

Bod is a cannabis centric healthcare company. With a global focus and a mission to innovate and transform the way we live and enjoy life. Delivering premium, proven and trusted products for both the consumer markets and medical markets. Leading the way in research and development, through collaborations with research partners on clinical trial programs.

Committed to supporting the healthcare professional on Cannabinoid applications with education, research and knowledge.

CAPITAL STRUCTURE

ASX code	BDA
Shares on issue	84.2m
Market Capitalisation	~\$22m

BOARD & MANAGEMENT

Mr Mark Masterson
Non-Executive Chairman

Ms Jo Patterson
Chief Executive Officer

Mr Akash Bedi
Non-Executive Director

Mr George Livery
Non-Executive Director

Mr Patrice Malard
Non-Executive Director

Mr Simon O'Loughlin
Non-Executive Director

Mr Stephen Kelly
Company Secretary

CONTACT

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Double Bay, NSW 2028

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Bod completes transformational half driven by strong CBD and medicinal cannabis product sales

- Revenue up 94.5% on PCP to nearly \$2.1m
- Loss from ordinary activities significantly decreased by 49.5% due to growing revenue and reduced cost base
- \$7m transformational investment from NewH2 and exclusive global agreement to commercialise CBD products with Health & Happiness Group Limited (HKSE: 1112)
- First CBD products launched in the UK with H&H Group under new CBII brand
- Rapid uptake of MediCabilis™ continued with 1,842 prescriptions filled during first half
- Participation in Europe's largest medicinal cannabis study targeting 20,000 patients secured
- Growth opportunities pending through new product launches and international expansion

Sydney, Australia – 28 February 2020: Medicinal cannabis healthcare products company, Bod Australia Limited ("Bod", the "Company") (ASX: BDA), provides this overview of financial and operational progress for the six-month period ended 31 December 2019 (H1 FY2020).

Bod has had a transformational half in which the Company significantly expanded its medicinal cannabis sales and operations; entered new international markets; significantly strengthened its balance sheet by attracting a strategic partner and cornerstone investors, and enhanced its leadership team.

A game-changing development was the ~\$7m strategic investment and agreement from NewH², the innovation arm of Health & Happiness Group Limited (H&H Group) (HKSE: 1112) that was announced in July 2019. This resulted in Bod launching its first CBD products in the UK market.

Bod continued the rapid scale up of its medicinal cannabis business, witnessing substantial growth in MediCabilis™ prescriptions, was named one of five companies participating in Europe's largest medicinal cannabis project, Project Twenty21 and progressed research collaborations with leading universities. The Company also strengthened its Board to ensure rapid growth can continue.

Corporate:

Total revenue for the half was \$2,092,508, an increase of 94.5% on the previous corresponding period (PCP). The Company also considerably decreased ordinary losses from activities by 49.5% to \$1,407,951 driven by a reduced spend on R&D associated with clinical trials and marketing.

Pleasingly, the Company delivered strong revenue growth from its medicinal cannabis division and consumer focused CBD products division. \$367,172 worth of sales of medicinal cannabis products was generated during H1 and \$127,254 from CBD and hemp products associated with its launch of CBII CBD products in the UK, as a result of the collaboration with H&H Group.

Sales from over the counter (OTC) herbal legacy products decreased slightly. The reduced revenue aligns with a 72% decrease in marketing spend. Bod will continue to spend less on the marketing of its legacy products and instead progress digital and social media channel strategies for the business division. This is a more cost effective approach and allows the Company to focus on its core business units, being consumer focused CBD products and medicinal cannabis.

The balance of revenue comprised of an R&D tax incentive, which Bod will receive prior to 30 June 2020.

Bod held \$8,101,435 in cash and equivalents at the end of the period. This cash balance ensures the Company has the financial flexibility to adequately fund CBD and hemp product commercialisation with H&H Group and advance the growth of its medicinal cannabis business.

Strategic investment from NewH² and agreement with Health and Happiness Group Limited:

As reported in July, Bod secured a strategic investment from NewH², the innovation arm of H&H Group and entered into a globally exclusive agreement to commercialise Bod's CBD products for relevant markets.

H&H Group is a leader in premium adult and baby nutrition and care products. The group has an international footprint and a track record of scaling businesses. Most notably, H&H Group acquired Australian company Swisse Wellness in 2015. The brand has grown considerably since the acquisition and at one stage was Australia's top multivitamin brand when measured by sales.

NewH² took a 17.64% stake in Bod for a \$5.5m investment. Bod also received a cash payment of \$1.5m from H&H Group for the exclusive right to commercialise Bod's CBD products. Capital is being deployed for R&D and product development initiatives.

H&H now has the exclusive right to commercialise Bod's nutraceuticals, skincare, tinctures, hemp seed oil and lifestyle products. H&H Group will sell, promote, market and distribute these products under new and existing brands. Bod will benefit from H&H's global distribution footprint.

Bod receives a royalty on net product sales, as well as a cost plus margin for the supply of its finished formulas and extracts. Both parties have also entered into a joint agreement for R&D initiatives.

Bod has emerged with three key operating businesses: A medicinal cannabis and pharmaceutical division focused on progressing and commercialising prescription products; a CBD and Hemp OTC product division centred on innovation and R&D with H&H Group; and its OTC herbal product business segment which covers Bod's plant based products outside cannabis and hemp.

