

**BioDiem Limited**

**ABN 20 096 845 993**

**Annual Report - 30 June 2024**

**BioDiem Limited**

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**30 June 2024**

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**BioDiem Limited**  
**Corporate directory**  
**30 June 2024**

Directors	Mr Damien Hannes Prof Larisa Rudenko Ms Julie Phillips
Share registry	Computershare Investor Services Pty Ltd Yarra Falls, 452 Johnston Street Abbotsford Victoria 3067 Telephone: + 61 3 9415 5000 Investor Queries (within Australia): 1300 850 505
Company secretary	Mr Stefan Ross
Registered office	Level 4 100 Albert Road South Melbourne VIC 3205 PH: + 61 3 9692 7222
Principal place of business	Level 4 100 Albert Road South Melbourne VIC 3205 PH: + 61 3 9692 7222
Auditor	William Buck Audit (Vic) Pty Ltd 181 William Street Melbourne VIC 3000
Website	<a href="http://www.biodiem.com">www.biodiem.com</a>

**BioDiem Limited**  
**Directors' report**  
**30 June 2024**

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

**Directors**

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

Mr Damien Hannes  
Prof Larisa Rudenko  
Ms Julie Phillips  
Mr Fergus Mak Po Kan (retired on 9 August 2023)

**Principal activities**

During the financial year the principal continuing activities of the Consolidated Entity consisted of:

- The development and commercialisation of pharmaceutical and biomedical research.
- Exploration of commercial opportunities within the biotechnology and pharmaceutical industry.

**Dividends**

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

**Review of operations**

The loss for the Consolidated Entity after providing for income tax and non-controlling interest amounted to \$187,524 (30 June 2023: \$73,088).

Revenue and other income mainly attributable to royalty and milestone revenues of \$394,978 (2023: \$359,108) during the year ended 30 June 2024. Research and development costs were \$30,000 (2023: \$21,591). Administration expenses were \$473,982 (2023: \$466,943).

The Consolidated Entity's net operating cash outflows amounted to \$261,366. Cash reserves at the end of the financial year total \$189,365.

## **Risks and uncertainties**

The Company is subject to risks that are specific to the Company's business activities, as well as general risks. The following list gives examples of risk areas:

### Future funding risks

While the Company has a cash and cash equivalents balance of \$189,365, and net liabilities of \$36,361 and is able to continue on a going concern basis, there is risk that the Company may require additional financing in the future to sufficiently fund its activities and longer-term objectives.

The Group has some ability to control its expenditure to retain appropriate cash balances. Management remains diligent in monitoring its cash balances and expenditure. Should the Company be required to raise funds, its ability will be subject to, among other things, factors beyond the control of the Company and its Directors, including cyclical factors affecting the economy and share markets generally. If for any reason the Company was unable to raise funds, its ability to achieve its milestones or continue future research, development and commercialisation activities may be affected. The Company's income is also reliant on Milestone and Royalty Income.

The Directors regularly review the Company's finances to ensure its ability to meet its financial obligations.

### Dependence on service providers and third-party collaborators

There is no guarantee that the Company will be able to find suitable service providers and/or collaborators to complete its research, development and commercialisation activities. The Company may therefore be exposed to the risk that any of these parties could experience problems related to operations, financial strength or other issues. Non-performance, suspension or termination of relevant agreements could negatively impact the progress or success of the Company's research, development and commercialisation efforts, financial condition and results of operations.

### Reliance on key personnel

The Company's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including those employed on a contractual basis. The loss of the services of such personnel or the reduced ability to recruit additional personnel could have an adverse effect on the performance of the Company.

The Company maintains a mixture of permanent staff and consultants to support the operations of the Company.

### Inability to protect intellectual property

The Company's ability to leverage its innovation and expertise is dependent on its ability to protect its intellectual property and know-how. A failure or inability to protect the Company's intellectual property rights could have an adverse impact on operating and financial performance.

### IT system failure and cyber security risks

Any information technology system is potentially vulnerable to interruption and/or damage from a number of sources, including but not limited to computer viruses, cyber security attacks and other security breaches, power, systems, internet and data network failures, and natural disasters. The Company is committed to preventing and reducing cyber security risks through outsourced IT management to a reputable services provider.

### Ukraine-Russia conflict

The Company holds a licence to a Russian influenza (LAIV) vaccine technology which entails payments to Russian-based individuals and entities from royalties and milestone payments from commercialisation of the LAIV technology. As a consequence of the Ukraine-Russia conflict international sanctions have been introduced which designate certain activities as prohibited which involve certain Russian individuals and entities. The sanctions are updated and amended from time to time and have severe penalties if breached. While the Company's activities do not fall under any sanctioned activities, the Company monitors the sanctions and their updates and assesses potential current and future impacts on the Company. It is unknown how long the sanctions will be in place. The Company continues to liaise with the World Health Organisation and the relevant Australian federal government agency (Department of Foreign Affairs and Trade) to disclose the Company's involvement with Russian individuals and entities and has sought and obtained relevant compliance certifications and "No prohibition" letters to provide to suppliers.

