

# ASX ANNOUNCEMENT

25 February 2022

## APPENDIX 4E AND PRELIMINARY FINAL REPORT

Anteris Technologies Ltd (ASX: AVR) (Anteris or the Company) releases its Appendix 4E Preliminary final report and commentary for the year ended 31 December 2021.

### FINANCIAL SUMMARY:

- Revenues from ordinary activities for the year ended 31 December 2021 were \$7.8M (2020: 7.1M) largely generated from manufacturing of the CardioCel® and VasculCel® patches under the LeMaitre Vascular Inc. agreement.
- The Company recognised other income totalling \$1.5M (2020: \$4.8M), including \$1.4M in government grants related to research and development activities (2020: \$2.3M).
- Net loss after tax was \$22.9M (\$15.3M), primarily reflecting increased research and development expenditure relating to the Group's Transcatheter Aortic Valve Replacement (TAVR) program.
- Net cash inflow of \$16.9M for the year reflecting proceeds from multiple share placements, option conversions and the issuance of convertible notes. Year-end cash balance as at 31 December 2021 was \$21.3M.

ENDS

### About Anteris Technologies Ltd (ASX: AVR)

Anteris Technologies Ltd is a structural heart company that delivers clinically superior and durable solutions through better science and better design.

Its focus is developing next-generation technologies that help healthcare professionals reproduce consistent life-changing outcomes for patients.

Anteris' DurAVR™ 3D single-piece aortic heart valve replacement addresses the needs of tomorrow's younger and more active aortic stenosis patients by delivering superior performance and durability through innovations designed to last the remainder of a patient's lifetime.

The proven benefits of its patented ADAPT® tissue technology, paired with the unique design of our DurAVR™ 3D single-piece aortic heart valve, have the potential to deliver a game-changing treatment to aortic stenosis patients worldwide and provide a much-needed solution to the challenges facing doctors today.

### Authorisation and Additional information

This announcement was authorised by the Board of Directors.

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## Appendix 4E (Rule 4.3a)

Name of entity

Anteris Technologies Ltd

ABN

35 088 221 078

Financial year ended ("current period")

31 December 2021

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

	12 months to 31 December 2021 \$'000	12 months to 31 December 2020 \$'000	Change \$'000	Change %
Revenues from ordinary activities	7,791	7,079	712	10%
Loss from ordinary activities after tax	(22,907)	(15,275)	(7,632)	(50%)
Loss for the period attributable to members	(22,907)	(15,275)	(7,632)	(50%)

Dividends	Amount per security	Franked amount per security
Final dividend proposed	NIL ¢	NIL ¢
Interim dividend	NIL ¢	NIL ¢

	31 December 2021	31 December 2020
Net Tangible Asset Backing *	\$1.19	\$0.16

\* Net Tangible Assets is calculated as net assets (including Right-of-Use assets) less intangible assets.

Refer to the Directors' report for a review of operations.

### Annual General Meeting

The Annual General Meeting is proposed to be held in Brisbane on 19 May 2022.

### Audit

The consolidated annual financial statements on which this report is based have been audited by HLB Mann Judd. The Independent Auditor's opinion is not modified but includes an Emphasis of Matter that a material uncertainty exists that may cast doubt on the entity's ability to continue as a going concern.



ANTERIS TECHNOLOGIES LTD  
ABN 35 088 221 078

**FINANCIAL REPORT**  
**31 December 2021**

## CORPORATE DIRECTORY

### Directors

John Seaberg	- Chair
Wayne Paterson	- Chief Executive Officer and Managing Director
Stephen Denaro	- Non-Executive Director
Dr Wenyi Gu	- Non-Executive Director

### Company Secretary

Stephen Denaro

### Company and Registered Office

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Website: [www.anteristech.com](http://www.anteristech.com)  
Email: [info.au@anteristech.com](mailto:info.au@anteristech.com)

### Auditors

HLB Mann Judd (WA) Partnership  
Level 4, 130 Stirling Street  
Perth, Western Australia 6000

### Solicitors

Jones Day  
Level 31, Riverside Centre  
123 Eagle Street  
Brisbane, QLD 4000

### Bankers

ANZ  
77 St Georges Terrace  
Perth, Western Australia 6000

### Share Registry

Computershare Investor Services Pty Limited  
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### Securities Exchange Listing

ASX code: AVR (ordinary shares)

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## DIRECTORS' REPORT

Your Directors present their report on Anteris Technologies Ltd ("the Company" or "Anteris") and the consolidated entity (referred to hereafter as the Group) for the year ended 31 December 2021.

### DIRECTORS

The Directors of the Company in office during the year ended 31 December 2021 and until the date of this report are as follows. Directors were in office for the entire year unless otherwise stated.

- John Seaberg
- Wayne Paterson
- Stephen Denaro
- Dr Wenyi Gu

### PRINCIPAL ACTIVITIES

During the year, the principal activities of the Group consisted of:

- Continued research and development of regenerative medicine. Products under development in the aortic valve repair and replacement program include DurAVR™, a novel and highly durable 3D single piece aortic valve for the treatment of aortic stenosis. Combined with the ADAPT® technology this design delivers better haemodynamic performance through unique properties that are critical to longer lasting valves; and
- The manufacture and sale of proprietary ADAPT® regenerative tissue products globally.

### OPERATING RESULT

The operating result for the year was as follows:

	2021	2020
	\$	\$
Revenue	7,790,957	7,078,783
Loss for the year	(22,907,027)	(15,274,534)

### DIVIDENDS

No dividend was paid during the year and the Board has not recommended the payment of a dividend.

### OPERATING AND FINANCIAL REVIEW

#### Group Overview

In late 2021, Anteris cemented its claim as a structural heart company delivering clinical superior solutions with the successful implantation of its DurAVR™ prosthetic aortic valve in five patients with acute aortic stenosis in a first-in-human (FIH) study at the Tbilisi Heart and Vascular Clinic, Tbilisi, Georgia. Seven and 30-day patient follow-up results reinforced Anteris' aspiration to "create life-changing outcomes for patients".

Study results to date are outstanding with DurAVR™ showing superior haemodynamics and some of the largest EOAs (effective orifice areas) seen on any transcatheter aortic valve replacement (TAVR) platform. The results reflect meticulous preparation. This first round validates all prior preclinical work.

The Company's primary target for its revolutionary DurAVR™ THV system is the multibillion-dollar TAVR market. Based on its proprietary ADAPT® tissue platform (the only bioscaffold to demonstrate zero calcification after 10 years use in cardiac surgery) and combined with its unique valve design, Anteris' DurAVR™ prosthetic valve has the potential to solve the problems associated with current aortic valve replacement options; being, valve degradation due to calcification and long term durability. The Anteris solution is to offer a functional valve for life in an estimated \$US10 billion market by 2025.

## DIRECTORS' REPORT (continued)

### OPERATING AND FINANCIAL REVIEW (continued)

#### Review of Operations

In a difficult year for many businesses globally due to Covid related disruptions, Anteris continued operations with manageable impact. The Company mitigated risks early in the pandemic allowing manufacturing to operate at normal levels.

The Company progressed significantly during 2021 achieving milestones on key research and development programs. Notably:

- Successfully implanted five TAVR patients in a FIH study to assess the DurAVR™ THV system with impressive results to date.
- Significant progress on Anteris' ComASUR™ catheter delivery system with working prototypes successfully deployed in multiple tests. The highly sought-after delivery functionality allows for precise valve placement, currently unavailable in the market.
- Proof of concept (POC) animal study highlighting conduits treated with ADAPT® tissue technology demonstrated no calcification evident. This was a milestone and a major step towards ADAPT® treated prosthetic conduits being utilised in CABG (coronary artery bypass graft) surgeries.
- Positive results from its anti-calcification study where its ADAPT® treated tissue showed superior anti-calcification attributes compared with tissues used in competitor valves. Based on the results, the Company plans further studies comparing the ADAPT® tissue with both Medtronic's AOA and Edwards Life Sciences' Resilia.
- In a manufacturing breakthrough, Anteris developed world-first, proprietary machinery capable of creating consistently thin tissue via an innovative processing technique. The technique reduces the native pericardial thickness to yield precise tissue used to make the Company's 3D single-piece aortic valves.

In September 2021, the Company appointed internationally recognised Interventional cardiologist, Dr Chris Meduri MD MPH as Chief Medical Officer. Dr Meduri is a recognised leader in the field of valvular heart disease.

The Company was again selected to present at the PCR London Valves (PCR LV) conference in November 2021. PCR LV is the largest international conference that targets the Heart Team (interventional cardiologists, cardiothoracic surgeons, imaging specialists), focusing solely on heart valves and associated technologies. The conference showcases the latest clinical trial data, novel technologies and clinical guidelines in heart valvular disease.

Highlighting the Company's innovative and pioneering achievement, Anteris was selected to present its unique 3D single-piece transcatheter heart valve DurAVR® at the highly competitive TVT 2021 Structural Heart Summit as well as the Transcatheter Cardiovascular Therapeutics (TCT) conference.

Anteris extended its manufacturing agreement with LeMaitre Vascular, Inc. for the manufacture of CardioCel™ and VasculCel™. The contract will now run until July 2023.

#### Profit and Loss Review

Revenues from ordinary activities for the year ended 31 December 2021 were \$7,790,957 increasing from \$7,078,783 in 2020 reflecting higher volumes of sales.

