



Living Cell Technologies Limited

ACN: 104 028 042

ASX: LCT

OTCQX: LVCLY

ASX ANNOUNCEMENT

Half yearly report ended 31 December 2020

Sydney, Australia & Auckland, New Zealand, 25 February 2021 – Living Cell Technologies Limited today announced the half yearly report for the six months ended 31 December 2020. The report is attached.

The consolidated loss after tax for the half year amounted to \$643,439 (2019 loss: \$225,985).

Research and development cost are significantly down on last year due to COVID-19 and the resulting lockdowns affecting the projects undertaken in conjunction with the University of Auckland. The migraine project milestones were renegotiated due to the delays caused by the lockdowns and the obesity project was put on hold, while resources were focused on progressing the migraine project.

Governance costs are in line with last year, with savings made by holding the November AGM online. As well as being a cost-effective approach, it allowed a greater proportion of shareholders to join the meeting than would be able to attend an in-person AGM.

In January this year, Dr Ken Taylor signalled his intention to retire as CEO in July. Dr Taylor joined LCT as CEO in February 2014 and was appointed to the board in August 2018, after a prominent international career in business and academia. He will work with the board and management over the coming months to assist the company with the transition to its next phase.

The net assets of the consolidated group have decreased by \$599,913 from \$2,878,354 at 30 June 2020 to \$2,278,441 as at 31 December 2020. This was attributed to the continued Research and Development expenditure on the milestone payments for the obesity and migraine novel peptide treatment projects.

Authorised for release by the Board of Living Cell Technologies Limited.

– Ends –

For further information: www.lctglobal.com

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About Living Cell Technologies

Living Cell Technologies Limited (LCT) is an Australasian biotechnology company improving the wellbeing of people with serious diseases worldwide by discovering, developing and commercialising regenerative treatments which restore function using naturally occurring cells.

As well as NTCELL, LCT is also advancing research collaborations with the University of Auckland to identify products that are candidates for out licensing to global pharmaceutical companies. Projects that have been initiated target obesity and migraine where the lead product candidates utilise patented novel peptide synthetic chemistry technology.

LCT is listed on the Australian (ASX: LCT) and US (OTCQX: LVCLY) stock exchanges. The company is incorporated in Australia, with its operations based in New Zealand.

For more information visit www.lctglobal.com or follow @lctglobal on Twitter.

Forward-looking statements

This document may contain certain forward-looking statements, relating to LCT's business, which can be identified by the use of forward-looking terminology such as "promising," "probable", "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialisation of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. LCT is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

Appendix 4D

Half yearly report

Name of Entity	Living Cell Technologies Limited
CAN	14 104 028 042
Financial Period Ended	31 DECEMBER 2020
Previous Corresponding Reporting Period	31 DECEMBER 2019

Results for Announcement to the Market

Results for Announcement to the Market

	\$	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	119,785	(56%)
Profit / (loss) from ordinary activities after tax attributable to members	(643,439)	(185%)
Net profit / (loss) for the period attributable to members	(643,439)	(185%)
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous corresponding period	Nil	Nil
Record date for determining entitlements to the dividends (if any)	N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
Refer Attachment 1.		

The half-yearly report is to be read in conjunction with the most recent annual financial report.

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	0.40 cents per share	0.70 cents per share

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	n/a
Date control gained	
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	n/a
Date control lost	
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
			\$Nil	\$Nil
Aggregate Share of Net Profits			\$Nil	\$Nil

Audit/Review Status

This report is based on accounts to which one of the following applies:

(Tick one)

The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
The accounts are in the process of being audited or subject to review	<input type="checkbox"/>	The accounts have not yet been audited or reviewed	<input type="checkbox"/>

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

Not Applicable

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

Not Applicable

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	ASX Announcement
2	Consolidated Interim Financial Statements for the 6 months to 31 December 2020

Signed By (Company Secretary)



Print Name

Mark Licciardo

Date

25 February 2021



Living Cell Technologies Limited

Consolidated Financial Report
31 December 2020

Living Cell Technologies Limited

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Living Cell Technologies Limited

Directors' Report

31 December 2020

The directors present their report, together with the financial statements, on the consolidated entity consisting of Living Cell Technologies Limited (LCT) and its controlled entities for the financial half year ended 31 December 2020.

