

1. Company details

| | |
|-------------------|--|
| Name of entity: | Prescient Therapeutics Limited |
| ABN: | 56 006 569 106 |
| Reporting period: | For the half-year ended 31 December 2020 |
| Previous period: | For the half-year ended 31 December 2019 |

2. Results for announcement to the market

| | | | \$ |
|--|------|---------|-------------|
| Revenues from ordinary activities | down | 8.6% to | 38,401 |
| Loss from ordinary activities after tax attributable to the owners of Prescient Therapeutics Limited | up | 6.0% to | (1,798,360) |
| Loss for the half-year attributable to the owners of Prescient Therapeutics Limited | up | 6.0% to | (1,798,360) |

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 \$1,798,360 (31 December 2019: \$1,697,193).

Financial performance

The consolidated entity has accounted for an estimated research and development incentive rebate for the half year amounting to \$597,854 (31 December 2019: \$599,120). Overall operating expenses remained consistent with the prior year at \$2,484,615 (31 December 2019: \$2,338,329). Key movements include a drop in administration expenses due to reduced travel and conference expenditure, and larger share based payment expenses compared to the prior period.

Financial position

Net assets have significantly increased to \$22,362,643 (30 June 2020: \$11,188,159), mainly attributable to capital raising activity during August 2020. The Company raised a total of \$13,546,067 (before costs) through a Share Purchase Plan and Placement.

Other key movements include:

- Decrease in the R&D tax incentive receivable from \$1,030,587 to \$597,854, as the current period balance only relates to an interim estimate, compared to the prior period balance which relates to the entire financial year; and
- Decrease in trade and other payables from \$662,296 to \$180,343 partly due to settlement of aged amounts.

3. Net tangible assets

| | Reporting period Cents | Previous period Cents |
|---|------------------------------|-----------------------------|
| Net tangible assets per ordinary security | <u>2.97</u> | <u>2.38</u> |

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. 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.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Not applicable.

10. 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.

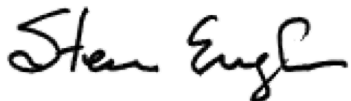
11. Attachments

Details of attachments (if any):

The Interim Report of Prescient Therapeutics Limited for the half-year ended 31 December 2020 is attached.

12. Signed

Signed _____



Date: 24 February 2021

Mr Steven Engle
Non-Executive Chairman

Prescient Therapeutics Limited

ABN 56 006 569 106

Interim Report - 31 December 2020

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Prescient Therapeutics Limited
Contents
31 December 2020



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| | |
|-----------------------------|--|
| Directors | Mr Steven Engle (Non-Executive Chairman) Mr Steven Yatomi-Clarke (Managing Director and CEO) Dr James Campbell (Non-Executive Director) Dr Allen Ebens (Non-Executive Director) |
| Company secretary | Ms Melanie Leydin |
| Registered office | Level 4, 96-100 Albert Road South Melbourne, VIC 3205 Phone: 03 9692 7222 |
| Principal place of business | Level 4, 96-100 Albert Road South Melbourne VIC 3205 |
| Share register | Automic Registry Services Level 5 126 Phillip Street Sydney NSW 2000 Phone: 02 9698 5414 |
| Auditor | William Buck Level 20, 181 William Street Melbourne VIC 3000 |
| Stock exchange listing | Prescient Therapeutics Limited securities are listed on the Australian Securities Exchange (ASX code: PTX and PTXOC) |
| Website | https://ptxtherapeutics.com |

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Prescient Therapeutics Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2020.

Directors

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

- Mr Steven Engle (Non-Executive Chairman)
- Mr Steven Yatomi-Clarke (Managing Director and CEO)
- Dr James Campbell (Non-Executive Director)
- Dr Allen Ebens (Non-Executive Director)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of:

- the preparation for and conduct of research and development of the Company's proprietary technologies and products;
- business development associated with the promotion of Prescient's proprietary technologies and products; and
- business development associated with developing collaborative, partnership relationships and corporate transactions.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$1,798,360 (31 December 2019: \$1,697,193).