The Company recognised other income totalling \$1,475,240 (2020: \$4,800,016), including \$1,374,249 in Research and Development Tax Incentives (2020: \$2,154,899). Prior year other income included \$2,157,627 in licence income relating to contractual obligations from 4C Medical Technologies, Inc. associated with the validation of the transfer of the sterilisation method for use with Anteris' ADAPT® tissue.

The Group loss, after income tax provisions, was \$22,907,027 (2020: \$15,274,534) primarily reflecting increased research and development expenditure relating to the Group's Transcatheter Aortic Valve Replacement (TAVR) program.



## DIRECTORS' REPORT (continued)

### OPERATING AND FINANCIAL REVIEW (continued)

#### *Financial Position*

The closing cash position for the year was \$21,299,864 (2020: \$4,354,355), plus \$2,585,438 (2020: \$1,584,971) of trade receivables and other financial assets. Net working capital (current assets minus current liabilities) at 31 December 2021 was \$12,897,831. The increase in the cash balance was facilitated by capital raising activities throughout the year as highlighted in the cash flow section below.

The debt facility agreement with Sio Partners, LP (Sio) established in 2019 was fully repaid on 15 December 2021.

In the prior year, the Company entered into a short-term facility for the advance of \$1,220,000 linked to its research and development (R&D) tax incentive offset. In 2021, Anteris received a \$1,597,800 Research and Development tax incentive refund as part of the Australian Government's R&D Tax Incentive Scheme FY2020. The refund was used to repay the \$1,220,000 short-term facility.

#### *Cash Flow*

The net cash inflow during the year was \$16,935,881 (2020: \$4,717,137 outflow) reflecting:

- Net cash outflow from operating activities of \$18,809,609 (2020: \$14,373,162), primarily due to an increase in research and development expenditure associated with the TAVR program.
- Net cash outflow from investing activities of \$1,162,208 (2020: \$7,763,103 inflow) reflecting IT and laboratory equipment acquisitions. Prior year included proceeds from the maturity of term deposits of \$7,508,636.
- Net cash inflow from financing activities was \$36,907,698 (2020: \$1,892,922) including proceeds of \$36,846,108 from multiple share placements and option conversions, \$5,000,000 in new borrowings through convertible notes issued to Mercer Street Global Opportunity Fund, LLC, partly offset by the payment of debt and share capital issue transaction costs, repayment of the borrowing with Sio Partners, LP and the short-term research and development advance facility, and payment of lease liabilities primarily related to property.

#### *Operating segments*

Management concluded business activities fall into two segments:

- Operations – Bio implant ADAPT® operations inclusive of manufacturing and sales;
- Projects - Transcatheter Aortic Valve Replacement (TAVR) using ADAPT® 3D technology (project includes research and development activities, regulatory and medical review, legal considerations and marketing); other development projects across the Group.

#### *Material Business Risks*

The Group has identified the below specific risks which could impact upon its prospects.

##### *Commercial risk*

As part of the agreement with LeMaitre Vascular, Inc. for the distribution rights of CardioCel® and VascuCel® in October 2019, the Group retained the manufacturing rights of those products for a set period at its Malaga facility. The Company has generated sales revenue from this arrangement since 2019 but a commercial risk remains that a decline in sales could occur. LeMaitre Vascular, Inc. is responsible for building market penetration and customer awareness for these product lines. A business interruption event may occur disrupting the Company's ability to manufacture.

##### *Adverse patient event and product liability claims*

There is a risk that a patient may have an adverse event arising from the failure of an Anteris product leading to a product liability claim or investigation against Anteris. Anteris monitors these risks and has implemented quality control procedures and quality assurance testing to reduce the risk of such claims. However, these may not be adequate and a product liability claim where there was insufficient insurance coverage could have a material adverse effect on Anteris' financial condition and reputation.

##### *Inability to develop and commercialise new products*

Based on its scientifically and commercially validated ADAPT® platform, Anteris has numerous ongoing Research and Development (R&D) projects as well as product innovations led by the TAVR program in multibillion-dollar markets. The Company has recently demonstrated significant progress in the development of DurAVR™ and key milestones such as first-in-human in November 2021. However, there remains a risk that these projects may fail, be delayed or may not prove commercially viable.

##### *Inability to protect Intellectual property*

Anteris' success will depend on its ability to obtain adequate and valid patent protection, maintain trade secret protections and operate without infringing the proprietary rights of third parties or having third parties circumvent Anteris' proprietary rights. While Anteris believes it has taken appropriate steps to protect its proprietary technology, this cannot be guaranteed.

## DIRECTORS' REPORT (continued)

### OPERATING AND FINANCIAL REVIEW (continued)

#### Material Business Risks (continued)

##### *Inability to access capital*

The ability of the Company and the Group to continue as a going concern and fund the path to profitability is dependent upon securing additional funds in the future from a range of sources/opportunities including non-dilutive upfront and milestone payments from potential partnerships, issuing new equity and securing long term debt. The ability to access capital may be impacted by various factors including economic conditions, a decline in investor confidence and/or sub-optimal pre-clinical or clinical outcomes from trials/studies. A reduced ability to access capital may result in a curtailment of the development activities of the product portfolio, a delayed timeline to commercialisation and other operational impacts.

The Directors believe the Company and Group have the ability to raise additional funds. Notwithstanding the above factors, as a company moving towards profitability, Anteris is dependent upon continuing support from current shareholders. Should the Company and the Group not receive the forecast cash inflows, there are material uncertainties as to whether the Company and the Group will be able to continue as a going concern and, therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

##### *Personnel risk – Inability to attract and retain key personnel*

Anteris' future success depends on its continuing ability to retain and attract highly qualified technical and managerial personnel and to foster a corporate culture consistent with the Mission and Vision of the Company. Competition for such personnel can be intense and there can be no assurance that Anteris will be able to retain its key technical and managerial employees, or that it will be able to attract additional highly qualified personnel in the future. To mitigate this risk, Anteris provides incentives, an opportunity for equity participation in the Company and various employment engagement initiatives.

##### *Covid-19 Coronavirus*

The Covid-19 pandemic had a material adverse impact on most economies around the world (including financial markets) and placed a significant strain on the health systems of each country impacted. Currently, the impacts on Anteris have not been significant but the pandemic is likely to present ongoing risks to the Company including, but not limited to, the following:

- Operational risks linked to our production site at Malaga or on any of the Eagan, Wedgewood, Brisbane or Geneva offices if staff were to become impacted by the virus;
- a direct impact on production at Malaga if supply chains are affected or if there is a decline in demand from LeMaitre Vascular, Inc. or 4C Medical Technologies, Inc.;
- Delays in completing pre-clinical or clinical trials;
- Adverse impacts to many economies and financial markets may impact the ability of the Company to raise capital. This may impede the Company's ability to execute its capital strategies effectively.

The Company monitors the progress of Covid-19 and has implemented various measures to respond to and manage these risks.

#### **Likely Developments**

##### *Outlook*

Having progressed its clinical developments materially during 2021, the Company is poised to deliver further strong positive clinical results from ongoing trials as it works towards commercialising its DurAVR™ THV system.

The Company also remains committed to investing in the ongoing development of its proprietary product suite, ensuring it stays at the forefront of cardiovascular innovation and strongly competitive.

## **DIRECTORS' REPORT (continued)**

### **OPERATING AND FINANCIAL REVIEW (continued)**

#### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group during the financial year not otherwise disclosed in this report and the Financial Statements.

#### **EVENTS SINCE THE END OF THE FINANCIAL YEAR**

Since 31 December 2021, the Company has raised \$6,215,830 through the issue of 620,258 ordinary shares as result of option-holders exercising their options.

Other than the above event, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

#### **ENVIRONMENTAL REGULATIONS**

The Group is subject to environmental regulation and other licences due to its research, development and manufacturing. The Group complies with all relevant Federal, State and Local environmental regulations. The Board is not aware of any breach of applicable environmental regulations by the Group.

## DIRECTORS' REPORT (continued)

### INFORMATION ON DIRECTORS

The name of the Directors holding office during the year ended 31 December 2021 are set out below, together with details of Directors' experience, qualifications, special responsibilities and other listed company directorships during the past three financial years.