**BioDiem Limited**  
**Directors' report**  
**30 June 2024**

**Significant changes in the state of affairs**

On 18 July 2023, BioDiem's subsidiary Opal Biosciences Limited (Opal) announced it had been awarded an Investment Attraction Fund grant of \$5 million by the State Government of Western Australia (WA). The grant required matched funding over the 5 year period of the project.

On 9 August 2023, Mr Fergus Mak Po Kan retired as the non-executive director.

On 1 September 2023, Opal announced its Information Memorandum to raise up to \$2.5 million through the issue of 10,000,000 new Shares at \$0.25 (25 cents) per share together with one (1) free attaching Option for every one (1) new Share having an exercise price of \$0.25 (25 cents) and expiring October 2025.

On 29 November 2023 in the Chairman's address the decision of the BioDiem board to seek to divest the LAIV 'flu vaccine technology was announced.

On 19 April 2024 BioDiem shareholders approved an advisory resolution for the company to sell its rights to the LAIV technology on such terms and conditions as the Board would determine.

On 27 May 2024, Opal announced its capital raising target of \$2 million had not been reached and that all application monies would be returned to applicants.

On 6 June 2024 Opal announced that due to its inability to raise the \$2 million minimum in its capital raising it was unable to complete the proposed merger with Formulytica Pty Ltd and would not be in a position to start the project in Perth for which the Western Australian government grant of \$5 million had been received. Given the Company's financial position and the uncertain outcome of merger discussions which were underway, the Opal Board proposed to wind up Opal and would seek shareholder approval to appoint a liquidator at a meeting scheduled for 28 June.

On 27 June Opal shareholders were advised that the 28 June meeting was deferred and that Opal was progressing discussions with third parties for a potential transaction.

There were no other significant changes in the state of affairs of the Consolidated Entity during the financial year.

**Matters subsequent to the end of the financial year**

On 21 August 2024 an Opal shareholder meeting approved an amendment to the Opal Constitution to allow the issue and approve terms and conditions of convertible preference shares.

On 9 September 2024 BioDiem shareholders approved an amendment to the BioDiem Limited's Constitution to allow the issue and approve terms and conditions of convertible preference shares.

On 1 October 2024 Opal issued 300,005 convertible preference shares to raise \$30,000.

By 10 October 2024 BioDiem had received application and monies for convertible preference shares to raise \$127,500.

On 11 October 2024 an Opal shareholder meeting approved an amendment to the Constitution to require all shareholders to sell their shares if shareholders holding at least 90% of shares wish to proceed with a proposed sale.

As at the date of the report, Opal has signed a term sheet and expects to finalise transaction in the coming months.

**Likely developments and expected results of operations**

Opal expects to complete a transaction to sell the shares of Opal to an acquiring entity. As at the date of this report, Opal has signed a term sheet and expects to finalise the transaction in the coming months.

The Company will continue to implement its existing strategy by focusing on the development and commercialisation of its technologies and exploration of commercial opportunities in a financially efficient manner, and pursue commercial discussions for the sale of the LAIV license rights.

**Environmental regulation**

The Consolidated Entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

**Information on directors**

**Name:** Damien Hannes  
**Title:** Chairman, Non-Executive Director  
**Experience and expertise:** Mr. Hannes has over 25 years of finance, operations, sales and management experience. He has most recently served over 15 years as a managing director and a member of the operating committee, among other senior management positions, for Credit Suisse's listed derivatives business in equities, commodities and fixed income in its Asia and Pacific region. From 1986 to 1993, Mr. Hannes was a director for Fay Richwhite Australia, a New Zealand merchant bank. Prior to his tenure with Fay Richwhite, Mr. Hannes was the director of operations and chief financial officer of Donaldson, Lufkin and Jenrette Futures Ltd, a US investment bank. He has successfully raised capital and developed and managed mining, commodities trading and manufacturing businesses in the global market. He holds a Bachelor of Business degree from the NSW University of Technology and subsequently completed the Institute of Chartered Accounts Professional Year before being seconded into the commercial sector.

From 2009 to 2019 Mr Hannes was a non-executive director of Sundance Energy Australia Ltd (ASX) and Sundance Energy Inc (NASDAQ) after a re-domicile to the US. Damien was Chairman of the remuneration committee and a member of the audit committee in his time on the board at Sundance Energy. Damien has held various other Directorships in other private businesses in a capacity as Chairman and as a non executive Director. Damien is a non-executive director of Opal Biosciences Limited.

