

AVITA MEDICAL APPENDIX 4E YEAR ENDING 30 JUNE 2013

Summary of Year ending 30 June 2013:

Year-to-Date highlights and accomplishments:

- Enrolment initiated in RESTORE, a multi-centre, randomized control study on the use of ReCell® Spray-on Skin® in chronic lower limb ulcers
- Completion of target enrolment in the Netherlands Institute for Pigment Disorders (SNIP) randomized, blinded-observer, within-patient controlled trial evaluating ReCell in patients with skin pigmentation disorders including Vitiligo
- Awarded additional \$880K grant from the US Department of Defense in support of on-going pivotal US FDA trial for the use of ReCell for burns
- Successfully raised \$10.4M in capital to fund company's clinical studies, reimbursement and development of next generation regenerative products
- Successfully completed ISO quality recertification, receiving ISO 9000, 13485, and medical device directive recertification allowing extension of CE-marking and marketing of ReCell in Europe
- Continued product improvement including manufacturing enhancement/ advances for the ReCell enzyme allowing ambient-temperature storage, improvements in product packaging and reduced cost of goods
- Granted Japanese patent covering ReCell Spray-on Skin technology, ensuring exclusive, long-term commercial rights; claims related to "Composition of Matter", "Methods", and "Device"
- Zacks investment research (zacks.com) initiated US coverage of Avita Medical with a USD\$4 OTCQX:AVMXY price target (each share of AVMXY is a bundle of 20 shares of AVH)

Overview

During Fiscal 2013, Avita Medical made consistent progress towards our key strategic objectives.

Our regenerative product, ReCell® Spray-On Skin®, continues to gain steady increase in usage among key clinicians and our respiratory product line remains a source of reliable positive cashflow.

On the clinical front, we have successfully progressed our clinical studies in the treatment of vitiligo, dyspigmentation, acne scarring and facial rejuvenation. The company recently announced commencement of enrolment in our multicentre European RESTORE study on the use of ReCell in the treatment of lower limb ulcers, based on highly encouraging results obtained in preliminary studies. Management views the chronic wound market (diabetic and venous leg ulcers) as a major opportunity for Avita. We continue to see exceptional results around the globe with the use of ReCell in the treatment of burns and acute wounds.

The Company was awarded an additional US\$880K from the US Department of Defense AFIRM program in support for its on-going pivotal US FDA trial for the use of ReCell® in the treatment of burn injuries. The award, supplementing the \$1.75 million provided in prior funding, underscores the commitment by the US Department of Defence, the US Army, and the US Armed Forces Institute for Regenerative Medicine (AFIRM) to bringing the ReCell technology through the FDA

approval process and cleared for sales in the US, thereby having it available for the military and civilian population. As previously reported, the protocol as required by the FDA is complex and inclusion criteria strict, hence enrolment has been slower than hoped.

ReCell usage in our core markets continues to grow amongst key users and clinical centres in the UK, France, Germany, our joint venture in Italy and Australia. Distribution agreements in several markets, most notably Russia, have been terminated as the company remains focussed on a limited number of markets, and within these geographical markets, on a select group of highly influential key opinion leaders.

Reimbursement remains a critical focus for the company. In all markets successful reimbursement requires the endorsement and support of leading clinicians and hospitals and availability of supporting clinical data. Avita has made significant progress in advancing reimbursement initiatives in our core markets. In the UK, the National Institute for Health and Care Excellence (NICE) has accepted application for coding and published its Scoping Document for public comment. We anticipate a reimbursement decision in mid-2014. In Germany, 8 hospitals have submitted endorsement for reimbursement of ReCell in the treatment of burns and acute wounds, and 14 clinics have submitted for reimbursement of ReCell for aesthetic and plastic procedures.

Significant progress has been made advancing the next generation product utilising feedback from our key users and Centres of Excellence.

Financial Performance

Total Revenues for the year ending 2013 were \$4.0 million compared to \$5.2 million for year ending 30 June 2012. Revenue from the Sale of Goods was \$2.8 million, a decrease of 16% over the prior year of \$3.3 million.

The decrease was primarily attributable to factors related to expiration of a licensing agreement, commencement of clinical studies, poor performance of the Middle East Joint Venture and one-off orders through a third-party distributor. The agreement covering the licensing of Avita's respiratory patents with Philips Respironics terminated naturally in May 2012, thus royalty revenues which had previously contributed approximately \$175 thousand per quarter during previous year were not included in FY2013. In preparation for commencement of clinical and marketing studies in China, Avita filled an order for ReCell kits with our Chinese distributor in December 2011 and June 2012; the studies are underway and the order was not replicated during the current year nor was it anticipated that such an order from China would occur during FY2013. The Company's Russian distributor placed a large stocking order in November 2011. The distribution agreement was terminated by Avita due to poor performance and the Company has not appointed another distributor for Russia.

