ASX ANNOUNCEMENT

26 August 2021

APPENDIX 4D AND HALF YEARLY FINANCIAL REPORT

Anteris Technologies Ltd (ASX: AVR) (Anteris or the Company) releases its Appendix 4D – Half Yearly Financial Report and commentary for the period ended 30 June 2021.

HIGHLIGHTS:

- Significant progress delivered across its entire clinical development program, highlighting the superiority of its three core technologies – ADAPT®, DurAVR® and ComASUR™
- Positive data generated from ADAPT® anti-calcification study demonstrating superior anti-calcification attributes compared to competitor tissues
- Milestone achievements in the ongoing development of AVR's ComASUR™ catheter delivery system with working prototypes successfully deployed in multiple tests
- No evidence of calcification in AVR's Proof of Concept animal study on the viability of ADAPT® treated conduits in the carotid artery
- Anteris delivered total revenue of $3.1M and successfully raised $9M from sophisticated investors subsequent to the half

Operational overview

Anteris continued to materially progress its ADAPT® and TAVR development program which included the advancement of all ongoing clinical and pre-clinical studies. The Company also made major progress towards its planned US FDA submission and approval of the TAVR clinical study scheduled later this year.

Anteris delivered positive results from its anti-calcification study where its ADAPT® treated tissue demonstrated superior anti-calcification attributes compared to tissues used in competitor valves. Based on these results, the Company will initiate a further study comparing its ADAPT® tissue with both Medtronic's AOA™ and Edwards Life Science's Resilia®, which is expected to start later this year.

Anteris also significantly advanced the development of its ComASUR™ catheter delivery system with working prototypes successfully deployed in multiple tests. The delivery system allows for precise placement of the valve, a highly sought-after functionality which is currently unavailable in the market.

The Company's Proof of Concept (POC) animal study which aimed to test the viability of ADAPT® treated conduits in the carotid artery also delivered positive outcomes, highlighting conduits treated with ADAPT® tissue technology demonstrated no evidence of calcification. This is a milestone achievement for the Company and a major step towards ADAPT® treated prosthetic conduits being utilised in CABG (coronary artery bypass graft) surgeries.

Anteris was also selected to present its unique 3D single-piece transcatheter heart valve DurAVR® at the highly competitive TVT 2021 Structural Heart Summit, highlighting the Company's innovative and pioneering achievements in the space, which is also widely acknowledged by the ongoing support of leaders in cardiology.

The impact of Covid-19 on Anteris has been minimal. The Company undertook mitigating actions early in the pandemic which has allowed manufacturing to continue to operate at normal levels. The Surgical Aortic Valve Replacement first-in-human trials in Belgium have slowed due to the local pandemic impacts but it is anticipated that these should be completed by the end of the year.

FINANCIAL PERFORMANCE

In line with the Company's expectations, total revenue for the half was $3.1M, down 20% on the previous corresponding period due to prior period final sales of inventory related to the previous Infusion business.

Other income of $121K was recognised, down from $3.3M as reported for the six months ended 30 June 2020. The reduction from the prior period primarily relates to $2.2M in licence income from 4C Technologies, Inc. on transferring the sterilisation method for use with Anteris' ADAPT® tissue, as well as the 2019 Australian government Research and Development Tax Incentive of $735K.

The closing cash position was $3.1M with net working capital having decreased by $3.2M compared with 31 December 2020.

Subsequent to the period, Anteris completed a successful placement raising $9M from sophisticated investors ensuring the Company remains in a strong financial position.

CASHFLOW:

The net cash outflow for the period was $1.2M, reflecting:

- Net operating cash outflows of $7.2M, this is inclusive of an Australian government R&D tax incentive refund of $1.5M;
- Net investing cash outflows of $585K, consisting of primarily a deferred settlement payment in relation to the Regen acquisition and payments for plant and equipment;
- Net financing cash inflows of $6.6M comprising of $5M in new borrowings through convertible notes issued to Mercer Street Global Opportunity Fund, LLC and $3.8M, from share issues; partly offset by payment of debt and share capital issue transaction costs, the repayment of the $1.2M R&D short-term loan facility and payment of lease liabilities largely related to property.

IN SUMMARY:

"Anteris has made major progress this half with excellent results being generated in key studies, further validating the Company's ambitious development program. Anteris has also progressed well towards its planned US FDA submission and approval of the TAVR clinical study scheduled later this year. Key Opinion Leader enthusiasm for our prosthetic aortic valve replacement solutions, further strengthens our position as a serious player in the TAVR market" said Wayne Paterson, CEO of Anteris.

ENDS

About Anteris Technologies Ltd (ASX: AVR)

Anteris Technologies Ltd is a structural heart company delivering clinically superior and durable solutions through better science and better design. Its focus is on developing next generation technologies that help healthcare professionals create life-changing outcomes for patients.

The Anteris DurAVR™ aortic replacement valve addresses the acute need in terms of superior hemodynamic profile as well as chronic needs in its ability to sustain that profile longer over the lifetime of the patient.

The proven benefits of its ADAPT® tissue technology, paired with DurAVR™'s unique 3D single-piece aortic valve design, has the potential to deliver a functional cure to aortic stenosis patients and provide a much-needed solution to the challenges facing heart surgeons today.

Authorisation and Additional information

This announcement was authorised by the Board of Directors.

For more information:

Hannah Howlett
WE Communications
E: WE-AUAnterisTech@we-worldwide.com
P: +61 4 5064 8064
www.anteristech.com
Twitter: @AnterisTech
Facebook: www.facebook.com/AnterisTech

Appendix 4D

Name of entity

Anteris Technologies Ltd (AVR)

ABN

35 088 221 078

Half year ended ("current period")

30 June 2021

RESULTS FOR ANNOUNCEMENT TO THE MARKET

	6 months to 30 June 2021 $'000	6 months to 30 June 2020 $'000	Change $,000	Change %
Revenues from ordinary activities	3,174	3,950	(776)	(20%)
Loss from ordinary activities after tax	(10,358)	(5,970)	(4,388)	(74%)
Loss for the period attributable to members	(10,358)	(5,970)	(4,388)	(74%)

Dividends	Amount per security	Franked amount per security
Interim dividend proposed	NIL ¢	NIL ¢
Previous corresponding period	NIL¢	NIL¢

	30 June 2021	30 June 2020
Net Tangible Assets per share*	(75.7) cents	131.7 cents

Refer to the Directors' report for a review of operations.