<b>Mr John Seaberg - Independent Non-Executive Director - Chair</b>	
Experience and expertise	<p>Mr Seaberg has been an independent Non-Executive Director of Anteris Technologies Ltd since 10 October 2014. He was appointed as Deputy Chair on 16 June 2016 and Chair on 14 March 2017.</p> <p>From 2008 until its sale to Baxter in 2012, Mr Seaberg served as Chair of the Board of Synovis Inc (NASDAQ:SYNO), a Minneapolis based manufacturer of various medical devices and bio scaffold tissue products.</p> <p>From 2007 until 2014 he was Founder, Chair and CEO of NeoChord Inc., a venture capital-backed company commercialising technology developed at the Mayo Clinic for the repair of the mitral valve via minimally invasive techniques.</p> <p>From 1996 to 2006, Mr Seaberg served at Guidant Corp (subsequently acquired by Boston Scientific Corp) where he served in various executive level positions including Director of Bradycardia Marketing for Cardiac Rhythm Management, Vice President of Sales for Cardiac Surgery and Vice President of Sales for Cardiac Rhythm Management.</p> <p>In 1991, Mr Seaberg was co-founder of ACIST Medical and served as its first President and CEO.</p> <p>Mr Seaberg is a resident of Minneapolis, Minnesota, United States of America.</p>
Qualifications	<p>MBA, University of Minnesota</p> <p>BA, University of Minnesota</p>
Listed Company Directorships in last three years	None
Special responsibilities	<p>Chair of the Board</p> <p>Member of the Audit and Risk Management Committee</p> <p>Chair of the Remuneration Committee</p>
<b>Mr Wayne Paterson - Executive Director - Chief Executive Officer</b>	
Experience and expertise	<p>Mr Paterson has been a Director of Anteris Technologies Ltd since 10 October 2014. Mr Paterson has held numerous senior positions in multi-national pharmaceutical companies and has lived in seven countries during the past 20 plus years. Throughout his career, he has been responsible for building and managing multi-billion dollar businesses throughout the world, including mergers, integrations, acquisitions and major restructures as President and CEO.</p> <p>From 2005 to 2013 Mr Paterson held senior positions at Merck Kgaa, most recently as President of Europe, Canada and Australia. Prior to this, Mr Paterson was President of Emerging Markets, President of Japan and Global Head of Cardiovascular Medicine.</p> <p>Between 1999 and 2005, Mr Paterson served at Roche Pharmaceuticals where he was most recently Head of Pharmaceuticals in Roche's South Korean operation. He also served as Head of Commercial Operations for Roche China based in Shanghai.</p> <p>Mr Paterson is an Australian national and resides in Minneapolis, Minnesota, United States of America.</p>
Qualifications	<p>MBA, University of Southern Queensland</p> <p>Business Studies, Queensland University of Technology</p>
Listed Company Directorships in last three years	None
Special responsibilities	Chief Executive Officer

## DIRECTORS' REPORT (continued)

### INFORMATION ON DIRECTORS (continued)

<b>Mr Stephen Denaro - Independent Non-Executive Director</b>	
Experience and expertise	<p>Mr Denaro was appointed as Non-Executive Director and Company Secretary on 31 October 2018.</p> <p>Mr Denaro has more than 30 years of senior level and Board level experience across publicly-listed companies; serving as Chief Financial Officer, Company Secretary and Director. He brings a depth of experience in managing compliance with finance and accounting regulatory requirements. He has managed investment acquisitions and subsequent funding (domestic and international).</p> <p>Mr Denaro is a resident of Brisbane, QLD, Australia.</p>
Qualifications	<p>Bachelor of Business in Accountancy Graduate Diploma in Applied Corporate Governance Member of Chartered Accountants Australia &amp; New Zealand Member of the Australian Institute of Company Directors</p>
Listed Company Directorships in last three years	None
Special responsibilities	<p>Chair of the Audit and Risk Management Committee Member of the Remuneration Committee Company Secretary</p>

<b>Dr Wenyi Gu - Non-Executive Director</b>	
Experience and expertise	<p>Dr Gu was appointed to the Board of Directors on 4 October 2018.</p> <p>Dr Gu currently works as Research Fellow for the Australian Institute for Bioengineering and Nanotechnology at The University of Queensland (UQ), where he began his post-doctoral work in 2001. He held a Peter Doherty Fellowship (2006-2009) and was supported by the National Health and Medical Research Council (NHMRC) to work at Harvard Medical School, Harvard University as a visiting research fellow.</p> <p>Before engaging in nanomedicine (focusing on drug delivery and cancer therapy), he worked on RNAi-based gene therapy for several years at Translation Research Institute (TRI). Dr Gu's research has been extensively published in respected industry journals such as Nature Communications, Ad. Materials, ACS Nano and PNAS USA.</p> <p>Dr Gu is a resident of Brisbane, QLD, Australia.</p>
Qualifications	<p>Bachelor degree in veterinary science Masters degree in veterinary science PhD in biochemistry and molecular biology at the Australian National University.</p>
Listed Company Directorships in last three years	None
Special responsibilities	<p>Member of the Audit and Risk Management Committee Member of the Remuneration Committee</p>

## DIRECTORS' REPORT (continued)

### INFORMATION ON DIRECTORS (continued)

#### COMPANY SECRETARY

Mr Stephen Denaro was appointed as Company Secretary on 31 October 2018. Mr Denaro combines the company secretarial duties with his role as Non-Executive Director.

#### MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 31 December 2021 is set out below.

	Full meeting of directors		Audit and Risk Management Committee		Remuneration Committee	
	A	B	A	B	A	B
Mr Wayne Paterson	8	8	#	#	#	#
Mr John Seaberg	8	8	2	2	1	1
Mr Stephen Denaro	8	8	2	2	1	1
Dr Wenyi Gu	8	8	2	2	1	1

A = Number of meetings attended

B = Number of meetings held during the time the director held office or was a member of the committee during the year

# = Not a member of the relevant committee

The Board meets regularly on an informal basis in addition to the above meetings.

Details of the membership of the committees of the Board are presented in the Corporate Governance Statement, which can be viewed at <https://anteristech.com/about/corporate-governance>.

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (Audited)

The remuneration report is set out under the following main headings:

- A Introduction
- B Key Management Personnel
- C Principles Used to Determine the Nature and Amount of Remuneration
- D Remuneration Governance
- E Use of Remuneration Consultants
- F Service Agreements
- G Details of Remuneration
- H Share-based Compensation
- I Additional Information
- J Additional Disclosures Relating to Key Management Personnel

The information provided in this Remuneration Report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

#### A Introduction

The Company has continued to review and refine our remuneration framework and associated practices. The Company engaged with a remuneration consultant in late 2019/early 2020 to benchmark director and executive remuneration against peers based in Australia and overseas and also taking into consideration the roles, specific skills and experience of the Directors and Officers.

#### B Key Management Personnel

For the purposes of this report personnel deemed Key Management Personnel (KMP) at any time during the year ended 31 December 2021 are:

##### Board of Directors

##### Non-Executive Directors

Mr John Seaberg  
Mr Stephen Denaro  
Dr Wenyi Gu

##### Other KMP

Mr Matthew McDonnell - Chief Financial Officer  
Mr David St Denis - Chief Operating Officer  
Ms Martha Engel - General Counsel (resigned 1 July 2021)

##### Executive Directors

Mr Wayne Paterson

#### C Principles Used to Determine the Nature and Amount of Remuneration

The objective of the Company's remuneration and incentive framework is to ensure reward for performance is competitive and appropriate for the results delivered and set to attract and retain suitably qualified and experienced candidates. Remuneration levels are competitively set to attract qualified and experienced directors and senior executive officers, in the context of prevailing market conditions.

The Company embodies the following principles in its remuneration framework:

- the Board seeks independent advice on remuneration policies and practices including recommendations on remuneration packages and other terms of employment for Directors as and when required; and
- in determining remuneration, advice is periodically sought from external consultants on current market practices for similar roles, the level of responsibility, performance and potential of the individual and performance of the Group.

The structure of Non-Executive and Executive remuneration is separate and distinct and overseen by the Remuneration Committee. Remuneration Committee responsibilities were carried out during the year ended 31 December 2021 by John Seaberg (Chair), Stephen Denaro and Wenyi Gu.

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### C Principles Used to Determine the Nature and Amount of Remuneration (continued)

##### *Non-Executive Director Remuneration Policy*

Fees and payments to the Non-Executive Directors reflect the demands which are made on and the responsibilities of the Directors. The Non-Executive Chair's fees are determined based on competitive roles in the external market. The Chair is not present at any discussions relating to the determination of his own remuneration.

The Non-Executive Directors' fees and payments are reviewed by the Remuneration Committee for consistency with market practices. The Chair currently receives a fixed fee for his services as a Director.

The Non-Executive Directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at \$700,000 per annum and was approved by shareholders at the 2014 Annual General Meeting.

The Company's Non-Executive Directors' remuneration package contains the following key elements:

- Primary benefits – monthly director's fees including 10.5% superannuation from 1 July 2021 (previously 10.0%) in the case of Australian-based directors only.
- Equity – a grant of share options was made for the Chair and the Company Secretary and was approved at an Extraordinary General Meeting (EGM) on 26 February 2020.

No retirement benefits are provided other than compulsory superannuation.

##### *Executive Remuneration Policy*

The Company's Executive Director and other Executives remuneration packages contain the following key elements:

- Primary benefits – Base salary, short term incentives, 10.5% superannuation for Australian personnel (post 1 July 2021) or 3% US pension contributions limited by the eligible compensation threshold for US personnel, and in the case of US based executives a health benefit plan.
- Equity – share options including those under the Anteris Technologies Employee Incentive Plan (EIP) (as approved by shareholders at the 2017 Annual General Meeting on 16 November 2017 and again at the 2020 Annual General Meeting on 15 May 2020).

External remuneration information provides benchmark information to assess the remuneration of comparable roles. Base fees are reviewed periodically to assess whether the level is competitive with the market. There is no guaranteed salary increase included in any contracts.

There are no performance conditions on options issued to employees (excluding the Chief Executive Officer) other than remaining employed by the Group until the vesting date, generally over a three-year period.

##### *Consolidated Entity Performance and Link to Remuneration*

Remuneration for individuals is linked to the performance of the consolidated entity as well as the performance of the individual. Incentive payments are dependent on defined corporate and individual key performance indicators being met. Incentive payments for the Chief Executive Officer and for the broader corporate group are at the discretion of the Remuneration Committee.