Additionally, respiratory sales were down approximately 8% and contracted revenues were down approximately 24%. This decrease in respiratory sales was largely attributable to the loss of a hospital purchasing group tender representing a decrease of approximately \$200K pcp; revenues from the sale of the company's adult spacer, Breath-A-Tech, never-the-less remain a strong high-margin source of cash for the Company. The decrease in contracted revenues was due to modification to the contract with the US Department of Defense related to the FDA burn trial.

Collectively, these factors contributed approximately \$1.2M in revenues during FY2012 which were not repeated in FY2013.

Gross Margins increased by 4% from 72% in 2012 to 76% due to a successful initiative to improve manufacturing processes and efficiencies and thereby decrease the cost of goods. Cost of Sales decreased by 29% to \$676k from \$953k in 2012.

Normal operating costs were \$11.6 million vs 2012 overheads of \$12.0 million. After adjusting for last year's impairment of intellectual property of \$2,001,888 operating expenses saw an increase of 16% compared to last year. This reflects the planned increased expenditure in Sales and Marketing efforts (up 16%) and Research & Development (up 168%) compared to last year. The loss before tax was \$8.2 million, up 43% on last year's total of \$5.8 million after the one-time adjustment for impairment of intellectual property of \$2.0 million.

The cash balance at 30 June 2013 was A\$10.6 million with no debt.

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FOR FURTHER INFORMATION:

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Appendix 4E

Preliminary Financial Report

30 June 2013

AVITA MEDICAL LIMITED

ABN 28 058 466 523

Results for announcement to the market

	Movement	June 2013	June 2012
Financial Results		\$	\$
Sale of goods	Down 16%	2,814,990	3,352,268
Other revenue	Down 32%	1,237,285	1,828,180
Total comprehensive loss for the period	Up 4%	7,959,436	7,662,486
Net Loss from ordinary activities after tax attributable to members	Up 5%	8,092,939	7,671,682

Dividends	Amount per Ordinary Security	Franked amount per security
2013 interim dividend	Nil	Nil
2012 interim dividend	Nil	Nil

Record date for determining entitlements to interim dividends	N/A
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Net Tangible Asset Backing	June 2013	June 2012
Net tangible asset backing per ordinary security	\$0.032	\$0.036

AVITA MEDICAL LIMITED
STATEMENT OF COMPREHEHSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Notes	Consolidated 2013 \$	2012 \$
Continuing operations			
Sale of goods	2	2,814,990	3,352,268
Cost of sales		(676,502)	(952,847)
Gross profit		2,138,488	2,399,421
Other Revenue	2	1,237,285	1,828,180
Operating costs			
Administrative expenses		(5,531,970)	(5,517,333)
Research and development expenses		(2,601,046)	(969,113)
Sales and marketing expenses		(3,390,659)	(2,925,638)
Finance costs		(91)	(67)
Fair value movements in financial derivative		-	(63,000)
Impairment of intellectual property	8	-	(2,001,888)
Amortisation of intellectual property		(73,000)	(510,000)
Loss from continuing operations before income tax		(8,220,993)	(7,759,438)
Income tax benefit		128,054	87,756
Loss for the period		(8,092,939)	(7,671,682)
Other comprehensive income / (expense)			
<i>Items that may be reclassified subsequently to profit and loss:</i>			
Foreign currency translation		133,503	9,196
Other comprehensive (expense) / income for the period, net of tax		133,503	9,196
Total other comprehensive expense for the period		(7,959,436)	(7,662,486)
Loss for the period is attributable to:			
Non-controlling interest		-	(81,553)
Owners of Avita Medical Limited		(8,092,939)	(7,590,129)
		(8,092,939)	(7,671,682)
Other comprehensive expense for the period is attributable to:			
Non-controlling interest		-	(81,553)
Owners of Avita Medical Limited		(7,959,436)	(7,580,933)
		(7,959,436)	(7,662,486)
Basic loss per share attributable to ordinary equity holders of the parent	3	(2.69) cents	(3.22) cents
Diluted loss per share attributable to ordinary equity holders of the parent	3	(2.69) cents	(3.22) cents