Financial performance

The consolidated entity has accounted for an estimated research and development incentive rebate for the half year amounting to \$597,854 (31 December 2019: \$599,120). Overall operating expenses remained consistent with the prior year at \$2,484,615 (31 December 2019: \$2,338,329). Key movements include a drop in administration expenses due to reduced travel and conference expenditure, and larger share based payment expenses compared to the prior period.

Financial position

Net assets have significantly increased to \$22,362,643 (30 June 2020: \$11,188,159), mainly attributable to capital raising activity during August 2020. The Company raised a total of \$13,546,067 (before costs) through a Share Purchase Plan and Placement.

Other key movements include:

- Decrease in the R&D tax incentive receivable from \$1,030,587 to \$597,854, as the current period balance only relates to an interim estimate, compared to the prior period balance which relates to the entire financial year; and
- Decrease in trade and other payables from \$662,296 to \$180,343 partly due to settlement of aged amounts.

Below is a summary of the Company's operations during the period.

Prescient continued to meet its clinical and development milestones. The business is in a sound financial position and its cancer therapy programs continued to attract clinical and commercial interest.

The capital raising and share purchase plan in August 2020 raised \$13.5 million. The oversubscribed share purchase plan and follow-on placement reflected the deep support in the market for Prescient's growth strategy and asset pipeline.

The funding provides the necessary resources to rapidly advance the Company's cancer therapeutic programs.

Targeted Therapy programs

During the reporting period, clinical studies for Prescient's flagship targeted therapies, PTX-100 and PTX-200, continued to enrol patients, with no material safety, toxicity or tolerability issues. Prescient is encouraged by the outcomes to date and strong ongoing engagement from medical investigators.

PTX-100

Prescient's first-in class Ras pathway inhibitor PTX-100 advanced to a dose of 2,000 mg/m² after successful completion of the first and second cohort of patients receiving lower doses. Investigators were encouraged by follow-up data analyses of the patient first cohort at 500 mg/m² which revealed one patient with a partial response and another with stable disease. The basket study in patients with several different cancers seeks to determine the safety, dose regimen and treatment schedule of PTX-100 as a single agent in cancers where Ras and RhoA mutations are prevalent.

In another positive sign, a number of patients in the trial remained on the therapy longer than anticipated, necessitating a new manufacturing run to meet demand. Patient enrolment at the current cohort will need to be managed in line with available drug supply until the new manufacturing run is completed and made available.

PTX-200

The Phase 1b study of PTX-200 and chemotherapy in patients with acute myeloid leukemia (AML) successfully completed the first cohort at 25 mg/m² with no dose limiting toxicities observed. The study is now recruiting at the next dose level of 35 mg/m² PTX-200. Prescient looks forward to providing updates in coming quarters.

Cell Therapy Enhancements

Chimeric Antigen Receptor T-cell (CAR-T) therapy takes the T-cells from a cancer and reprograms them as a personalised treatment that can detect and destroy cancer cells.

Prescient's Cell Therapy Enhancement programs seek to deliver new technologies that complement, enhance and expand the limits of existing first-generation CAR-T treatments. This wide area of medical research presents Prescient with multiple options.

CAR-T OmniCAR programs

A major development milestone during the reporting period was completion of work to identify the optimal internal development programs for Prescient's new OmniCAR platform, seeking to create a suite of differentiated next generation CAR-T therapies that address the shortcomings of many current first-generation CAR-T treatments.

To this end, an extensive internal review of the opportunities available was undertaken during the reporting period. Prescient's leadership team and Scientific Advisory Board together with valuable input from expert frontline clinicians, professional investors, leading CAR-T researchers and prominent not-for-profit cancer organisations.