Short term incentive opportunity targets noted below are based on adjusted EBITDA, capital position targets and achievement of strategic objectives. Strategic targets include advancement of the TAVR program including regulatory targets and successful first-in-human trials.

During 2020, the John Seaberg, Wayne Paterson and Stephen Denaro were granted an aggregate total of 435,000 options, including performance hurdles linked to share price increase, and tenure. Options are exercisable at \$11.20 and will vest in three tranches following the completion of at least 12, 18 and 24 months service with an increase in the closing share price to \$16.80, \$22.40 and \$33.60 respectively. If share price hurdles have not been achieved within a period of at least 36 months, the Board of Directors can exercise discretion to extend this for an additional period of up to 12 months.

The Remuneration Committee believes the setting of key corporate and individual key performance targets which are aligned to the corporate strategy, will drive the development, performance and position of the Company. This will drive increased shareholder wealth over the coming years.

The Board has discretion to adjust targets to take into account acquisition or divestment or other significant items during a year where appropriate for linking remuneration reward to corporate performance.



## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### C Principles Used to Determine the Nature and Amount of Remuneration (continued)

The target remuneration mix for the Chief Executive Officer for 2021 is shown below. It reflects the STI opportunity for the current year that will be available if the performance conditions are satisfied at target, and the value of the LTI options to be granted as a result of the performance for the year.

		Fixed remuneration	At risk	
			Short term incentive	Long term incentive
Chief Executive Officer	Wayne Paterson	50%	30%	20%

The target remuneration mix for other executives for 2021 is shown below. It reflects the STI opportunity for the current year that will be available if the performance conditions are satisfied at target.

		Fixed remuneration	At risk
			Short term incentive
Chief Operating Officer	David St Denis	67%	33%
Chief Financial Officer	Matthew McDonnell	71%	29%
General Counsel	Martha Engel <sup>1</sup>	71%	29%

<sup>1</sup> Martha Engel resigned on 1 July 2021

In September 2021, as recognition for services to the Company and to encourage ongoing retention, the Board awarded an additional one-off issue of options to each of David St Denis and Matthew McDonnell. The options vest in three equal tranches over 1, 2 and 3 years subject to the holder still being employed by Anteris Technologies Ltd.

#### D Remuneration Governance

The Remuneration Committee is a committee of the Board. The purpose of the Committee is to review and make recommendations to the Board in relation to the overall remuneration policy for the Company and Group, specifically:

- Non-Executive Director remuneration;
- Executive Director and Senior Executive remuneration;
- the implementation of, and amendment of, any executive long-term incentive plans;
- executive remuneration changes and contractual amendments not required to be recommended to the Board; and
- the establishment of any new, and amendment of the terms of any existing, long term incentive plans for employees below Senior Executive level.

#### E Use of Remuneration Consultants

No remuneration consultants were engaged during the 2021 financial year.

In early 2020, the Company received a report from Egan Associates Pty Limited, a remuneration consultant, benchmarking director and executive remuneration, including wages, fees and equity as well as provide advice on reward strategies.

#### F Service Agreements

##### Non-Executive Directors

On appointment, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter outlines the Board's policies and terms, including remuneration.

Directors fees cover all board activities including membership of any board committees.

##### Executive Director and other key management personnel

The Company has also entered into service agreements with the Executive Director and other key management personnel, which contain standard terms and conditions for agreements of this nature, including confidentiality, restraint on competition and intellectual property provisions. These agreements may be terminated by notice by either party, or earlier in the event of certain breaches of the terms and conditions.

There are no fixed term agreements. The periods of notice required to terminate the contract and the termination entitlements provided under the contracts are summarised for the Executive Director and each member of the KMP below.

Name	Notice period	Termination entitlement
Wayne Paterson	3 months by either party	3 months salary over the notice period plus 9 months base salary after separation if terminated (not for cause) by the Company
Matthew McDonnell	3 months by either party	3 months salary over the notice period
David St Denis	12 months by either party	12 months salary over the notice period
Martha Engel	1 month by either party	1 month salary over the notice period

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### G Details of Remuneration

Details of the remuneration of the Directors and other Key Management Personnel of the Group is set out below.

12 months to 31 December 2021		Short-term benefits				Post-employment benefits	Share based benefits		Performance related remuneration <sup>7</sup> %
Contracted Annual Base Salary or fees \$									
	Salary and fees \$ AUD	Bonus <sup>1</sup> \$ AUD	Non-monetary benefits \$ AUD	Leave <sup>2</sup> \$ AUD	Pension and superannuation \$ AUD	Equity shares/options \$ AUD <sup>6</sup>	Total \$ AUD		
Non-Executive Director <sup>3</sup>									
J. Seaberg	USD 140,000	186,357	-	-	-	-	19,919	206,276	10%
S. Denaro <sup>4</sup>	AUD 150,000	150,000	-	-	-	10,250	8,300	168,550	5%
W. Gu	AUD 100,000	100,000	-	-	-	10,250	-	110,250	-
Executive Directors									
W. Paterson	USD 624,750	831,810	645,759	36,460	38,315	11,572	134,327	1,698,243	46%
Total directors' compensation		1,268,167	645,759	36,460	38,315	32,072	162,546	2,183,319	
Other Key Management Personnel									
M. McDonnell	AUD 335,000	348,987 <sup>8</sup>	185,088	753	14,989	20,351	48,143	618,311	37%
D. St Denis	USD 396,000	527,245	341,097	33,097	10,104	11,454	50,779	973,776	40%
M. Engel <sup>5</sup>	USD 240,000	178,183	-	4,725	(6,011)	9,335	2,772	189,004	-
Total key management personnel compensation		1,054,415	526,185	38,575	19,082	41,140	101,694	1,781,091	
TOTAL		2,322,582	1,171,944	75,035	57,397	73,212	264,240	3,964,410	

<sup>1</sup> The bonus figures disclosed for KMP relates to amounts accrued for the year as determined under the STI scheme.

<sup>2</sup> Leave represents the movement in annual leave and long service leave provision balances. The accounting value may be negative, for example when a KMP has taken more leave than accrued during the year.

<sup>3</sup> There are no termination or retirement benefits for Non-Executive Directors (other than statutory superannuation).

<sup>4</sup> S. Denaro receives AUD100,000 in director fees plus AUD50,000 for Company Secretarial services.

<sup>5</sup> M. Engel resigned on 1 July 2021.

<sup>6</sup> The fair value of the options is calculated at the date of grant and allocated to each reporting period evenly over the period from grant date to vesting date based on expected timing of achieving vesting conditions.

<sup>7</sup> Sign-on options are excluded from the calculation of the performance related percentage.

<sup>8</sup> Superannuation amounts in excess of the legislated concessional contribution cap have been paid as salary.

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### G Details of Remuneration (continued)

12 months to 31 December 2020		Short-term benefits <sup>1</sup>				Post-employment benefits	Share based benefits		
	Annual Contracted Base Salary or fees \$	Salary and fees <sup>1</sup> \$ AUD	Bonus <sup>3</sup> \$ AUD	Non-monetary benefits \$ AUD	Leave <sup>4</sup> \$ AUD	Pension and Superannuation \$ AUD	Equity shares/ options <sup>6</sup> \$ AUD	\$ AUD	Performance related remuneration <sup>10</sup> %
<i>Non-Executive Directors <sup>5</sup></i>									
J. Seaberg	USD 140,000	190,107	-	-	-	-	34,164	224,271	15%
S. Denaro	AUD 150,000	137,500	-	-	-	9,167	14,235	160,902	9%
W. Gu	AUD 100,000	91,667	-	-	-	9,167	-	100,834	-
Y. Wu <sup>7</sup>	-	-	-	-	-	-	-	-	-
<i>Executive Director</i>									
W. Paterson	USD 624,750	829,211	587,197	37,935	52,206	12,384	271,376	1,790,309	48%
Total directors' compensation		1,248,485	587,197	37,935	52,206	30,718	319,775	2,276,316	
<i>Other Key Management Personnel</i>									
K. Bhirangi <sup>8</sup>	USD 325,000	239,897	-	15,301	(4,526)	11,749	(3,301)	259,120	-
M. McDonnell	AUD 360,000 <sup>2</sup>	308,171	151,201	735	18,951	21,828	4,263	505,149	30%
D. St Denis	USD 396,000	525,598	310,164	34,557	6,618	12,384	22,443	911,764	36%
M. Engel <sup>9</sup>	USD 235,000	291,853	147,249	10,399	5,868	8,773	4,748	468,890	31%
Total key management personnel compensation		1,365,519	608,614	60,992	26,911	54,734	28,153	2,144,923	
TOTAL		2,240,563	1,195,811	98,927	79,117	85,452	347,928	4,421,239	

<sup>1</sup> As notified at the Annual General Meeting held on 15 May 2020, in response to the Covid-19 situation, the non-executive Directors and key management personnel took a 25% reduction in salary for part of 2020.

<sup>2</sup> Base salary includes superannuation.

<sup>3</sup> The bonus figures disclosed for KMP relates to amounts accrued for the year as determined under the STI scheme.

<sup>4</sup> Leave represents the movement in annual leave and long service leave provision balances. The accounting value may be negative, for example when a KMP has taken more leave than accrued during the year.