AVITA MEDICAL LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Notes	Consolidated	
		2013	2012
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	4	10,616,849	8,230,593
Trade and other receivables	5	1,215,382	1,461,974
Prepayments		187,586	137,840
Inventories	6	761,785	715,612
Total Current Assets		12,781,602	10,546,019
Non-Current Assets			
Plant & equipment	7	127,029	87,051
Intangible assets	8	-	73,000
Total Non-Current Assets		127,029	160,051
TOTAL ASSETS		12,908,631	10,706,070
LIABILITIES			
Current Liabilities			
Trade and other payables	9	2,243,783	1,686,577
Provisions	10	209,538	465,516
Total Current Liabilities		2,453,321	2,152,093
TOTAL LIABILITIES		2,453,321	2,152,093
NET ASSETS		10,455,310	8,553,977
EQUITY			
<i>Equity attributable to equity holders of the parent</i>			
Contributed equity	13	111,441,930	101,663,499
Accumulated losses		(103,984,525)	(96,676,634)
Reserves		2,997,905	3,567,112
TOTAL EQUITY		10,455,310	8,553,977

AVITA MEDICAL LIMITED
PRELIMINARY FINAL REPORT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Consolidated	
	2013	2012
	\$	\$
Cash flows from operating activities		
Receipts from customers	2,990,444	3,273,274
Payments to suppliers and employees	(11,567,164)	(9,453,067)
Government grants received	787,578	759,979
Tax refund received	90,123	85,523
Interest received	412,354	498,056
Interest paid	(91)	(67)
Royalties and other income received	37,353	570,145
Net cash flows used in operating activities	(7,249,403)	(4,266,157)
Cash flows from investing activities		
Purchase of plant & equipment	(83,596)	(75,631)
Net cash flows used in investing activities	(83,596)	(75,631)
Cash flows from financing activities		
Proceeds from issue of shares and options	10,401,081	-
Capital raising expenses	(673,650)	(94,925)
Net cash flows provided by (used in) financing activities	9,727,431	(94,925)
Net increase / (decrease) in cash and cash equivalents	2,378,080	(4,436,713)
Cash and cash equivalents at beginning of period	8,230,593	12,669,020
Impact of foreign exchange	(8,176)	(1,714)
Cash and cash equivalents at end of period	10,616,849	8,230,593

AVITA MEDICAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

Consolidated	Contributed equity	Accumulated losses	Option premium reserve	Employee equity benefit reserve	Non – Controlling Interest	Foreign currency translation reserve	Total
	\$	\$	\$	\$	\$	\$	\$
At 1 July 2012	101,663,499	(96,676,634)	2,277,759	1,664,987	-	(375,634)	8,553,977
Loss for the period	-	(8,092,939)	-	-	-	-	(8,092,939)
Other comprehensive income							
- Foreign currency translation	-	-	-	-	-	133,503	133,503
Total comprehensive income for the year	-	(8,092,939)	-	-	-	133,503	(7,959,436)
<i>Transactions with owners in their capacity as owners:</i>							
Expired options	-	785,048	-	(785,048)	-	-	-
Share based payments	-	-	-	82,338	-	-	82,338
New shares	10,452,080	-	-	-	-	-	10,452,080
Costs of share placements	(673,649)	-	-	-	-	-	(673,649)
Balance at 30 June 2013	111,441,930	(103,933,525)	2,277,759	962,277		(242,131)	10,455,310

Consolidated	Contributed equity	Accumulated losses	Option premium reserve	Employee equity benefit reserve	Non – Controlling Interest	Foreign currency translation reserve	Total
	\$	\$	\$	\$	\$	\$	\$
At 1 July 2011	101,758,424	(89,086,505)	2,277,759	1,485,647	-	(384,830)	16,050,495
Loss for the period	-	(7,671,682)	-	-	(81,553)	-	(7,671,682)
Other comprehensive income							
- Foreign currency translation	-	-	-	-	-	9,196	9,196
Total comprehensive income for the year	-	(7,671,682)	-	-	(81,553)	9,196	(7,662,486)
<i>Transactions with owners in their capacity as owners:</i>							
Share based payments	-	-	-	179,340	-	-	179,340
Minority Interest	-	-	-	-	81,553	-	81,553
Costs of share placements	(94,925)	-	-	-	-	-	(94,925)
Balance at 30 June 2012	101,663,499	(96,758,187)	2,277,759	1,664,987	-	(375,634)	8,553,977

AVITA MEDICAL LIMITED
NOTES TO THE YEAR FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of Preparation

This general purpose condensed financial report for the year ended 30 June 2013 has been prepared in accordance Australian Accounting Standards (including Australian Accounting Interpretations) and other authoritative pronouncements of the Australian Accounting Standards Board, and the *Corporations Act 2001*.

This financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that this financial report be read in conjunction with any public announcements made by Avita Medical Limited during the year ended 30 June 2013 in accordance with the continuous disclosure obligations of the *ASX listing rules*.

Apart from the changes in accounting policy noted below, the accounting policies and methods of computation are the same as those adopted in the most recent annual financial report.

Changes in Accounting Policy

From 1 July 2012 The Group has adopted the following Standards and Interpretations, mandatory for annual periods beginning on or after 1 July 2012. Adoption of these standards and interpretations did not have any effect on the financial position or performance of the Group.

AASB 1054	Australian Additional Disclosures
AASB 2011-1	Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project

The Group has not early adopted any other standards or amendments that are issued but not yet effective.

Commentary on the results for the period

Revenue from the sale of goods was \$2,814,990 a decrease of 16% over the last year (2012: 3,352,268). Other revenue from interest, contracts received and other income was \$1,237,285 which was down 32% over the previous year (2012: \$1,828,180). Cost of sales decreased by 29% to \$676,502 (2012: \$952,847) due to manufacturing cost gains. Normal operating costs were \$11,596,766 (2012: \$9,985,151 after excluding last year's impairment of intellectual property of \$2,001,888) an increase of 16% compared to last year. This reflects the planned increased expenditure in Sales and Marketing efforts (up 16%) and Research & Development (up 168%) compared to last year. The net loss before tax was \$8,220,993 up 43% on last year (2012: \$5,757,550 after adjusting for last year's impairment of intellectual property of \$2,001,888).

Qualification of audit

The accounts are in the process of being audited and it is envisaged the audit report will be unqualified.

AVITA MEDICAL LIMITED
NOTES TO THE YEAR FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

2. REVENUES AND EXPENSES

Revenue and Expenses from Continuing Operations

	Consolidated	
	2013	2012
	\$	\$
(a) Revenue		
Sale of goods	2,814,990	3,352,268
(b) Other revenue		
Bank interest receivable	412,354	498,056
Royalty income	-	493,378
Contracts received	787,578	759,979
Other income	37,353	76,767
	<u>1,237,285</u>	<u>1,828,180</u>
Total Revenue	<u>4,052,478</u>	<u>5,180,448</u>

	Consolidated	
	2013	2012
	\$	\$
(c) Finance costs		
Other loans	91	67
	<u>91</u>	<u>67</u>

	Consolidated	
	2013	2012
	\$	\$
(d) Depreciation, impairment and amortization included in income statement		
Depreciation	49,924	59,232
Loss on disposal of plant & equipment	2,870	1,501
Impairment of intellectual property	-	2,001,888
Amortisation of intangible property	73,000	510,000
	<u>73,000</u>	<u>510,000</u>

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

2. REVENUES AND EXPENSES (continued)

	Consolidated	
	2013	2012
	\$	\$
(e) Lease payments and other expenses included in income statement		
Minimum lease payments – operating lease	179,595	233,485
	Consolidated	
	2013	2012
	\$	\$
(f) Employee benefits expense included in income statement		
Wages and salaries	3,239,424	2,702,853
Defined contribution superannuation expense	163,838	136,943
Termination benefits	-	-
Share-based payments expense	82,338	179,340
Other benefits	-	200,000
	3,485,600	3,219,136

3. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing the net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted loss per share computations:

	Consolidated	
	2013	2012
	\$	\$
Net loss attributable to ordinary equity holders of the parent	(8,092,939)	(7,671,682)
Weighted average number of ordinary shares for basic loss per share	300,507,224	238,182,556

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

4. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	Consolidated	
	2013 \$	2012 \$
Cash at bank and in hand	1,316,283	1,170,085
Short-term deposits	9,300,566	7,060,508
	10,616,849	8,230,593

5. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	Consolidated	
	2013 \$	2012 \$
Trade receivables	947,406	983,933
Allowance for doubtful debts	(174,287)	(24,567)
Other receivables	442,263	502,608
	1,215,382	1,461,974

6. CURRENT ASSETS - INVENTORIES

	Consolidated	
	2013 \$	2012 \$
Raw materials and components (at cost)	312,037	451,532
Finished goods (at cost)	449,748	264,080
	761,785	715,612

