (NSX:VTL) announced an update on the Company's current capital raising strategy. VTL would no longer proceed with the sale of the Invictus BioPharma Pty Ltd Group to Invictus BioPharma Holdings Ltd, and instead, had appointed Maxim Group LLC in New York as the exclusive financial advisor for a U.S. listing transaction. Pursuant to the Letter of Engagement between VGI and Maxim, VTL issued 2% on a fully diluted basis of its outstanding shares to Maxim. In deciding to adopt the new strategy for capital raising, the directors of VTL had taken into consideration the fact that the Company is a clinical-stage drug development company conducting two Phase II clinical studies in MAFLD/MASH and Pancreatic Adenocarcinoma respectively based on its transmucosal tocotrienols (IVB001 and IVB003 respectively). The MAFLD/MASH Phase II clinical study has completed dosing of 20 patients and the Pancreatic Adenocarcinoma Phase II clinical study has secured Human Research Ethics Committee (HREC) approval and is ready for immediate commencement of recruitment and dosing of patients. These two Phase II clinical studies are expected to have data readouts relating to endpoints for safety, tolerability and efficacy in the next three years.

DIRECTORS' REPORT (Continued)

In addition to these clinical phase assets, VTL also expects to bring a new class of drugs for MAFLD/MASH and Pancreatic Adenocarcinoma into the clinic in the next 18-24 months. These new drugs, the Tocotrienol Prodrugs (IVB002 and IVB004 targeting MAFLD/MASH and Pancreatic Adenocarcinoma respectively) have been shown to achieve a much higher bioavailability than transmucosal or orally-delivered tocotrienols in an animal model. The development of these clinical and preclinical assets is capital intensive and therefore requires that VTL has ready access to a deep pool of biotech-savvy investors who recognize the value of such assets.

Subject to shareholder approval at a general meeting, VTL will:

- Delist its shares from the National Stock Exchange of Australia (the NSX);
- Change its name to "Invictus Therapeutics Ltd" to better reflect the Company's key focus which is the development of drugs based on improved delivery of tocotrienols; and
- Conduct a 5:1 reverse-split of its shares reducing the total number of shares on issue from 138,246,523 to 27,649,305.

Working closely with Maxim, VTL will seek to execute a listing transaction in the U.S.

During September 2025, the Company conducted a US\$1.5M Bridge Offering, the proceeds of which would be used to fund the US listing costs and working capital. As of the date of this Report, the Company has issued a Convertible Note Deed Poll for US\$1,500,000 to the investor which is an existing significant shareholder of the Company, the investor has executed an Application Form for the convertible notes and the Company and the investor has agreed that the convertible note facility will be settled no later than 24 October 2025.

The Company is in the process of raising a further US\$500,000 from sophisticated investors in an expanded Bridge Offering. A number of investors have indicated their interest in subscribing to a private placement of US\$15M (after the delisting of the Company from the NSX and prior to the Company's US listing) and the Company plans to conduct such as placement prior to the US listing.

Prior to the listing on the US stock exchange, the directors are conducting a number of pre-listing capital raising transactions which are expected to be completed in Q4 of 2025 and Q1 of 2026. The Company will also enter into loans which are secured against its FY26 R&D Tax Incentive refund.

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Operating Results

The profit of the Company for the half year ended 31 December 2024 after tax was \$1,365,382 (2024 loss \$377,026).

Dividends

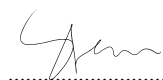
No dividends have been paid or declared by the Company for the half year ended 31 December 2024 and up to the date of this report. The Directors do not recommend the payment of a dividend.

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, Hall Chadwick, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the Financial Report. This Independence Declaration is set out on page 8 and forms part of this Directors' report for the half year ended 31 December 2024.

There were no non-audit services provided by our auditors, Hall Chadwick.

Signed in accordance with a resolution of the Directors.