* Net Tangible Assets per share is calculated as net assets (including Right-of-Use assets) less patents and intellectual property assets.

Independent Auditor's Review Report

The consolidated interim financial statements on which this report is based have been reviewed by HLB Mann Judd Chartered Accountants. The Independent Auditor's Review Report is not modified but includes an Emphasis of Matter that a material uncertainty exists that may cast doubt on the entity's ability to continue as a going concern.

The condensed consolidated interim financial report does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the financial statements for the year ended 31 December 2020.

ANTERIS TECHNOLOGIES LTD
ABN 35 088 221 078

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
30 JUNE 2021

ANTERIS TECHNOLOGIES LTD
ABN 35 088 221 078

REGISTERED OFFICE:
Level 3, 9 Sherwood Road
Toowong, Queensland, 4066

CONTENTS

DIRECTORS' REPORT

DIRECTORS

The Directors of the Company in office during the whole of the half-year and until the date of this report are as follows:

- John Seaberg
- Wayne Paterson
- Stephen Denaro
- Dr Wenyi Gu

PRINCIPAL ACTIVITIES

During the period, the principal activities of the Group consisted of:

- The manufacturing and sale of proprietary ADAPT® regenerative tissue products globally; and
- Continued research and development of regenerative medicine.

OPERATING RESULT

The operating result for the period:

	CONSOLIDATED	
	30 JUNE 2021 $	30 JUNE 2020 $
Loss before Income Tax	**(10,358,138)**	(5,970,032)
Income Tax (Expense)/Benefit	**-**	-
Loss for the Period	**(10,358,138)**	(5,970,032)

DIVIDENDS

No dividend was paid during the period and the Board has not recommended the payment of a dividend.

OPERATING AND FINANCIAL REVIEW

Group Overview

Anteris Technologies Ltd is a structural heart company focused on delivering clinically superior solutions that help healthcare professionals create life-changing outcomes for patients. The Company is focused on investing in and developing next-generation technologies with world class partners and acquiring strategic assets to grow product and service offerings. Its primary target is the multibillion-dollar transcatheter aortic valve replacement (TAVR) market where there is an immediate need for devices that last longer and work better, particularly in younger more active patients. Anteris is working towards the commercialisation of its uniquely superior DurAVR™ aortic valve for the treatment of aortic stenosis. Based on the Company's proprietary ADAPT® tissue platform (the only bioscaffold to demonstrate zero calcification after 10 years use in cardiac surgery) coupled with its unique valve design, the Anteris DurAVR™ valve potentially solves the problems associated with current aortic valve replacement options; namely, valve degradation due to calcification and lack of long term durability. The combination of Anteris' three core technologies (the ADAPT® tissue platform, the DurAVR™ aortic valve and ComASUR™ catheter delivery system) promises a functional cure for aortic stenosis; a game-changer for surgeons and patients in an estimated $US10 billion market by 2025.

Review of Operations

- ***Progress of ADAPT® and the TAVR development program***

During the half-year, Anteris made major progress towards its planned US FDA submission and approval of the TAVR clinical study scheduled later this year. Continued success in its clinical and pre-clinical studies, as well as growing Key Opinion Leader enthusiasm for its prosthetic aortic valve replacement solutions, underpins the Company's ambitious development program.

Anteris reported positive results from its anti-calcification study where its ADAPT® treated tissue showed superior anti-calcification attributes compared with tissues used in competitor valves. Based on these results, the Company plans a further study comparing the ADAPT® tissue with both Medtronic's AOA™ and Edwards Life Science's Resilia®. Resilia® is Edwards' next generation tissue treatment for its valves. The consequent head-to-head study is expected to start later this year.

DIRECTORS' REPORT (continued)

OPERATING AND FINANCIAL REVIEW (continued)

Review of Operations (continued)

In the first half of the year, Anteris saw significant progress of its ComASUR™ catheter delivery system with working prototypes successfully deployed in multiple tests. Largely designed in consultation with Anteris' world-class medical advisory board of leading cardiologists, the TAVR delivery system allows for precise placement. The engineering team developed a commissural alignment technology which allows the frame to rotate in-situ to align with the native commissures. This will be highly desired by doctors worldwide - bringing multiple features not available in the market.

Anteris' position as a serious player in the TAVR market was further cemented with the successful *in vivo* demonstration of its ComASUR™ Transfemoral Delivery System.

In June 2021, Anteris reported on its Proof of Concept (POC) animal study, testing the viability of ADAPT® treated conduits in the carotid artery. The conduits treated with Anteris' ADAPT® tissue technology showed no evidence of calcification. It was a major step towards ADAPT® treated prosthetic conduits for use in CABG (coronary artery bypass graft) surgeries. Anteris plans to start a larger animal study in Australia during 2021, implanting the conduit into the CABG position.

We note the impacts of Covid-19 on Anteris have not been significant at this point. The Company undertook mitigating actions early in the pandemic which has allowed manufacturing to continue to operate at normal levels. The Surgical Aortic Valve Replacement first-in-human trials in Belgium have slowed due to the local pandemic impacts but it is anticipated that these should be completed by the end of the year. The Company will continue to closely monitor this and manage these risks appropriately.

- ***Profit and loss review***

Revenue from ordinary activities for the six months ended 30 June 2021 was $3,173,787 (six months ended 30 June 2020: $3,949,633). The reduction reflects the prior period final sales of inventory related to the previous Infusion business.

Other income of $120,934 was recognised (six months ended 30 June 2020: $3,264,177). The reduction from the prior period primarily relates to $2,157,627 in licence income from 4C Technologies, Inc. on transferring the sterilisation method for use with Anteris' ADAPT® tissue, as well as the 2019 Australian government Research and Development Tax Incentive.

