



## Appendix 4E Preliminary Final Report

### For the Year Ended 30 June 2022

The following information must be given to ASX under listing rule 4.3A.

Name of entity: CardieX Limited

ABN: 81 113 252 234

#### 1. Reporting Period

Year ended (reporting period) 30 June 2022

Year ended (previous reporting period) 30 June 2021

#### 2. Results for Announcement to the Market

|     |  |                     |      |                             |              |
|-----|--|---------------------|------|-----------------------------|--------------|
| 2.1 | Revenue from ordinary activities   | Down                | 19%  | to                          | 4,066,982    |
| 2.2 | Loss from ordinary activities for the period after tax attributable to members | Down                | 105% | to                          | (11,383,382) |
| 2.3 | Net loss for the period attributable to members                                | Down                | 105% | to                          | (11,383,382) |
| 2.4 | Dividends  | Amount per security |      | Franked amount per security |              |
|     | Final dividend   | Nil                 |      | N/A                         |              |
|     | Interim dividend   | Nil                 |      | N/A                         |              |
| 2.5 | Record date for determining entitlements to the dividends                      | N/A                 |      |                             |              |



**2.6 Brief explanation of any of the figures reported above to enable the figures to be understood:**

Revenue from ordinary activities (including royalties) decreased by 19% to \$4,066,982, primarily due to a change in sales focus for the ATCOR business in pursuing higher margin and lower volume clinical trial revenue, which notwithstanding a current & significantly accretive pipeline and business development growth, was lower compared to the prior year.

The Group's net loss for the period attributable to members decreased by 105% to \$11,383,382, largely due to:

- A \$3,141,225 (47%) increase in employee benefits as a result of the continued expansion of the Group's US and Sydney product development teams, as well as an increase of \$603,664 in non-cash share-based payments to \$2,045,501 due to the vesting of Performance rights and options to Key Management Personnel and CardieX staff, as well as share-based payments made in lieu of compensation. All Performance rights and options securities issued vest subject to tenure or performance conditions.
- A \$1,458,611 (159%) increase in product development expenditure for both the CONNEQT Pulse (including significant additional expenditure leading up to the FDA submission for the product in June 2022) and CONNEQT Band devices.
- A \$1,357,731 (745%) increase in marketing expenses, primarily due to branding and PR costs associated with the CONNEQT business subsidiary.



### 3. Consolidated Statement of Profit or Loss and Other Comprehensive Income

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2022

|  | 2022                | 2021               |
|--|---------------------|--------------------|
|  | \$                  | \$                 |
| Sales revenue  | 4,066,982           | 5,001,134          |
| Interest revenue   | 432,580             | 256,490            |
|  | <u>4,499,562</u>    | <u>5,257,624</u>   |
| Other income   | 671,048             | 839,647            |
| <b>Total income</b>  | <u>5,170,610</u>    | <u>6,097,271</u>   |
| Cost of sales  | (941,408)           | (905,282)          |
| Bad debts expense  | (373)               | (41,911)           |
| Marketing and sales expense  | (1,539,898)         | (182,167)          |
| Product development and regulatory expense   | (2,376,723)         | (918,112)          |
| Occupancy expense  | (341,339)           | (294,658)          |
| Employee benefits expense  | (9,769,755)         | (6,628,530)        |
| Administration expense   | (1,738,425)         | (1,498,018)        |
| Interest expense   | (227,945)           | (268,384)          |
| Loss on Forgiveness of debt  | -                   | (338,373)          |
| Foreign exchange gain / (loss)   | 381,874             | (567,433)          |
| <b>Loss before income tax expense</b>  | <u>(11,383,382)</u> | <u>(5,545,597)</u> |
| Income tax expense   | -                   | -                  |
| <b>Loss attributable to members of the parent entity</b>   | <u>(11,383,382)</u> | <u>(5,545,597)</u> |
| <b>Other comprehensive income</b>  |                     |                    |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met: |                     |                    |
| Exchange differences on translating foreign operations   | (17,126)            | 87,036             |
| <b>Total comprehensive loss for the period</b>   | <u>(11,400,508)</u> | <u>(5,458,561)</u> |
| Basic loss per share (cents)   | (11.1)              | (6.4)              |
| Diluted loss per share (cents)   | (11.1)              | (6.4)              |