1. General Information Directors

The names of the directors in office at any time during, or since the end of the half year are:

Name

Bernard Tuch	appointed 19 th July 2011 and appointed (Interim Chairman) 31 st August 2018.
Robert Elliott	appointed 15 th January 2004 deceased 20 th August 2020.
Robert Willcocks	appointed 29 th March 2011 and re-elected on 7 th November 2019.
Ken Taylor	appointed 31 August 2018 and re-elected 7 th November 2019.
Carolyn Sue	appointed on the 16 th May 2019 and re-elected 7 th November 2019.
Andrew Kelly	appointed on 7 th November 2019.

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

Company Secretary

The following person held the position of company secretary at the end of the financial half year ended 31 December 2020:

Mark Licciardo,

2. Business Review (a) Operating results

The consolidated loss after tax for the half year amounted to \$643,439 (2019 loss: \$225,985). This was attributable to.

Research and development expenditure is significantly lower than last year due to COVID - 19 effecting our progress on the revised migraine project milestones. Administration expenses were in line with last year.

Last year's results included the profit from the sale of shares in Semma Therapeutics amounting to \$1,100,159.

Living Cell Technologies Limited

Directors' Report

31 December 2020

(b) Review of operations

Living Cell Technologies mission is to improve the wellbeing of people with serious diseases by discovering, developing, and commercialising novel treatments for debilitating conditions such as Parkinson's disease, obesity, migraine, and diabetes.

3. Financial Review

(a) Financial position

The net assets of the consolidated entity have decreased by \$643,439 from \$2,878,354 at 30 June 2020 to \$2,278,441 as at 31 December 2020. The net asset decrease is due to the net effect of the cash inflow of the money received from the R & D tax credit and the continued Research and development expenditure and business maintenance costs.

(b) Cash from operations, Investing and financing

Net cash outflow from operating activities decreased from \$2,459,442 in the previous period 31 December 2019 to \$625,640 due to COVID-19 projects delays, payment for revised Migraine milestone which have not been met and the prompt receipt of the R & D tax credit from the New Zealand inland revenue department.

(c) Liquidity and funding

As at 31 December 2020 the consolidated group had \$2,308,703 cash in the bank, compared to \$2,964,873 at 30 June 2020.

The consolidated entity has projects planned in association with the University of Auckland which have discretionary expenditure and which if pursued will see the need to raise additional funding within 8 months of the signing of the financial statements. These matters give rise to an uncertainty that casts doubt upon the Group's consolidated entity ability to continue as a going concern. The ability of the consolidated entity to continue as a going concern is dependent on one or more of the following actions:

- Curtailing research projects to preserve cash;
- Raising additional funding through equity or other means;
- Commercialising projects in the short term; and/or
- Finding partners to pursue research projects.

Management continually prepares rolling cash flow projections that supports the ability of the consolidated entity to continue as a going concern subject to the events described above. However, many external and internal factors may impact future cash flows particularly within the current market and the uncertainty of the impact of COVID 19.

The Directors have a history of raising capital as required to support their research projects, however in the event that the consolidated entity is unable to achieve the matters detailed above, it may not be able to continue as a going concern. No adjustments have been made to recorded asset values and the amount of liabilities that might be necessary should the Group and the Company not continue as going concerns.

Living Cell Technologies Limited

Directors' Report

31 December 2020

4. Other Items

(a) Significant events

i. 21 August 2020

LCT founder Sir Robert Elliott dies

Living Cell Technologies founder, Emeritus Professor Sir Robert Elliott, has died aged 86. Chairman Dr Bernie Tuch paid tribute to one of the country's foremost scientific entrepreneurs saying that the medical, scientific and biotechnology communities in New Zealand have lost a tireless researcher and a visionary pioneer. All of us at LCT are saddened to hear of his death.

ii. 27 November 2020

Notice of initial substantial shareholder

Mr Jimmy Thomas and Miss Ivy Ruth Ponniah became a substantial holder on 23 November 2020.