NewH²'s investment in Bod is without doubt the most significant development for the Company to date given Bod can use H&H Group's scale, global presence and balance sheet to fast-track its own growth and tap a much larger potential customer base.

H&H and Bod are now actively progressing new product launches under new and existing H&H brands.

Bod and Health and Happiness Group launch first CBD products in the UK:

Bod launched its first CBD products through a new premium brand – CBII (www.cbii-cbd.com). This is the first product launched in collaboration with H&H Group and the first time that H&H have used CBD in its product portfolio.

CBII was established to distribute, market and sell premium CBD and hemp products to consumers. The product suite contains three full spectrum CBD oil products derived from Good Manufacturing Practice (GMP) in various strengths (100mg, 200 mg and 500 mg).

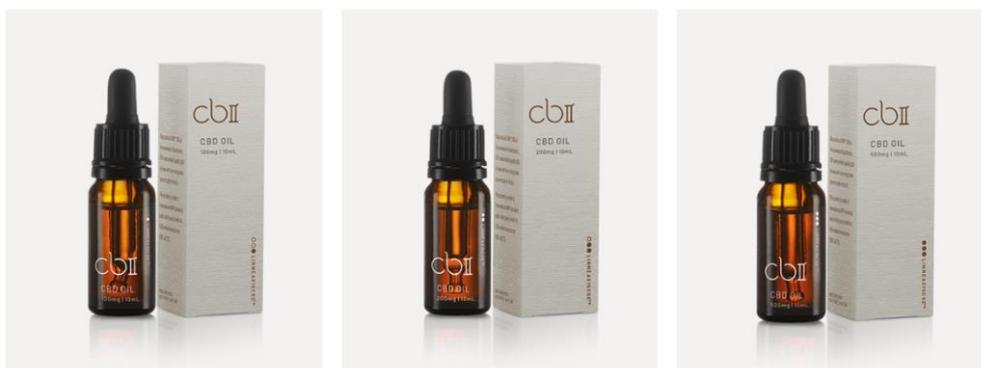


Image one: Current CBII CBD oil range in varying strengths

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Products are available through E-commerce channels. Bod and H&H Group will expand into traditional retail in the UK in the near term. As part of the binding licencing agreement between the two parties, H&H Group will initiate marketing and brand campaigns to drive uptake and awareness in the UK. Having H&H Group undertake the marketing, sales and distribution processes of these products significantly defrays Bod's working capital.

Continued domestic growth of medicinal cannabis prescriptions:

Sales of MediCabilis™ products increased significantly during the half filling a total of 1,842 prescriptions during the period. This is a considerable increase on H1 CY2019 (117 prescriptions).

Bod is experiencing continued repeat prescriptions, reinforcing physician and patient satisfaction. MediCabilis™ is now being prescribed to treat 17 different conditions, clearly highlighting the versatility of the product.

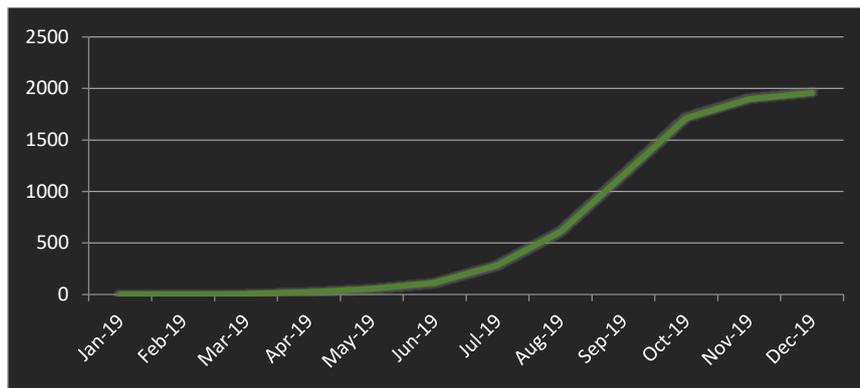


Image two: Growth in MediCabilis™ prescription volumes during CY2019

To continue growth, Bod is targeting new market entries, the introduction of new products and continued education initiatives with patients and prescribers to build product awareness. Bod is confident that revenues from MediCabilis™ sales will continue to increase in the coming months.

Participation in Europe's largest medicinal cannabis project targeting 20,000 patients:

Bod will be one of five companies to participate in Europe's largest medicinal cannabis project. Based in the UK, Project Twenty21 will study the effects of cannabis when used on up to 20,000 patients suffering from chronic conditions.

Project Twenty21 aims to create the largest body of evidence for the efficacy of medicinal cannabis. The initiative will use collated data to support policy makers as they review medicinal cannabis availability, and affordability for patients who would benefit from its use. The project will assist prescribers operating in private practice and advance the potential for NHS funding.

Project Twenty21 will treat patients with conditions including chronic pain, Epilepsy, Multiple Sclerosis, Post Traumatic Stress (PTSD), Tourette's Syndrome, anxiety disorders and individuals dealing with harm of substance abuse. MediCabilis™ has been used on a number of patients suffering from these conditions in Australia.

Bod aims to treat a minimum of 1,000 patients with MediCabilis™ and will receive a cost per prescription for each unit sold. Bod may also introduce new products to patients as they come to market, generating additional potential revenue.