<sup>5</sup> There are no termination or retirement benefits for Non-Executive Directors (other than statutory superannuation).

<sup>6</sup> Includes contractual sign-on options. The fair value of the options is calculated at the date of grant and allocated to each reporting period evenly over the period from grant date to vesting date based on expected timing of achieving vesting conditions.

<sup>7</sup> Y. Wu resigned as Non-Executive Director on 15 December 2020.

<sup>8</sup> K. Bhirangi resigned on 26 June 2020.

<sup>9</sup> M. Engel base salary increased from USD 175,000 to USD 235,000 with effect from 21 March 2020 to reflect increase from 30 hour week to full time.

<sup>10</sup> Sign-on options are excluded from the calculation of the performance related percentage

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### G Details of Remuneration

##### Short term incentives (STI)

Details of short-term bonuses achieved or forfeited are as follows:

Name	31 December 2021	
	Awarded %	Forfeited %
Wayne Paterson	125%	0%
Matthew McDonnell	125%	0%
David St Denis	125%	0%

Martha Engel was ineligible for a short term incentive as she resigned on 1 July 2021.

#### H Share-based Compensation

##### Option holdings

The number of options over ordinary shares in the Company held during the financial year by each Director of Anteris Technologies Ltd, including their personally related parties, and other KMP are set out below:

##### 1 January 2021 - 31 December 2021

Option holder	Balance at the start of the year	Granted as compensation	Ceased as KMP	Expired/ Exercised	Balance at the end of the year	Unvested	Vested and exercisable
<b>Directors of Anteris Technologies Ltd</b>							
J. Seaberg	67,000	-	-	(7,000) <sup>3</sup>	60,000	60,000	- <sup>1</sup>
W. Paterson	403,248	-	-	(7,000) <sup>3</sup>	396,248	350,000	46,248 <sup>1</sup>
S. Denaro	25,000	-	-	-	25,000	25,000	-
W. Gu	-	-	-	-	-	-	-
<b>Other key management personnel of the Group</b>							
M. McDonnell	2,001	60,000	-	-	62,001	60,667	1,334
D. St Denis	9,430	60,000	-	-	69,430	60,000	9,430
M. Engel	2,000	-	(2,000) <sup>2</sup>	-	N/A	N/A	N/A

<sup>1</sup> Share price hurdles attached to the options granted in 2020 had not yet been achieved by 31 December 2021. The period over which the expense is being recognised has been reassessed to align with expected achievement of the performance hurdles.

<sup>2</sup> With effect from 1 July 2021, M. Engel ceased employment with Anteris Technologies Ltd. Upon cessation of her employment, M. Engel held 2,000 options of which 833 were unvested and 1,167 had vested and were exercisable. The Board of Directors amended her options such that they will not automatically lapse post-employment but will continue to vest and expire based on the initial terms.

<sup>3</sup> J. Seaberg and W. Paterson participated in the rights issue on 18 December 2018 and both Directors held 7,000 AVRO listed options until they were converted into shares during December 2021 prior to expiry of the options. These options/shares were not granted as compensation.

##### Exercise of options granted as compensation

No options granted as compensation were exercised during the year ended 31 December 2021.

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### H Share-based Compensation (continued)

##### Options over equity instruments granted as compensation

Details of options over ordinary shares in the Company that were granted as compensation to each key management person during the reporting period are as follows:

Option holder	Number of options granted during the year	Vesting conditions	Grant date	Exercise price \$	Fair Value per option at grant date \$	Expiry date
M. McDonnell	60,000	Ongoing employment	23/09/2021	8.88	4.79	23/09/2026
D. St Denis	60,000	Ongoing employment	23/09/2021	8.88	4.79	23/09/2026

All tranches of options have been granted for no consideration and vest in three equal tranches over 1, 2 and 3 years subject to the holder still being employed by Anteris Technologies Ltd. Vested options are exercisable for a period up to the expiry date, being 5 years from the date of issue. All options expire on the earlier of their expiry date or 90 days after the termination of the individual's employment.

The fair value at grant date is determined using a Black-Scholes option pricing model that considers the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

The maximum value of the options granted is determined by multiplying the fair value per option at grant date by the number of options granted during the year. This amount is allocated to each reporting period evenly over the period from grant date to vesting date based on expected timing of achieving vesting conditions. The minimum value is nil if the service conditions are not met.

Details on options over ordinary shares in the Company held by key management person that vested during the reporting period (prior to cessation as KMP) are as follows:

Option holder	Number of options vested during the year	Grant date	Exercise price \$	Fair Value per option at grant date \$	Expiry date
W. Paterson	10,630	14/05/2019	5.90	4.99	15/05/2029
M. McDonnell	667	14/06/2019	6.80	4.98	12/07/2029
M. Engel	500	30/08/2019	6.80	4.81	01/09/2029
M. Engel	167	17/04/2020	3.50	5.50	17/04/2025

#### I Additional Information

The Remuneration Committee considers the Group's performance and the consequences of the performance on shareholder wealth in determining KMP remuneration.

	Financial year ended 31 December 2021 \$	Financial year ended 31 December 2020 \$	Financial year ended 31 December 2019 \$	Financial year ended 31 December 2018 \$	Six months to 31 December 2017 \$	Financial year ended 30 June 2017 \$
Sales revenue	7,790,957	7,078,783	17,075,383	25,601,097	11,305,079	22,324,145
EBITDA <sup>1</sup>	(20,130,095)	(13,668,003)	(4,097,536)	(20,691,421)	(7,717,524)	(10,913,923)
Profit/(Loss) after tax	(22,907,027)	(15,274,534)	(6,181,382)	(24,698,678)	(8,828,576)	(12,676,211)
Share price at year end (\$A)	12.96	3.75	10.00	6.20	29.50	26.50
Market capitalisation	143,776,231	23,352,218	59,084,280	36,576,347	75,164,683	67,520,817
Total dividends declared (cents per share)	-	-	-	-	-	-
Basic loss per share (\$ per share)	3.09	2.58	0.99	7.93	3.39	4.83

<sup>1</sup> KMP are incentivised to drive increased shareholder wealth through the inclusion of EBITDA, capital position targets and achievement of strategic objectives as STI performance targets. EBITDA is a non-IFRS measure and is unaudited.

## DIRECTORS' REPORT (continued)

### REMUNERATION REPORT (continued)

#### J Additional Disclosures Relating to Key Management Personnel

##### Shareholding

The number of shares in the Company held during the year by each Director and other KMP of the consolidated entity, including their personally related parties, is set out below. There were no shares granted as compensation during the reporting or comparative period.

1 January 2021 - 31 December 2021

	Balance at the start of the year	Purchased during the year	Received during the year on exercise of options	Commenced / ceased as KMP during the year	Balance at the end of the year
<b>Ordinary shareholders</b>					
<b>Directors of Anteris Technologies Ltd</b>					
J. Seaberg	8,858	-	7,000	-	15,858
W. Paterson	9,167	-	7,000	-	16,167
S. Denaro	-	5,000	-	-	5,000
W. Gu	-	-	-	-	-
<b>Other key management personnel of the Group</b>					
M. McDonnell	-	-	-	-	-
D. St Denis	-	-	-	-	-
M. Engel	-	-	-	-	-

##### Loans to Key Management Personnel

No loans have currently been provided to key management personnel.

THIS IS THE END OF THE AUDITED REMUNERATION REPORT

## DIRECTORS' REPORT (continued)

### UNISSUED SHARES UNDER CONVERTIBLE EQUITY INSTRUMENTS

Unissued ordinary shares of Anteris Technologies Ltd under convertible equity instruments as at the date of this report are as follows:

Date security granted	Expiry date	Exercise price \$	Options	Warrants
23/03/2017	23/03/2022	34.00	750	-
22/09/2017	22/09/2022	26.00	6,500	-
25/10/2017	26/10/2024	25.00	-	49,388
17/11/2017	15/12/2022	22.00	2,500	-
08/06/2018	31/12/2027	30.00	3,258	-
08/06/2018	31/12/2027	37.00	31,737	-
28/02/2019	02/04/2028	3.60	1,002	-
28/02/2019	10/04/2028	3.60	1,002	-
28/02/2019	16/05/2028	3.60	1,500	-
28/02/2019	02/06/2028	3.60	1,254	-
28/02/2019	03/01/2029	3.60	501	-
14/05/2019	15/05/2029	5.90	31,890	-
14/06/2019	12/07/2029	6.80	4,073	-
30/08/2019	01/09/2029	6.80	3,000	-
20/03/2020	20/03/2025	11.20	435,000	-
17/04/2020	17/04/2025	3.50	1,165	-
03/06/2020	03/06/2025	7.58	332	-
07/10/2020	07/10/2025	4.00	250	-
27/10/2020	27/10/2025	3.94	400	-
20/01/2021	20/01/2024	10.00	150,000	-
25/02/2021	25/02/2026	4.48	2,500	-
12/04/2021	12/04/2024	10.00	350,000	-
28/05/2021	28/05/2026	8.72	1,750	-
16/07/2021	16/07/2023	11.50	196,366	-
22/07/2021	22/07/2026	7.66	1,250	-
10/09/2021	10/09/2026	8.97	3,500	-
10/09/2021	10/09/2026	8.50	20,000	-
23/09/2021	23/09/2026	8.88	190,000	-
27/09/2021	27/09/2025	10.00	1,093,576	-
11/11/2021	11/11/2026	8.60	1,500	-
21/12/2021	21/12/2023	15.00	500,000	-
24/12/2021	24/12/2024	10.00	75,000	-
09/02/2022	09/02/2027	17.23	11,750	-
<b>Total</b>			<b>3,123,306</b>	<b>49,388</b>

In addition to the above, the Company issued 5,400,000 convertible notes during 2021 with a conversion price of 90% of the 5-day volume weighted average price of the shares, subject to specified floor prices. Each convertible note provides the holder with the option to convert the note into shares. The maximum number of shares to be issued upon conversion based on the floor prices is 1,755,000.