(b) Auditors Independence Declaration

The lead auditor's independence declaration as required under section 307c of the Corporations Act 2001 for the half year ended 31 December 2020 has been received and can be found on page 4 of the financial report.

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

This declaration is made in accordance with a resolution of the Board of Directors, and is signed for and on behalf of the directors;

Dated at Auckland on the 25th day of February 2021



Director:
Bernard Tuch (Chairman)

DECLARATION OF INDEPENDENCE BY JOHN BRESOLIN TO THE DIRECTORS OF LIVING CELL TECHNOLOGIES LIMITED

As lead auditor of Living Cell Technologies Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Living Cell Technologies Limited and the entities it controlled during the period.



John Bresolin
Director

BDO Audit Pty Ltd

Sydney, 25 February 2021

Living Cell Technologies Limited

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year to 31 December 2020

	Note	31 Dec 2020 \$	31 Dec 2019 \$
Revenue			
Services provided		-	3,173
Grant income		112,816	230,011
Interest		6,969	36,825
Total revenue and other income		119,785	270,009
Expenses			
Research and development		(680,343)	(1,228,777)
Governance		(386,142)	(359,626)
Shareholder		(93,431)	(147,966)
Other expense		-	(33,001)
Total expenses		(1,159,916)	(1,769,370)
Operating loss		(1,040,131)	(1,499,361)
Foreign exchange loss		(48,168)	(203,706)
Sale of shares		-	1,100,159
Loss before income tax		(1,088,299)	(602,908)
R&D loss tax credit		444,860	376,923
Income tax expense		-	-
Loss after income tax		(643,439)	(225,985)
Other comprehensive income			
Exchange difference on translation of foreign operations		43,526	47,136
Other comprehensive income for the period		-	47,136
Total comprehensive income for the period		(599,913)	(178,849)
Earnings per share:			
From continuing operations:			
Basic loss per share (cents)	2	(0.10)	(0.18)
Diluted loss per share (cents)	2	(0.10)	(0.18)

The above Statement should be read in conjunction with the accompanying notes and the 30 June 2020 Annual Report.

Living Cell Technologies Limited

Consolidated Statement of Financial Position

As at 31 December 2020

	Note	31 Dec 2020 \$	30 Jun 2020 \$
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents		2,308,703	2,964,873
Trade and other receivables	4	125,812	107,915
TOTAL CURRENT ASSETS		2,434,515	3,072,788
NON-CURRENT ASSETS			
Property, plant & equipment		21,644	25,450
Right-of-use asset		221,296	250,802
Other receivables		42,920	42,037
TOTAL NON-CURRENT ASSETS		285,860	318,289
TOTAL ASSETS		2,720,375	3,391,077
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		126,170	197,847
Short term provisions		87,329	60,220
Lease Liability		53,053	53,053
TOTAL CURRENT LIABILITIES		266,552	311,120
NON-CURRENT LIABILITIES			
Lease Liability		175,382	201,603
TOTAL NON-CURRENT LIABILITIES		175,382	201,603
TOTAL LIABILITIES		441,934	512,723
NET ASSETS		2,278,441	2,878,354
EQUITY			
Share capital		74,371,070	74,371,070
Reserves		3,876,875	3,833,349
Accumulated losses		(75,969,504)	(75,326,065)
TOTAL EQUITY		2,278,441	2,878,354

The above Statement should be read in conjunction with the accompanying notes and the 30 June 2020 Annual Report.

Living Cell Technologies Limited

Consolidated Statement of Changes in Equity

For the half year to 31 December 2020

31 December 2020

	Ordinary Shares \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Total \$
Balance at 1 July 2020	74,371,070	(75,326,065)	3,606,249	227,100	2,878,354
Loss attributable to members of the entity	-	(643,439)	-	-	(643,439)
Total other comprehensive income	-	-	43,526	-	43,526
Total comprehensive income for the period	-	(643,439)	43,526	-	(599,513)
Transactions with owners in their capacity as owners					
Share-based remuneration	-	-	-	-	-
Expired Options	-	-	-	-	-
Balance at 31 December 2020	74,371,070	(75,969,504)	3,649,775	227,100	2,278,441