#### 4. Consolidated Statement of Financial Position

##### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

|                                      | 2022              | 2021              |
|--------------------------------------|-------------------|-------------------|
|                                      | \$                | \$                |
| <b>ASSETS</b>                        |                   |                   |
| <b>CURRENT ASSETS</b>                |                   |                   |
| Cash and cash equivalents            | 1,455,590         | 3,665,259         |
| Trade and other receivables          | 813,138           | 555,504           |
| Inventory                            | 1,063,569         | 444,226           |
| Financial assets                     | 1,043,331         | 3,530,963         |
| Other current assets                 | 1,566,218         | 1,100,304         |
| <b>TOTAL CURRENT ASSETS</b>          | <b>5,941,846</b>  | <b>9,296,256</b>  |
| <b>NON-CURRENT ASSETS</b>            |                   |                   |
| Property, plant and equipment        | 1,069,790         | 352,068           |
| Intangible assets                    | 320,885           | 331,577           |
| Financial assets                     | 4,600,773         | 1,252,129         |
| Other non-current assets             | 77,160            | 32,150            |
| <b>TOTAL NON-CURRENT ASSETS</b>      | <b>6,068,608</b>  | <b>1,967,924</b>  |
| <b>TOTAL ASSETS</b>                  | <b>12,010,454</b> | <b>11,264,180</b> |
| <b>LIABILITIES</b>                   |                   |                   |
| <b>CURRENT LIABILITIES</b>           |                   |                   |
| Trade and other payables             | 2,224,631         | 1,074,799         |
| Unearned revenue                     | 877,312           | 430,181           |
| Provisions                           | 526,538           | 404,793           |
| Financial liabilities                | 66,778            | 275,209           |
| Lease liabilities                    | 122,871           | 70,616            |
| Borrowings                           | 1,297,505         | 989,723           |
| <b>TOTAL CURRENT LIABILITIES</b>     | <b>5,115,635</b>  | <b>3,245,321</b>  |
| <b>NON-CURRENT LIABILITIES</b>       |                   |                   |
| Provisions                           | 1,824             | 218               |
| Lease liabilities                    | 649,092           | 108,292           |
| <b>TOTAL NON-CURRENT LIABILITIES</b> | <b>650,916</b>    | <b>108,510</b>    |
| <b>TOTAL LIABILITIES</b>             | <b>5,766,551</b>  | <b>3,353,831</b>  |
| <b>NET ASSETS</b>                    | <b>6,243,903</b>  | <b>7,910,349</b>  |



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021 (CONT.)**

|                     | <b>2022</b>             | <b>2021</b>             |
|---------------------|-------------------------|-------------------------|
|                     | <b>\$</b>               | <b>\$</b>               |
| <b>EQUITY</b>       |                         |                         |
| Contributed equity  | <b>67,552,468</b>       | 59,286,666              |
| Reserves            | <b>3,928,543</b>        | 3,086,032               |
| Accumulated losses  | <b>(65,237,108)</b>     | (54,462,349)            |
| <b>TOTAL EQUITY</b> | <b><u>6,243,903</u></b> | <b><u>7,910,349</u></b> |



## 5. Consolidated Statement of Cash Flows

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2022

|   | 2022               | 2021               |
|---|--------------------|--------------------|
|   | \$                 | \$                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |                    |                    |
| Receipts from customers                                   | 4,291,582          | 4,511,959          |
| Payments to suppliers and employees                       | (13,911,521)       | (9,024,602)        |
|   | (9,619,939)        | (4,512,643)        |
| Receipt for R&D tax incentives                            | 468,927            | 522,779            |
| Interest received   | 300                | 729                |
| <b>Net cash used in operating activities</b>              | <b>(9,150,712)</b> | <b>(3,989,135)</b> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>               |                    |                    |
| Payments to acquire property, plant and equipment         | (420,986)          | (71,184)           |
| Payments for intangible assets                            | (17,070)           | (287,155)          |
| Repayment of convertible notes                            | -                  | 721,500            |
| <b>Net cash used in investing activities</b>              | <b>(438,056)</b>   | <b>363,161</b>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |                    |                    |
| Proceeds from shares issued                               | 7,602,431          | 6,385,478          |
| Share issue costs   | (148,814)          | (333,405)          |
| Borrowings received                                       | 1,199,285          | 13,750             |
| Borrowings repaid   | (1,055,591)        | (459,778)          |
| Finance costs   | (26,322)           | (175,138)          |
| Repayment of lease payments                               | (157,487)          | (144,977)          |
| <b>Net cash provided by financing activities</b>          | <b>7,413,502</b>   | <b>5,285,930</b>   |
| <b>Net (decrease)/increase in cash held</b>               | <b>(2,175,266)</b> | <b>1,659,956</b>   |
| Cash and cash equivalents at beginning of financial year  | 3,665,259          | 2,061,642          |
| Effects of foreign currency exchange                      | (34,403)           | (56,339)           |
| <b>Cash and cash equivalents at end of financial year</b> | <b>1,455,590</b>   | <b>3,665,259</b>   |