**Special responsibilities:** None

**Name:** Julie Phillips  
**Title:** Chief Executive Officer and Executive Director  
**Qualifications:** BPharm, DHP, MSc, MBA  
**Experience and expertise:** Ms Julie Phillips has a strong background in the biotech and pharmaceutical industry, having worked as the CEO and Director of start-up Australian biotechnology companies operating in the life sciences sector. She is Managing Director of BioDiem's subsidiary, Opal Biosciences Limited, Chairman of the Commonwealth government's Industry Innovation and Science Australia's R&D Incentive Committee, until Feb 2020 was Chairman of AusBiotech Ltd, the peak biotechnology industry association in Australia, and is currently Director of the Medtech and Pharma Growth Centre, MTP Connect. Julie is also a member of the University of Newcastle's Council.

**Special responsibilities:** None

Name: Larisa Rudenko  
Title: Director of Russian Projects, Non-Executive Director  
Qualifications: MD, PhD, DSc  
Experience and expertise: Professor Larisa Rudenko is Head of the Virology Department in the Institute of Experimental Medicine, St. Petersburg, Russia.

Professor L. Rudenko is a well-known expert in the field of developing the live influenza vaccines. Under her leadership, a new generation of live attenuated influenza vaccine (LAIV) has been developed, and the world's first LAIV was licensed in Russia in 1987 for human use. Over 40 years her research is focused on development of safe and immunogenic LAIVs and its continuous improvement using the most advanced molecular biology and gene-engineering approaches. The results of these developments are protected by 65 patents and copyright certificates and introduced in public health practice and in more than 350 scientific papers.

Under the leadership of Prof. L. Rudenko, a number LAIV candidates against mostly dangerous potentially pandemic H5N1, H2N2, H6N1, H7N3, H7N9, H9N2 influenza viruses have been generated and evaluated in pre-clinical and phase I clinical trials, and all these candidates were deposited in the National Collection of pandemic influenza vaccines. In addition, these pandemic LAIV candidates were deposited in the World Health Organization (WHO) repository and can be easily claimed by the production facilities located in developing countries in case the pandemic is declared.

Prof. L.Rudenko has been a supervisor of 20 PhD students and three applicants for degree of Doctor of Sciences. She developed three new working program of academic disciplines for students and graduate students of the Faculty of Dentistry and Medical Technology at St. Petersburg State University. She coordinated a number of courses for specialists of biotechnology companies from India (Serum Institute of India), Thailand (Governmental Pharmaceutical Organization) and China (BCHT, Changchun) on the development, production and licensing of Russian live attenuated influenza vaccine

Her contribution to medical science has been recognized with several awards:

The Order of Friendship for employment gains, significant contribution to social-economic development of Russian Federation, long-term honest work and public activities. The decree of the President of Russian Federation on awarding Government awards of the Russian Federation March 5, 2014 r. № 112.

Honored Doctor of Research Institute of Experimental Medicine N.-W. Division of Russian Academy of Medical Sciences. (2012)

Diploma of the Federal Service for Intellectual Property in the "100 best inventions of Russia" for the development of "The vaccine strain of influenza virus A/17/California/2009/38 (H1N1) for the production of live influenza intranasal vaccine for adults and children (patent of the Russian Federation №2413765), 2010

Award of Prince A.P.Oldenburgskiy (2009)

Emeritus Scientist of Russian Federation. (2000)

Professor L.Rudenko is currently leading the programs: Designing live influenza universal vaccine based on new gene-engineering and immunogenetics approaches.

Special responsibilities: None



**BioDiem Limited**  
**Directors' report**  
**30 June 2024**

**Company secretary**

Ms Melanie Leydin: BBus (Acc. Corp Law) CA FGIA (resigned on 30 November 2023)

Melanie Leydin holds a Bachelor of Business majoring in Accounting and Corporate Law. She is a member of the Institute of Chartered Accountants, Fellow of the Governance Institute of Australia and is a Registered Company Auditor. She graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 has been the Managing Director of Vistra Australia Pty Ltd. The practice provides outsourced company secretarial and accounting services to public and private companies across a host of industries including but not limited to the Resources, technology, bioscience, biotechnology and health sectors.

Melanie has over 25 years' experience in the accounting profession and over 15 years as a Company Secretary. She has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations.

Mr Stefan Ross BBus (Acc) (appointed on 30 November 2023)

Mr Ross has over 12 years of experience in accounting and secretarial services for ASX listed companies. His extensive experience includes ASX compliance, corporate governance control and implementation, statutory financial reporting, shareholder meeting requirements, capital raising management, and board and secretarial support. Mr Ross has a Bachelor of Business majoring in accounting.

**Meetings of directors**

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

	Attended	Held
Damien Hannes	9	9
Larisa Rudenko	6	9
Julie Phillips	9	9

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

**Shares under option**

There were no unissued ordinary shares of BioDiem Limited under option outstanding at the date of this report.

**Shares issued on the exercise of options**

There were no shares issued due to the exercise of options granted by Opal Bioscience Limited which is a subsidiary of BioDiem Limited.