No convertible equity instrument holder has any right to participate in any other share issue of the Company or any other entity. The convertible equity instruments are exercisable at any time after vesting up to the expiry date. All unissued shares are ordinary shares of the Company.

Further details about the above are included in the Remuneration report, note 6(e) *Borrowings*, note 9 *Contributed equity* and note 10 *Equity – Reserves*.

## DIRECTORS' REPORT (continued)

### INSURANCE OF OFFICERS

During the year to 31 December 2021, the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company and any subsidiary against a liability incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. Due to a confidentiality clause in the policy, the amount of the premium has not been disclosed.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

### PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

### SUBSEQUENT EVENTS

Since 31 December 2021, the Company has raised \$6,215,830 through the issue of 620,258 ordinary shares as result of option-holders exercising their options.

Other than the above event, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

### NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties, where the auditors' expertise and experience with the Company are important.

No other assurance services were provided in the year ended 31 December 2021.

### AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is attached.

This report is made in accordance with a resolution of the Directors.



John Seaberg  
Chair

Dated 25 February 2022



## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Anteris Technologies Ltd for the year ended 31 December 2021, 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 audit; and
- b) any applicable code of professional conduct in relation to the audit.



Perth, Western Australia  
25 February 2022

**B G McVeigh**  
Partner

**hlb.com.au**

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## CORPORATE GOVERNANCE STATEMENT

The Board and management of Anteris Technologies Ltd are committed to achieving and demonstrating the highest standards of corporate governance. Anteris Technologies Ltd has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4<sup>th</sup> edition) published by the ASX Corporate Governance Council.

The corporate governance statement reflects the corporate governance practices in place throughout the financial year. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement, which can be viewed at <https://anteristech.com/about/corporate-governance>.

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## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Revenue from continuing operations	3	7,790,957	7,078,783
Other income	3	1,475,240	4,800,016
Changes in inventory		64,281	(1,119,021)
Raw materials and consumables used		(1,704,117)	(1,603,884)
Employee benefits	4	(13,609,252)	(11,344,421)
Consultancy and legal fees		(2,462,139)	(2,479,296)
Travel and conference expenses		(216,828)	(183,211)
Research and development costs		(8,012,423)	(4,634,498)
Share-based payments	4	(341,803)	(420,207)
Depreciation and amortisation expense	4	(1,354,182)	(1,212,578)
Financing costs	4	(1,514,146)	(578,965)
Fair value movement of derivatives		(466,648)	65,816
Marketing and promotional expenses		(549,590)	(594,569)
Foreign exchange gain/(loss)		606,207	(584,338)
Infrastructure		(528,328)	(725,782)
Insurance		(826,076)	(705,388)
IT and telecommunications		(681,485)	(468,976)
Other expenses		(576,695)	(564,015)
<b>Loss before income tax from continuing operations</b>		<b>(22,907,027)</b>	<b>(15,274,534)</b>
Income tax (expense)/benefit	5	-	-
<b>Loss after income tax for the year</b>		<b>(22,907,027)</b>	<b>(15,274,534)</b>
Total loss is attributable to:			
Equity holders of Anteris Technologies Ltd		(22,907,027)	(15,274,534)
<b>Loss per share from continuing operations attributable to ordinary equity holders of the Company (\$ per share)</b>			
Basic and diluted loss per share	11	3.09	2.58

The above Consolidated Statement of Profit or Loss should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
Loss for the year		(22,907,027)	(15,274,534)
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		(747,542)	743,995
Other comprehensive income for the year, net of tax		(747,542)	743,995
<b>Total comprehensive loss</b>		<b>(23,654,569)</b>	<b>(14,530,539)</b>
Total comprehensive loss is attributable to:			
Equity holders of Anteris Technologies Ltd		(23,654,569)	(14,530,539)

The above Consolidated Statement of Other Comprehensive Income should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

	Note	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6(a)	21,299,864	4,354,355
Trade receivables and other financial assets	6(b)	2,585,438	1,584,971
Inventories	7(a)	757,745	693,464
Other assets	7(b)	1,196,449	1,460,000
<b>Total Current Assets</b>		<b>25,839,496</b>	<b>8,092,790</b>
<b>Non-Current Assets</b>			
Other receivables	6(b)	-	711,144
Property, plant & equipment	7(c)	1,666,124	1,372,318
Right-of-use assets	7(d)	830,863	1,058,727
Intangible assets	7(e)	1,145,195	1,416,323
<b>Total Non-Current Assets</b>		<b>3,642,182</b>	<b>4,558,512</b>
<b>TOTAL ASSETS</b>		<b>29,481,678</b>	<b>12,651,302</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	6(c)	6,568,284	4,013,069
Provisions	7(f)	484,240	472,601
Lease liabilities	7(d)	625,240	399,940
Other financial liabilities	6(f)	581,136	-
Deferred consideration	6(d)	-	400,000
Borrowings	6(e)	4,682,765	2,553,814
<b>Total Current Liabilities</b>		<b>12,941,665</b>	<b>7,839,424</b>
<b>Non-Current Liabilities</b>			
Lease liabilities	7(d)	421,460	829,201
Other financial liabilities	6(f)	1,210,398	937,609
Provisions	7(f)	560,285	637,854
<b>Total Non-Current Liabilities</b>		<b>2,192,143</b>	<b>2,404,664</b>
<b>TOTAL LIABILITIES</b>		<b>15,133,808</b>	<b>10,244,088</b>
<b>NET ASSETS</b>		<b>14,347,870</b>	<b>2,407,214</b>
<b>EQUITY</b>			
Contributed equity	9	172,638,045	138,740,016
Reserves	10	(610,568)	(1,560,222)
Accumulated losses		(157,679,607)	(134,772,580)
<b>TOTAL EQUITY</b>		<b>14,347,870</b>	<b>2,407,214</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Share Capital \$	Share-based payments reserve \$	Other Reserves \$	Foreign currency translation reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 1 January 2020		137,757,528	5,337,164	(7,243,027)	(818,561)	(119,498,046)	15,535,058
Loss for the year		-	-	-	-	(15,274,534)	(15,274,534)
Exchange translation differences		-	-	-	743,995	-	743,995
Total comprehensive loss		-	-	-	743,995	(15,274,534)	(14,530,539)
<b>Transactions with owners in their capacity as owners</b>							
Shares issued during the year	9(b)	1,068,143	-	-	-	-	1,068,143
Capital raising costs	9(b)	(85,655)	-	-	-	-	(85,655)
Share-based payments		-	420,207	-	-	-	420,207
<b>Balance at 31 December 2020</b>		<b>138,740,016</b>	<b>5,757,371</b>	<b>(7,243,027)</b>	<b>(74,566)</b>	<b>(134,772,580)</b>	<b>2,407,214</b>
Loss for the year		-	-	-	-	(22,907,027)	(22,907,027)
Exchange translation differences		-	-	-	(747,542)	-	(747,542)
Total comprehensive loss		-	-	-	(747,542)	(22,907,027)	(23,654,569)
<b>Transactions with owners in their capacity as owners</b>							
Shares issued during the year	9(b)	37,317,609	-	-	-	-	37,317,609
Capital raising costs	9(b)	(3,419,580)	-	-	-	-	(3,419,580)
Options issued – Capital raising	10(c)	-	-	357,143	-	-	357,143
Share-based payments	10(d)	-	1,340,053	-	-	-	1,340,053
<b>Balance at 31 December 2021</b>		<b>172,638,045</b>	<b>7,097,424</b>	<b>(6,885,884)</b>	<b>(822,108)</b>	<b>(157,679,607)</b>	<b>14,347,870</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		8,298,725	7,277,585
Proceeds from licence for sterilisation process		-	1,359,804
Payments to suppliers and employees		(28,467,700)	(23,833,595)
R&D tax incentive refund		1,597,800	734,899
Gain on derivatives		-	154,495
Government grants		-	100,000
Interest paid		(242,481)	(263,546)
Interest received		4,047	97,196
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	6(g)	<b>(18,809,609)</b>	<b>(14,373,162)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant & equipment		(760,188)	(288,523)
Payments for intangibles		(12,470)	-
Payments to acquire investments		(400,000)	(400,000)
Proceeds from sale of distribution rights		-	942,600
Proceeds from maturity of term deposits		-	7,508,636
Proceeds from sale of property, plant and equipment		10,450	390
<b>NET CASH (OUTFLOW)/INFLOW FROM INVESTING ACTIVITIES</b>		<b>(1,162,208)</b>	<b>7,763,103</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from share or options issues		36,846,108	1,068,143
Share issue transaction costs		(1,089,965)	-
Proceeds from convertible notes issued	6(g)	5,000,000	-
Proceeds from borrowings		-	1,220,000
Repayment of borrowings	6(g)	(2,791,128)	-
Borrowings and convertible note transaction costs	6(g)	(518,738)	(31,150)
Payment of lease liabilities		(538,579)	(364,071)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>		<b>36,907,698</b>	<b>1,892,922</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>		<b>16,935,881</b>	<b>(4,717,137)</b>
<b>CASH AT BEGINNING OF THE YEAR</b>		<b>4,354,355</b>	<b>8,968,389</b>
Effect of exchange rate movements on cash		9,628	103,103
<b>CASH AT END OF THE YEAR</b>	6(a)	<b>21,299,864</b>	<b>4,354,355</b>

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021

### 1. BASIS OF PREPARATION

The consolidated financial statements comprise Anteris Technologies Ltd (the "Company") and its controlled entities. The Company is a listed, for-profit, public company, incorporated and domiciled in Australia.