.....
Steven Yu
Chairman
SYDNEY, New South Wales
17 October 2025

VGI HEALTH TECHNOLOGY LIMITED
ABN 31 111 082 485
AND CONTROLLED ENTITIES

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF VGI HEALTH TECHNOLOGY LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of VGI Health Technology Limited. As the lead partner for the review of the financial report of VGI Health Technology Limited for the half year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



MARTIN SABANOS
Partner
Dated: 17 October 2025

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Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	Note	31 Dec 2024	31 Dec 2023
		\$	\$
Revenue and Other Income			
Interest Income	3	833	799
Gain on the remeasurement on reclassification from Asset Held for Sale	8	2,608,867	-
Other Income	3	227,776	829,754
Expenses			
Administration expenses	5	(16,697)	(14,831)
Bank fees		(274)	(247)
Depreciation and Amortisation		(82,797)	(39,620)
Directors fees	5	(231,752)	(388,494)
Impairment		-	(32,725)
Insurance		(17,333)	(27,180)
Interest expense		(112,506)	(207,789)
Legal and professional fees	5	(475,080)	(327,388)
Licence fee	5	(17,961)	(15,871)
Marketing expenses	5	(248)	(1,214)
Occupancy and share service expenses	5	(36,119)	(36,000)
Research and related expenses		(481,327)	(116,221)
Profit / (Loss) before income tax benefit		1,365,382	(377,027)
Income tax expense		-	-
Total Comprehensive Income		1,365,382	(377,027)
Basic income per share (cents per share)		0.99	(0.27)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

		Consolidated	
		31 Dec 2024	30 Jun 2024
	Note	\$	\$
Assets			
Current Assets			
Cash and cash equivalents	6	6,274	11,406
Assets held for sale	8(a)	-	3,399,520
Other Assets	7	58,803	34,834
Total Current Assets		65,077	3,445,760
Non-Current Assets			
Intangibles	9	9,235,933	-
Total Non-Current Assets		9,253,933	-
Total Assets		9,301,010	3,445,760
Liabilities			
Current Liabilities			
Trade and other payables	10	6,863,807	2,507,513
Borrowings	11	2,214,505	2,080,931
Total Current Liabilities		9,078,312	4,588,444
Total Non-Current Liabilities		-	-
Total Liabilities		9,078,312	4,588,444
Net Assets		222,698	(1,142,684)
Equity			
Issued capital	12	83,217,518	83,217,518
Reserves		12,304,132	12,304,132
Accumulated losses		(95,298,952)	(96,664,334)
Total Equity		222,698	(1,142,684)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	Consolidated	
		31 Dec 2024	31 Dec 2023
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(207,872)	(368,362)
Interest received		833	799
ATO Research and Development incentive received		227,776	829,754
Net cash provided by (used in) operating activities		20,737	(462,191)
Net cash (used in) investing activities		-	-
Cash flows from financing activities			
(Repayments) / Proceeds from Borrowings		(25,869)	458,449
Net cash (used in) / provided by financing activities		(25,869)	458,449
Net (decrease) / increase in cash and cash equivalents		(5,132)	3,742
Cash and cash equivalents at 1 July		11,406	8,565
Cash and cash equivalents at 31 December	6	6,274	12,307

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Consolidated	Issued Capital	Option Reserves	Accumulated Losses	Total
	\$	\$		\$
Balance at 1 July 2024	83,217,518	12,304,132	(96,664,334)	(1,142,684)
Profit after income tax expense for the half-year	-	-	1,365,382	1,365,382
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	1,365,382	1,365,382
Transactions with owners in their capacity as owners				
Total transactions with owners	-	-	-	-
Balance at 31 December 2024	83,217,518	12,304,132	(95,298,952)	222,698

Consolidated	Issued Capital	Option Reserves	Accumulated Losses	Total
	\$	\$		\$
Balance at 1 July 2023	83,217,518	12,304,132	(96,102,486)	(580,836)
Loss after income tax expense for the half-year	-	-	(377,027)	(377,027)
Other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(377,027)	(377,027)
Transactions with owners in their capacity as owners				
Total transactions with owners	-	-	-	-
Balance at 31 December 2023	83,217,518	12,304,132	(96,479,513)	(957,863)

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2024

3 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of VGI Health Technology Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2024 together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 17 October 2025.

Going Concern

The financial report has been prepared on a going concern basis which contemplates the continuity of normal business activity, the realisation of assets and the settlement of liabilities in the ordinary course of business.

During the half year the group realised a net profit of \$1,365,382. Net assets at 31 Dec 2024 were \$222,698 and the Group held cash assets at 31 December 2024 \$6,274. As at 31 December 2024, the Group had negative working capital of \$9,013,235 (2024: \$1,142,684).

In August 2025 the maturity dates on the convertible loans and the loan from Steven Yu were both extended to 31 December 2026.