The detailed review identified three internal development programs that aim to deliver the greatest value to both shareholders and the medical community. Prescient will advance OmniCAR CD33 and CLL-1 for AML, OmniCAR Her2 for Her2+ solid tumours including breast, ovarian and gastric cancers and OmniCAR Her2 and EGFRviii for glioblastoma multiforme (GBM), a type of brain cancer.

Collaborating with world-leading people and institutions

Internationally recognised cancer researcher Professor Miles H. Prince AM joined the Company's Scientific Advisory Board toward. Professor Prince has contributed the successful development of several new cancer therapies and he is the lead investigator in the Phase 1b trial of Prescient's targeted anti-cancer therapy PTX-100.

An important collaboration was also established with the Peter MacCallum Cancer Centre in Melbourne Australia to advance personalised cancer therapies, including CAR-T technologies. The collaboration is led by Professor Phil Darcy, a world leader in this area who also joined Prescient's Scientific Advisory Board.

Expanding patent protection

The US patent and Trademark Office issued a notice of allowance for a new patent covering methods using a scientific biomarker that will help identify breast cancer patients most likely to respond positively to treatment with PTX-100.

The patent covers a process that further enhances Prescient's personalised medicine approach to identify the right treatment for the right patient.

Outlook

The reporting period was significant in the growth of the Company to date and the business seeks to maintain the positive momentum and build on the successes achieved to date.

Significant changes in the state of affairs

On 24 August 2020, the Company issued 118,181,818 fully paid ordinary shares at \$0.055 per share, through a Share Purchase Plan.

On 31 August 2020, the Company issued 128,110,565 fully paid ordinary shares at \$0.055 per share, through a Share Placement.

On 10 December 2020, the Company issued 17,000,000 unlisted options to the Board of Directors as approved by shareholders at its Annual General Meeting on 24 November 2020. The options are exercisable at \$0.0968 and expire on 23 November 2024.

On 10 December 2020, the Company issued 4,000,000 unlisted options to a consultant in accordance with the Company's Executive Option Plan. The options are exercisable at \$0.0968 and expire on 8 November 2025.

On 21 December 2020, the Company issued 1,000,000 unlisted options to a consultant in accordance with the Company's Executive Option Plan. The options are exercisable at \$0.0923 and expire on 21 December 2024.

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

Matters subsequent to the end of the financial half-year

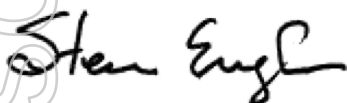
No matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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



Mr Steven Engle
Non-Executive Chairman

24 February 2021

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF PRESCIENT THERAPEUTICS
LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2020 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck
William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



N.S. Benbow
Director

Melbourne, 24 February 2021

ACCOUNTANTS & ADVISORS

Level 20, 181 William Street
Melbourne VIC 3000

Telephone: +61 3 9824 8555

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Prescient Therapeutics Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020



| | | Consolidated | |
|---|------|--------------------|--------------------|
| | | 31 December 2020 | 31 December 2019 |
| | Note | \$ | \$ |
| Interest revenue | | 38,401 | 42,016 |
| Other income | 4 | 647,854 | 599,120 |
| Expenses | | | |
| Research and development costs | | (1,373,515) | (1,325,333) |
| Employment expenses | | (271,180) | (267,673) |
| Corporate expenses | | (438,578) | (460,762) |
| Administrative expenses | | (105,205) | (173,035) |
| Share based payments | | (263,329) | (107,161) |
| Interest expense | | (6,259) | - |
| Foreign exchange movements | | (26,549) | (4,365) |
| Loss before income tax expense | | (1,798,360) | (1,697,193) |
| Income tax expense | | - | - |
| Loss after income tax expense for the half-year attributable to the owners of Prescient Therapeutics Limited | | (1,798,360) | (1,697,193) |
| Other comprehensive income for the half-year, net of tax | | - | - |
| Total comprehensive income for the half-year attributable to the owners of Prescient Therapeutics Limited | | <u>(1,798,360)</u> | <u>(1,697,193)</u> |
| | | Cents | Cents |
| Basic earnings per share | 10 | (0.32) | (0.43) |
| Diluted earnings per share | 10 | (0.32) | (0.43) |