31 December 2019

	Ordinary Shares \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Total \$
Balance at 1 July 2019	74,371,070	(74,357,596)	3,780,717	206,994	7,135,323
Loss attributable to members of the entity	-	(225,985)	-	-	(225,985)
Total other comprehensive income	-	-	47,136	-	47,136
Total comprehensive income for the period	-	-	-	-	-
Transactions with owners in their capacity as owners					
Share-based remuneration	-	-	-	24,806	24,806
Expired Options	-	-	-	(4,700)	(4,700)
Balance at 31 December 2019	74,371,070	(74,583,581)	3,827,853	227,100	5,781,040

The above Statement should be read in conjunction with the accompanying notes and the 30 June 2020 Annual Report.

Living Cell Technologies Limited

Consolidated Statement of Cash Flows

For the half year to 31 December 2020

	31 December 2020 \$	31 December 2019 \$
Cash from operating activities:		
Receipts from customers	-	47,830
Payments to suppliers and employees	(1,198,642)	(2,970,417)
Grants and R & D tax credit received	551,314	391,747
Interest received	21,688	71,398
Net cash used in operating activities	(625,640)	(2,459,442)
Cash flows from investing activities:		
Proceeds from sale of shares	-	1,100,159
Proceeds from sale of plant and equipment	-	91,778
Net cash used in investing activities	-	1,191,937
Cash flows from financing activities:		
Repayment of lease liability	(26,222)	-
Net cash provided by financing activities	(26,222)	-
Net increase in cash and cash equivalents	(651,862)	(1,267,505)
Cash and cash equivalents at beginning of period	2,964,873	4,907,957
Exchange rate changes on cash and cash equivalents	(4,308)	(160,578)
Cash and cash equivalents at the end of the period	2,308,703	3,479,874

The above Statement should be read in conjunction with the accompanying notes and the 30 June 2020 Annual Report.

Living Cell Technologies Limited

Notes to the Consolidated Financial Statements

For the 6 months to 31 December 2020

1. Statement of significant accounting policies

(a) Basis of preparation

This interim financial report for the half-year ended 31 December 2020 has been prepared in accordance with Corporations Act 2001 and Australian Accounting Standards AASB 134 Interim Financial Reporting.

The financial report covers the consolidated entity of Living Cell Technologies Limited and its controlled entities. The financial report has been presented in Australian dollars, the group's presentation currency. The report consists of the financial statements, notes to the financial statements and the directors' declaration.

The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report made by Living Cell Technologies Limited for the year ended 30 June 2020 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The same accounting policies have been followed as those applied in the financial report for the year ended 30 June 2020, except for any new, revised or amended accounting standard and interpretation adopted in note 1(b).

(b) Going concern

This interim financial report has been prepared on a Going Concern basis. The consolidated entity incurred a loss after tax attributable to members of \$643,439 (2019: \$225,985) and incurred negative cash flows from operations of \$625,640 (2019: \$2,459,442).

The consolidated entity has projects planned in association with the University of Auckland which have discretionary expenditure and which if pursued will see the need to raise additional funding within 12 months of the signing of these financial statements. These matters give rise to a material uncertainty that casts doubt upon the consolidated entity's ability to continue as a going concern.

The ability of the consolidated entity to continue as a going concern is dependent on one or more of the following actions:

- Curtailing research projects to preserve cash;
- Raising additional funding through equity or other means;
- Commercialising projects in the short term; and/or
- Finding partners to pursue research projects.

Management continually prepares rolling cash flow projections that supports the ability of the consolidated entity to continue as a going concern subject to the events described above. However, many external and internal factors may impact future cash flows particularly within the current market and the uncertainty of the impact of COVID 19.

The Directors have a history of raising capital as required to support their research projects, however in the event that the consolidated entity is unable to achieve the matters detailed above, it may not be able to continue as a going concern. No adjustments have been made to recorded asset values and the amount of liabilities that might be necessary should the consolidated entity not continue as a going concern.

As at 31 December 2020 the consolidated group had \$2,308,703 cash in the bank, compared to \$2,964,873 at 30 June 2020.

