

JUNE 2026 QUARTER

# Quarterly Activities Report

## & Appendix 4C

---

ION Video Limited is an infrastructure company virtualising video at the file architecture level. This report covers the quarter ended **30 June 2026**.

## ION VIDEO LIMITED

# Quarterly Activities Report

For the quarter ended 30 June 2026

## NET OPERATING CASH FLOW

## +\$180k

First positive quarter in Company history

## MONTHLY CASH BURN

## \$158k

Below \$180k management target

## CASH AT QUARTER END

## \$771k

Up from \$204k at 31 March 2026

## Highlights

During the June 2026 quarter, the Company continued to execute its operational priorities across financial management, intellectual property development, technology evolution and commercial engagement. Key developments during the quarter included:

- **Positive operating cash flow for the first time in the Company's history**, with net cash inflow from operating activities of \$179,847.
- Average monthly recurring cash burn of \$158,522, below management's target of \$180,000 per month.
- Total liabilities reduced to approximately \$300,000, representing a reduction of \$2.5 million since June 2025.
- Conversion of \$2.65 million of remaining Convertible Notes into fully paid ordinary shares effective at their first available conversion date, **eliminating all Company debt** and future interest liability of \$708,883.
- Cash reserves sufficient to fund the Company's current operating plan through at least **June 2027**.
- Filing of two additional patent applications, covering two new inventions and extending the Company's Virtual Video intellectual property portfolio to five patent families.
- Continued technology evolution of the Virtual Video platform, including migration to Amazon Web Services (AWS), expansion of artificial intelligence capabilities and development of enterprise integration interfaces.
- Establishment of an Advisory Board to provide strategic advice and support commercial engagement.
- Continued commercial engagement with organisations across the technology, telecommunications, media, enterprise infrastructure and government sectors.
- Several of these discussions concern potential **proof-of-concept (POC)** engagements. At this stage, these are non-binding: no commercial terms have been agreed, and are subject to ongoing technical, commercial and legal engagement.

---

## CEO Review

---

The June 2026 quarter represented a period of continued operational and commercial progress as the Company advanced its financial, intellectual property, technology and commercial objectives.

During the past twelve months, management has focused on improving the Company's financial position, reducing operating costs, expanding the Company's intellectual property portfolio and progressing commercial engagement with prospective enterprise customers.

The Company generated positive operating cash flow for the first time in its history during the quarter and continued to reduce its operating cost base. During the quarter, the conversion of all of the Company's Convertible Notes into equity eliminated all Company debt and simplified the Company's capital structure.

The Company's intellectual property portfolio continued to expand during the quarter with the filing of two additional patent applications, covering two new inventions and taking the Virtual Video portfolio to five patent families. The two new applications are yet to be examined and remain subject to grant.

Development of the underlying technology platform also continued during the quarter, including migration to a cloud-based architecture on Amazon Web Services (AWS), integration of additional artificial intelligence models and further development of the application programming interfaces (APIs) and technical documentation required to support potential future enterprise deployments.

Commercial activity also progressed during the quarter, with the Company continuing its discussions with a number of organisations across the technology, telecommunications, media, enterprise infrastructure and government sectors.

Several of these discussions concern potential POC engagements for the Company's Virtual Video infrastructure. At this stage, these discussions are non-binding: no commercial terms have been agreed, and are subject to ongoing technical, commercial and legal engagement.

The Company views POCs as the first stage of broader commercial engagements. Their primary purpose is to validate the integration of the Company's technology within a participating organisation's existing operating environment and establish a pathway towards longer-term commercial agreements.

Given the scale of the organisations involved and the complexity of potential integrations, the Company expects this process to take time and considers it consistent with enterprise procurement and implementation practices. And there can be no assurance that any of these discussions will result in POC engagements and/or long-term commercial agreements.

Management is applying a disciplined approach to commercialisation. Rather than entering into POCs as an end in themselves, the Company is focused on ensuring that any engagement it does enter into is profitable for the Company and has clearly defined, measurable and mutually agreed success criteria, so that the outcomes can be objectively assessed.

The Company also established an Advisory Board during the quarter comprising executives with experience across the technology, media and government sectors. The Advisory Board has been established to provide strategic advice and support management as commercial engagement activities continue.

---

SIGNED ON BEHALF OF THE BOARD

**Anthony Baker**

Chief Executive Officer & Director

## Financial Review

The Company is pleased to report it generated positive operating cash flow during the June quarter for the first time in its history. Net cash inflow from operating activities totalled \$179,847. The Company's recurring expenditure during the quarter amounted to approximately \$158,522 per month (\$167,758 including exceptional items), below management's operating expenditure target of \$180,000 per month.