The project will build brand awareness for MediCabilis™, credibility, and enhance research data and grow relationships in a potentially large market for Bod. It is scheduled to commence the coming weeks.

Research collaboration with UniSA for medicinal cannabis products:

Bod entered a collaboration to conduct further research of its MediCabilis™ product. Both parties will study its effect on patients to assist in ongoing product development. It will also provide valuable information for clinical practice and future research.

The collaboration will be undertaken with researchers from UniSA's School of Pharmacy and Medical Sciences. This is a nationally renowned school that specialises in the quality use of medicines, drug development and pharmaceutical science.

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Result from the trial will leave Bod well positioned to exploit additional revenue streams. Bod is confident that research will also assist approved prescribers in gaining a better understanding of MediCabilis™, leading to wider acceptance.

The collaboration supports a cost-effective approach towards medical research and product development, allowing Bod to maintain a strong cash balance.

UTS collaboration uncovers novel delivery system to combat skin ageing:

Following a three-year collaboration with University of Technology Sydney, Bod has potentially discovered a novel family of proteins found in human cells that provide antioxidant protective effects when applied to cells. Bod is of the view that these could be used topically to combat the skin ageing process.

The global anti-ageing market was worth approximately US\$50.2Bn in 2018 with an estimated compound average growth rate of 5.7% through to 2023¹. This represents another compelling opportunity for Bod, should it progress with commercialisation initiatives.

The proteins were found to be instrumental in protecting cells and increasing tolerance and recovery from UV light. Laboratory testing also showed increased levels of antioxidant activity, cellular growth and metabolism, furthering the protein's cellular protective effects.

Bod will now pursue the development of a patent protected, novel anti-ageing topical application and topical delivery system. The Company retains the global rights to the delivery method, which it will commercialise or licence to a large healthcare or pharmaceutical company.

Bod and UTS will continue to explore potential uses for the protein in collaboration with CBD and hemp products, as well as other cannabis compounds.

Strengthened Board and management team:

Bod optimised its Board following the appointment of Mr Mark Masterson as Non-Executive Chairman, and the appointment of Mr Akash Bedi, Chief Strategy & Operation Manager at H&H Group and Mr Patrice Malard, Chief Technology Officer of H&H as Non-Executive Directors.

Mr Masterson has two decades of experience in the pharmaceutical and healthcare sector with internationally recognised companies. He began his career with Johnson & Johnson and then joined global healthcare giant, Abbott Laboratories. He was also CEO of Australia's largest private diagnostic imaging network, I-MED. Following the acquisition of i-MED, Mr Masterson was appointed as Chairman of Medicines Australia, the leading body for discovery-driven pharmaceutical companies in Australia. Mr Masterson commenced his roles following shareholder approval, which was received at Bod's Annual General Meeting on 11 November 2019.

Following the appointments, previous Executive Chairman George Livery moved to a Non-Executive Director position. Both Mr Simon Taylor and Mr Stephen Thompson retired from the Board of Directors. Bod thanks both for their guidance and leadership and wishes them well for future endeavours.

Comment:

CEO Jo Patterson said: "The first half of FY2020 has been transformational for Bod and we have achieved a great deal. Not only have we considerably increased revenue on the previous corresponding period, but also witnessed the first material sales from Bod's medicinal cannabis products and CBD products in collaboration with H&H Group. Early signs are encouraging and we are confident that we will continue to aggressively build top line growth while at the same time maintaining a strong focus on cost control.

"The Company's strategic agreement with H&H Group means Bod is uniquely and very well positioned to rapidly expand through the commercialisation of CBD and hemp products. Bod is set to launch a number of products under new and existing brands in the second half of FY2020, which will enhance revenue streams.

"MediCabilis™ prescription volumes continue to grow at a steady clip and growth will be helped by progressing an expansion into the United Kingdom in the coming weeks and the well-documented launch of two new CBD products.

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“The second half has commenced well for Bod and the Company is in excellent shape.”

- ENDS -

ABOUT BOD AUSTRALIA

Bod Australia Limited (ASX:BDA) Bod is a cannabis centric healthcare company.

With a global focus and a mission to innovate and transform the way we live and enjoy life.

Delivering premium, proven and trusted products for both the consumer markets and medical markets.

Leading the way in research and development, through collaborations with research partners on clinical trial programs.

Committed to supporting the healthcare professional on Cannabinoid applications through education, research and trials.

For more information please contact:

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ⁱ <https://www.statista.com/statistics/509679/value-of-the-global-anti-aging-market/>

1. Company details

Name of entity:	BOD Australia Limited
ABN:	89 601 225 441
Reporting period:	For the half-year ended 31 December 2019
Previous period:	For the half-year ended 31 December 2018

2. Results for announcement to the market

The consolidated entity has adopted Accounting Standard AASB 16 'Leases' for the year commencing 1 July 2019 using the modified retrospective approach and as such the comparatives have not been restated. The impact of adoption on opening accumulated losses as at 1 July 2019 was \$nil.

			\$
Revenues from ordinary activities	up	94.5% to	2,092,508
Loss from ordinary activities after tax attributable to the owners of BOD Australia Limited	down	49.5% to	(1,407,951)
Loss for the half-year attributable to the owners of BOD Australia Limited	down	49.5% to	(1,407,951)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the consolidated entity after providing for income tax amounted to \$1,407,951 (31 December 2018: \$2,786,152).