**Indemnity of officers**

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

**Indemnity of auditor**

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

**Proceedings on behalf of the Company**

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

**Auditor's independence declaration**

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

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*

**BioDiem Limited**  
**Directors' report**  
**30 June 2024**

**Auditor**

William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the directors



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Damien Hannes  
Chairman

31 October 2024  
Melbourne

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

### To the directors of BioDiem Limited

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

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

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

William Buck.

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

A. A. Finnis

**A. A. Finnis**  
Director  
Melbourne, 31 October 2024

**BioDiem Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>Consolidated 2024 \$</b>	<b>2023 \$</b>
<b>Revenue</b>	4	394,978	419,108
Other income	5	1,622	8,104
<b>Expenses</b>			
Licence fees and royalty expenses		(76,581)	(64,406)
Research and development expenses		(30,000)	(21,591)
Administration expenses		(473,982)	(466,943)
Directors fee		(32,500)	(27,500)
<b>Loss before income tax expense</b>	6	(216,463)	(153,228)
Income tax expense		-	-
<b>Loss after income tax expense for the year</b>		(216,463)	(153,228)
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive loss for the year</b>		<u>(216,463)</u>	<u>(153,228)</u>
Loss for the year is attributable to:			
Non-controlling interest		(28,939)	(80,140)
Owners of BioDiem Limited		(187,524)	(73,088)
		<u>(216,463)</u>	<u>(153,228)</u>
Total comprehensive loss for the year is attributable to:			
Non-controlling interest		(28,939)	(80,140)
Owners of BioDiem Limited		(187,524)	(73,088)
		<u>(216,463)</u>	<u>(153,228)</u>

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

**BioDiem Limited**  
**Statement of financial position**  
**As at 30 June 2024**

	Note	Consolidated 2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		189,365	425,050
Trade and other receivables	7	22,950	23,319
Other assets	8	12,687	61,323
Total current assets		<u>225,002</u>	<u>509,692</u>
<b>Total assets</b>		<u>225,002</u>	<u>509,692</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	100,336	166,216
Employee benefits	10	161,027	161,874
Fund received in advance		-	1,500
Total current liabilities		<u>261,363</u>	<u>329,590</u>
<b>Total liabilities</b>		<u>261,363</u>	<u>329,590</u>
<b>Net assets/(liabilities)</b>		<u>(36,361)</u>	<u>180,102</u>
<b>Equity</b>			
Issued capital	11	32,168,532	32,168,532
Reserves		-	46,757
Accumulated losses		<u>(33,260,319)</u>	<u>(33,119,552)</u>
Deficiency in equity attributable to the owners of BioDiem Limited		<u>(1,091,787)</u>	<u>(904,263)</u>
Non-controlling interest	12	<u>1,055,426</u>	<u>1,084,365</u>
<b>Total equity/(deficiency)</b>		<u>(36,361)</u>	<u>180,102</u>

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

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

<b>Consolidated</b>	<b>Issued Capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Non- controlling interest \$</b>	<b>Total equity \$</b>
Balance at 1 July 2022	32,168,532	46,757	(33,046,464)	1,062,161	230,986
Loss after income tax expense for the year	-	-	(73,088)	(80,140)	(153,228)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	(73,088)	(80,140)	(153,228)
<i>Transactions with owners in their capacity as owners:</i>					
Contribution of equity (note 12)	-	-	-	102,344	102,344
Balance at 30 June 2023	<u>32,168,532</u>	<u>46,757</u>	<u>(33,119,552)</u>	<u>1,084,365</u>	<u>180,102</u>
<b>Consolidated</b>	<b>Issued Capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Non- controlling interest \$</b>	<b>Total deficiency in equity \$</b>
Balance at 1 July 2023	32,168,532	46,757	(33,119,552)	1,084,365	180,102
Loss after income tax expense for the year	-	-	(187,524)	(28,939)	(216,463)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	(187,524)	(28,939)	(216,463)
<i>Transactions with owners in their capacity as owners:</i>					
Lapsed of share options	-	(46,757)	46,757	-	-
Balance at 30 June 2024	<u>32,168,532</u>	<u>-</u>	<u>(33,260,319)</u>	<u>1,055,426</u>	<u>(36,361)</u>

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

**BioDiem Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2024**

	<b>Note</b>	<b>Consolidated</b>	<b>2023</b>
		<b>2024</b>	<b>2023</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Cash receipts in course of operations		395,218	419,108
Cash payments in course of operations		<u>(658,335)</u>	<u>(549,243)</u>
		(263,117)	(130,135)
Interest received		<u>1,751</u>	<u>114</u>
Net cash used in operating activities	22	<u>(261,366)</u>	<u>(130,021)</u>
<b>Cash flows from investing activities</b>			
Proceeds from term deposit		<u>48,140</u>	<u>56,096</u>
Net cash from investing activities		<u>48,140</u>	<u>56,096</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares to non-controlling interest in the subsidiary	12	-	87,344
Refund of funds received for capital raising		<u>(1,500)</u>	<u>-</u>
Net cash from/(used in) financing activities		<u>(1,500)</u>	<u>87,344</u>
Net (decrease)/increase in cash and cash equivalents		(214,726)	13,419
Cash and cash equivalents at the beginning of the financial year		425,050	403,934
Effects of exchange rate changes on cash and cash equivalents		<u>(20,959)</u>	<u>7,697</u>
Cash and cash equivalents at the end of the financial year		<u><u>189,365</u></u>	<u><u>425,050</u></u>