On 14 August 2025, the directors of VGI Health Technology Limited (NSX:VTL) announced an update on the Company's current capital raising strategy. VTL would no longer proceed with the sale of the Invictus BioPharma Pty Ltd Group to Invictus BioPharma Holdings Ltd, and instead, had appointed Maxim Group LLC in New York as the exclusive financial advisor for a U.S. listing transaction. Pursuant to the Letter of Engagement between VGI and Maxim, VTL issued 2% on a fully diluted basis of its outstanding shares to Maxim. In deciding to adopt the new strategy for capital raising, the directors of VTL had taken into consideration the fact that the Company is a clinical-stage drug development company conducting two Phase II clinical studies in MAFLD/MASH and Pancreatic Adenocarcinoma respectively based on its transmucosal tocotrienols (IVB001 and IVB003 respectively). The MAFLD/MASH Phase II clinical study has completed dosing of 20 patients and the Pancreatic Adenocarcinoma Phase II clinical study has secured Human Research Ethics Committee (HREC) approval and is ready for immediate commencement of recruitment and dosing of patients. These two Phase II clinical studies are expected to have data readouts relating to endpoints for safety, tolerability and efficacy in the next three years. In addition to these clinical phase assets, VTL also expects to bring a new class of drugs for MAFLD/MASH and Pancreatic Adenocarcinoma into the clinic in the next 18-24 months. These new drugs, the Tocotrienol Prodrugs (IVB002 and IVB004 targeting MAFLD/MASH and Pancreatic Adenocarcinoma respectively) have been shown to achieve a much higher bioavailability than transmucosal or orally-delivered tocotrienols in an animal model. The development of these clinical and preclinical assets is capital intensive and therefore requires that VTL has ready access to a deep pool of biotech-savvy investors who recognize the value of such assets.

Subject to shareholder approval at a general meeting, VTL will:

- Delist its shares from the National Stock Exchange of Australia (the NSX);
- Change its name to "Invictus Therapeutics Ltd" to better reflect the Company's key focus which is the development of drugs based on improved delivery of tocotrienols; and
- Conduct a 5:1 reverse-split of its shares reducing the total number of shares on issue from 138,246,523 to 27,649,305.

Working closely with Maxim, VTL will seek to execute a listing transaction in the U.S.

Prior to the listing on the US stock exchange, the directors are conducting a number of pre-listing capital raising transactions which are expected to be completed in Q4 of 2025 and Q1 of 2026. The Company will also enter into loans which are secured against its FY26 R&D Tax Incentive refund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

During September 2025, the Company conducted a US\$1.5M Bridge Offering to a sophisticated investor (pursuant to Section 708 (8) of the *Corporations Act 2001*) who is an existing shareholder of the Company, the proceeds of which would be used to fund the US listing costs and working capital. As of the date of this Report, the Company has issued a Convertible Note Deed Poll for US\$1,500,000 to the investor which is an existing significant shareholder of the Company, the investor has executed an Application Form for the convertible notes and the Company and the investor has agreed that the convertible note facility will be settled no later than 24 October 2025.

The Company is in the process of raising a further US\$500,000 from sophisticated investors in an expanded Bridge Offering. A number of investors have indicated their interest in subscribing to a private placement of US\$15M (after the delisting of the Company from the NSX and prior to the Company's US listing) and the Company plans to conduct such as placement prior to the US listing.

Based on the expectation that the company will complete the capital raisings and procure the loans if and or when required, the directors are of the opinion that it is appropriate to prepare the accounts on a going concern basis. However, the fact that the funding arrangements have not been completely finalised and the reliance on the requirement to raise additional working capital indicate a significant material uncertainty that may cast doubt on the group's ability to continue as a going concern and, therefore, the group may be unable to realise its assets and discharge its liabilities in the normal course of business. This financial report does not reflect adjustments in the carrying value of the assets and liabilities, the reported revenue and expenses, and the balance sheet classification used, that would be necessary if the group was unable to continue as a going concern.

(b) Accounting policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements except for those as described below.

Standards and Interpretations applicable to 31 December 2024

In the half year ended 31 December 2024, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual Reporting Period.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issues not yet adopted

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the half year ended 31 December 2024. As a result of the review the Directors have determined that there is no material impact, of the new and revised Standards and Interpretations on the Company and, therefore, no change necessary to Group accounting policies.

