

Medibio Limited
Appendix 4D
Half-year report

1. Company details

Name of entity: Medibio Limited
ABN: 58 008 130 336
Reporting period: For the half-year ended 31 December 2021
Previous period: For the half-year ended 31 December 2020

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	4.7% to	978,919
Loss from ordinary activities after tax attributable to the owners of Medibio Limited	down	13.1% to	(644,694)
Loss for the half-year attributable to the owners of Medibio Limited	down	13.1% to	(644,694)

Dividends

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

Comments

The loss for the group after providing for income tax amounted to \$644,694 (31 December 2020: \$741,807).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.029</u>	<u>0.097</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):

12. Signed

Signed  _____

Date: 25 February 2022

Claude Solitario, Managing Director & CEO

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Medibio Limited
Corporate directory
31 December 2021

Directors

Mr Claude Solitario (Managing Director and CEO)
Mr Peter Carlisle (Non-Executive and Lead Independent Director)
Ms Melanie Leydin (Non-Executive Director)
Mr Stephen Mitchley (Non-Executive Director - appointed on 17 February 2022)

Company secretary

Mr Mathew Watkins

Registered office

Level 4, 100 Albert Road
South Melbourne VIC 3205
Telephone: +61 3 9692 7222
Facsimile: +61 3 9077 9233

Share register

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney, NSW, 2000
Telephone: 1300 850 505

Auditor

William Buck (Qld)
Level 22, 307 Queen Street
Brisbane QLD 4000
Telephone: +61 7 3229 5100
Facsimile: +61 7 3221 6027

Legal advisors

Gadens
Level 25 Bourke Place, 600 Bourke Street
Melbourne VIC 3000
Telephone: +61 3 9252 2555
Facsimile: +61 3 9252 2500

Bankers

Westpac Banking Corporation

Stock exchange listing

Medibio Limited securities are listed on the Australian Securities Exchange (ASX code: MEB & MEBOC)

Website

www.medibio.com.au

Medibio Limited
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Medibio Limited
Directors' report
31 December 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'group') consisting of Medibio 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 2021.

Directors

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

Mr Claude Solitario (Managing Director and CEO)
Mr Peter Carlisle (Non-Executive and Lead Independent Director)
Ms Melanie Leydin (Non-Executive Director)
Mr Stephen Mitchley (Non-Executive Director - appointed on 17 February 2022)

Principal activities

The principal activity of the Group is conducting clinical research, product development and early stage commercialisation of a mental health technology using objective biomarkers to assist in the screening, diagnosing, monitoring, and management of depression and other mental health conditions.

Review of operations

The loss for the group after providing for income tax amounted to \$644,694 (31 December 2020: \$741,807).

The loss for the period reflected substantially the continuing development of Company's intellectual property, including the Sleep Analysis of Depressive Burden study (SADB) and the development of its sleep staging software, MEBsleep; the development of the Company's consumer app, LUCA and the commercialization of its corporate wellness product, ilumen.

The aim of SADB is to screen for the likelihood of current Major Depressive Episode (cMDE) in patients with sleep disturbance who undergo a sleep study in a clinical environment. The SADB trial involves the development of cMDE platform known as MEB-001 consisting of sleep algorithms, overlaid by resting heart rate and heart rate variability algorithms, leading to the cMDE analysis.

The MEB-001 continues to demonstrate a high accuracy for predicting the likelihood of a cMDE. The MEB-001 algorithm has been developed to utilize inputs from FDA-cleared polysomnography (PSG) systems and sensors (EEG and ECG), used for sleep studies to diagnose sleep primary and secondary sleep disorders. The algorithm extracts and parses physiological biomarkers to identify the likelihood of cMDE in patients referring to sleep clinics for sleep disturbances. Using Artificial Intelligence, the Company's technology produces a probabilistic analysis to show significant patterns of discrimination for moderate to severe cases of depressive burden. This prediction is designed to be comparable to a PHQ-9 score ≥ 10 , the current best practice for screening for a current major depressive event.