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

7. NON-CURRENT ASSETS - PLANT & EQUIPMENT

(a) Reconciliation of carrying amounts at the beginning and end of the period

	<u>Consolidated</u>
	<i>Plant and Equipment</i>
	<u>\$</u>
Year ended 30 June 2013	
At 1 July 2012, net of accumulated depreciation	87,051
Exchange movements	8,176
Additions	83,596
Disposals	(2,870)
Depreciation charge for the year	(48,924)
At 30 June 2013, net of accumulated depreciation	<u>127,029</u>
At 30 June 2013	
Cost	741,326
Accumulated depreciation	(614,297)
Net carrying amount	<u>127,029</u>

	<u>Consolidated</u>
	<i>Plant and Equipment</i>
	<u>\$</u>
Year ended 30 June 2012	
At 1 July 2011, net of accumulated depreciation	70,439
Exchange movements	1,714
Additions	75,631
Disposals	(1,501)
Depreciation charge for the year	(59,232)
At 30 June 2012, net of accumulated depreciation	<u>87,051</u>
At 30 June 2012	
Cost	644,721
Accumulated depreciation	(557,670)
Net carrying amount	<u>87,051</u>

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

8 NON-CURRENT ASSETS - INTANGIBLE ASSETS AND GOODWILL

(a) Reconciliation of carrying amount at the beginning and end of the period

	Patents and Trademarks \$	Brands \$	Goodwill \$	Total \$
Year ended 30 June 2013				
At 1 July 2012 net of accumulated amortisation and impairment	-	73,000	-	73,000
Amortisation	-	(73,000)	-	(73,000)
At 30 June 2013 net of accumulated amortisation and impairment	-	-	-	-
At 30 June 2013				
Cost (gross carrying amount)	14,426,268	270,000	7,925,297	22,621,565
Accumulated amortisation and impairment	(14,426,268)	(270,000)	(7,925,297)	(22,621,565)
Net carrying amount	-	-	-	-

	Patents and Trademarks \$	Brands \$	Goodwill \$	Total \$
Year ended 30 June 2012				
At 1 July 2011 net of accumulated amortisation and impairment	2,466,888	118,000	-	2,584,888
Impairment (i)	(2,001,888)	-	-	(2,001,888)
Amortisation	(465,000)	(45,000)	-	(510,000)
At 30 June 2012 net of accumulated amortisation and impairment	-	73,000	-	73,000
At 30 June 2012				
Cost (gross carrying amount)	14,426,268	270,000	7,925,297	22,621,565
Accumulated amortisation and impairment	(14,426,268)	(197,000)	(7,925,297)	(22,548,565)
Net carrying amount	-	73,000	-	73,000

- (i) Management has undertaken its annual impairment review of its intangible assets and, as a conservative position, has decided to impair in full its patents and trademarks related to inhaled medication delivery and respiratory applications.

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

9. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	Consolidated	
	2013 \$	2012 \$
Trade payables	971,719	1,006,362
Accruals and other payables	1,272,064	680,215
	<u>2,243,783</u>	<u>1,686,577</u>

10. CURRENT LIABILITIES - PROVISIONS

	Consolidated			
	Employee benefits \$	Provision for annual leave \$	Provision for long service leave \$	Total \$
Current				
At 1 July 2012	346,530	92,171	26,815	465,516
Additional provisions	-	58,060	2,250	60,310
Amount Utilised	(316,288)	-	-	(316,288)
At 30 June 2013	<u>30,242</u>	<u>150,231</u>	<u>29,065</u>	<u>209,538</u>

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

11. SEGMENT INFORMATION

The Group's chief operating decision maker has been identified as the Chief Executive Officer.

The Chief Executive Officer reviews the financial and operating performance of the business primarily from a geographic perspective. On this basis management have identified three reportable segments being:

- the Asia Pacific region;
- the Americas (including Canada); and
- the EMEA region (Europe, Middle East and Africa).

The Chief Executive Officer monitors the performance of all these segments separately. The Group does not operate in any other geographic segment. The Chief Executive Officer assesses the performance of the operating segments based on a measure of gross margin and net profit before tax.