Refer to the 'Review of operations' section of the Directors' report for further commentary on the results of the consolidated entity.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>8.36</u>	<u>2.90</u>

4. Loss of control over entities

Not applicable.

5. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

6. Dividend reinvestment plans

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entity

Details of origin of accounting standards used in compiling the report:

Not applicable.

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim report.

10. Attachments

Details of attachments (if any):

The Interim report of BOD Australia Limited for the half-year ended 31 December 2019 is attached.

11. Signed

Signed 

Date: 25 February 2020

Joanne Patterson
Director and Chief Executive Officer
Sydney

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BOD Australia Limited

ABN 89 601 225 441

Interim report - 31 December 2019

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Directors

Mark Masterson
George Livery
Joanne Patterson
Simon O'Loughlin
Akash Bedi
Patrice Malard

Company secretary

Stephen Kelly

Registered office

Suite 2, Level 10, 70 Phillip Street
Sydney NSW 2000

Principal place of business

Level 1, 377 New South Head Road
Double Bay NSW 2028

Share register

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000

Auditor

Nexia Sydney Audit Pty Ltd
Level 16, 1 Market Street
Sydney NSW 2000

Stock exchange listing

BOD Australia Limited shares are listed on the Australian Securities Exchange (ASX code: BDA)

Website

bodaustralia.com

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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of BOD Australia Limited (referred to hereafter as the 'company' or 'parent entity') and the entity it controlled at the end of, or during, the half-year ended 31 December 2019.

Directors

The following persons were directors of BOD Australia Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

George Livery
Joanne Patterson
Simon O'Loughlin
Akash Bedi (appointed on 23 July 2019)
Patrice Malard (appointed on 23 July 2019)
Mark Masterson (Non-Executive Chairman) (appointed on 25 November 2019)
Simon Taylor (resigned 25 November 2019)
Stephen Thompson (resigned 18 December 2019)

Principal activities

The principal activity of the consolidated entity during the financial year was that of a vertically integrated developer, manufacturer, distributor and marketer of plant-based natural health supplements and beauty solutions. In addition, the consolidated entity has a substantial cannabis business and is developing a range of over the counter and therapeutic products based on Good Manufacturing Practice ('GMP') certified cannabis extracts.

Review of operations

The consolidated entity ('Bod') generated revenue of \$2,092,508 for the half-year, a 94.5% increase on the previous corresponding period and a pleasing indication that top line growth is tracking up strongly. The loss from ordinary activities decreased by 49.5% to \$1,407,951 when compared to the six-month period ended 31 December 2018.

Revenue from the sale of medicinal cannabis products was \$367,172 for the half-year, compared to \$990 from the previous corresponding period. Approximately 1,842 prescriptions were filled in the half-year, which reflects the growing appeal and trust in Bod's medicinal cannabis product.

\$127,254 of revenue was generated from the sale of cannabidiol ('CBD') and hemp products as a result of the Company's exclusive agreement with Health & Happiness Group Limited (H&H Group, HKSE: 1112). Sales were generated from Bod's inaugural launch of CBD oil products in the United Kingdom in collaboration with H&H Group, under the new premium brand CBII.

The consolidated entity's over the counter ('OTC') legacy health and beauty products generated \$550,370 in revenue for the half-year (31 December 2018: \$588,963) with Bod significantly reducing its marketing spend by 71.8% to \$340,221 (31 December 2018: 1,205,762).

\$851,456 was realised from research and development ('R&D') tax incentive (RDTI registration application with AusIndustry) with Bod expecting to receive these funds before 30 June 2020.

R&D spending for the period significantly decreased to \$367,421 (31 December 2018: \$721,690) with the reduction due to the completion of Bod's Phase I Clinical Trial, which tested the safety, tolerability and pharmacokinetics of Bod proprietary cannabis extract in a novel and patented delivery method.

Employee and director benefit expenses increased slightly to \$1,345,611 (31 December 2018: \$1,123,213) following the appointment of Mr Akash Bedi and Mr Patrice Malard as Non-Executive Directors. As well, Ms Laura Smith joined Bod as Head of Technical and R&D to assist in the launch of CBD products in the United Kingdom.

Cash and cash equivalents at 31 December 2019 totalled \$8,101,435 (30 June 2019: \$2,843,797). This leaves Bod well capitalised as it focuses on the progressive commercialisation of its medicinal cannabis business division and the growth of its consumer focused CBD and hemp products business in partnership with H&H Group.

Bod is confident of continued growth across all divisions during the second half of the financial year.

Significant changes in the state of affairs

During the period, Bod secured a \$5,500,000 investment from NewH2, the innovation arm of Hong Kong Stock Exchange listed Health & Happiness Group Limited (H&H Group, HKSE: 1112) and entered into an exclusive global agreement with the group to commercialise Bod's CBD products for relevant markets.

Under the agreement, NewH2 took a 17.64% stake in the Company and committed to an upfront payment of \$1,500,000 for exclusivity. Proceeds from the cash payment will be used for research and product development initiatives.

Following the investment, Bod emerged with three key operating businesses. A medicinal cannabis and pharmaceutical division focused on progressing and commercialising prescription products, a CBD and Hemp OTC product division which is focused on innovation and R&D associated with H&H Group and an OTC herbal product business segment which covers Bod's plant based products outside cannabis and hemp.