Selling, general and administrative expenses were $11,759,202 for the 6 months to 30 June 2021, a reduction from the prior corresponding period of $11,886,068. Despite a higher research and development expenditure in the current period, it was offset by lower corporate cost including travel and conference costs and consultants.

The Group loss after providing for income tax for the half year ended 30 June 2021 was $10,358,138 compared with the previous corresponding half year loss to 30 June 2020 of $5,970,032.

Financial Position

The closing cash position was $3,145,835, down from $4,354,355 at 31 December 2020. Net working capital (current assets less current liabilities) decreased by $3,232,763 compared with 31 December 2020.

As detailed in the Events Occurring After The Reporting Period, Anteris announced the placement of 1.125 million new ordinary shares to sophisticated investors raising $9 million in gross proceeds.

Cash Flow

The net cash outflow during the half was $1,213,325, reflecting:

- Net operating cash outflows of $7,205,306 inclusive of an Australian government R&D tax incentive refund of $1,492,517;
- Net investing cash outflows of $585,141, primarily comprising a deferred settlement payment in relation to the Admedus Regen Pty Ltd acquisition and payments for plant and equipment; and
- Net financing cash inflows of $6,577,122 comprising $5,000,000 in new borrowings through convertible notes issued to Mercer Street Global Opportunity Fund, LLC and $3,881,701 from share issues; partly offset by payment of debt and share capital issue transaction costs, the repayment of the $1,220,000 Research & Development short-term loan facility and payment of lease liabilities primarily related to property.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 2 August 2021 Anteris announced the placement of 1.125 million new ordinary shares to sophisticated investors at $8.00 per share raising a total $9 million. The proceeds of the placement will be used for working capital predominantly related to the development of DurAVR™, the Company's 3D single-piece aortic valve for the treatment of Aortic Stenosis.

Additionally, the investors will receive three unlisted 4-year Options for every five new shares issued (totalling 675,000 Options), with an exercise price of $10.00. These Options are subject to shareholder approval. If shareholder approval is not provided, investors will instead receive a cash payment of $1.25 per Option.

Total fees payable to brokers and agents for facilitating the capital raising is 7% of the gross proceeds raised in the placement. Subject to shareholder approval Anteris has agreed to issue the Lead Manager, Evolution Capital Advisors Pty Ltd 500,000 Options on the same terms as the investors.

There has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the group, the results of those operations, or the state of affairs of the Group, in future financial periods.

DIRECTORS' REPORT (continued)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached.

This report is made in accordance with a resolution of the Directors.

John Seaberg
Chairman

Dated 26 August 2021

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Anteris Technologies Limited for the half-year ended 30 June 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia	**B G McVeigh**
26 August 2021	**Partner**

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

CONTENTS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Note	CONSOLIDATED 30 JUNE 2021 $	30 JUNE 2020 $
Revenue from continuing operations	7	**3,173,787**	3,949,633
Other income	7	**120,934**	3,264,177
Changes in inventory		**42,663**	(559,260)
Raw materials and consumables used		**(660,709)**	(956,608)
Employee benefits	8	**(6,324,134)**	(6,222,400)
Consultancy and legal fees		**(894,203)**	(1,456,712)
Travel and conference expenses		**(7,253)**	(173,905)
Research and development costs		**(3,033,072)**	(2,129,160)
Share-based payments	8, 17	**(113,044)**	(208,690)
Depreciation and amortisation expense	8	**(642,744)**	(609,507)
Financing costs	8	**(691,501)**	(307,828)
Fair value movement of derivatives		**(130,303)**	57,155
Marketing and promotional expenses		**(284,119)**	(364,935)
Foreign exchange gain		**188,937**	1,078,274
Infrastructure		**(200,416)**	(394,933)
Insurance		**(352,559)**	(345,679)
IT and telecommunications		**(276,392)**	(233,820)
Other expenses		**(274,010)**	(355,834)
Loss before income tax from continuing operations		**(10,358,138)**	(5,970,032)
Income tax (expense)/benefit	9	**-**	-
Loss after income tax for the period		**(10,358,138)**	(5,970,032)
Total loss is attributable to:			
Equity holders of Anteris Technologies Ltd		**(10,358,138)**	(5,970,032)
Loss per share from continuing operations attributable to ordinary equity holders of the Company (cents per share)		**Cents**	**Cents**
Basic and diluted loss per share		**(157.6)**	(101.0)

The above Condensed Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 30 JUNE 2021

		CONSOLIDATED	
	Note	**30 JUNE 2021 $**	30 JUNE 2020 $
Loss for the period		**(10,358,138)**	(5,970,032)
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**(143,325)**	(434,265)
Other comprehensive income for the period, net of tax		**(143,325)**	(434,265)
Total comprehensive loss		**(10,501,463)**	(6,404,297)
Total comprehensive loss is attributable to:			
Equity holders of Anteris Technologies Ltd		**(10,501,463)**	(6,404,297)

The above Condensed Consolidated Statement of Other Comprehensive Income should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Note	CONSOLIDATED 30 JUNE 2021 $	31 DECEMBER 2020 $
ASSETS			
Current Assets			
Cash and cash equivalents		**3,145,835**	4,354,355
Trade receivables and other financial assets		**1,728,718**	1,584,971
Inventories		**736,127**	693,464
Other assets	6(iii)	-	1,460,000
Total Current Assets		**5,610,680**	8,092,790
Non-Current Assets			
Other receivables		**770,665**	711,144
Property, plant & equipment	10	**1,342,154**	1,372,318
Right-of-use assets	11	**1,055,254**	1,058,727
Intangible assets	12	**1,274,974**	1,416,323
Total Non-Current Assets		**4,443,047**	4,558,512
TOTAL ASSETS		**10,053,727**	12,651,302
LIABILITIES			
Current Liabilities			
Trade and other payables		**4,623,101**	4,013,069
Provisions		**577,415**	472,601
Lease liabilities	13	**581,385**	399,940
Other financial liabilities	14	**139,707**	-
Deferred consideration		-	400,000
Borrowings	15	**2,668,469**	2,553,814
Total Current Liabilities		**8,590,077**	7,839,424
Non-Current Liabilities			
Lease liabilities	13	**679,111**	829,201
Other financial liabilities	14	**1,315,482**	937,609
Provisions		**558,053**	637,854
Borrowings	15	**2,884,730**	-
Total Non-Current Liabilities		**5,437,376**	2,404,664
TOTAL LIABILITIES		**14,027,453**	10,244,088
NET (LIABILITIES)/ASSETS		**(3,973,726)**	2,407,214
EQUITY			
Contributed equity	19	**142,390,352**	138,740,016
Reserves	20	**(1,233,360)**	(1,560,222)
Accumulated losses		**(145,130,718)**	(134,772,580)
TOTAL (DEFICIENCY)/EQUITY		**(3,973,726)**	2,407,214