Living Cell Technologies Limited

Notes to the Consolidated Financial Statements

For the 6 months to 31 December 2020

(c) New, revised or amending Accounting Standards and Interpretations adopted

The consolidated entity has adopted all the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

2. Earnings per share

The following reflects the income and share information used in the calculation of basic and diluted losses per share:

	31 Dec 2020	31 Dec 2019
Losses used to calculate basic EPS	\$(599,913)	\$(225,985)
Weighted average number of ordinary shares outstanding during the year		
No. used in calculating basic EPS	571,440,981	571,440,981
Earnings/(Loss) per share (cents)	(0.10)	(0.18)
Diluted earnings/(loss) per share (cents)	(0.10)	(0.18)

3. Net assets backing

	31 Dec 2020	30 Jun 2020
Net tangible assets per ordinary share (cents per share)	0.40	0.50

4. Trade and other receivables

	31 Dec 2020	30 Jun 2020
	\$	\$
Grant receivable	95,748	75,499
Prepayments	-	9,767
Accrued interest	530	15,249
Other receivables	29,534	7,400
Total	125,812	107,915

5. Segment reporting

The consolidated entity only operates one business segment being the research and development and product development into living cell technologies, predominantly in New Zealand.

6. Contingent liabilities and contingent assets

The Company issued a bank bond over the lease of 23 Edwin Street lease of \$42,920 (2019: \$42,037) and secured by a term deposit.

In the opinion of the of the directors, the company did not have any other contingencies as at 31 December 2020 (2019; nil)

There have been no unfulfilled conditions and other contingencies attached to government assistance.

Living Cell Technologies Limited

Notes to the Consolidated Financial Statements

For the 6 months to 31 December 2020

7. COVID-19

In December 2019, a new virus, later to be called COVID-19 was detected in Wuhan, China. The virus was soon common in other countries and on 11 March 2020 the World Health Organisation declared that the outbreak a pandemic. The result of this pandemic has been a substantial reduction in economic activity throughout the world, as governments have introduced measures (such as the closure of national borders, the closure of non-essential businesses, the cancellation of public events and the imposition of restrictions on individuals) to reduce transmission of the virus.

In late March 2020, the New Zealand Government ordered a level 4 lockdown, during which non-essential businesses and organisations were not allowed to operate and individuals (other than essential workers or those undertaking essential business) were required to stay at home. In late April 2020, the lockdown period ended, and the New Zealand Government started gradually easing the restrictions that had been placed on businesses, organisations, and individuals.

The pandemic has also impacted the consolidated entity's Auckland University projects during level 4 and level 3 lockdown and has impacted our strategy and during this period management worked hard to renegotiate the UOA project and come up with a revised strategy to survive as outlined below.

- Renegotiated the University of Auckland contracts to reduce cash commitment
- Taken advantage of wage subsidies and other business support measures made available by the New Zealand and Australian Government.
- Negotiated with various property owners / suppliers for cost reductions and discontinued non-essential services.
- Directors, Management, and staff have agreed to reduced salaries for a three-month period.

8. Company details

Living Cell Technologies Limited
Level 7, 330 Collins Street
Melbourne, VIC 3000

The principal place of business is:
Unit 107
23 Edwin Street
Mt Eden 1024
Auckland, New Zealand

Living Cell Technologies Limited

Directors' Declaration

The directors of Living Cell Technologies limited declare that:

- (a) The financial statements and notes, as set out on pages 5 to 11 are in accordance with the Corporations Act 2001 including that they:
 - (i) give a true and fair view of the financial position as at 31 December 2020 and the performance for the half year ended on that date of the consolidated entity; and
 - (ii) comply with AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory reporting requirements.
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors, and is signed for and on behalf of the directors;

Dated at Auckland on the 25th day of February 2021



Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Living Cell Technologies Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Living Cell Technologies Limited (the Company) and its subsidiaries (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on 31 December 2020, a summary of statement of accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the consolidated entity does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the consolidated entities financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty related to going concern

We draw attention to Note 1(b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entities financial position as at 31 December 2020 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'John Bresolin', is written over a faint, larger 'BDO' watermark.

John Bresolin
Director

Sydney, 25 February 2021