There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

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

On behalf of the directors



Joanne Patterson
Director and Chief Executive Officer

25 February 2020
Sydney

To the Board of Directors of Bod Australia Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit director for the review of the interim financial statements of Bod Australia Limited for the financial half year ended 31 December 2019, 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.

Yours sincerely



Nexia Sydney Audit Pty Ltd



Joseph Santangelo
Director

Date: 25 February 2020

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General information

The financial statements cover BOD Australia Limited as a consolidated entity consisting of BOD Australia Limited and the entity it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is BOD Australia Limited's functional and presentation currency.

BOD Australia Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 2, Level 10, 70 Phillip Street
Sydney NSW 2000

Principal place of business

Level 1, 377 New South Head Road
Double Bay NSW 2028

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 February 2020.

BOD Australia Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2019

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	Note	Consolidated 31 Dec 2019 \$	31 Dec 2018 \$
Revenue	3	2,040,345	1,043,123
Interest revenue calculated using the effective interest method		52,163	32,485
Expenses			
Raw materials and consumables used		(796,507)	(340,763)
Research and development expense		(367,421)	(721,690)
Employee/director benefits expense	4	(1,345,611)	(1,123,213)
Depreciation and amortisation expense	4	(33,814)	(18,645)
Impairment of inventories		(21,515)	(5,044)
Marketing expense		(340,221)	(1,205,762)
Other expenses	4	(595,370)	(446,643)
Loss before income tax expense		(1,407,951)	(2,786,152)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of BOD Australia Limited		(1,407,951)	(2,786,152)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(7,782)	-
Other comprehensive income for the half-year, net of tax		(7,782)	-
Total comprehensive income for the half-year attributable to the owners of BOD Australia Limited		<u>(1,415,733)</u>	<u>(2,786,152)</u>
		Cents	Cents
Basic earnings per share	15	(1.62)	(4.48)
Diluted earnings per share	15	(1.62)	(4.48)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

BOD Australia Limited
Statement of financial position
As at 31 December 2019

bodaustralia

	Note	Consolidated 31 Dec 2019 \$	30 Jun 2019 \$
Assets			
Current assets			
Cash and cash equivalents	5	8,101,435	2,843,797
Trade and other receivables		185,384	82,597
Inventories	6	729,640	363,723
Tax incentive due	7	851,456	-
Other		198,310	92,513
Total current assets		<u>10,066,225</u>	<u>3,382,630</u>
Non-current assets			
Property, plant and equipment		65,077	52,431
Intangibles	8	245,219	56,612
Total non-current assets		<u>310,296</u>	<u>109,043</u>
Total assets		<u>10,376,521</u>	<u>3,491,673</u>
Liabilities			
Current liabilities			
Trade and other payables		994,500	1,199,466
Contract liabilities	9	900,000	-
Employee benefits		71,812	57,124
Refund liabilities		96,750	168,542
Total current liabilities		<u>2,063,062</u>	<u>1,425,132</u>
Non-current liabilities			
Contract liabilities	10	433,757	-
Total non-current liabilities		<u>433,757</u>	<u>-</u>
Total liabilities		<u>2,496,819</u>	<u>1,425,132</u>
Net assets		<u>7,879,702</u>	<u>2,066,541</u>
Equity			
Issued capital	11	21,904,841	14,665,696
Reserves		2,221,823	2,239,856
Accumulated losses		<u>(16,246,962)</u>	<u>(14,839,011)</u>
Total equity		<u>7,879,702</u>	<u>2,066,541</u>

The above statement of financial position should be read in conjunction with the accompanying notes

BOD Australia Limited
Statement of changes in equity
For the half-year ended 31 December 2019

bodaustralia

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2018	9,001,814	832,345	(7,215,440)	2,618,719
Loss after income tax expense for the half-year	-	-	(2,786,152)	(2,786,152)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,786,152)	(2,786,152)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	5,663,882	-	-	5,663,882
Share-based payments	-	887,118	-	887,118
Balance at 31 December 2018	<u>14,665,696</u>	<u>1,719,463</u>	<u>(10,001,592)</u>	<u>6,383,567</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2019	14,665,696	2,239,856	(14,839,011)	2,066,541
Adjustment for change in accounting policy (note 1)	-	-	-	-
Balance at 1 July 2019 - restated	14,665,696	2,239,856	(14,839,011)	2,066,541
Loss after income tax expense for the half-year	-	-	(1,407,951)	(1,407,951)
Other comprehensive income for the half-year, net of tax	-	(7,782)	-	(7,782)
Total comprehensive income for the half-year	-	(7,782)	(1,407,951)	(1,415,733)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 11)	5,484,630	-	-	5,484,630
Shares issued on exercise of options (notes 11 and 16)	1,754,515	-	-	1,754,515
Exercise of options	-	(10,251)	-	(10,251)
Balance at 31 December 2019	<u>21,904,841</u>	<u>2,221,823</u>	<u>(16,246,962)</u>	<u>7,879,702</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

BOD Australia Limited
Statement of cash flows
For the half-year ended 31 December 2019