## 6. Consolidated Statement of Changes in Equity

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 30 JUNE 2022

|  | Shares on<br>Issue | Reserves         | Accumulated<br>losses | Total            |
|--|--------------------|------------------|-----------------------|------------------|
|  | \$                 | \$               | \$                    | \$               |
| <b>Balance at 1 July 2020</b>  | <b>53,127,941</b>  | <b>1,969,548</b> | <b>(49,217,488)</b>   | <b>5,880,001</b> |
| <b>Loss for the year</b>   | -                  | -                | (5,545,597)           | (5,545,597)      |
| Other comprehensive income   | -                  | 87,036           | -                     | 87,036           |
| <b>Total comprehensive income (loss) for the year</b>                | -                  | 87,036           | (5,545,597)           | (5,458,561)      |
| <b>Transactions with equity holders in their capacity as owners.</b> |                    |                  |                       |                  |
| Capital placement  | 6,385,478          | -                | -                     | 6,385,478        |
| Shares issued in lieu of payments to employees                       | 106,652            | -                | -                     | 106,652          |
| Share issue costs  | (333,405)          | -                | -                     | (333,405)        |
| Share based payments   | -                  | 1,330,184        | -                     | 1,330,184        |
| Options expired  | -                  | (300,736)        | 300,736               | -                |
| <b>Balance at 30 June 2021</b>                                       | <b>59,286,666</b>  | <b>3,086,032</b> | <b>(54,462,349)</b>   | <b>7,910,349</b> |
| <b>Balance at 1 July 2021</b>  | <b>59,286,666</b>  | <b>3,086,032</b> | <b>(54,462,349)</b>   | <b>7,910,349</b> |
| <b>Loss for the year</b>   | -                  | -                | (11,383,382)          | (11,383,382)     |
| Other comprehensive income   | -                  | (17,126)         | -                     | (17,126)         |
| <b>Total comprehensive income (loss) for the year</b>                | -                  | (17,126)         | (11,383,382)          | (11,400,508)     |
| <b>Transactions with equity holders in their capacity as owners.</b> |                    |                  |                       |                  |
| Shares issued on conversion of options                               | 7,602,431          | -                | -                     | 7,602,431        |
| Shares issues on conversion of performance rights                    | 422,557            | (422,557)        | -                     | -                |
| Shares issued on conversion of convertible notes                     | 270,663            | (35,719)         | -                     | 234,944          |
| Share issue costs  | (148,814)          | -                | -                     | (148,814)        |
| Share based payments   | 118,965            | 1,926,536        | -                     | 2,045,501        |
| Performance rights expired   | -                  | (608,623)        | 608,623               | -                |
| <b>Balance at 30 June 2022</b>                                       | <b>67,552,468</b>  | <b>3,928,543</b> | <b>(65,237,108)</b>   | <b>6,243,903</b> |



## 7. Dividends (in the case of a trust, distributions)

Date dividend is payable

N/A

<sup>†</sup>Record date to determine entitlements to the dividend

N/A

If it is a final dividend, has it been declared?

N/A

### Amount per security

|                                       | Amount per security | Franked amount per security at 30% tax (see note 4) | Amount per security of foreign source dividend |
|---------------------------------------|---------------------|---|--|
| <b>Final dividend:</b> Current year   | NIL                 | N/A   | N/A  |
| <b>Interim dividend:</b> Current year | NIL                 | N/A   | N/A  |

### Total dividend (distribution) per security (interim plus final)

Ordinary securities

N/A

N/A

Preference securities

N/A

N/A

## 8. Dividend or distribution plans in operation

N/A

The last date(s) for receipt of election notices for the <sup>†</sup>dividend or distribution plans

N/A

## 9. Net tangible assets per security

|   | Current Period<br>2022<br>Cents per share | Current Period<br>2021<br>Cents per share |
|---|---|---|
| Net tangible asset backing per ordinary share | 5.4                                       | 8.2                                       |





#### 10. Control gained or lost over entities

No gain or loss of control over any entities occurred in the reporting period.

#### 11. Details of associates and joint venture entities

N/A

#### 12. Significant information

Any other significant information needed by an investor to make an informed assessment of the entity's financial performance and financial position:

Please refer to section 2.6 above for information on the Group's financial performance.