The development of software to house the MEB-001 algorithm is now well under way. The result will be Software as a Medical Device (MEB-001SaMD). MEB-001SaMD in its final form will report the mental health result to the clinician as part of the PSG report on sleep disturbance. The MEB-001SaMD report is intended to assist physicians in determining whether a patient should be referred for a more in-depth mental health evaluation. MEB-001SaMD can ultimately be utilized within the USA by a primary care physician, sleep physician, neurologist or cardiologist who are responsible for completing a referral to a mental health professional for evaluation.

Due to the success of the MEB-001 algorithms and in recognition of the growing patient cohort moving from in-clinic sleep studies to the home environment, planning has now begun for the development of MEB-002, which will screen for Major Depressive Episode (cMDE) in patients undertaking a sleep study **in the home environment**. This study is being undertaken with Medibio's trial partner Medbridge Healthcare and is due to commence in April 2022. Medbridge has also expressed an interest in Medibio's sleep staging algorithms (MEBsleep) in addition to the Company's depression software (MEB-001).

On 1st October 2021, the Company launched its first consumer mobile app to help measure, monitor, and manage stress, called LUCA. The first-of-its-kind biometric assessment tool measures sleep stress, activity stress, and cardiac stress that will allow consumers to monitor their daily stress levels through their own personal wearable device and provides science-based learning modules to help manage their stress. As a critical first step in the mental health journey, LUCA helps consumers understand how one's own personality and emotional intelligence impacts how they cope with life's stressors, while leading them to manage stress before it escalates to more harmful mental health conditions.

Medibio Limited
Directors' report
31 December 2021

The Company's pioneering work in the use of biometric data to aid in the early detection and screening of mental health conditions, together with its patented method of assessing stress by monitoring overnight heart rate, underpins LUCA's functionality and provides a significant point of differentiation in the marketplace.

In September 2021, the Company signed a Wellness Sales Promotion Services Master Agreement (Agreement) with Garmin International Inc. (Garmin). The Agreement offers the Company the opportunity to bundle an annual subscription for LUCA into the recommended retail price of certain Garmin wearable devices. Medibio will also promote a dedicated Garmin landing page that promotes the bundled offer. In exchange for the sales and promotional services Garmin will return a commission to the Company from each sale.

With regard to ilumen, Medibio continues to focus its sales and marketing activities on large organisations, in particular Employment Assistance Providers (EAP) that have the network of client companies to implement ilumen at scale. In this regard, Medibio is in discussions with one of Australia's leading EAP's, which has the potential to take ilumen to its extensive corporate client base. The provider operates in 10 countries around the world (including the USA), in the human services industry and provides essential services on behalf of governments and the private sector across employment, health and wellbeing, communities and disability and aged care support.

During the December 2021 quarter, from a public relations perspective, Medibio sought opportunities for thought leadership and commentary on key issues surrounding mental health, sharing company announcements with stakeholders and gaining coverage for client case studies that demonstrates the value of the company's corporate wellbeing product offering, ilumen.

Significant changes in the state of affairs

On 10 December 2021, the Consolidated Entity issued 5,989,625 fully paid ordinary shares for no cash consideration in lieu of \$56,250 of Mr Peter Carlisle's remuneration in his role as Director, as approved by the Consolidated Entity's shareholders at its Annual General Meeting on 11 November 2021.

On 15 December 2021, the Company announced a Capital Raising which would raise up to \$5.7m (before costs) (known as the ("**Capital Raising**") by way of a Placement and Non-Renounceable Entitlement Offer ("**Entitlement Offer**"). The Placement amounting to \$2.25 million is to be completed in two stages of which stage 2 will be subject to shareholder approval at an Extraordinary General Meeting on 11 February 2022 ("**Placement**"). The Entitlement Offer will be to eligible shareholders who will be given the opportunity to subscribe for one (1) new fully paid ordinary share for every three (3) existing fully paid ordinary shares held to raise up to \$3.4 million.

The Placement and Entitlement Offer will be undertaken at an issue price \$0.005 (0.5 cents) per share ("**Issue Price**"). The Capital Raising will also include the issue of one (1) free attaching Option for every two (2) Shares issued under the Capital Raising with the Placement Shares subject to shareholder approval. The Company will apply for quotation for both the New Shares and Options (subject to the conditions of the ASX Listing Rules) noting that the class of Options to be issued are already an existing class of quoted Options, being MEBOC.