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	Note	Consolidated	Consolidated
		31 Dec 2019	31 Dec 2018
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,010,602	699,769
Payments to suppliers and employees (inclusive of GST)		(4,302,998)	(3,739,961)
Interest received		52,163	32,485
Research and development incentive received		1,500,000	453,170
		<u>1,740,233</u>	<u>(2,554,537)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for property, plant and equipment		(36,009)	(44,968)
Payments for intangibles	8	(201,356)	(54,830)
Payments for security deposits		(2,961)	-
		<u>(240,326)</u>	<u>(99,798)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issue of shares	11	5,500,000	6,810,500
Proceeds from exercise of options		1,754,515	-
Share issue transaction costs		(15,370)	(409,927)
		<u>7,239,145</u>	<u>6,400,573</u>
Net cash from financing activities			
Net increase in cash and cash equivalents		5,258,586	3,746,238
Cash and cash equivalents at the beginning of the financial half-year		2,843,797	3,115,414
Effects of exchange rate changes on cash and cash equivalents		(948)	-
		<u>8,101,435</u>	<u>6,861,652</u>
Cash and cash equivalents at the end of the financial half-year			

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2019 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities. For lessor accounting, the standard does not substantially change how a lessor accounts for leases.

Impact of adoption

The consolidated entity has adopted the simplified transition approach of AASB 16. The impact of adoption on opening retained earnings as at 1 July 2019 was \$nil.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Revenue recognition

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Note 1. Significant accounting policies (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Note 2. Operating segments

Identification of reportable operating segments

The consolidated entity is organised into three operating segments: medical, over the counter cannabidiol/Hemp ('OTC CBD/Hemp') and OTC Herbals. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments. The consolidated entity's operations and assets are principally located in Australia.

The CODM reviews the performance of the consolidated entity by reviewing the growth in sales revenue and the profit or loss for the period. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a bi-monthly basis.

Major customers

There are 4 customers (31 December 2018: 3 customers) that account for more than 10% of the consolidated entity's revenue. The total amount of revenues from these customers was \$672,500 (split \$282,061, \$149,548, \$127,253 and \$113,636 respectively) and were from all three segments.

Note 2. Operating segments (continued)

Operating segment information

	Medical \$	OTC CBD/Hemp \$	OTC Herbals \$	Total \$
Consolidated - 31 Dec 2019				
Revenue				
Sales to external customers	367,712	127,254	527,680	1,022,646
Other revenue	736,201	281,498	-	1,017,699
Interest revenue	-	52,163	-	52,163
Total revenue	1,103,913	460,915	527,680	2,092,508
Segment result				
Depreciation and amortisation	(248,182)	(390,790)	(713,650)	(1,352,622)
Impairment of assets	(12,158)	(4,208)	(17,448)	(33,814)
	-	-	(21,515)	(21,515)
Loss before income tax expense	(260,340)	(394,998)	(752,613)	(1,407,951)
Income tax expense				-
Loss after income tax expense				(1,407,951)
Assets				
Segment assets	4,769,150	3,924,914	1,682,457	10,376,521
Total assets				10,376,521
Liabilities				
Segment liabilities	366,046	1,525,161	605,612	2,496,819
Total liabilities				2,496,819
Consolidated - 31 Dec 2018				
Revenue				
Sales to external customers	990	-	588,963	589,953
Other revenue	-	-	453,170	453,170
Interest revenue	-	-	32,485	32,485
Total revenue	990	-	1,074,618	1,075,608
Segment result				
Depreciation and amortisation	-	-	(2,762,463)	(2,762,463)
Impairment of assets	-	-	(18,645)	(18,645)
	-	-	(5,044)	(5,044)
Loss before income tax expense	-	-	(2,786,152)	(2,786,152)
Income tax expense				-
Loss after income tax expense				(2,786,152)
Consolidated - 30 Jun 2019				
Assets				
Segment assets	1,621,863	7,454	1,862,356	3,491,673
Total assets				3,491,673
Liabilities				
Segment liabilities	479,459	41,393	904,280	1,425,132
Total liabilities				1,425,132

Note 3. Revenue

	Consolidated	
	31 Dec 2019	31 Dec 2018
	\$	\$
<i>Revenue from contracts with customers</i>		
Sale of goods	1,022,646	589,953
<i>Other revenue</i>		
Research and development fee income (refer to note 9)	166,243	-
Research and development incentive	851,456	453,170
	<u>1,017,699</u>	<u>453,170</u>
Revenue	<u><u>2,040,345</u></u>	<u><u>1,043,123</u></u>

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated	
	31 Dec 2019	31 Dec 2018
	\$	\$
<i>Major product lines</i>		
OTC Cannabis/Hemp	127,254	-
OTC Herbals	527,680	588,963
Medical	367,712	990
	<u>1,022,646</u>	<u>589,953</u>
<i>Geographical regions</i>		
Australia	895,392	589,953
United Kingdom	127,254	-
	<u>1,022,646</u>	<u>589,953</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	856,403	589,953
Services transferred over time	166,243	-
	<u>1,022,646</u>	<u>589,953</u>

Note 4. Expenses

	Consolidated	
	31 Dec 2019	31 Dec 2018
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Plant and equipment	21,065	18,645
<i>Amortisation</i>		
Development	12,749	-
Total depreciation and amortisation	33,814	18,645
<i>Leases</i>		
Short-term lease payments	63,022	41,261
<i>Superannuation expense</i>		
Defined contribution superannuation expense	64,918	73,425
<i>Share-based payments expense</i>		
Share-based payments expense	-	150,427

Note 5. Current assets - cash and cash equivalents

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Cash at bank and cash on hand	2,096,848	1,843,797
Cash on deposit	6,004,587	1,000,000
	<u>8,101,435</u>	<u>2,843,797</u>

Note 6. Current assets - inventories

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Finished goods - at cost	1,202,150	1,059,908
Less: Provision for impairment	(472,510)	(696,185)
	<u>729,640</u>	<u>363,723</u>

Note 7. Current assets - tax incentive due

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Tax incentive on research and development	851,456	-

The tax incentive is for research and development undertaken and is receivable before 30 June 2020.