#### 13. Foreign entities set of accounting standards used in compiling the report (IAS)

The Company is not a foreign entity. Australian Accounting Standards have been applied consistently across all entities in the Group.

#### 14. Commentary on the results for the period

##### 14.1 Earnings per security (EPS)

|                      | Current Period<br>2022<br>\$ | Current Period<br>2021<br>\$ |
|----------------------|------------------------------|------------------------------|
| Basic loss per share | 11.1                         | 6.4                          |

##### 14.2 Returns to shareholders (Including distributions and buy backs)

|                          | Current Period<br>2022<br>\$ | Current Period<br>2021<br>\$ |
|--------------------------|------------------------------|------------------------------|
| Ordinary securities      | -                            | -                            |
| Preference securities    | -                            | -                            |
| Other equity instruments | -                            | -                            |
| <b>Total</b>             | -                            | -                            |



### 14.3 Significant features of operating performance

Please refer to section 2.6 above for information on the Group's financial performance.

### 14.4 Segment information

In the 2022 financial year, the Group operated in one operating segment, being sales of cardiovascular devices and services to hospitals, clinics, research institutions and pharmaceutical companies.

Management has determined the reporting segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Board generally considers the business from a geographical perspective and has identified three reportable segments by geographic area.

Geographic areas are:

- Americas (includes global pharmaceutical trials business)
- Europe (includes Middle East and Africa)
- Asia Pacific (includes Asia & Australia/NZ)

| 2022  | Americas           | Europe         | Asia Pacific       | Inter-segment<br>eliminations/<br>unallocated | Consolidated        |
|---|--------------------|----------------|--------------------|---|---------------------|
|   | \$                 | \$             | \$                 | \$  | \$                  |
| Sales to external customers                   | 3,168,257          | 472,029        | 426,696            | -   | 4,066,982           |
| Intersegment sales                            |                    |                | 1,045,319          | (1,045,319)                                   | -                   |
| Total sales revenue                           | 3,168,257          | 472,029        | 1,472,015          | (1,045,319)                                   | 4,066,982           |
| Interest revenue                              | -                  | -              | 432,580            | -   | 432,580             |
| Total segment revenue/income                  | 3,168,257          | 472,029        | 1,904,595          | (1,045,319)                                   | 4,499,562           |
| <b>Segment result</b>                         | <b>(6,666,459)</b> | <b>191,648</b> | <b>(4,921,389)</b> | <b>12,818</b>                                 | <b>(11,383,382)</b> |
| Unallocated revenue less unallocated expenses |                    |                |                    |   | -                   |
| Loss before income tax                        |                    |                |                    |   | (11,383,382)        |
| Income tax expense                            |                    |                |                    |   | -                   |
| <b>Loss for the year</b>                      |                    |                |                    |   | <b>(11,383,382)</b> |
| Segment assets                                | 13,456,198         | -              | 71,924,359         | (73,370,103)                                  | 12,010,454          |
| Segment liabilities                           | 39,659,618         | -              | 57,440,750         | (91,333,817)                                  | 5,766,551           |



| 2021  | Americas      | Europe         | Asia Pacific       | Inter-segment<br>eliminations/<br>unallocated | Consolidated       |
|---|---------------|----------------|--------------------|---|--------------------|
|   | \$            | \$             | \$                 | \$  | \$                 |
| Sales to external customers                   | 4,217,518     | 389,153        | 394,463            | -   | 5,001,134          |
| Intersegment sales                            | -             | -              | 1,298,159          | (1,298,159)                                   | -                  |
| Total sales revenue                           | 4,217,518     | 389,153        | 1,692,622          | (1,298,159)                                   | 5,001,134          |
| Interest revenue                              | -             | -              | 256,490            | -   | 256,490            |
| Total segment revenue/income                  | 4,217,518     | 389,153        | 1,949,112          | (1,298,159)                                   | 5,257,624          |
| <b>Segment result</b>                         | <b>77,160</b> | <b>281,764</b> | <b>(5,351,440)</b> | <b>(553,081)</b>                              | <b>(5,545,597)</b> |
| Unallocated revenue less unallocated expenses |               |                |                    |   | -                  |
| Loss before income tax                        |               |                |                    |   | (5,545,597)        |
| Income tax expense                            |               |                |                    |   | -                  |
| <b>Loss for the year</b>                      |               |                |                    |   | <b>(5,545,597)</b> |
| Segment assets                                | 12,435,649    | -              | 58,932,622         | (60,104,091)                                  | 11,264,180         |
| Segment liabilities                           | 30,010,191    | -              | 49,451,769         | (76,108,129)                                  | 3,353,831          |