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

Prescient Therapeutics Limited
Statement of financial position
As at 31 December 2020



| | Consolidated | |
|--------------------------------------|-------------------|-------------------|
| | 31 December | |
| Note | 2020 | 30 June 2020 |
| | \$ | \$ |
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | 18,448,487 | 7,357,078 |
| Trade and other receivables | 56,856 | 29,845 |
| Term deposits | 20,000 | 20,000 |
| Prepayments | 133,514 | 267,668 |
| Other Current Assets | 597,854 | 1,030,587 |
| | 5 | |
| Total current assets | <u>19,256,711</u> | <u>8,705,178</u> |
| Non-current assets | | |
| Property, plant and equipment | 1,715 | 38 |
| Intangibles | 3,366,894 | 3,366,894 |
| Total non-current assets | <u>3,368,609</u> | <u>3,366,932</u> |
| Total assets | <u>22,625,320</u> | <u>12,072,110</u> |
| Liabilities | | |
| Current liabilities | | |
| Trade and other payables | 180,343 | 662,296 |
| Borrowings | - | 156,880 |
| Employee benefits | 60,066 | 45,068 |
| Total current liabilities | <u>240,409</u> | <u>864,244</u> |
| Non-current liabilities | | |
| Employee benefits | 22,268 | 19,707 |
| Total non-current liabilities | <u>22,268</u> | <u>19,707</u> |
| Total liabilities | <u>262,677</u> | <u>883,951</u> |
| Net assets | <u>22,362,643</u> | <u>11,188,159</u> |
| Equity | | |
| Issued capital | 76,639,926 | 63,930,411 |
| Reserves | 968,552 | 715,843 |
| Accumulated losses | (55,245,835) | (53,458,095) |
| | 6 | |
| Total equity | <u>22,362,643</u> | <u>11,188,159</u> |

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

Prescient Therapeutics Limited
Statement of changes in equity
For the half-year ended 31 December 2020



| Consolidated | Issued capital \$ | Share Based Payments Reserve \$ | Share Loan Plan Reserve \$ | Accumulated losses \$ | Total equity \$ |
|--|----------------------|------------------------------------|-------------------------------|--------------------------|--------------------|
| Balance at 1 July 2019 | 63,930,411 | 893,821 | 205,883 | (50,709,181) | 14,320,934 |
| Loss after income tax expense for the half-year | - | - | - | (1,697,193) | (1,697,193) |
| Other comprehensive income for the half-year, net of tax | - | - | - | - | - |
| Total comprehensive income for the half-year | - | - | - | (1,697,193) | (1,697,193) |
| <i>Transactions with owners in their capacity as owners:</i> | | | | | |
| Vesting of Share-based payments | - | 67,313 | 39,848 | - | 107,161 |
| Lapsed/expired options | - | (20,348) | - | 20,348 | - |
| Balance at 31 December 2019 | <u>63,930,411</u> | <u>940,786</u> | <u>245,731</u> | <u>(52,386,026)</u> | <u>12,730,902</u> |

| Consolidated | Issued capital \$ | Share Based Payments Reserve \$ | Share Loan Plan Reserve \$ | Accumulated losses \$ | Total equity \$ |
|--|----------------------|------------------------------------|-------------------------------|--------------------------|--------------------|
| Balance at 1 July 2020 | 63,930,411 | 430,263 | 285,580 | (53,458,095) | 11,188,159 |
| Loss after income tax expense for the half-year | - | - | - | (1,798,360) | (1,798,360) |
| Other comprehensive income for the half-year, net of tax | - | - | - | - | - |
| Total comprehensive income for the half-year | - | - | - | (1,798,360) | (1,798,360) |
| <i>Transactions with owners in their capacity as owners:</i> | | | | | |
| Contributions of equity, net of transaction costs (note 6) | 12,709,515 | - | - | - | 12,709,515 |
| Vesting of Share-based payments | - | 223,481 | 39,848 | - | 263,329 |
| Lapsed/expired options | - | (10,620) | - | 10,620 | - |
| Balance at 31 December 2020 | <u>76,639,926</u> | <u>643,124</u> | <u>325,428</u> | <u>(55,245,835)</u> | <u>22,362,643</u> |