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Share Capital	Share-based payments reserve	Other Reserves	Foreign currency translation reserve	Accumulated Losses	Total (Deficiency) / Equity
	$	$	$	$	$	$
Balance as at 1 January 2020	137,757,528	5,337,164	(7,243,027)	(818,561)	(119,498,046)	15,535,058
Loss for the period	-	-	-	-	(5,970,032)	(5,970,032)
Exchange translation differences	-	-	-	(434,265)	-	(434,265)
Total comprehensive loss	-	-	-	(434,265)	(5,970,032)	(6,404,297)
Transactions with owners in their capacity as owners						
Share-based payments	-	208,690	-	-	-	208,690
Balance as at 30 June 2020	137,757,528	5,545,854	(7,243,027)	(1,252,826)	(125,468,078)	9,339,451
Balance as at 1 January 2021	138,740,016	5,757,371	(7,243,027)	(74,566)	(134,772,580)	2,407,214
Loss for the period	-	-	-	-	**(10,358,138)**	**(10,358,138)**
Exchange translation differences	-	-	-	**(143,325)**	-	**(143,325)**
Total comprehensive loss	-	-	-	**(143,325)**	**(10,358,138)**	**(10,501,463)**
Transactions with owners in their capacity as owners						
Shares issued during the period	**4,053,201**	-	-	-	-	**4,053,201**
Capital raising costs	**(402,865)**	-	-	-	-	**(402,865)**
Options issued during the period	-	-	**357,143**	-	-	**357,143**
Share-based payments	-	**113,044**	-	-	-	**113,044**
Balance as at 30 June 2021	**142,390,352**	**5,870,415**	**(6,885,884)**	**(217,891)**	**(145,130,718)**	**(3,973,726)**

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF YEAR ENDED 30 JUNE 2021

	Note	CONSOLIDATED 30 JUNE 2021 $	30 JUNE 2020 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**3,563,236**	3,779,908
Payments to suppliers		**(12,112,760)**	(13,913,020)
R&D tax incentive refund		**1,492,517**	734,899
Gain on derivatives		**-**	154,495
Government grants		**-**	50,000
Interest paid		**(149,254)**	(111,996)
Interest received		**955**	95,039
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		**(7,205,306)**	(9,210,675)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant & equipment		**(193,014)**	(240,715)
Payments to acquire investments		**(400,000)**	(400,000)
Proceeds from maturity of term deposits		**-**	7,508,636
Proceeds from sale of property, plant and equipment		**7,873**	390
NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES		**(585,141)**	6,868,311
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share or options issues		**3,881,701**	-
Share issue transaction costs		**(323,521)**	-
Proceeds from convertible notes		**5,000,000**	-
Repayment of borrowings		**(1,220,000)**	-
Borrowings and convertible note transaction costs		**(518,738)**	-
Payment of lease liabilities		**(242,320)**	(174,382)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		**6,577,122**	(174,382)
NET DECREASE IN CASH HELD		**(1,213,325)**	(2,516,746)
CASH AT BEGINNING OF THE PERIOD		**4,354,355**	8,968,389
Effect of Exchange rate fluctuations on cash held		**4,805**	444,008
CASH AT END OF THE PERIOD		**3,145,835**	6,895,651

The above half year Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

1. REPORTING ENTITY

Anteris Technologies Ltd (the "Company") is a company domiciled in Australia. The consolidated interim financial statements as at and for the half year ended 30 June 2021 comprise the Company and its controlled entities (the "Group"). For the purpose of preparing the interim financial statements, the Company is a for-profit entity.

The consolidated financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of derivatives which have been measured at fair value through profit or loss.

The consolidated financial statements of the Group as at and for the year ended 31 December 2020 are available upon request from the Company's registered office at Level 3, 9 Sherwood Rd Toowong Qld 4066 or at www.anteristech.com.

2. STATEMENT OF COMPLIANCE

The condensed consolidated interim financial report for the half-year reporting period ended 30 June 2021 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The condensed consolidated interim financial report does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the financial statements for the year ended 31 December 2020 and any public announcements made by the Company during the half-year period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The consolidated interim financial statements were approved by the Board of Directors on the date of signing the Directors' Declaration.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those adopted and disclosed in the Group's financial statements for the year ended 31 December 2020 plus the below noted policy. These accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

Convertible notes with embedded derivatives

Convertible notes issued during the period can be converted to ordinary shares at the option of the holder.

For convertible notes with embedded derivative liabilities, the embedded derivative liability is initially measured at fair value at the date the contract is entered into and deducted from the value of the host financial liability. Subsequent to initial recognition, the derivative liability is remeasured to fair value at the end of each reporting period with the change in fair value recognised in the profit or loss.

The host financial liability is measured at amortised cost (net of transaction costs) using the effective interest method until it is extinguished on conversion or redemption. Interest related to the financial liability is recognised in profit or loss.

Standards and Interpretations in issue not yet adopted

The Directors have reviewed all Standards and Interpretations in issue not yet adopted for the period ended 30 June 2021. As a result of this review, the Directors have determined that there is no material impact of the Standards and Interpretations on issue not yet adopted by the Company on the entity's financial statements in the period of initial application, and therefore, no change is necessary to Group accounting policies.

4. ESTIMATES AND JUDGEMENTS

In preparing these consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Group as at and for the year ended 31 December 2020. In addition, the Company issued convertible notes during the period which contain embedded derivatives. The measurement of the fair value of embedded derivatives is based on market observable data as far as possible.