NOTE 2: FINANCIAL REPORTING BY SEGMENTS

The Board of Directors for VGI Health Technology Limited reviews internal reports prepared by management and strategic decisions of the Company are determined upon analysis of these internal reports. During the Reporting Period, the Company operated predominantly in one business and geographical segment, being Health technology and development. Accordingly, under the 'management approach' outlined, one operating segment has been identified and no further disclosure is required in the notes to the financial statements.

NOTE 3: REVENUE AND OTHER INCOME

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Revenue		
Interest received	833	799
Other revenue - Australian Export development grant	227,776	829,754
	228,609	830,553

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 4: INCOME TAX

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
Income Tax Expense		
The income tax expense for the year differs from the prima facie tax as follows:		
Profit / (Loss) for year	1,365,382	(377,027)
Prima facie income (tax expense) / benefit @ 25%	(341,346)	94,257
Add tax effect of:		
Non-allowable items	(138,342)	(8,204)
Non-assessable items	709,160	-
Tax losses and timing differences not brought to account	(229,472)	(86,052)
Total income tax expense	-	-

+ These amounts have not been brought to account as it is not considered probable that the Company will earn taxable income in the foreseeable future to allow the deferred tax assets to be utilised.

The Company has not yet carried out an assessment as to whether it is able to utilise current year and prior years' tax losses against future taxable income following the significant changes in the Company's shareholding and the changes to the Company's operations. If the Company does not satisfy the eligibility criteria relating to the continuation of ownership test and the same business test for carrying forward these tax losses, it will not be able to utilise some or all of these tax losses against future taxable income.

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$	\$
NOTE 5: EXPENSES		
Licence fee		
- ASX and ASIC fees	17,961	15,871
Marketing expenses		
- Design and Branding	248	1,214
Occupancy and share service expenses	36,119	36,000
Administration expenses		
- Computer and website maintenance	5,507	4,922
- Other admin	11,190	8,943
	16,697	14,831
Legal and professional fees	475,080	327,388
Directors fees	231,752	388,494

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated	
	31 Dec 2023	30 Jun 2024
	\$	\$
Cash at bank	6,274	11,406
	<u>6,274</u>	<u>11,406</u>

NOTE 7: OTHER ASSETS

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Loan receivable	35,667	34,834
Prepayments	23,136	-
	<u>58,803</u>	<u>34,834</u>

NOTE 8: ASSETS HELD FOR SALE

	Consolidated	
	31 Dec 2024	30 Jun 2024
a) <u>Assets held for Sale at fair value less cost to sell</u>	\$	\$
Cash Consideration	-	2,300,000
Share Consideration (20% of the issued shares in IVBH Ltd)	-	1,841,071
Less Invictus BioPharma Trade Creditors and other payables	-	(741,551)
	<u>-</u>	<u>3,399,520</u>

During the financial year ended 30 June 2022, the Group classified certain assets and liabilities of its wholly owned subsidiary, Invictus BioPharma Pty Ltd (IBP), as a disposal group held for sale in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations. This classification was based on management's intention to sell the subsidiary.

In the current reporting period, following the expiration of the sunset date in the sale contract on 30 June 2023, the Group decided not to proceed with the disposal of IBP. As a result, the criteria for classification as held for sale are no longer met. Accordingly, the assets and liabilities of the subsidiary have been reclassified back to their respective categories in the consolidated statement of financial position.

The reclassification has been accounted for prospectively. The assets have been remeasured to the carrying amounts that would have been recognised had the disposal group not been classified as held for sale. Depreciation and amortisation have resumed from the date of reclassification.

The following table summarises the impact of the reclassification:

Description	
Intangibles – Intellectual Property	8,754,237
Intangibles – Patents	495,080
Other assets and liabilities	49,873
Trade creditors	(3,290,803)
Less: Assets held for sale prior to reclassification	<u>(3,399,520)</u>
Net gain on remeasurement on reclassification from Asset Held for Sale	<u>2,608,867</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

Following the Group's decision to withdraw from the planned sale, the disposal group was remeasured in accordance with AASB 5. This resulted in the reversal of previously recognised impairment losses and reversal of previously recognised gains on the transfer of payables to the disposal group at nil consideration.