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

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 1. General information**

The financial statements cover BioDiem Limited as a Consolidated Entity consisting of BioDiem Limited and the entities it controlled at the end of, or during, the year ended 30 June 2024 (collectively "the Group" or "the Consolidated Entity"). The financial statements are presented in Australian dollars, which is BioDiem Limited's functional and presentation currency. BioDiem Limited as a Consolidated Entity is "for-profit".

BioDiem Limited is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 4, 100 Albert Road  
South Melbourne, VIC 3205

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 October 2024. The directors have the power to amend and reissue the financial statements.

**Note 2. Material accounting policy information**

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

**New or amended Accounting Standards and Interpretations adopted**

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity.

- A material change in accounting policy;
- A choice of accounting policy permitted by Australian Accounting Standards;
- An accounting policy developed in the absence of an accounting standard that specifically applies; or
- Transactions, other events or conditions which are complex and the accounting policy information is required in order for the users of financial statements to understand them.

Consequently, the quantum of accounting policy information disclosed in these financial statements has been significantly reduced from the previous financial reporting year.

**Going concern**

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



**Note 2. Material accounting policy information (continued)**

The Group reported a net loss after tax of \$216,463 (2023: \$153,228 net loss after tax) and had net operating cash outflows of \$261,366 (2023: net outflows of \$130,021) for the financial year ended 30 June 2024. The net loss after tax is directly attributable to the expenditures incurred in ongoing research and development activities, as well as administration expenditure. Despite the net loss after tax incurred for the period, the directors have prepared the financial statements on the going concern basis. The going concern basis is considered appropriate based on a combination of the existing net liabilities of the Group, which amount to \$36,361 (30 June 2023: net assets of \$180,102), including cash and cash equivalent assets of \$189,365 (30 June 2023: \$425,050), and the expectation of Group's ongoing ability to secure additional sources of financing successfully. In this regard, the Directors note the following:

- The Group has a licensing agreement with the Serum Institute of India ("Serum"), which entitles the Group to royalty payments for private market sales of LAIV influenza vaccine in territories licensed to Serum.
- The Group has a licensing agreement with the Changchun BCHO Biotechnology Co. (BCHO), which entitles the Group to annual milestone payments and royalty income upon sales of LAIV influenza vaccine in China where it was launched in August 2020. A milestone payment of \$452,403 (before tax) was received in February 2024.
- Directors have the ability to curtail discretionary expenditures, which form a significant part of the Group's total expenditure, enabling the Group to fund its operating expenditures within its available cash reserves.
- By 10 October 2024 BioDiem had received application and monies for convertible preference shares to raise \$127,500.
- Discussions and negotiations for the sale of the LAIV licence rights are progressing.

For these reasons, the Directors believe the Group has positive future prospects and are satisfied the going concern basis of preparation of these annual financial statements is appropriate.

The ability of the Consolidated Entity to continue as a going concern will be dependent on the ability of the Consolidated Entity's ability to:

- raise additional capital when required;
- curtail operating expenditure when required;
- continue to execute its licensing agreements and receipt of royalty income in the future periods; and/or
- be successful in receipt of funds from grant applications.

These conditions indicate a material uncertainty that may cast significant doubt about the Consolidated Entity's ability to continue as a going concern and, therefore, whether it will be able to realise its assets and discharge its liabilities in the normal course of business.

Although it is not certain that these efforts will be successful, management has determined that the activities it will take are sufficient to mitigate the material uncertainty on the entity's ability to continue as a going concern and be able to discharge its liabilities in the normal course of business.

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

Should the Consolidated Entity not be able to 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.

**Basis of preparation**

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

*Historical cost convention*

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

**Note 2. Material accounting policy information (continued)**

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity' accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in note 19.

**Revenue recognition**

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Consolidated Entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated Entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

*Licensing fees*

Licensing fees derived from the grant of rights to exploit certain master donor strains are recognised by reference to the stage of completion at the transaction date. This is expected to be when the milestone events outlined in the contract have occurred, this is in line with when performance obligations included in the contract are met.

No revenue is recognised unless the outcome of a transaction can be estimated reliably, it is probable that the economic benefits associated with the transaction will flow to the entity, the stage of completion can be measured reliably, and costs incurred for the transaction and costs to complete the transaction can be measured reliably.