The consolidated financial statements are presented in Australian dollars, which is Anteris Technologies Ltd's functional and presentation currency. Figures presented in the financial report are rounded to the nearest dollar.

The consolidated financial statements have been prepared under the historical cost convention, except for derivative financial instruments, which have been measured at fair value through profit or loss.

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 14.

The Group's accounting policies have been consistently applied to all periods presented unless otherwise stated.

#### *Statement of compliance*

The consolidated financial statements of the Group are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards ("AASBs") adopted by the Australian Accounting Standards Board ("AASB") and the *Corporations Act 2001*. The consolidated financial statements comply with the Australian equivalents to the International Financial Reporting Standards ("IFRS"). Compliance with IFRS ensures that the financial reporting, comprising of the financial statements and notes there to, complies with International Financial Reporting Standards ("IFRS").

The consolidated financial statements were authorised for issue by the Board of Directors on the date of signing the Directors' Declaration.

#### (a) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and discharges of liabilities in the ordinary course of business.

As disclosed in the financial statements, the Group incurred a net loss of \$22,907,027 and had net cash outflows from operating activities of \$18,809,609 for the financial year ended 31 December 2021. As at that date, the Group had a cash balance of \$21,299,864.

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Company has an established track record of successfully raising new capital and debt facilities.
- Recent successful results for the first in-human trial for DurAVR™ completed with planned ongoing studies.
- Retention of the manufacturing rights of ADAPT®'s CardioCel™ and VasculCel™ products until July 2023.
- Continued product innovation led by the TAVR program and other large market opportunities that are at varying stages of design development, regulatory clearance and user evaluation.
- New possible partnerships and alliances for TAVR products.
- Monitoring, containing and if required deferring operational costs, including R&D costs and capital expenditures.
- At the date of this report, the Company had 2,364,942 unlisted options on issue to external parties with a weighted average exercise price of \$11.18 which were in-the-money and exercisable.

Notwithstanding the above factors, should the options above not be subsequently available to the Company, there are material uncertainties as to whether the Company and the Group will be able to continue as a going concern and therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company and Group not continue as a going concern.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021

### 1. BASIS OF PREPARATION (continued)

#### (b) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Anteris Technologies Ltd as at 31 December 2021 and the results of all subsidiaries for the year then ended. Anteris Technologies Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. Control is achieved when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and statement of other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interests in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

#### (c) Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumptions on historical experience and on other various factors, including expectations of future events that management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed in the following notes.

Note 7(b)	Research and Development Tax incentive
Note 7(c)	Useful economic life and related depreciation of tangible fixed assets
Note 7(d)	Lease liabilities
Note 7(e)	Impairment of intellectual property and patents

Covid-19 was declared a worldwide pandemic by the World Health Organisation on 11 March 2020. The measures to slow the spread of Covid-19 have had a significant impact on the global economy. The chief disruption since Covid-19 originated, was a slow down in the in-human patient trials as well as to corporate and medical conferences due to event cancellations and travel restrictions. Accordingly there has not been an associated impact on accounting estimates due to Covid-19.

Additional commentary has been made around the impact of Covid-19 where considered significant to that disclosure.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2. SEGMENT REPORTING

#### (a) Description of segments

Segment information is presented using a management approach, i.e. segment information is provided on the same basis as information is used for internal reporting purposes by the chief operating decision maker ("CODM", being the CEO that makes key strategic decisions). The CODM is responsible for the allocation of resources to operating segments and assessing their performance. Management have determined that the activities of the business, as reviewed by the CODM, fall into two segments:

- Operations - Bio implant ADAPT® operations; inclusive of manufacturing and sales; and
- Projects – Transcatheter Aortic Valve Replacement (TAVR) using ADAPT® 3D technology (project predominantly includes research and development activities and regulatory and medical review, as well as legal considerations and marketing); other development projects across the Group.

2020 balance sheet comparatives have been restated on a like-for-like basis to 2021 to reflect the current year allocations of corporate assets and liabilities. Key corporate assets and liabilities not allocated to the segments include prepayments, right-of-use assets, and corporate related working capital items.

#### Intersegment transactions

Intersegment transactions were made at market rates. Intersegment transactions are eliminated upon consolidation.

#### Intersegment receivables, payables and loans

Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

	Operations		Projects		Total	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Total segment revenue <sup>1, 2</sup>	<b>7,790,957</b>	6,221,186	-	857,597	<b>7,790,957</b>	7,078,783
Segment profit/(loss)	<b>2,112,001</b>	904,243	<b>(19,489,103)</b>	(12,219,758)	<b>(17,377,102)</b>	(11,315,515)
Depreciation & amortisation	<b>651,174</b>	620,724	<b>612,655</b>	515,657	<b>1,263,829</b>	1,136,381
Segment assets	<b>3,317,610</b>	4,170,976	<b>3,033,234</b>	2,024,340	<b>6,350,844</b>	6,195,316
Segment liabilities	<b>(2,240,664)</b>	(2,520,980)	<b>(3,901,866)</b>	(2,361,718)	<b>(6,142,530)</b>	(4,882,698)
Acquisition of non-current assets	<b>341,286</b>	167,984	<b>657,598</b>	209,117	<b>998,884</b>	377,101

<sup>1</sup> Operations segment revenue was earned in the following regions, Australia \$6,531,466, United States \$1,259,491 (2020: Australia \$5,408,475, United States \$812,711).

<sup>2</sup> All prior year Projects revenue relates to the Infusion business in Australia which was wound down following the partial divestment of the business in May 2019 and subsequent novation of contracts in February 2020.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2. SEGMENT REPORTING (continued)

#### (b) Other segment information

##### (i) Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. Segment revenue reconciles to total revenue from continuing operations as follows:

	2021 \$	2020 \$
Segment revenue	7,790,957	7,078,783
Total revenue from continuing operations	7,790,957	7,078,783

##### (ii) Segment result

Performance is measured based on segment result before tax.

The reconciliation of segment information to loss before income tax from continuing operations is as follows:

	2021 \$	2020 \$
Segment profit/(loss)	(17,377,102)	(11,315,515)
Unallocated:		
Research & development tax refund	1,374,249	2,154,899
Income from derivatives	-	154,495
Foreign exchange gains/(losses)	606,207	(584,338)
Net financing costs and fair value movement of embedded derivatives	(1,747,177)	(246,140)
Corporate and administration expenses	(5,763,204)	(5,437,935)
Loss before income tax from continuing operations	(22,907,027)	(15,274,534)

##### (iii) Segment assets and liabilities

Segment assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by the segment and consist primarily of, trade and other receivables, property, plant and equipment, right-of-use assets and intangible assets. Segment liabilities consist primarily of trade and other creditors and provisions.

Reportable segment assets reconciled to total assets as follows:

	2021 \$	2020 \$
Segment assets	6,350,844	6,195,316
Intersegment eliminations	-	-
Unallocated:		
Cash and cash equivalents	21,299,864	4,354,355
R&D receivable from Australian Tax Office	1,196,449	1,420,000
Other assets	-	40,000
Other corporate assets	634,521	641,631
Total assets per the statement of financial position	29,481,678	12,651,302

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 2. SEGMENT REPORTING (continued)

#### (b) Other segment information (continued)

#### (iii) Segment assets and liabilities (continued)

Reportable segment liabilities reconciled to total liabilities as follows:

	2021 \$	2020 \$
<b>Segment liabilities</b>	<b>6,142,530</b>	4,882,698
Intersegment eliminations	-	-
Unallocated:		
Borrowings	4,682,765	2,553,814
Other financial liabilities	1,791,534	937,609
Other corporate liabilities	2,516,979	1,869,967
<b>Total liabilities per the statement of financial position</b>	<b>15,133,808</b>	10,244,088

#### (iv) Depreciation and amortisation

	2021 \$	2020 \$
<b>Segment depreciation and amortisation</b>	<b>1,263,829</b>	1,136,381
Unallocated:		
Depreciation related to corporate and administration	90,353	76,197
<b>Total depreciation and amortisation per statement of profit or loss</b>	<b>1,354,182</b>	1,212,578

#### (v) Acquisition of non-current assets

	2021 \$	2020 \$
<b>Segment acquisition of non-current assets</b>	<b>998,884</b>	377,101
Unallocated:		
Corporate	165,865	19,019
<b>Total acquisition of non-current assets</b>	<b>1,164,749</b>	396,120

#### (c) Geographic information

Segment revenues and assets have been based on the geographic location of the customers and assets.