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

Prescient Therapeutics Limited
Statement of cash flows
For the half-year ended 31 December 2020



| | Consolidated | |
|---|-------------------------|-------------------------|
| | 31 December 2020 | 31 December 2019 |
| | \$ | \$ |
| Cash flows from operating activities | | |
| Payments to suppliers (inclusive of GST) | (2,675,959) | (2,093,760) |
| Interest received | 11,713 | 36,388 |
| R&D tax incentive received | 1,030,587 | 1,629,821 |
| Other grants received | 50,000 | - |
| | <u>(1,583,659)</u> | <u>(427,551)</u> |
| Cash flows from investing activities | | |
| Payments for investments in term deposits | - | (3,500,000) |
| Payments for property, plant and equipment | (1,816) | - |
| | <u>(1,816)</u> | <u>(3,500,000)</u> |
| Cash flows from financing activities | | |
| Proceeds from issue of shares | 13,546,067 | - |
| Capital raising costs | (836,552) | - |
| | <u>12,709,515</u> | <u>-</u> |
| Net increase/(decrease) in cash and cash equivalents | 11,124,040 | (3,927,551) |
| Cash and cash equivalents at the beginning of the financial half-year | 7,357,078 | 9,639,637 |
| Effects of exchange rate changes on cash and cash equivalents | (32,631) | 3,834 |
| | <u>18,448,487</u> | <u>5,715,920</u> |

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

Note 1. General information

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

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

Level 4, 100 Albert Road
 South Melbourne, VIC, 3205

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 24 February 2021.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 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 2020 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with the most recent Annual Report for the year ended 30 June 2020.

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.

Note 3. Operating segments

Identification of reportable operating segments

The Company operated predominately in the clinical stage oncology industry within Australia. AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The board reviews the Company as a whole in the business segment of clinical stage oncology within Australia.

Note 4. Other income

| | Consolidated | |
|-------------------|-------------------------|-------------------------|
| | 31 December 2020 | 31 December 2019 |
| | \$ | \$ |
| Government grants | 50,000 | - |
| R&D tax incentive | 597,854 | 599,120 |
| Other income | <u>647,854</u> | <u>599,120</u> |

Note 4. Other income (continued)

The Research and Development Tax Incentive programme provides tax offsets for expenditure on eligible R&D activities. Under the programme, Prescient, having expected aggregated annual turnover of under \$20 million, is entitled to a refundable R&D credit of 43.5% on the eligible R&D expenditure incurred on eligible R&D activities. One of the conditions the company must meet is ensuring more than 50% of total R&D activity costs will be incurred in Australia. During the period, the consolidated entity recognised R&D tax incentive revenue of \$597,854 (31 December 2019: \$599,120).

The refundable R&D tax offset is accounted for under AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*.

During the period, the consolidated entity also received \$50,000 in the Australian Government's Boosting Cash Flow for Employers assistance, which supported businesses during the economic downturn associated with COVID-19.

Note 5. Current assets - Other Current Assets

| | Consolidated | |
|------------------------------|---------------------|--------------|
| | 31 December 2020 | 30 June 2020 |
| | \$ | \$ |
| R&D tax incentive receivable | 597,854 | 1,030,587 |

During the period, the consolidated entity recognised R&D tax incentive revenue of \$597,854. On the 11 November 2020, the consolidated entity received \$1,030,602 in relation to the 2020 financial year R&D tax incentive.