*Royalty and milestone revenue*

Royalty and milestone revenues are recognised in the period in which the right to receive the royalty has been established and the performance obligations are met. Milestone income has been recognised when the first commercial sale occurred and the performance obligation was met at a point in time. Royalty income has been recognised in relation to the sales achieved for the period from first sale to June 2024. Royalty payments are based on sales of the product by the licensee and cannot reliably estimate the revenue to be recognised until sales information becomes available.

**Note 3. Critical accounting judgements, estimates and assumptions**

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

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

*Revenue from milestone and royalties*

When recognising revenue in relation to milestone and royalties, milestone income is recognised on the first commercial sale, being a point in time when the milestone payment is due and payable. The royalty obligation is met at a point in time when the vaccine sales have been achieved and the amount is calculated according to the relevant commercial contracts.

**Note 4. Revenue**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Milestone revenue	452,403	422,675
Royalty income	12,948	-
Tax on milestone and royalty revenue	(70,373)	(63,567)
	<u>394,978</u>	<u>359,108</u>
<i>Other revenue</i>		
Consulting fees *	-	60,000
Revenue	<u><u>394,978</u></u>	<u><u>419,108</u></u>

\* Consulting fees during the year ended 30 June 2023, \$60,000 related to advisory services provided by Consolidated Entity to a health precinct development project in NSW.

**Note 5. Other income**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Net foreign exchange gain	-	7,967
Interest income	1,622	137
Other income	<u>1,622</u>	<u>8,104</u>

**Note 6. Expenses**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax includes the following specific expenses:		
<i>Employee Benefits Expense</i>		
Wages and salaries	223,851	221,818
Superannuation	22,367	23,291
Decrease in annual leave provision	(5,406)	(4,926)
Increase in long service leave provision	4,558	5,317
Total	<u>245,370</u>	<u>245,500</u>

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 7. Trade and other receivables**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Trade receivables	11,475	12,183
Interest receivable	129	129
GST receivable	11,346	11,007
	<u>22,950</u>	<u>23,319</u>

There are no receivables past due and not impaired (2022: \$nil).

**Note 8. Other assets**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current assets</i>		
Prepayments	12,687	13,183
Short term deposits	-	48,140
	<u>12,687</u>	<u>61,323</u>

As at 30 June 2024, the Company held a short term deposit amounting to \$nil (2023: \$48,140). The deposit in 2023 was held in support of a bank guarantee.

**Note 9. Trade and other payables**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Trade payables	70,915	60,168
Other payables	29,421	106,048
	<u>100,336</u>	<u>166,216</u>

Refer to note 14 for further information on financial instruments.

**Note 10. Employee benefits**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Current liabilities</i>		
Annual leave provision	96,679	102,085
Long service leave provision	64,348	59,789
	<u>161,027</u>	<u>161,874</u>

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 11. Issued capital**

	<b>2024</b>	<b>2023</b>	<b>Consolidated</b>	
	<b>Shares</b>	<b>Shares</b>	<b>2024</b>	<b>2023</b>
			<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	174,734,060	174,734,060	31,019,592	31,019,592
Convertible Preference shares - fully paid	14,392,433	14,392,433	1,148,940	1,148,940
	<u>189,126,493</u>	<u>189,126,493</u>	<u>32,168,532</u>	<u>32,168,532</u>

*Ordinary shares*

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

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

*Convertible Preference shares*

Preference shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held, with priority over ordinary shareholders.

The Convertible Preference Shares rank in priority to the Company's existing fully paid Ordinary Shares in respect of dividends and capital returns until the holders have received 8 times the issue price of the Convertible Preference Shares. The Convertible Preference Shares have limited voting rights. Once the holders of the Convertible Preference Shares have received the preferential return, the Convertible Preference Shares will convert into Ordinary Shares. As at 30 June 2024 and 30 June 2023, the Convertible Preference Shares met the definition of equity and were classified as equity.

*Capital risk management*

The Consolidated Entity objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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

**Note 12. Non-controlling interest**

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Issued capital- Opal	1,857,639	1,857,638
Accumulated losses	<u>(802,213)</u>	<u>(773,273)</u>
	<u>1,055,426</u>	<u>1,084,365</u>

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 12. Non-controlling interest (continued)**

Details	Date	Shares	Issue Price	\$
At	01/07/2021	23,483,509	\$0.000	2,295,157
Exercise of options	21/07/2022	200,000	\$0.075	15,000
Exercise of options	20/09/2022	1,565,746	\$0.075	117,431
Placement	15/11/2022	1,167,583	\$0.075	87,568
Exercise of options	30/11/2022	3,000	\$0.250	750
As at 30 June 2023 and 1 July 2023		<u>26,419,838</u>		<u>2,515,906</u>
As at 30 June 2024		<u>26,419,838</u>		<u>2,515,906</u>

During the year ended 30 June 2023, Opal issued 1,565,746 ordinary shares at \$0.075 per share raising \$250,000 from exercise of options, of which 531,485 shares (\$39,861) were issued to the Company; and issued 1,167,583 ordinary shares at \$0.075 per share raising \$87,568 from a placement, of which 1,047,251 shares (\$78,544) were issued to the Company.