Unallocated:

The following items of income and expense and associated assets are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Corporate revenue
- Corporate charges
- Amortisation of intellectual property

The segment information provided to the Chief Executive Officer for the reportable segments for the year ended 30 June 2013 is as follows:

	<i>Asia Pacific</i>	<i>Continuing Operations</i>		
	<i>\$</i>	<i>EMEA</i>	<i>Americas</i>	<i>Total</i>
	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
Year ended 30 June 2013				
Revenue				
Sales to external customers	2,256,248	550,647	8,095	2,814,990
Other revenues from external customers	100,604	13	724,314	824,931
Interest received	410,249	1,163	942	412,354
Total revenue per statement of comprehensive income	2,767,101	551,823	733,351	4,052,275
 Segment net profit / (loss) before tax	 527,063	 (2,744,469)	 (4,392,849)	 (6,610,483)
Reconciliation of segment net result before tax to loss before income tax				
Corporate charges				(1,537,510)
Amortisation of intellectual property				(73,000)
Loss before income tax per statement of comprehensive income				(8,220,993)

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

11. SEGMENT INFORMATION (continued)

	<i>Asia Pacific</i>	<i>Continuing Operations</i>		
	<i>\$</i>	<i>EMEA</i>	<i>Americas</i>	<i>Total</i>
	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
Year ended 30 June 2013				
Segment assets				
Segment operating assets	1,145,385	1,800,391	1,313,781	4,259,557
Unallocated assets				8,649,074
Total Assets per the statement of financial position				<u>12,908,631</u>

	<i>Asia Pacific</i>	<i>Continuing Operations</i>		
	<i>\$</i>	<i>EMEA</i>	<i>Americas</i>	<i>Total</i>
	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
Year ended 30 June 2012				
Revenue				
Sales to external customers	2,567,334	670,129	114,805	3,352,268
Other revenues from external customers	639,945	-	690,178	1,330,123
Interest received	496,644	448	965	498,057
Total revenue per statement of comprehensive income	<u>3,703,923</u>	<u>670,577</u>	<u>805,948</u>	<u>5,180,448</u>

Segment net profit / (loss) before tax	1,142,792	(2,249,342)	(2,325,848)	(3,432,398)
Reconciliation of segment net result before tax to loss before income tax				
Corporate charges				(1,752,152)
Impairment of intellectual property				(2,001,888)
Amortisation of intellectual property				(510,000)
Fair value movement in financial derivative				(63,000)
Loss before income tax per statement of comprehensive income				<u>(7,759,438)</u>

	<i>Asia Pacific</i>	<i>Continuing Operations</i>		
	<i>\$</i>	<i>EMEA</i>	<i>Americas</i>	<i>Total</i>
	<i>\$</i>	<i>\$</i>	<i>\$</i>	<i>\$</i>
Year ended 30 June 2012				
Segment assets				
Segment operating assets	1,359,758	966,615	1,153,742	3,480,115
Unallocated assets				7,225,955
Total Assets per the statement of financial position				<u>10,706,070</u>

There was no material difference between the basis of segmentation and the measurement of segment result as compared to that in the 30 June 2012 annual report.

AVITA MEDICAL LIMITED
NOTES TO THE PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2013

12. CONTRIBUTED EQUITY

	CONSOLIDATED	
	2013	2012
	\$	\$
<i>Ordinary shares</i>		
Issued and fully paid	111,441,930	101,663,499
	111,441,930	101,663,499
<i>Movement in ordinary shares on issue</i>		
At 1 July 2012	238,182,556	101,663,499
Shares issued	87,125,848	10,452,080
Capital issue costs	-	(673,649)
At 30 June 2013	325,308,404	111,441,930

13. RELATED PARTY DISCLOSURES

The total amount of transactions entered into with key management personnel for the year ended 30 June 2013 are as follows:

- During the period research & development fees of \$160,000 (2012: \$281,000) were paid to the McComb Foundation, which has one director, F Wood, in common with the Company.
- During the period fees of \$90,030 (2012: \$70,678) were paid under normal terms and conditions to Gooding Partners, chartered accountants, of which D Gooding is a partner.

14. COMMITMENTS AND CONTINGENCIES

There are no commitments or contingencies which require disclosure in this report.

15. EVENTS SUBSEQUENT TO BALANCE DATE

No subsequent events have occurred since the Balance Sheet Date which require disclosure in this report.

Annual meeting

The annual meeting will be held as follows:

Place

TBD

Date

Provisionally set as 15 November 2013

Time

TBD

Approximate date the +annual report will be available

30 October 2013

Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used

- 2 This report, and the +accounts upon which the report is based (if separate), use the same accounting policies.

- 3 This report does give a true and fair view of the matters disclosed

- 4 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.

- 5 The entity has a formally constituted audit committee.

Date: 30 August 2013



Gabriel Chiappini
Company Secretary