FOR THE HALF YEAR ENDED 30 JUNE 2021

5. GOING CONCERN

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and discharges of liabilities in the ordinary course of business.

As disclosed in the financial statements, the Group incurred a net loss of $10,358,138 and had net cash outflows from operating activities of $7,205,306 for the six-month period ended 30 June 2021. As at that date, the Group had a cash balance of $3,145,835. The net working capital deficiency at 30 June 2021 was $2,979,397.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- Subsequent to the balance sheet date Anteris announced the placement of 1.125 million new ordinary shares to sophisticated investors at $8.00 per share raising a total $9 million.
- Anteris has a put option facility with Mercer Street Global Opportunity Fund, LLC which allows the Company to request funding, subject to certain conditions, of up to $16,500,000 (less taxes and transaction costs) in exchange for which Anteris will issue Shares to Mercer. At 30 June 2021, $15,950,000 of this facility is available.
- The Company retains the manufacturing rights of ADAPT®'s CardioCel® and VascuCel® products for up to three years from October 2019.
- Continued product innovation led by the TAVR programme and other large market opportunities that are at varying stages of design development, regulatory clearance and user evaluation.
- New possible partnerships and alliances for TAVR products.
- Monitoring, containing and if required deferring operational costs, including R&D costs and capital expenditures.
- The Company has an established track record of successfully raising new capital and debt facilities.

Notwithstanding the above factors, should the options above not be subsequently available to the Company, there are material uncertainties as to whether the Company and the Group will be able to continue as a going concern and therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company and Group not continue as a going concern.

6. SEGMENT REPORTING

(a) Description of segments

Segment information is presented using a management approach, i.e. segment information is provided on the same basis as information as used for internal reporting purposes by the chief operating decision maker ("CODM", being the CEO that makes key strategic decisions). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. Management has determined that the activities of the business, as reviewed by the CODM, fall into two segments:

- Operations - Bio implant ADAPT® operations; inclusive of manufacturing and sales; and
- Projects – Transcatheter Aortic Valve Replacement (TAVR) using ADAPT® 3D technology (project includes research and development activities, regulatory and medical review, legal considerations and marketing); other development projects across the Group.

2020 balance sheet comparatives have been restated on a like-for-like basis to 2021 to reflect the current year allocations of corporate assets and liabilities. Key corporate assets and liabilities not allocated to the segments include prepayments, right-of-use assets, and corporate related working capital items.

6. SEGMENT REPORTING (CONTINUED)

Segment information

	Operations		Projects		Total	
	30 JUNE 2021 $	30 JUNE 2020 $	**30 JUNE 2021 $**	30 JUNE 2020 $	**30 JUNE 2021 $**	30 JUNE 2020 $
Total segment revenue[1, 2]	**3,173,787**	3,092,036	-	857,597	**3,173,787**	3,949,633
Segment profit/(loss)	**155,075**	1,104,309	**(7,694,300)**	(6,302,904)	**(7,539,225)**	(5,198,595)
Depreciation & amortisation	**327,278**	354,484	**271,846**	219,304	**599,124**	573,788

	Operations		Projects		Total	
	30 JUNE 2021 $	31 DECEMBER 2020 $	**30 JUNE 2021 $**	31 DECEMBER 2020 $	**30 JUNE 2021 $**	31 DECEMBER 2020 $
Segment assets	**3,739,061**	4,170,976	**2,265,882**	2,024,340	**6,004,943**	6,195,316
Segment liabilities	**(2,330,349)**	(2,520,980)	**(3,072,614)**	(2,361,718)	**(5,402,963)**	(4,882,698)

[1] Operations segment revenue was earned in the following regions, Australia $2,656,601, North America $517,186 (2020: Australia $2,866,337, North America $225,699).

[2] All of the Projects revenue relates to the Infusion business in Australia.

(b) Other segment information

(i) Segment result

The reconciliation of segment information to loss before income tax is as follows:

	CONSOLIDATED	
	30 JUNE 2021 $	30 JUNE 2020 $
Segment loss	**(7,539,225)**	(5,198,595)
Unallocated:		
Research & development tax refund	**72,517**	734,899
Gain on derivatives	-	154,495
Foreign exchange gains	**188,937**	1,078,274
Financing income/costs and fair value movement of warrant	**(712,173)**	(88,341)
Corporate and administration expenses	**(2,368,194)**	(2,650,764)
Loss before income tax from continuing operations	**(10,358,138)**	(5,970,032)

Sales between segments are carried out at arm's length and are eliminated on consolidation.

6. SEGMENT REPORTING (CONTINUED)

(ii) Depreciation and amortisation

	CONSOLIDATED	
	30 JUNE 2021 $	30 JUNE 2020 $
Segment depreciation and amortisation	**599,124**	573,788
Unallocated:		
Depreciation related to corporate and administration	**43,620**	35,719
Total depreciation and amortization per statement of profit or loss	**642,744**	609,507

(iii) Segment assets and liabilities

Segment assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by the segment and consist primarily of trade and other receivables, property, plant and equipment and intangible assets. Segment liabilities consist primarily of trade and other creditors and provisions.

Reportable segment assets are reconciled to total assets as follows:

	CONSOLIDATED	
	30 JUNE 2021 $	31 DECEMBER 2020 $
Segment assets	**6,004,943**	6,195,316
Intersegment eliminations	**-**	-
Unallocated:		
Cash and cash equivalents	**3,145,835**	4,354,355
Other corporate assets [1]	**902,949**	2,101,631
Total assets per the statement of financial position	**10,053,727**	12,651,302

[1] Prior year Other corporate assets include a research & development receivable from the Australian Tax Office of $1,420,000 and prepaid equity transaction costs of $40,000. Research & development costs related to the Australian Tax Office refund have been allocated to the Projects segment.