**Note 13. Dividends**

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

**Note 14. Financial instruments**

***Financial risk management objectives***

Exposure to liquidity, credit and currency risks arise in the normal course of the company's business.

***Market risk***

***Foreign currency risk***

The Consolidated Entity undertakes currently undertakes very few transactions denominated in foreign currency and therefore is exposed to little foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

***Price risk***

The Consolidated Entity is not exposed to any significant price risk.

***Interest rate risk***

The Consolidated Entity is not exposed to significant interest rate risk.

***Credit risk***

The Consolidated Entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Consolidated Entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised, as counterparties are recognised financial intermediaries, with acceptable credit ratings determined by recognised credit agencies.

The maximum exposure to credit risk is represented by the carrying amounts of the financial assets in the Statement of Financial Position.

None of the Consolidated Entity's receivables are past their due date.

**Note 14. Financial instruments (continued)**

**Liquidity risk**

The Consolidated Entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

**Remaining contractual maturities**

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

<b>Consolidated - 2024</b>	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade and other payables	-	100,336	-	-	-	100,336
Total non-derivatives		100,336	-	-	-	100,336
<b>Consolidated - 2023</b>						
<b>Consolidated - 2023</b>	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
<b>Non-derivatives</b>						
<i>Non-interest bearing</i>						
Trade and other payables	-	166,216	-	-	-	166,216
Fund received in advance	-	1,500	-	-	-	1,500
Total non-derivatives		167,716	-	-	-	167,716

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

**Fair value of financial instruments**

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

**Note 15. Remuneration of auditors**

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

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<i>Audit or review of the financial statements</i>		
Grant Thornton Audit Pty Ltd (Audit and review fees at 31 December 2021 & 30 June 2022)	-	11,000
<i>Audit or review of the financial statements</i>		
William Buck Audit Pty Ltd (Audit and review fees at 31 December 2023 & 30 June 2024)	42,000	40,000
	<u>42,000</u>	<u>51,000</u>

**Note 16. Contingent liabilities**

The Consolidated Entity holds a licence to commercialise influenza vaccine technologies from the Institute of Experimental Medicine. Under this agreement the Consolidated Entity is obliged to pay the Institute of Experimental Medicine 20% of all payments received from any Licensee and 20% of any royalties arising from net sales.

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 16. Contingent liabilities (continued)**

The Consolidated Entity holds a licence to commercialise the BDM-I antimicrobial technology from the Institute of Experimental Medicine. Under this agreement the consolidated entity is obliged to pay the Institute of Experimental Medicine 10% of all payments received from any Licensee and 10% of any royalties arising from net sales (or 5% in each case, where the commercialisation is done by the Consolidated Entity).

**Note 17. Commitments**

There are no commitments as at 30 June 2024 (30 June 2023: Nil).

**Note 18. Related party transactions**

*Parent entity*

BioDiem Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 20.

*Transactions with related parties*

The following transactions occurred with related parties:

	<b>Consolidated</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Key management personnel compensation:		
Short-term employee benefits	218,445	216,892
Long-term employee benefits	4,558	5,317
Post-employment benefits	22,367	23,291
Non-Executive Directors fees	32,500	27,500
	<u>277,870</u>	<u>273,000</u>

Prof Rudenko is the Head of the Virology Department at the Institute of Experimental Medicine ("the Institute"). During the course of the year the Group incurred licence fees and royalties amounting to \$76,581 (2023: \$64,406) to the Institute. During the financial year, the Company paid \$30,000 (2023: \$21,591) in consulting Fees to Prof Rudenko.

Since February 2018, Opal Biosciences Limited has held a service agreement with the parent entity, Biodiem Limited, and paid a monthly fee for operation and management support. This agreement is subject to annual review and reassessment. The latest reassessment in February 2022 updated the fee to \$10,394 plus GST per month, from the prior amount of \$16,975 plus GST per month.

Pursuant to an agreement between Opal and its non-executive former non-executive directors ("the directors"), the directors agreed to forgive all the fees accrued as at 30 April 2022. The Opal directors received no directors' fees from 1 May 2022 until further notice.

*Receivable from and payable to related parties*

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

*Terms and conditions*

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



**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 19. Parent entity information**

	Parent	
	2024	2023
	\$	\$ Restated
Financial performance		
(Loss)/profit for the year	(151,685)	26,057
	<u>(151,685)</u>	<u>26,057</u>
	Parent	
	2024	2023
	\$	\$ Restated
Financial position		
Total current assets	197,640	368,833
Total assets	197,640	368,833
Total current liabilities	(243,647)	(263,155)
Total liabilities	(243,647)	(263,155)
Net (liabilities)/assets	<u>(46,007)</u>	<u>105,678</u>
Issued capital	32,168,532	32,168,532
Reserves	-	46,757
Accumulated losses	<u>(32,214,539)</u>	<u>(32,109,611)</u>
Total equity	<u>(46,007)</u>	<u>105,678</u>

*Guarantees entered into by the parent entity in relation to the debts of its subsidiaries*

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

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023, other than as mentioned below.