Note 8. Non-current assets - intangibles

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Patents and trademarks - at cost	81,167	69,621
Less: Accumulated amortisation	<u>(25,758)</u>	<u>(13,009)</u>
	55,409	56,612
Product development	<u>189,810</u>	<u>-</u>
	<u><u>245,219</u></u>	<u><u>56,612</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Patents and trademarks \$	Product development \$
Balance at 1 July 2019	56,612	-
Additions	11,546	189,810
Amortisation expense	<u>(12,749)</u>	<u>-</u>
Balance at 31 December 2019	<u><u>55,409</u></u>	<u><u>189,810</u></u>

Note 9. Current liabilities - contract liabilities

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Research and development fee received in advance	<u>900,000</u>	<u>-</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial half-year are set out below:

Opening balance	-	-
Payments received in advance	1,500,000	-
Transfer to revenue	<u>(166,243)</u>	<u>-</u>
Closing balance	<u><u>1,333,757</u></u>	<u><u>-</u></u>

Development fee income received in advance is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	31 Dec 2019	30 Jun 2019
	\$	\$
Within 12 months (current contract liability)	900,000	-
After 12 months (non-current contract liability - note 10)	<u>433,757</u>	<u>-</u>
	<u><u>1,333,757</u></u>	<u><u>-</u></u>

Note 10. Non-current liabilities - contract liabilities

	Consolidated	31 Dec 2019	30 Jun 2019
		\$	\$
Research and development fee received in advance		<u>433,757</u>	<u>-</u>

Note 11. Equity - issued capital

	31 Dec 2019	30 Jun 2019	Consolidated	31 Dec 2019	30 Jun 2019
	Shares	Shares	\$	\$	\$
Ordinary shares - fully paid	<u>91,369,465</u>	<u>69,390,000</u>	<u>21,904,841</u>	<u>14,665,696</u>	

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2019	69,390,000		14,665,696
Shares issued	22 July 2019	14,864,865	\$0.37	5,500,000
Exercise of options by management	5 August 2019	4,500,000	\$0.27	1,200,000
Exercise of options	23 September 2019	300,000	\$0.30	90,000
Exercise of options	11 November 2019	2,314,600	\$0.20	464,515
Less: share issue costs		-	\$0.00	(15,370)
Balance	31 December 2019	<u>91,369,465</u>		<u>21,904,841</u>

Note 12. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 13. Contingent assets and liabilities

There were no contingent assets or contingent liabilities as at 31 December 2019 and 30 June 2019.

Note 14. Commitments

	31 Dec 2019	31 Dec 2018
	GBP £	GBP £
Participation in Project Twenty21 medicinal cannabis project:		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	145,000	-
One to five years	155,000	-
	<u>300,000</u>	<u>-</u>

The commitment relates to participation in a global medicinal project with four other large companies. The commitment is payable in British pounds.

Note 15. Earnings per share

	Consolidated	
	31 Dec 2019	31 Dec 2018
	\$	\$
Loss after income tax attributable to the owners of BOD Australia Limited	<u>(1,407,951)</u>	<u>(2,786,152)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>87,006,943</u>	<u>62,153,587</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>87,006,943</u>	<u>62,153,587</u>
	Cents	Cents
Basic earnings per share	(1.62)	(4.48)
Diluted earnings per share	(1.62)	(4.48)

As at the reporting date, the consolidated entity had 8,995,120 (31 Dec 2018: 18,346,720) options over ordinary shares (including escrowed and future vesting) and in the money that could potentially dilute basic earnings per share in the future, but were excluded from the calculation of diluted earnings per share because they were anti-dilutive.

Note 16. Share-based payments

The following share-based payment arrangements were outstanding during the period:

31 Dec 2019

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
22/01/2016	22/12/2019	\$0.30	750,000	-	(6,500)	(743,500)	-
22/01/2016	22/12/2019	\$0.35	750,000	-	(6,500)	(743,500)	-
03/08/2016	03/08/2019	\$0.20	1,500,000	-	(1,500,000)	-	-
03/08/2016	03/08/2019	\$0.25	1,000,000	-	(1,000,000)	-	-
03/08/2016	03/08/2019	\$0.30	1,000,000	-	(1,000,000)	-	-
03/08/2016	03/08/2019	\$0.35	1,000,000	-	(1,000,000)	-	-
27/10/2016	27/10/2019	\$0.20	2,651,600	-	(2,401,600)	(250,000)	-
27/10/2016	27/10/2019	\$0.30	100,000	-	(100,000)	-	-
27/10/2016	27/10/2019	\$0.35	100,000	-	(100,000)	-	-
17/11/2017	17/11/2020	\$0.20	300,000	-	-	-	300,000
17/11/2017	17/11/2020	\$0.25	500,000	-	-	-	500,000
17/11/2017	17/11/2020	\$0.30	200,000	-	-	-	200,000
27/12/2017	27/12/2019	\$0.40	750,000	-	-	(750,000)	-
27/12/2017	27/12/2019	\$0.48	750,000	-	-	(750,000)	-
24/07/2018	30/06/2022	\$0.50	550,000	-	-	-	550,000
24/07/2018	30/06/2023	\$0.50	750,000	-	-	-	750,000
24/07/2018	30/06/2024	\$0.50	1,000,000	-	-	-	1,000,000
26/11/2018	26/11/2021	\$0.50	550,000	-	-	-	550,000
26/11/2018	26/11/2021	\$0.50	750,000	-	-	(750,000)	-
26/11/2018	26/11/2021	\$0.50	1,000,000	-	-	(1,000,000)	-
26/11/2018	*	\$0.55	798,373	-	-	-	798,373
26/11/2018	*	\$0.65	798,373	-	-	-	798,373
26/11/2018	*	\$0.75	798,374	-	-	-	798,374
09/12/2019	09/12/2022	\$0.47	-	2,750,000	-	-	2,750,000
			18,346,720	2,750,000	(7,114,600)	(4,987,000)	8,995,120

Note 16. Share-based payments (continued)

Weighted average exercise price \$0.38 \$0.47 \$0.25 \$0.41 \$0.50

* These options do not have a fixed expiry date and will expire 3 years after vesting date which is determined by reference to the achievement of specified VWAP conditions.

31 Dec 2018

Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the half-year
22/01/2016	22/12/2019	\$0.30	750,000	-	-	-	750,000
22/01/2016	22/12/2019	\$0.35	750,000	-	-	-	750,000
03/08/2016	03/08/2019	\$0.20	1,500,000	-	-	-	1,500,000
03/08/2016	03/08/2019	\$0.25	1,000,000	-	-	-	1,000,000
03/08/2016	03/08/2019	\$0.30	1,000,000	-	-	-	1,000,000
03/08/2016	03/08/2019	\$0.35	1,000,000	-	-	-	1,000,000
27/10/2016	27/10/2019	\$0.20	2,651,600	-	-	-	2,651,600
27/10/2016	27/10/2019	\$0.30	100,000	-	-	-	100,000
27/10/2016	27/10/2019	\$0.35	100,000	-	-	-	100,000
17/11/2017	17/11/2020	\$0.20	300,000	-	-	-	300,000
17/11/2017	17/11/2020	\$0.25	500,000	-	-	-	500,000
17/11/2017	17/11/2020	\$0.30	200,000	-	-	-	200,000
27/12/2017	27/12/2019	\$0.40	750,000	-	-	-	750,000
27/12/2017	27/12/2019	\$0.48	750,000	-	-	-	750,000
24/07/2018	30/06/2022	\$0.50	-	550,000	-	-	550,000
24/07/2018	30/06/2023	\$0.50	-	750,000	-	-	750,000
24/07/2018	30/06/2024	\$0.50	-	1,000,000	-	-	1,000,000
26/11/2018	26/11/2021	\$0.50	-	550,000	-	-	550,000
26/11/2018	26/11/2021	\$0.50	-	750,000	-	-	750,000
26/11/2018	26/11/2021	\$0.50	-	1,000,000	-	-	1,000,000
26/11/2018	*	\$0.55	-	798,373	-	-	798,373
26/11/2018	*	\$0.65	-	798,373	-	-	798,373
26/11/2018	*	\$0.75	-	798,374	-	-	798,374
			<u>11,351,600</u>	<u>6,995,120</u>	<u>-</u>	<u>-</u>	<u>18,346,720</u>

Weighted average exercise price \$0.28 \$0.55 \$0.00 \$0.00 \$0.38

* These options do not have a fixed expiry date and will expire 3 years after vesting date which is determined by reference to the achievement of specified VWAP conditions.

Set out below are the options exercisable at the end of the financial period:

Grant date	Expiry date	31 Dec 2019 Number	30 Jun 2019 Number
03/08/2016	03/08/2019	-	4,500,000
21/10/2016	27/10/2019	-	2,851,600
22/12/2016	22/12/2019	-	1,500,000
17/11/2017	17/11/2020	1,000,000	1,000,000
27/12/2017	27/12/2019	-	1,500,000
		<u>1,000,000</u>	<u>11,351,600</u>

Note 17. Events after the reporting period

No matter or circumstance has arisen since 31 December 2019 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Joanne Patterson
Director and Chief Executive Officer

25 February 2020
Sydney

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BOD AUSTRALIA LIMITED

We have reviewed the accompanying half-year financial report of Bod Australia Limited (the 'Company'), which comprises the statement of financial position as at 31 December 2019, the statement of profit or loss and other comprehensive income, statement of changes in equity and 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 of the Company.

Directors' Responsibility for the Half-Year 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2019 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*. As the auditor of Bod Australia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been given to the directors of Bod Australia Limited.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BOD AUSTRALIA LIMITED

(CONT'D)

Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of Bod Australia Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



Nexia Sydney Audit Pty Ltd



Joseph Santangelo

Director

Dated: 25 February 2020

Sydney