On 20 December 2021, the Consolidated Entity issued 260,000,000 fully paid ordinary shares for \$0.005 (0.5 cents) per fully paid ordinary share raising a total of \$1,300,000 before costs.

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

Matters subsequent to the end of the financial half-year

On 20 January 2022, the Group announced that the Entitlement Offer would be partially underwritten for an amount up to \$1 million.

On 18 February 2022, the Group completed the stage 2 capital raising issuing 190,049,250 fully paid ordinary shares and 225,024,625 quoted options (130,000,000 quoted options free attaching from stage 1 placement) raising a total of \$950,246.25 (before costs).

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group'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.

Medibio Limited
Directors' report
31 December 2021

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



Claude Solitario
Managing Director & CEO

25 February 2022

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The Directors
Medibio Limited
Level 4 100 Albert Road
South Melbourne VIC 3205

Auditor's Independence Declaration

As lead auditor for the review of Medibio Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Medibio Limited and the entities it controlled during the period.

William Buck

William Buck (Qld)
ABN 21 559 713 106

M. Monaghan

M J Monaghan
Director

Brisbane 25 February 2022

ACCOUNTANTS & ADVISORS

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Medibio Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021

		Consolidated	
		31 December 2021	31 December 2020
	Note	\$	\$
Revenue			
Sales	4	13,376	80,834
Other income	5	965,543	945,996
Expenses			
Cost of sales		(165,491)	(169,664)
Employee costs		(259,994)	(396,052)
Research & development		(143,606)	(290,699)
Finance costs		(3,069)	(2,967)
Depreciation and amortisation expense		(262,569)	(148,717)
Other expenses		(788,884)	(760,538)
Loss before income tax expense		(644,694)	(741,807)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Medibio Limited		(644,694)	(741,807)
Other comprehensive income/(loss)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		24,588	(60,787)
Other comprehensive income/(loss) for the half-year, net of tax		24,588	(60,787)
Total comprehensive loss for the half-year attributable to the owners of Medibio Limited		(620,106)	(802,594)
		Cents	Cents
Basic earnings per share	10	(0.04)	(0.06)
Diluted earnings per share	10	(0.04)	(0.06)

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

Medibio Limited
Statement of financial position
As at 31 December 2021

	Consolidated	
	31 December	30 June 2021
Note	2021	2021
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	1,444,159	2,311,552
Trade and other receivables	13,200	32,156
Other current assets	93,357	320,735
Total current assets	<u>1,550,716</u>	<u>2,664,443</u>
Non-current assets		
Other assets	7,001	6,757
Right-of-use assets	103,496	23,076
Intangibles	6 16,414,673	14,685,301
Total non-current assets	<u>16,525,170</u>	<u>14,715,134</u>
Total assets	<u>18,075,886</u>	<u>17,379,577</u>
Liabilities		
Current liabilities		
Trade and other payables	731,852	760,794
Lease liabilities	75,481	24,811
Employee liabilities	219,596	133,075
Other liabilities	11,250	45,000
Total current liabilities	<u>1,038,179</u>	<u>963,680</u>
Total liabilities	<u>1,038,179</u>	<u>963,680</u>
Net assets	<u>17,037,707</u>	<u>16,415,897</u>
Equity		
Issued capital	7 97,344,985	96,066,735
Reserves	6,206,948	6,218,694
Accumulated losses	(86,514,226)	(85,869,532)
Total equity	<u>17,037,707</u>	<u>16,415,897</u>

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

Medibio Limited
Statement of changes in equity
For the half-year ended 31 December 2021

Consolidated	Issued capital \$	Foreign Currency Translation Reserve \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2020	91,669,201	(123,019)	5,446,136	(84,382,930)	12,609,388
Loss after income tax expense for the half-year	-	-	-	(741,807)	(741,807)
Other comprehensive loss for the half-year, net of tax	-	(60,787)	-	-	(60,787)
Total comprehensive loss for the half-year	-	(60,787)	-	(741,807)	(802,594)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs	1,339,053	-	-	-	1,339,053
Share-based payments	-	-	182,522	-	182,522
Exercise of options	1	-	-	-	1
Balance at 31 December 2020	93,008,255	(183,806)	5,628,658	(85,124,737)	13,328,370