The Consolidated Entity holds a licence to commercialise influenza vaccine technologies from the Institute of Experimental Medicine. Under this agreement the Consolidated Entity is obliged to pay the Institute of Experimental Medicine 20% of all payments received from any Licensee and 20% of any royalties arising from net sales.

The Consolidated Entity holds a licence to commercialise the BDM-I antimicrobial technology from the Institute of Experimental Medicine. Under this agreement the Consolidated Entity is obliged to pay the Institute of Experimental Medicine 10% of all payments received from any Licensee and 10% of any royalties arising from net sales (or 5% in each case, where the commercialisation is done by the Consolidated Entity).

*Capital commitments - Property, plant and equipment*

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

*Material accounting policy information*

The accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in note 2, except for the following:

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

**BioDiem Limited**  
**Notes to the financial statements**  
**30 June 2024**

**Note 20. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024 %	2023 %
Savine Therapeutics Pty Ltd	Australia	100.00%	100.00%
Opal Biosciences Limited	Australia	55.30%	55.30%

BioDiem retains the majority shareholding of Opal due to its equity holding and continues to support Opal. Refer to note 12 for movement of shareholding of Opal.

**Note 21. Events after the reporting period**

On 21 August 2024 an Opal shareholder meeting approved an amendment to the Opal Constitution to allow the issue and approve terms and conditions of convertible preference shares.

On 9 September 2024 BioDiem shareholders approved an amendment to the BioDiem Limited's Constitution to allow the issue and approve terms and conditions of convertible preference shares.

On 1 October 2024 Opal issued 300,005 convertible preference shares to raise \$30,000.

By 10 October 2024 BioDiem had received application and monies for convertible preference shares to raise \$127,500.

On 11 October 2024 an Opal shareholder meeting approved an amendment to the Constitution to require all shareholders to sell their shares if shareholders holding at least 90% of shares wish to proceed with a proposed sale.

As at the date of the report, Opal has signed a term sheet and expects to finalise transaction in the coming months.

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

**Note 22. Reconciliation of loss after income tax to net cash used in operating activities**

	Consolidated	
	2024 \$	2023 \$
Loss after income tax expense for the year	(216,463)	(153,228)
Adjustments for:		
Foreign exchange differences	20,959	(7,697)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	369	(2,349)
Decrease/(increase) in prepayments	496	(3,752)
Increase/(decrease) in trade and other payables	(65,880)	36,614
Increase/(decrease) in employee benefits	(847)	391
Net cash used in operating activities	<u>(261,366)</u>	<u>(130,021)</u>

**BioDiem Limited**  
**Consolidated entity disclosure statement**  
**As at 30 June 2024**

<b>Entity name</b>	<b>Entity type</b>	<b>Place formed / Country of incorporation</b>	<b>Ownership interest %</b>	<b>Tax residency</b>
Biodiem Limited	Body Corporate	Australia	-	Australia
Opal Biosciences Limited	Body Corporate	Australia	55.30%	Australia

**Basis of preparation**

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

**Determination of tax residency**

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

In determining tax residency, the Consolidated Entity has applied the following interpretations:

***Australian tax residency***

The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

***Foreign tax residency***

Where necessary, the Consolidated Entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001). None of the group entities are foreign tax residents.

***Partnerships and Trusts***

None of the entities noted above were trustees of trusts within the Consolidated Entity, partners in a partnership within the Consolidated Entity or participants in a joint venture within the Consolidated Entity.

**BioDiem Limited**  
**Directors' declaration**  
**30 June 2024**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Consolidated Entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached Consolidated Entity disclosure statement is true and correct.

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

On behalf of the directors



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Damien Hannes  
Chairman

31 October 2024  
Melbourne

## Independent auditor's report to the members of BioDiem Limited

### Report on the audit of the financial report



#### Our opinion on the financial report

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

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### What was audited?

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

- the consolidated statement of financial position as at 30 June 2024,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

#### Basis for opinion

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

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

## Material uncertainty related to going concern

We draw attention to Note 2 to the financial report, which indicates that the Group incurred a net loss of \$216,463 for the year ended 30 June 2024, net consolidated cash outflows used in operations of \$261,366 for the year ended 30 June 2024, and net liabilities of \$36,361 as at 30 June 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## Other information

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

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

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

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

## Responsibilities of the directors for the financial report

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

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

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

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

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

## Auditor's responsibilities for the audit of the financial report

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

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

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

This description forms part of our auditor's report.



**William Buck Audit (Vic) Pty Ltd**

ABN 59 116 151 136



**A. A. Finnis**

Director

Melbourne, 31 October 2024