A net gain of \$2,608,867 has been recognised in the consolidated statement of profit or loss under continuing operations. This gain reflects the updated carrying values of the assets and liabilities based on their recoverable amounts under the Group's revised use plan.

NOTE 9: INTANGIBLE ASSETS

	Consolidated	
	2025	2024
	\$	\$
Intellectual property (a)	8,754,237	-
IVB patents and licensed patents	481,696	-
	<u>9,235,933</u>	<u>-</u>

(a) Prior year acquisition of 100% of the issued capital of Invictus BioPharma Limited

On 11 June 2020, the company acquired 100% of the issued share capital of Invictus BioPharma Ltd ("Invictus Acquisition"), a group that is developing and commercialising novel nutraceutical and prescription medicines based on natural products (tocotrienols) which have wide therapeutic potential. The Invictus group owns and controls patent and other intellectual property rights for novel approaches to delivering tocotrienols directly to the target tissues. The acquisition complements the group's existing business, which is to research, develop, distribute and market a range of health and therapeutic products and technologies, including innovative drugs and wellbeing supplements.

The Group holds intellectual property (IP) assets related to the development of pharmaceutical products, which are classified as having an indefinite useful life. In accordance with AASB 136 Impairment of Assets, these assets are not amortised but are subject to annual impairment testing, or more frequently if indicators of impairment arise.

During the current reporting period, the Group conducted an impairment review of these intangible assets. As part of the assessment, an independent valuation was obtained from a qualified external expert. The valuation considered the commercial potential of the underlying drug development programs, market demand, regulatory progress, and comparable industry transactions.

The independent valuation indicated that the fair value of the intellectual property significantly exceeds its carrying amount. Based on this assessment, no impairment has been recognised.

The Group continues to classify the intellectual property as having an indefinite useful life, supported by the expectation of ongoing future economic benefits from the commercialisation of its pharmaceutical assets.

NOTE 10: TRADE AND OTHER PAYABLES

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Trade payables	6,618,025	2,271,658
Other payables and accruals	245,782	235,855
	<u>6,863,807</u>	<u>2,507,513</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 11: BORROWINGS	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$	\$
Current		
Convertible loan *	1,124,661	1,076,292
Kashcade – Advance on R&D tax incentive	220,892	190,605
Attvest Finance – Loan for Insurance premium	22,334	-
Loan – IVBHL	21,108	20,358
Loan – Steven Yu	825,510	793,676
	<u>2,214,505</u>	<u>2,080,931</u>

VTL has entered into finance agreements with Alpasajo Pty Ltd trading as Kashcade. Under the Kashcade Agreement, Kashcade provides the Company with an ongoing finance facility of an amount up to 80% of the estimated tax rebate on any eligible R&D expenditure of the Company. Interest of 15% per annum is payable on amounts draw down on this loan facility.

VTL had financed the \$34,575 Public and Products Liability insurance policy premium through Attvest Finance. The \$37,833 premium finance facility was taken out in September 2024. It includes Credit charges of \$3,258 and will be repaid in 10 monthly instalments.

The Convertible Loan facility is from VTL's cornerstone investor, Mr Aiden Jiang. The loan is convertible to shares in VTL at a Loan Conversion Price of \$0.20 per share, subject to approval, by VTL shareholders at a general meeting. The interest rate applicable is 8% per annum (to be capitalised and repaid with the principle upon settlement of the loan), VTL may repay the loan at its election prior to the expiry date or extend the repayment period by a further 12 months.

In June 2022, Steven Yu agreed to lend \$672,000 to the company. The interest rate applicable is 8% per annum (to be capitalised and repaid with the principle upon settlement of the loan).

NOTE 12: ISSUED CAPITAL	Consolidated			
	31 Dec 2024	30 Jun 2024		
	\$	\$		
Issued and paid up capital				
Ordinary shares fully paid	<u>83,217,518</u>	<u>83,217,518</u>		
(a) Ordinary shares				
Details	Issue Date	Number of shares	Issue Price	Amount \$
Balance as at 1 July 2024		138,246,523		83,217,518
Balance as at 31 December 2024		138,246,523		83,217,518

NOTE 13: CONTINGENT LIABILITIES

There were no contingent liabilities for the half-year ended 31 December 2024 (2023: \$Nil)

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2024

NOTE 14: RELATED PARTY DISCLOSURES

There were no transactions with related parties during the half-year ended 31 December 2024.