Consolidated	Issued capital \$	Foreign Currency Translation Reserve \$	Share Based Payments Reserve \$	Accumulated Losses \$	Total equity \$
Balance at 1 July 2021	96,066,735	(13,277)	6,231,971	(85,869,532)	16,415,897
Loss after income tax expense for the half-year	-	-	-	(644,694)	(644,694)
Other comprehensive income for the half-year, net of tax	-	24,588	-	-	24,588
Total comprehensive income/(loss) for the half-year	-	24,588	-	(644,694)	(620,106)
<i>Transactions with owners in their capacity as owners:</i>					
Contributions of equity, net of transaction costs (note 7)	1,278,250	-	-	-	1,278,250
Share-based payments	-	-	(36,334)	-	(36,334)
Balance at 31 December 2021	97,344,985	11,311	6,195,637	(86,514,226)	17,037,707

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

Medibio Limited
Statement of cash flows
For the half-year ended 31 December 2021

	Consolidated	
	31 December 2021	31 December 2020
Note	\$	\$
Cash flows from operating activities		
Receipts from customers	32,332	72,859
R&D Grants and other income	965,540	944,996
Payments to suppliers and employees	<u>(1,163,579)</u>	<u>(1,407,618)</u>
Net cash used in operating activities	<u>(165,707)</u>	<u>(389,763)</u>
Cash flows from investing activities		
Purchase of intangible assets	(1,876,768)	(775,935)
Interest received	<u>3</u>	<u>1,000</u>
Net cash used in investing activities	<u>(1,876,765)</u>	<u>(774,935)</u>
Cash flows from financing activities		
Proceeds from issue of shares/convertible notes	7 1,300,000	1,517,197
Share issue transaction costs	(78,000)	(178,142)
Repayment of lease liabilities	<u>(44,953)</u>	<u>(58,640)</u>
Net cash from financing activities	<u>1,177,047</u>	<u>1,280,415</u>
Net increase/(decrease) in cash and cash equivalents	(865,425)	115,717
Cash and cash equivalents at the beginning of the financial half-year	2,311,551	812,503
Effects of exchange rate changes on cash and cash equivalents	<u>(1,967)</u>	<u>(95,861)</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>1,444,159</u></u>	<u><u>832,359</u></u>

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

Medibio Limited
Notes to the financial statements
31 December 2021

Note 1. General information

The financial statements cover Medibio Limited as a group consisting of Medibio 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 Medibio Limited's functional and presentation currency.

Medibio 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
Telephone: +61 3 9692 7222
Facsimile: +61 3 9077 9233

A description of the nature of the group'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 2022.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 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 2021 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 group 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. These standards did not have an impact on the group.

Going concern

As at 31 December 2021, the Group had a net asset position of \$17,037,707 (30 June 2021: \$16,415,897) and a net current asset position of \$512,537 (30 June 2021: \$1,700,763). However, as at 31 December 2021 it had:

- Incurred a comprehensive loss for the period of \$620,106 (31 December 2020: \$802,594)
- Net cash outflows from operations of \$165,707 (31 December 2020: \$389,763)
- Cash at bank of \$1,444,159 (30 June 2021: \$2,311,552)

The Group's ability to continue as a going concern is dependent upon the generation of cash from operations, the sufficiency of current cash reserves to meet existing obligations, the ability to reschedule planned research and development activity, raising of further equity and receipt of grant funding and research and development tax incentives.

Medibio Limited
Notes to the financial statements
31 December 2021

Note 2. Significant accounting policies (continued)

In December 2021 the Group announced to raise up to \$5.7 million (before costs) by way of a \$2.25 million placement and a Non-Renounceable Entitlement Offer. By 31 December 2021, the Group has raised \$1,300,000 before share issue costs for the completion Stage 1 of the Placement. On 18 February 2022, Stage 2 of the placement was completed and an additional \$950,246 before costs was raised.

The Non-Renounceable Entitlement Offer is partially underwritten up to an amount of \$1 million which will provide additional working capital for the Company. Given its history of successful capital raises, the directors believe that it will be able to continue to raise further capital to meet its requirements.

Accordingly, the directors believe the Group will be able to pay its debts as and when they fall due for a period of at least 12 months from the date of the financial statements.