Note 6. Equity - issued capital

| | Consolidated | | | |
|------------------------------|---------------------|--------------|---------------------|--------------|
| | 31 December 2020 | 30 June 2020 | 31 December 2020 | 30 June 2020 |
| | Shares | Shares | \$ | \$ |
| Ordinary shares - fully paid | 640,553,010 | 394,260,627 | 76,639,926 | 63,930,411 |

Movements in ordinary share capital

| Details | Date | Shares | Issue price | \$ |
|----------------------|------------------|--------------------|-------------|-------------------|
| Balance | 1 July 2020 | 394,260,627 | | 63,930,411 |
| Share Purchase Plan | 24 August 2020 | 118,181,818 | \$0.055 | 6,499,983 |
| Placement | 31 August 2020 | 128,110,565 | \$0.055 | 7,046,084 |
| Capital Raising Fees | | | | (836,552) |
| Balance | 31 December 2020 | <u>640,553,010</u> | | <u>76,639,926</u> |

Note 7. Equity - dividends

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

Note 8. Contingent Liabilities and commercial agreements that may impact future operations

The consolidated entity has entered into several agreements whereby it is obliged to make royalty payments on future sales and make future cash milestone payments if certain events occur. These agreements include the following:

Yale University

The agreement includes:

Note 8. Contingent Liabilities and commercial agreements that may impact future operations (continued)

- Milestone payments based on dosing of patients in trials
- Milestone payments based on First New Drug Application (NDA) for a licensed product, and the associated FDA approval of the NDA
- Milestone payments based on market entry of licensed products in certain countries
- Royalty payments based on worldwide annual net sales

Cahaba Pharmaceuticals LLC

The agreement includes:

- Payments derived from achievement of clinical success-based milestones
- Milestone payments based on FDA acceptance of trials conducted
- Milestone payments based on dosing of patients in trials
- Milestone payments based on First New Drug Application (NDA) for a licensed product, and the associated FDA approval of the NDA
- Royalty payments based on net sales and sublicensing revenue

University of Pennsylvania

The agreement includes:

- Development milestone payments based on first dosing of a subject in phases of clinical trials
- Milestone payments based on reaching certain levels of product net sales
- Royalties paid on levels of annual product net sales

Oxford University

The agreement includes:

- Royalties paid on net sales of a licensed product
- Milestone payments based on commencement of phases and first regulatory approval of products

Note 9. Events after the reporting period

No matter or circumstance has arisen since 31 December 2020 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.

Note 10. Earnings per share

| | Consolidated | |
|---|-------------------------|-------------------------|
| | 31 December 2020 | 31 December 2019 |
| | \$ | \$ |
| Loss after income tax attributable to the owners of Prescient Therapeutics Limited | <u>(1,798,360)</u> | <u>(1,697,193)</u> |
| | Number | Number |
| Weighted average number of ordinary shares used in calculating basic earnings per share | <u>562,059,233</u> | <u>394,260,627</u> |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | <u>562,059,233</u> | <u>394,260,627</u> |
| | Cents | Cents |
| Basic earnings per share | (0.32) | (0.43) |
| Diluted earnings per share | (0.32) | (0.43) |

Note 10. Earnings per share (continued)

The rights to options held by option holders have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 'Earnings Per Share'. The rights to options are non-dilutive as the consolidated entity is loss generating.

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Prescient Therapeutics Limited
Directors' declaration
31 December 2020



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 2020 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

A handwritten signature in black ink that reads "Steven Engle".

Mr Steven Engle
Non-Executive Chairman

24 February 2021

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Prescient Therapeutics Limited

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Prescient Therapeutics Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half year ended on that date; and
- b. complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Other Matter

The half-year financial report of the Company for the year ended 31 December 2019 was reviewed by another auditor who expressed an unmodified review conclusion on 28 February 2020.

Responsibility of Management for the Financial Report

The directors of Prescient Therapeutics Limited 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

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that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Financial Report

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

A review of 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.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



N.S. Benbow
Director

Melbourne, 24 February 2021

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