The gross cash outflows for the quarter were approximately \$503,275, comprising \$475,566 of recurring expenditure and \$27,709 of non-recurring expenditure relating to redundancies in the United Kingdom.

GROSS CASH OUTFLOWS		Cash outflows by category	
<b>\$503k</b>		Development costs	<b>\$150,451</b>
for the June 2026 quarter		Staff and consultant costs	<b>\$172,302</b>
Recurring	<b>\$475,566</b>	Administration and corporate costs	<b>\$105,162</b>
Non-recurring (UK redundancies)	<b>\$27,709</b>	Operating costs	<b>\$21,821</b>
		Legal and patent costs	<b>\$53,538</b>

The Company also received \$313,802 under the Australian Government's Research and Development Tax Incentive program during the quarter. Additional R&D rebate receipts are expected during the first half of FY2027. During the quarter, the Company recovered \$255,354 relating to payments made to suppliers prior to June 2025.

Related party payments disclosed in item 6.1 of the Appendix 4C totalling \$84,563 comprise director fees, salary and superannuation paid to executives and directors in the ordinary course of business.

## Financial Review continued

The Company's financial position continued to improve during the period. Total liabilities reduced from \$2.8 million as at 30 June 2025 to \$561,802 as at 31 December 2025, with a further reduction to approximately \$300,000 as at 30 June 2026.

The Company exercised its right to convert \$2.65 million of Convertible Notes into equity at the first available conversion date. Following the conversion, the Company has no outstanding debt under the Convertible Notes and future obligations of \$708,883 have been eliminated. Following the conversion, the ten largest shareholders held approximately 62% of the Company on a fully diluted basis, with the top twenty shareholders holding approximately 73%.

During the quarter, by mutual agreement the Company and Racing.com terminated the existing services contract with immediate effect. Racing.com had not utilised the Company's technology for the past 14 months. Under the negotiated termination, Racing.com paid the Company 90% of the residual contract value. The termination also eliminates the ongoing hosting costs through to expiry.

As at 30 June 2026, the Company had sufficient cash reserves to fund its current operating plan through at least June 2027.

### BALANCE SHEET AT A GLANCE

#### TOTAL LIABILITIES

**\$300k**

Down from \$2.8m in June 2025

#### FUNDED UNTIL

**June 27**

All Company debt eliminated

#### FUTURE OBLIGATIONS REMOVED

**Debt Free**

Following note conversion



## PILLAR ONE

## Intellectual Property

The Company continued to build its intellectual property portfolio during the quarter with the filing of two further patent applications. The filings establish priority dates for two new inventions and take ION's Virtual Video portfolio to five patent families, each addressing a different component of the Virtual Video architecture. The two applications filed during the quarter are pending and have not yet been examined or granted.

The additional patent applications extend the Company's existing intellectual property portfolio into the areas of digital content authentication and content classification. Both applications have been filed with IP Australia and establish the Company's priority date while international patent protection is considered.

The Company continues to develop its patent portfolio as an integrated architecture, with each patent family addressing a separate functional component of the Virtual Video platform.

### Patent Family 4: Right to Identify References

During the quarter, the Company filed Patent Application No. 2026904970, *System and Method for Policy-Gated Authentication and Cryptographic Hashing*, referred to as the Right to Identify References. The application describes a framework for authenticating digital video by creating a cryptographically verifiable record linked to individual binary samples. The proposed architecture is designed to support the verification of content provenance by combining multiple authentication methods within a single policy-based framework. The filing establishes the Company's priority date while the Company progresses the application towards examination and grant.

### Patent Family 5: Right to Classify References

The Company also filed Patent Application No. 2026905599, *System and Method for Content Safety Enforcement During Virtual Video Assembly*, referred to as the Right to Classify References. The application describes an approach to associating content classification information with individual binary samples and applying policy controls during the video assembly process. The proposed architecture has been designed to support environments where video content is assembled dynamically rather than existing as a completed file. The filing establishes the Company's priority date while the Company progresses the application towards examination and grant.

## Intellectual Property Portfolio

Following the two new filings, the Company's Virtual Video intellectual property portfolio comprises five patent families addressing different functional components of the platform.

Patent Family	Primary Function
Family 1	Virtualise digital video through Virtual Video containers
Family 2	Record content transactions using a distributed ledger architecture
Family 3	Govern video assembly through cryptographic Video Tokens
Family 4	Authenticate the identity and provenance of video references
Family 5	Apply content classification during video assembly

Patent Families 4 and 5 comprise the two applications filed during the quarter and are pending examination and grant. The Company continues to develop these patent families as complementary components of the broader Virtual Video architecture.