Note 3. Operating segments

The consolidated entity has one operating segment, being the research, development and commercialisation of its Software as a Service product, and one geographical location, being Australia. It maintains a US based subsidiary to support US and Canadian research and development activities.

All revenue earned during the half year's ended December 2021 and December 2020 was sourced from Australia.

All assets reside in two geographical regions being Australia \$16,809,087 (June 2021: \$17,212,030) and USA \$1,266,799 (June 2021: \$167,947)

Note 4. Sales

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Sales	13,376	80,834

Note 5. Other income

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
R&D grant/rebate, net of allowance	864,813	803,167
Government grants	100,727	124,029
Interest	3	18,800
	965,543	945,996

Medibio Limited
Notes to the financial statements
31 December 2021

Note 6. Non-current assets - intangibles

	Consolidated	
	31 December	30 June 2021
	2021	2021
	\$	\$
Goodwill - at cost	444,999	444,999
Goodwill - Acquisition of Vital Conversations Pty Ltd	309,100	309,100
Goodwill - Accumulated impairment losses	(754,099)	(754,099)
	<u>-</u>	<u>-</u>
Development - at cost	4,054,590	4,381,065
Luca Consumer app Development - at cost	1,450,335	-
Less: Accumulated amortisation	(72,318)	-
	<u>1,378,017</u>	<u>-</u>
Millumen Application Development - at cost	750,772	750,772
Less: Accumulated amortisation	(225,232)	(150,154)
	<u>525,540</u>	<u>600,618</u>
MEB-001 Application Development - at cost	2,661,882	1,908,974
Data files - at cost	7,794,644	7,794,644
	<u>16,414,673</u>	<u>14,685,301</u>

Note 7. Equity - issued capital

	Consolidated			
	31 December	30 June 2021	31 December	30 June 2021
	2021	2021	2021	2021
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>2,061,051,123</u>	<u>1,795,061,498</u>	<u>97,344,985</u>	<u>96,066,735</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2021	1,795,061,498		96,066,735
Issue of Shares in lieu of Director Fee for a Non-Executive director for the period of 1 July 2020 to 30 September 2021	10 December 2021	5,989,625	\$0.009	56,250
Issue of shares	20 December 2021	260,000,000	\$0.005	1,300,000
Share Issue Costs		-	\$0.000	(78,000)
Balance	31 December 2021	<u>2,061,051,123</u>		<u>97,344,985</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Medibio Limited
Notes to the financial statements
31 December 2021

Note 7. Equity - issued capital (continued)

Share buy-back

There is no current on-market share buy-back.

Note 8. Equity - dividends

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

Note 9. Events after the reporting period

On 20 January 2022, the Group announced that the Entitlement Offer would be partially underwritten for an amount up to \$1 million.

On 18 February 2022, the Group completed the stage 2 capital raising issuing 190,049,250 fully paid ordinary shares and 225,024,625 quoted options (130,000,000 quoted options free attaching from stage 1 placement) raising a total of \$950,246.25 (before costs).

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

Note 10. Earnings per share

	Consolidated	
	31 December 2021	31 December 2020
	\$	\$
Loss after income tax attributable to the owners of Medibio Limited	<u>(644,694)</u>	<u>(741,807)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>1,811,377,247</u>	<u>1,331,081,196</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>1,811,377,247</u>	<u>1,331,081,196</u>
	Cents	Cents
Basic earnings per share	(0.04)	(0.06)
Diluted earnings per share	(0.04)	(0.06)

Medibio Limited
Directors' declaration
31 December 2021

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 group's financial position as at 31 December 2021 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



Claude Solitario
Managing Director & CEO

25 February 2022

Medibio 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 Medibio 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 2021, 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, notes comprising 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 Medibio 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 2021 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.

Material Uncertainty related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the consolidated entity incurred a comprehensive loss of \$620,106 (31 December 2020: \$802,594) and had net cash outflows from operations of \$165,707 (31 December 2020: \$389,763) during the half year ended 31 December 2021. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

ACCOUNTANTS & ADVISORS

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Responsibility of Management for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year 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 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of 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

William Buck (Qld)

ABN: 21 559 713 106

M. Monaghan

M J Monaghan

Brisbane 25 February 2022

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