NOTE 15: EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 14 August 2025, the directors of VGI Health Technology Limited (NSX:VTL) announced an update on the Company's current capital raising strategy. VTL would no longer proceed with the sale of the Invictus BioPharma Pty Ltd Group to Invictus BioPharma Holdings Ltd, and instead, had appointed Maxim Group LLC in New York as the exclusive financial advisor for a U.S. listing transaction. Pursuant to the Letter of Engagement between VGI and Maxim, VTL issued 2% on a fully diluted basis of its outstanding shares to Maxim. In deciding to adopt the new strategy for capital raising, the directors of VTL had taken into consideration the fact that the Company is a clinical-stage drug development company conducting two Phase II clinical studies in MAFLD/MASH and Pancreatic Adenocarcinoma respectively based on its transmucosal tocotrienols (IVB001 and IVB003 respectively). The MAFLD/MASH Phase II clinical study has completed dosing of 20 patients and the Pancreatic Adenocarcinoma Phase II clinical study has secured Human Research Ethics Committee (HREC) approval and is ready for immediate commencement of recruitment and dosing of patients. These two Phase II clinical studies are expected to have data readouts relating to endpoints for safety, tolerability and efficacy in the next three years. In addition to these clinical phase assets, VTL also expects to bring a new class of drugs for MAFLD/MASH and Pancreatic Adenocarcinoma into the clinic in the next 18-24 months. These new drugs, the Tocotrienol Prodrugs (IVB002 and IVB004 targeting MAFLD/MASH and Pancreatic Adenocarcinoma respectively) have been shown to achieve a much higher bioavailability than transmucosal or orally-delivered tocotrienols in an animal model. The development of these clinical and preclinical assets is capital intensive and therefore requires that VTL has ready access to a deep pool of biotech-savvy investors who recognize the value of such assets.

Subject to shareholder approval at a general meeting, VTL will:

- Delist its shares from the National Stock Exchange of Australia (the NSX);
- Change its name to "Invictus Therapeutics Ltd" to better reflect the Company's key focus which is the development of drugs based on improved delivery of tocotrienols; and
- Conduct a 5:1 reverse-split of its shares reducing the total number of shares on issue from 138,246,523 to 27,649,305.

Working closely with Maxim, VTL will seek to execute a listing transaction in the U.S.

In August 2025 the maturity dates on the convertible loans and the loan from Steven Yu were both extended to 31 December 2026.

During September 2025, the Company conducted a US\$1.5M Bridge Offering, the proceeds of which would be used to fund the US listing costs and working capital. As of the date of this Report, the Company has issued a Convertible Note Deed Poll for US\$1,500,000 to the investor which is an existing significant shareholder of the Company, the investor has executed an Application Form for the convertible notes and the Company and the investor has agreed that the convertible note facility will be settled no later than 24 October 2025

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

DIRECTORS' DECLARATION

1. In the opinion of the Directors of VGI Health Technology Limited ("the Company"):

a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001, including:

i) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and

ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.

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.

This declaration is signed in accordance with a resolution of the Board of Directors.



.....
Steven Yu
Chairman
SYDNEY, New South Wales
17 October 2025

VGI HEALTH TECHNOLOGY LIMITED
ABN 31 111 082 485
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE OWNERS OF
VGI HEALTH TECHNOLOGY LIMITED

Report on the Half Year Financial Report

Conclusion

We have reviewed the accompanying half year financial report of VGI Health Technology Limited (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half year ended on that date, a summary of material accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of VGI Health Technology Limited and its controlled entities is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half year then ended; and
- (ii) complying with AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of Financial Report performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our review of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a) to the financial report, which indicates that the Group had a negative working capital of \$9,013,235 as at 31 December 2024. This condition, along with other matters as set forth in Note 1(a) indicate the existence of material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. As a result, the financial report may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

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VGI HEALTH TECHNOLOGY LIMITED
ABN 31 111 082 485
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE OWNERS OF
VGI HEALTH TECHNOLOGY LIMITED

Responsibilities of the Directors for the Half Year Financial Report

The directors of the Group are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half Year Financial Report

Our responsibility is to express a conclusion on the half year financial report based on our review. ASRE 410 requires us to conclude whether we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick (NSW)

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

Martin Sabanos

MARTIN SABANOS
Partner
Date: 17 October 2025