## Existing Patent Portfolio

The Company also continued the management and expansion of its existing intellectual property portfolio during the quarter. The earliest expiry within Patent Family 1 is expected to occur during 2028, with patents in key jurisdictions, including Australia, the United States and the United Kingdom, extending to 15 August 2028. Patent protection in certain jurisdictions extends until 2031.

The two patent applications filed during the quarter have been developed to complement the Company's existing intellectual property portfolio by protecting additional functionality associated with the Virtual Video platform. Subject to successful examination and grant, these applications are intended to provide protection for technology that extends beyond the scope of the Company's earlier patent filings.

The Company's intellectual property strategy is to continue identifying and protecting new inventions arising from the ongoing development of the Virtual Video platform. This approach is intended to build a portfolio of complementary patent families that protect different aspects of the Company's technology as it continues to evolve. Management continues to work with its patent attorneys to assess additional opportunities to expand the Company's intellectual property portfolio. Two further patent concepts are currently under review.



## PILLAR TWO

## Technology Evolution

During the quarter, the Company continued to develop the Virtual Video platform to support ongoing commercial engagement and future enterprise deployments.

During the quarter, the platform has evolved from a demonstration environment to a cloud-based architecture hosted on Amazon Web Services (AWS). The migration to AWS provides a scalable infrastructure intended to support continued platform development, customer evaluations and future commercial deployments. The current environment has been configured to support technology demonstrations and validation, while retaining the flexibility to expand as customer and commercial requirements evolve.

The Company also continued to develop the platform's artificial intelligence capabilities through the integration of third-party AI models. During the quarter, ION integrated Twelve Labs' Marengo embedding model to support semantic video search functionality and incorporated Amazon Bedrock to provide access to additional foundation models within the platform's AI workflow. The platform has been designed to support the integration of multiple AI models, allowing additional technologies to be incorporated as customer requirements and available technologies evolve.

Development also continued on the core components required to support customer integration. During the quarter, the Company further enhanced its virtualisation platform, developed application programming interfaces (APIs) to facilitate integration with customer systems and continued the preparation of technical documentation intended to support potential future licensees and commercial deployments.

As commercial discussions have progressed, development activities have increasingly focused on the technical requirements associated with integration into existing enterprise technology environments. This has included refining platform architecture, documenting integration processes and preparing the technical framework required to support potential POC engagements. These activities are intended to facilitate implementation planning and provide a consistent approach to customer integration as commercial opportunities progress.

The Company's commercial model is based on licensing its patented intellectual property rather than developing bespoke software applications for individual customers. Accordingly, technology development remains focused on maintaining interoperability with third-party systems, supporting enterprise integration requirements and continuing to enhance the underlying Virtual Video platform in line with customer requirements.

3

PILLAR THREE

## Validation

During the quarter, the Company established an Advisory Board to provide strategic advice and industry engagement as ION progresses its commercial activities. The Advisory Board brings together experience across the technology, media, entertainment and government sectors and will support management by providing strategic guidance, industry insights and access to established commercial networks. The Board has been established to complement management's commercial activities as the Company progresses discussions with prospective customers and strategic partners.

### Kelli Richards

ADVISORY BOARD MEMBER

A former Apple executive who worked closely with Steve Jobs over more than three decades. She currently serves as President and Chief Connections Officer of The All Access Group, advising organisations across the technology and entertainment sectors, and brings experience in strategic partnerships, technology commercialisation and executive engagement within global markets.

### Daniel Sanders

ADVISORY BOARD MEMBER

Has held senior executive positions within the digital media and streaming industry. He was a member of the executive team at Pluto TV and contributed to the company's growth prior to its acquisition by Paramount. Mr Sanders provides experience in digital content distribution, streaming platforms and commercial strategy.

### Dr Kellee Franklin

ADVISORY BOARD MEMBER

Has held advisory roles across the United States Government, including work with the White House, the Department of Defense and national intelligence agencies. Her experience spans emerging technologies, cybersecurity and government engagement.

### Howard Bolter

ADVISORY BOARD MEMBER

Has more than twenty years' experience in the international broadcast and media industry. He has held senior executive roles responsible for establishing and operating television networks across multiple jurisdictions and provides experience in media operations and commercial deployment.

## Role of the Advisory Board

The Advisory Board will support management as the Company progresses commercial discussions and evaluates opportunities across its target markets. In addition to providing strategic advice, members are expected to assist with industry engagement, commercial introductions and market insights relevant to the Company's business activities.