#### Disaggregation of revenue

Revenue is disaggregated by the country in which the customer is located as this depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

| 2022                        | Americas         | Europe         | Asia Pacific   | Consolidated     |
|-----------------------------|------------------|----------------|----------------|------------------|
|                             | \$               | \$             | \$             | \$               |
| Sale of goods               | 1,520,651        | 457,599        | 355,880        | 2,334,130        |
| Lease revenue               | 1,185,293        | -              | -              | 1,185,293        |
| Service revenue             | 379,418          | 7,219          | 8,695          | 395,332          |
| Freight revenue             | 82,895           | 7,211          | 3,660          | 93,766           |
| Royalty income              | -                | -              | 58,461         | 58,461           |
| Total sales revenue         | 3,168,257        | 472,029        | 426,696        | 4,066,982        |
| Interest revenue            | -                | -              | 432,580        | 432,580          |
| <b>Total revenue/income</b> | <b>3,168,257</b> | <b>472,029</b> | <b>859,276</b> | <b>4,499,562</b> |



| 2021                        | Americas         | Europe         | Asia Pacific   | Consolidated     |
|-----------------------------|------------------|----------------|----------------|------------------|
|                             | \$               | \$             | \$             | \$               |
| Sale of goods               | 1,384,385        | 383,492        | 336,305        | 2,104,182        |
| Lease revenue               | 2,165,120        | -              | -              | 2,165,120        |
| Service revenue             | 591,408          | 1,384          | 2,770          | 595,562          |
| Freight revenue             | 76,605           | 4,277          | 792            | 81,674           |
| Royalty income              | -                | -              | 54,596         | 54,596           |
| Total sales revenue         | 4,217,518        | 389,153        | 394,463        | 5,001,134        |
| Interest revenue            | -                | -              | 256,490        | 256,490          |
| <b>Total revenue/income</b> | <b>4,217,518</b> | <b>389,153</b> | <b>650,953</b> | <b>5,257,624</b> |

#### 14.5 Report on trends in performance

##### Cashflows

- Net cash used in operating activities increased to \$9,150,712 (2021: \$3,989,135) as a result of the continued expansion of product development and marketing initiatives in the Group.
- Payments to acquire property, plant and equipment increased to \$420,986 (2021: \$71,184) primarily due to expenditure incurred on upgrading manufacturing equipment, as well as fitout costs for a new premises.
- Net cash provided by financing activities increased to \$7,413,502 (2021: \$5,285,930), due to a significant take up of options by shareholders, as well as restructuring of the Group's R&D loan financing.

##### Revenue and Expenses

Please refer to section 2.6 above for information on the Group's revenue and expense trends.

##### Statement of Financial Position

As at 30 June 2022 CardieX's Net Assets decreased to \$6,243,903 (2021: \$7,910,349). The decrease was largely due to:

- A lower closing cash position of \$1,455,590 (2021: \$3,665,259) following expansion initiatives in relation to product development relating to the CONNEQT product range.
- An increase of \$1,149,832 in trade and other payables, primarily due to the large ramp up of expenditure on product development and marketing costs in addition to inventory commitments for future product releases.
- An increase of \$447,131 in unearned revenue to \$877,312, related to revenue for clinical trials that is expected to be realised in the 2023 financial year.

#### 14.6 Report any factors which have affected the results during the reporting period or which are likely to affect results in the future, including those where the effect could not be quantified.

N/A



**15. Compliance statement**

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

*(Tick one)*

The accounts have been audited.

The accounts have been subject to review.

✓

The accounts are in the process of being audited or subject to review.

The accounts have not yet been audited or reviewed.

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

The report is based upon the accounts which are in the process of being audited.

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

N/A

**Compliance statement**

The information provided in this report has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. It also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board.

A blue ink signature of Jarrod White, consisting of stylized cursive letters.

**Jarrod White**  
**Executive Director | Chief Financial Officer**

**31 August 2022**  
**Sydney**



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**About CardieX**

CardieX is a global health technology company. Its ATCOR subsidiary is a world leader in medical devices for hypertension, cardiovascular disease, and other vascular health disorders based on the Company's "gold standard" SphygmoCor® central blood pressure technology. CardieX's CONNEQT subsidiary develops and markets medical devices, digital solutions, and wearables for home health, primary clinician, and other healthcare channels. CardieX is listed on the Australian Stock Exchange (ASX:CDX).