Reportable segment liabilities are reconciled to total liabilities as follows:

	CONSOLIDATED	
	30 JUNE 2021 $	31 DECEMBER 2020 $
Segment liabilities	**5,402,963**	4,882,698
Intersegment eliminations	**-**	-
Unallocated:		
Borrowings	**5,553,199**	2,553,814
Other financial liabilities	**1,455,189**	937,609
Other corporate liabilities	**1,616,102**	1,869,967
Total liabilities per the statement of financial position	**14,027,453**	10,244,088

7. REVENUE AND OTHER INCOME

	CONSOLIDATED	
	30 JUNE 2021 $	30 JUNE 2020 $
Revenue from continuing operations		
Sale of goods		
At a point in time	**3,173,787**	3,949,633
Other income		
Licence income[1]	**-**	2,157,627
Government grants[2]	**72,517**	784,899
Income from derivatives	**-**	154,495
Interest income	**42,072**	137,460
Sundry income	**6,345**	29,696
Total other income	**120,934**	3,264,177

[1] The prior period licence income relates to contractual obligations from 4C Medical Technologies, Inc. including USD1.0 million associated with the validation of the transfer of the sterilisation method for use with Anteris' ADAPT® tissue and USD 440,000 for contractual progress payments previously received. The sterilisation method has been provided to 4C under license.

[2] Government grants consist of Research and Development Tax Incentive $72,517 (2020: $734,899) and Covid-19 incentives $Nil (2020: $50,000).

8. EXPENSES

	CONSOLIDATED	
	30 JUNE 2021 $	30 JUNE 2020 $
Depreciation and amortisation		
Depreciation of Property, Plant and Equipment	**225,326**	248,116
Depreciation of Right-of-use Assets	**276,069**	219,950
Amortisation	**141,349**	141,441
	642,744	609,507
Employment benefits		
Remuneration and on-costs	**5,902,047**	5,900,383
Superannuation expense	**238,145**	223,325
Other employee expenses	**183,942**	98,692
	6,324,134	6,222,400
Share based payments	**113,044**	208,690
Finance costs		
Interest and finance charges paid/payable	**205,214**	127,773
Interest expense on lease liabilities	**88,502**	108,156
Amortisation of loan transactions costs	**238,835**	62,074
Unwind discount on liabilities	**158,950**	9,825
	691,501	307,828
Other		
Operating lease rental expense	**13,874**	73,301

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 30 JUNE 2021

9. INCOME TAX

	CONSOLIDATED	
	30 JUNE 2021 $	30 JUNE 2020 $
(a) Numerical reconciliation of income tax benefit to prima facie tax payable		
Loss from continuing operations before income tax expense	**(10,358,138)**	(5,970,032)
Tax expense/(benefit) at the Australian tax rate of 25.0% (30 June 2020: 26.0%)	**(2,589,535)**	(1,552,208)
Tax effect of amounts that are not deductible/(taxable) in calculating taxable income:		
Share based payments	**28,261**	54,259
Sundry items – net (non-assessable)/non-deductible	**294,091**	158,249
Subtotal	**(2,267,183)**	(1,339,700)
Adjustment for difference in foreign tax rates	**202,773**	148,756
Total tax expense/(benefit)	**(2,064,410)**	(1,190,944)
Deferred tax – current period benefits not recognised	**2,064,410**	1,190,944
Deferred tax – reversal of prior period temporary differences	**-**	-
Income tax expense/(benefit)	**-**	-

10. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED		
	Plant and equipment $	**Software $**	**Total $**
At 31 December 2020			
Cost	4,871,512	93,440	4,964,952
Accumulated depreciation	(3,499,194)	(93,440)	(3,592,634)
Net book amount	1,372,318	-	1,372,318
Half-year ended 30 June 2021			
Opening net book amount	1,372,318	-	1,372,318
Additions	193,014	-	193,014
Depreciation charge	(225,326)	-	(225,326)
Exchange rate differences	2,148	-	2,148
Closing net book amount	1,342,154	-	1,342,154
At 30 June 2021			
Cost	5,068,488	93,440	5,161,928
Accumulated depreciation	(3,726,334)	(93,440)	(3,819,774)
Net book amount	1,342,154	-	1,342,154

11. RIGHT OF USE ASSETS

	CONSOLIDATED			
	Property $	IT equipment $	Motor vehicles $	Total $
At 31 December 2020				
Cost	1,640,484	119,336	68,520	1,828,340
Accumulated depreciation	(685,323)	(65,257)	(19,033)	(769,613)
Net book amount	955,161	54,079	49,487	1,058,727
Half-year ended 30 June 2021				
Opening net book amount	955,161	54,079	49,487	1,058,727
Additions	241,937	25,232	-	267,169
Depreciation charge	(244,476)	(20,173)	(11,420)	(276,069)
Exchange rate differences	5,444	(17)	-	5,427
Closing net book amount	958,066	59,121	38,067	1,055,254
At 30 June 2021				
Cost	1,893,211	137,962	68,520	2,099,693
Accumulated depreciation	(935,145)	(78,841)	(30,453)	(1,044,439)
Net book amount	958,066	59,121	38,067	1,055,254

12. INTANGIBLE ASSETS

	CONSOLIDATED		
	Patents $	Intellectual property $	Total $
At 31 December 2020			
Cost	671,817	3,500,000	4,171,817
Accumulated amortisation	(410,366)	(2,345,128)	(2,755,494)
Net book amount	261,451	1,154,872	1,416,323
Half-year ended 30 June 2021			
Opening net book amount	261,451	1,154,872	1,416,323
Amortisation	(16,657)	(124,692)	(141,349)
Closing net book amount	244,794	1,030,180	1,274,974
At 30 June 2021			
Cost	671,817	3,500,000	4,171,817
Accumulated amortisation	(427,023)	(2,469,820)	(2,896,843)
Net book amount	244,794	1,030,180	1,274,974

13. LEASE LIABILITIES

	CONSOLIDATED			
	Property $	**IT equipment $**	**Motor vehicles $**	**Total $**
At 31 December 2020				
Current lease liabilities	351,732	36,242	11,966	399,940
Non-current lease liabilities	761,354	21,265	46,582	829,201
Total	1,113,086	57,507	58,548	1,229,141
Half-year ended 30 June 2021				
Opening net book amount	1,113,086	57,507	58,548	1,229,141
Additions	240,937	26,232	-	267,169
Principal repaid	(215,361)	(20,977)	(5,982)	(242,320)
Exchange rate differences	6,506	-	-	6,506
Closing net book amount	1,145,168	62,762	52,566	1,260,496
At 30 June 2021				
Current lease liabilities	535,560	33,859	11,966	581,385
Non-current lease liabilities	609,608	28,903	40,600	679,111
Total	1,145,168	62,762	52,566	1,260,496

14. OTHER FINANCIAL LIABILITIES

	CONSOLIDATED	
	30 JUNE 2021 $	31 DECEMBER 2020 $
Current		
Embedded derivatives	**139,707**	-
	139,707	-
Non-current		
Embedded derivatives	**236,983**	-
Warrant	**1,078,499**	937,609
	1,315,482	937,609

The embedded derivatives are associated with the Convertible notes issued during the period (refer to note 15).