The establishment of the Advisory Board reflects the Company's continued focus on supporting its commercial activities as discussions with prospective customers progress.



## PILLAR FOUR

## Commercial Activities

Commercial engagement remained a key focus during the quarter, with the Company continuing discussions with organisations across the technology, telecommunications, media, enterprise infrastructure and government sectors.

The Company's commercial model is based on licensing its patented intellectual property rather than developing bespoke software applications.

During FY2027 the Company intends to continue progressing its commercial activities, technology platform and intellectual property portfolio. Details on commercial activities during the quarter are set out above under "CEO Review".

The Company will continue to provide updates where material developments occur in accordance with its continuous disclosure obligations.

<https://investors.ion.video/link/PQRNby>



APPENDIX 4C

# Quarterly cash flow report for entities subject to Listing Rule 4.7B

---

NAME OF ENTITY	ABN	ASX CODE
ION Video Limited	84 149 796 332	IOV

## APPENDIX 4C

## Consolidated Statement of Cash Flows

NAME OF ENTITY <b>ION Video Limited</b>	
ABN <b>84 149 796 332</b>	QUARTER ENDED ("CURRENT QUARTER") <b>30 June 2026</b>

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	109	406
1.2	Payments for		
	(a) research and development	(150)	(1,530)
	(b) operating costs	(22)	(260)
	(c) advertising and marketing	0	0
	(d) leased assets	0	0
	(e) staff and consultant costs	83	(1,383)
	(f) administration, travel and corporate costs	(105)	(575)
1.3	Dividends received (see note 3)	0	0
1.4	Interest received	5	5
1.5	Interest and other costs of finance paid	0	0
1.6	Income taxes paid	0	0
1.7	Government grants and tax incentives	314	314
1.8	Other (legal and patent costs)	(54)	(226)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>180</b>	<b>(3,249)</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>2</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.2	Proceeds from disposal of:		
	(a) entities	0	0
	(b) businesses	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) intellectual property	0	0
	(f) other non-current assets	0	0
2.3	Cash flows from loans to other entities	0	0
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>0</b>	<b>0</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>3</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities* (excluding convertible debt securities)	0	1,460
3.2	Proceeds from issue of convertible debt securities*	265	2,211
3.3	Proceeds from exercise of options	122	122
3.4	Transaction costs related to issues of equity securities or convertible debt securities	0	0
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings (convertible note)	0	0
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (AASB16 lease principal payments)	0	0
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>387</b>	<b>3,793</b>
	<i>*net of costs incurred</i>		
<b>4</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	204	227
4.2	Net cash from / (used in) operating activities (item 1.9 above)	180	(3,249)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	0	0
4.4	Net cash from / (used in) financing activities (item 3.10 above)	387	3,793
4.5	Effect of movement in exchange rates on cash held	0	0
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>771</b>	<b>771</b>

<b>5. Reconciliation of cash and cash equivalents</b>		<b>Current quarter</b>	<b>Previous quarter</b>
at the end of the quarter to the related items in the accounts		\$A'000	\$A'000
5.1	Bank balances	771	204
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details)	0	0
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>771</b>	<b>204</b>

<b>6. Payments to related parties of the entity and their associates</b>		<b>Current quarter</b>
		\$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 Director fees and CEO remuneration	85
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		

<b>7. Financing facilities</b>		<b>Total facility at quarter end</b>	<b>Amount drawn at quarter end</b>
Includes all forms of financing arrangements available to the entity.		\$A'000	\$A'000
7.1	Loan facilities	0	0
7.2	Credit standby arrangements	0	0
7.3	Other (please specify)	0	0
<b>7.4</b>	<b>Total financing facilities</b>	<b>0</b>	<b>0</b>
7.5	Unused financing facilities available at quarter end		0
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Not applicable. The Company has no financing facilities in place at quarter end.		

<b>8. Estimated cash available for future operating activities</b>		<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (Item 1.9)	180
8.2	Cash and cash equivalents at quarter end (Item 4.6)	771
8.3	Unused finance facilities available at quarter end (Item 7.5)	0
8.4	Total available funding (Item 8.2 + Item 8.3)	771
<b>8.5</b>	<b>Estimated quarters of funding available (Item 8.4 divided by Item 8.1)</b>	<b>4.29</b>
8.6	If Item 8.5 is less than 2 quarters, please provide answers to the following questions:	
	<b>1.</b> Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? <b>Answer: N/A</b>	
	<b>2.</b> Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? <b>Answer: N/A</b>	
	<b>3.</b> Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? <b>Answer: N/A</b>	

## Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

DATE  
7 July 2026

AUTHORISED BY  
By the Board