Refer to note 16 for information about the fair value of the above financial liabilities.

15. BORROWINGS

Financial liabilities - borrowings

	CONSOLIDATED	
	30 JUNE 2021 $	31 DECEMBER 2020 $
Current		
Interest-bearing borrowings	**1,487,095**	2,621,596
Convertible notes	**1,467,694**	-
Capitalised transaction costs	**(286,320)**	(67,782)
	2,668,469	2,553,814
Non-current		
Convertible notes	**3,302,292**	-
Capitalised transaction costs	**(417,562)**	-
	2,884,730	-

On 8 May 2019 the Company entered into a facility agreement with Sio Partners, LP (Sio) for a debt facility of $1 million. The facility ran for an initial term of 18 months and was charged an interest rate of 12% per annum, compounded on a monthly basis and added to the loan balance. The facility incurred a one-off fee of $125,000 which has been capitalised to the loan. The principal interest and facility fee are all repayable on maturity of the loan. The first $1 million is secured. On 16 October 2020 the Company announced that this facility had been extended until 15 December 2021. The terms and conditions include the ability of the lender to seek repayment of the outstanding balance in the event the Company completes a capital or other transaction generating in excess of $5m. There was no change to the interest rate.

On 31 December 2020 the Company entered into a short-term facility for the advance of $1,220,000 equivalent to its forecasted research and development (R&D) tax incentive offset for the 10 months ended 31 October 2020. The facility was provided by Mitchell Asset Management Pty Ltd and incurred interest at a rate of 1.15% per month for the period of the facility. The Company had the ability to repay this facility at any time with a minimum three-month effective interest term. This facility was repaid on 3 June 2021 upon the receipt of Anteris' research and development tax incentive refund from the Australian Taxation Office.

On 6 January 2021 the Company announced a funding package of up to $20 million principally for the Company's TAVR research and development including general working capital expenses. This facility was provided by Mercer Street Global Opportunity Fund, LLC, a New York based investment fund ("Mercer"). In addition to issuing share capital and options (refer to notes 19 and 20), the Company issued the following financial liabilities:

- On 20 January 2021, raised $1,500,000 through the issue of 1,620,000 convertible notes.
  Each convertible note has a floor price of $2.50 and expires on 19 May 2022.
- On 12 April 2021, raised $1,000,000 through the issue of 1,080,000 convertible notes.
  Each convertible note has a floor price of $2.50 and expires on 12 August 2022.

The funding package was subsequently expanded, with the Company raising a further $2,500,000 through the issue of 2,700,000 convertible notes on 12 April 2021. Each convertible note has a floor price of $4.00 and expires on 12 August 2022.

All of the convertible notes have the following features:

- Face value of $1.00 at a subscription price of $0.925926;
- No interest is payable on unconverted drawn funds;
- The conversion price is 90% of the volume weighted average price of the Shares for the five trading days on which the Shares traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant conversion notice, subject to the abovementioned floor prices; and
- Each Convertible Note provides Mercer with the option to convert the note into shares. If Mercer does not convert the Convertible Notes by the maturity date (16 months from the issue date), Anteris is required to repay Mercer the face value of the notes.

15. BORROWINGS (continued)

The Mercer funding package includes a put option facility allowing the Company, subject to a number of conditions, to request funding from Mercer of up to $16,500,000 in exchange for shares with a deemed issue price equal to 90% of the average 5-day VWAP at the time the Company makes the call. As part of the conditions underlying the put option facility, Mercer cannot be required to acquire an interest in fully paid ordinary shares in Anteris exceeding 4.99% unless Mercer gives its written consent and in that case it is not to exceed 9.99%. The put option expires on 6 January 2023. Derivatives are measured at fair value through profit or loss.

16. FINANCIAL INSTRUMENTS

The fair value of financial assets and liabilities and their levels in the fair value hierarchy are set out below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. The definition of the fair value levels are the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2020.

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Consolidated – 30 June 2021				
Liabilities				
Convertible notes – embedded derivative component	-	376,690	-	376,690
Warrant	-	1,078,499	-	1,078,499
Total liabilities	-	**1,455,189**	-	**1,455,189**
Consolidated – 31 December 2020				
Liabilities				
Warrant	-	937,609	-	937,609
Total liabilities	-	937,609	-	937,609

The warrant is valued using a Black-Scholes model and a discounted cashflow methodology.

The embedded derivative components of the convertible notes are valued using Monte Carlo simulations.

17. SHARE BASED PAYMENTS

(a) Employee Share Option Plan

The Anteris Employee Incentive Plan (EIP) was approved by shareholders at the 2017 Annual General Meeting and again at the 2020 Annual General Meeting. Eligible employees can participate in the Plan. The Company granted 4,750 staff options over ordinary shares in the Company under the EIP during the six months to 30 June 2021 (six months to 30 June 2020: 4,250). These were split as follows:

- the Company granted 2,500 options at an exercise price of $4.48.
- the Company granted 2,250 options at an exercise price of $8.72.

2,250 options were cancelled or lapsed during the period.

The fair value of options awarded to employees under the EIP is determined at grant date using a Black-Scholes option pricing model that considers the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of options issued to Wayne Paterson (CEO), John Seaberg (Chairman) and Stephen Denaro (Non-Executive Director and Company Secretary) under the EIP was determined at grant date under the Monte Carlo simulation model.

All tranches of options are granted for no consideration and vest in three equal tranches on the anniversary date of either the grant date or the employment start date based on the holder still being employed by Anteris Technologies Ltd over a three-year period. Vested options are exercisable for a period up to the expiry date. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

(b) Options granted to consultants

The Company granted 50,000 2-year options with an exercise price of $11.50 to Evolution Capital Advisors Pty Ltd for facilitating the share placement in May 2021. The cost of this issue has been capitalised to equity and debt transaction costs. These options were issued on 16 July 2021.

18. CONTINGENT LIABILITIES

There were no changes in contingent liabilities in relation to the current reporting period.

19. CONTRIBUTED EQUITY

	SHARES		$	
	30 JUNE 2021	31 DECEMBER 2020	**30 JUNE 2021**	31 DECEMBER 2020
(a) Share Capital				
Ordinary shares				
Fully paid	**6,935,550**	6,227,258	**142,390,352**	138,740,016

	Date	Notes	No. shares	Issue Price	$
(b) Movements in Ordinary Share Capital					
Details					
Balance	31/12/2020		6,227,258		138,740,016
Exercise of listed options		**(a)**	439	8.00	3,512
Exercise of unlisted options		**(b)**	84	3.50	294
Mercer share placements		**(c)**	397,383	4.33	1,721,500
Share placement		**(d)**	310,386	7.50	2,327,895
Transaction costs					(402,865)
Balance	**30/6/2021**		**6,935,550**		**142,390,352**

(a) Exercise of listed options

During the period, 439 listed options issued under the December 2018 rights issue were exercised at a price of $8.00 per share.

(b) Exercise of unlisted options

On 21 June 2021, 84 unlisted options issued under the Anteris Technologies Employee Share Option Plan were exercised at a price of $3.50 per share.

(c) Mercer share placements

On 20 January 2021, Anteris Technologies Ltd entered into a private placement with Mercer Street Global Opportunity Fund, LLC ('Mercer'). 291,545 shares were issued at an issue price of $3.43/share for $1,000,000 consideration.

Mercer received an additional 50,000 new shares at no cost for entering into the agreement. The value of these shares at $171,500 has been measured based on the price of the above shares.

On 12 April 2021, the private placement with Mercer was extended with an issue of 55,838 shares at an issue price of $9.85/share for $550,000 consideration.

(d) Share placements

On 31 May 2021, 310,386 new shares were issued at $7.50 per share for total consideration of $2,327,895. On 16 July 2021, these placement investors received one unlisted 2-year Option exercisable at $11.50 for every two new Shares issued (totalling 155,199 Options) for no consideration.

20. EQUITY – RESERVES

	CONSOLIDATED	
	30 JUNE 2021 $	31 DECEMBER 2020 $
(a) Reserves		
Share based payments	**5,870,415**	5,757,371
Other reserve	**(6,885,884)**	(7,243,027)
Foreign currency translation reserve	**(217,891)**	(74,566)
	(1,233,360)	(1,560,222)

Share based payments reserve

Refer to note 17 for details of movements in the reserve during the period

Other reserve

As detailed in note 15, Anteris entered into a funding agreement with Mercer Street Global Opportunity Fund, LLC ('Mercer') during the period. As consideration for Mercer entering into the agreement with Anteris, the following securities were issued to Mercer for nil consideration:

- On 20 January 2021, the Company issued 150,000 three-year options to purchase new shares in the Company at an exercise price of $10; and
- On 12 April 2021, the Company issued 350,000 three-year options to purchase new shares in the Company at an exercise price of $10.

The issue of the above options with a value of $357,143 has been incorporated into the Other reserve, which previously only reflected the additional consideration paid by the Company to acquire a portion of the remaining non-controlling interests of a subsidiary.

21. RELATED PARTY TRANSACTIONS

Transactions with key management personnel

With effect from 1 July 2021, Martha Engel (General Counsel) ceased employment with Anteris Technologies Ltd. Upon cessation of her employment, the Board of Directors amended her options such that they will continue to vest and expire based on the initial terms.

All other remuneration items remained unchanged.

Other related party transactions

The Company's controlled subsidiary, Admedus Sarl, changed its name during the period to Anteris Technologies Sarl.

Other than the items noted above and the borrowings arrangements detailed in Note 15, there were no new significant transactions with related parties during the period.

22. EVENTS OCCURRING AFTER THE REPORTING PERIOD

On 2 August 2021 Anteris announced the placement of 1.125 million new ordinary shares to sophisticated investors at $8.00 per share raising a total $9 million. The proceeds of the placement will be used for working capital predominantly related to the development of DurAVR™, the Company's 3D single-piece aortic valve for the treatment of Aortic Stenosis.

Additionally, the investors will receive three unlisted 4-year Options for every five new shares issued (totalling 675,000 Options), with an exercise price of $10.00. These options are subject to shareholder approval. If shareholder approval is not provided, investors will instead receive a cash payment of $1.25 per option.

Total fees payable to brokers and agents for facilitating the capital raising is 7% of the gross proceeds raised in the placement. Subject to shareholder approval Anteris has agreed to issue the Lead Manager, Evolution Capital Advisors Pty Ltd 500,000 Options on the same terms as the investors.

Other than the above event, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the group, the results of those operations, or the state of affairs of the Group, in future financial years.

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The consolidated interim financial statements and notes are in accordance with the *Corporations Act 2001* including:

    (a) complying with Accounting Standards, including Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001,* other mandatory professional reporting requirements; and

    (b) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half-year ended on that date;

2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001* for the interim reporting period ended 30 June 2021.

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

John Seaberg
Chairman

Dated 26 August 2021

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Anteris Technologies Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Anteris Technologies Limited ("the company") which comprises the condensed consolidated statement of financial position as at 30 June 2021, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

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

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the half-year ended on that date; and

(b) 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 5 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion 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.

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the interim 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 interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the consolidated entity's financial position as at 30 June 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an interim 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

B G McVeigh
Partner

Perth, Western Australia
26 August 2021