	2021 \$	2020 \$
<b>Revenue</b>		
Australia	172,360	1,124,121
United States	4,914,924	4,479,825
Europe	2,703,673	1,421,503
Singapore	-	53,334
	<b>7,790,957</b>	7,078,783
<b>Non-current assets excluding Other receivables</b>		
Australia	2,776,580	3,412,428
United States	705,181	240,094
Europe	160,421	194,846
	<b>3,642,182</b>	3,847,368

#### (d) Major customers

Revenues of \$7,776,865 were derived from two external customers attributed to the Operations business segment (2020: \$6,200,978 of revenue derived from two external customers, attributed to the Operations business segment).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 3. REVENUE AND OTHER INCOME

	2021 \$	2020 \$
<b>Revenue from continuing operations</b>		
<b>Sale of goods</b>		
Revenue from contracts with customers, at a point in time	7,790,957	7,078,783
<b>Other income</b>		
Licence income <sup>1</sup>	-	2,157,627
Government grants <sup>2</sup>	1,374,249	2,254,899
Income from derivatives	-	154,495
Interest income	91,396	185,012
Sundry income	9,595	47,983
Total other income	1,475,240	4,800,016

<sup>1</sup> The prior period licence income relates to contractual obligations from 4C Medical Technologies, Inc. including USD1.0 million associated with the validation of the transfer of the sterilisation method for use with Anteris' ADAPT® tissue and USD 440,000 for contractual progress payments. The sterilisation method has been provided to 4C under license.

<sup>2</sup> Government grants consist of Research and Development Tax Incentive \$1,374,249 (2020: \$2,154,899). No Covid-19 incentives were received by the Group during the year (2020: \$100,000).

#### Recognition and Measurement

##### *Sale of goods*

Revenue from the sale of goods for the ADAPT® business unit is recognised when control of goods transfers to the customer. Revenue is recognised at an amount which reflects the consideration to which the Group expects to be entitled in exchange for those goods. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable amount may occur when the uncertainties around its measurement are removed.

##### *Interest income*

Interest income 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.

##### *Government Grants*

Grants from the Government, including a Research and Development Tax incentive and Covid-19 incentives are recognised at their fair value where there is reasonable assurance that the grant will be received and the consolidated entity will comply with all attached conditions. Government grants relating to costs incurred are recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 4. EXPENSES

	2021 \$	2020 \$
<b>Depreciation and amortisation</b>		
Depreciation of Property, Plant and Equipment	495,321	493,849
Depreciation of Right-of-Use Assets	575,263	435,661
Amortisation of Intangibles	283,598	283,068
	<b>1,354,182</b>	<b>1,212,578</b>
<b>Employee benefits</b>		
Remuneration and on-costs	12,681,171	10,725,171
Superannuation and pension expenses	553,401	452,438
Other employee benefits	374,680	166,812
	<b>13,609,252</b>	<b>11,344,421</b>
 Share-based payments	 <b>341,803</b>	 420,207
<b>Financing costs</b>		
Interest and finance charges paid/payable	318,862	271,944
Interest expense on lease liabilities	172,644	206,704
Amortisation of transaction costs	1,012,760	96,296
Unwind discount on liabilities	9,880	4,021
	<b>1,514,146</b>	<b>578,965</b>

#### *Depreciation and amortisation*

Refer Note 7(c) for details on depreciation of Property, Plant and Equipment, note 7(d) for depreciation of Right-of-Use Assets, and note 7(e) for details on amortisation of Intangibles.

#### *Employment benefits*

Refer Note 7(f) for details on employee provisions and Note 18 for details on share-based payments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 5. INCOME TAX

	2021 \$	2020 \$
<b>(a) Numerical reconciliation of income tax benefit to prima facie tax payable</b>		
Loss from continuing operations before income tax expense	<b>(22,907,027)</b>	(15,274,534)
Tax expense/(benefit) at the Australian tax rate of 25.0% (2020: 26.0%)	<b>(5,726,757)</b>	(3,971,379)
Tax effect of amounts that are not deductible/(taxable) in calculating taxable income:		
Share based payments	<b>85,451</b>	109,254
Non-assessable income	<b>(299,112)</b>	(585,959)
Non-deductible expenses	<b>283,927</b>	-
Research and development expenditure	<b>687,615</b>	848,736
Foreign exchange (gains) and losses	<b>603,243</b>	(943,508)
Recognition of previously unrecognised losses	-	(3,338)
Subtotal	<b>(4,365,633)</b>	(4,546,194)
Adjustment for difference in foreign tax rates	<b>494,620</b>	586,482
Total tax expense/(benefit)	<b>(3,871,013)</b>	(3,959,712)
Deferred tax – current year benefits not recognised	<b>(3,871,013)</b>	(3,959,712)
Deferred tax – reversal of prior period temporary differences	-	-
Income tax expense/(benefit)	-	-

### (b) Deferred Tax Assets

The composition and movement of deferred assets is as follows:

	Balance 1 January 2020 \$	Recognised in profit or loss \$	Recognised in equity \$	Balance 31 December 2020 \$	Recognised in profit or loss \$	Recognised in equity \$	Balance 31 December 2021 \$
Provisions	<b>512,439</b>	(228,809)	-	<b>283,630</b>	(32,089)	-	<b>251,541</b>
Accruals	<b>468,338</b>	(106,689)	-	<b>361,649</b>	169,516	-	<b>531,165</b>
Share issue costs through equity	<b>712,758</b>	-	(251,789)	<b>460,969</b>	-	160,111	<b>621,080</b>
Property, plant and equipment	<b>(241,718)</b>	284,187	-	<b>42,469</b>	(113,572)	-	<b>(71,103)</b>
Intangible assets	<b>962,028</b>	(695,038)	-	<b>266,990</b>	49,227	-	<b>316,217</b>
FX gains/losses	-	(96,708)	-	<b>(96,708)</b>	501,025	-	<b>404,317</b>
Sub-total	<b>2,413,845</b>	(843,057)	(251,789)	<b>1,318,999</b>	574,107	160,111	<b>2,053,217</b>
Unrecognised net deferred tax assets	<b>(2,413,845)</b>	843,057	251,789	<b>(1,318,999)</b>	(574,107)	(160,111)	<b>(2,053,217)</b>
Tax assets	-	-	-	-	-	-	-



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 5. INCOME TAX (continued)

#### (b) Deferred Tax Assets (continued)

Deferred tax assets are attributable to the following:

	Assets		Liabilities		Net	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Provisions	251,541	283,630	-	-	251,541	283,630
Accruals	531,165	361,649	-	-	531,165	361,649
Share issue costs through equity	621,080	460,969	-	-	621,080	460,969
Property, plant and equipment	-	146,154	(71,103)	(103,685)	(71,103)	42,469
Intangible assets	316,217	266,990	-	-	316,217	266,990
FX gains/losses	404,317	-	-	(96,708)	404,317	(96,708)
Sub-total	2,124,320	1,519,392	(71,103)	(200,393)	2,053,217	1,318,999
Set off deferred tax liabilities	(71,103)	(200,393)	71,103	200,393	-	-
Unrecognised net deferred tax assets	(2,053,217)	(1,318,999)	-	-	(2,053,217)	(1,318,999)
Tax assets	-	-	-	-	-	-

#### (c) Tax losses

	2021	2020
	\$	\$
Unused tax losses for which no deferred tax assets have been recognised:		
Australian losses <sup>1</sup>	53,895,155	48,787,272
Foreign losses	66,864,468	56,306,036
Sub-total	120,759,623	105,093,308
Potential tax benefit	26,582,323	24,914,675

<sup>1</sup> Included within the Australian losses disclosed above, the Australian tax consolidated group has \$8,257,010 (2020: \$8,257,010) of transferred losses which are subject to loss recoupment testing and their available fraction which limits the annual rate at which losses may be claimed by the Parent entity.

Anteris' Group tax losses are subject to laws and regulations specific to each geography in which they were incurred, which may impact on the Group's ability to utilise these losses in the future.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 5. INCOME TAX (continued)

##### (d) Recognition and Measurement

The income tax expense or benefit for the year is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

##### *Tax Consolidation*

Anteris Technologies Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation legislation. The parent entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts.

In addition to its own current and deferred tax amounts, the parent entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

##### (e) Critical accounting estimates

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgment is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

##### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6. FINANCIAL ASSETS AND LIABILITIES

		2021 \$			2020 \$		
Financial assets	Notes	Current	Non-current	Total	Current	Non-current	Total
Cash and cash equivalents							
Cash at bank	6(a)	21,211,308	-	21,211,308	4,243,354	-	4,243,354
Short term deposits	6(a)	88,556	-	88,556	111,001	-	111,001
Total Cash and cash equivalents		21,299,864	-	21,299,864	4,354,355	-	4,354,355
Trade receivables and other financial assets							
Trade receivables	6(b)	282,508	-	282,508	846,157	-	846,157
Other receivables	6(b)	2,302,930	-	2,302,930	738,814	711,144	1,449,958
Total Trade receivables and other financial assets		2,585,438	-	2,585,438	1,584,971	711,144	2,296,115
Total financial assets		23,885,302	-	23,885,302	5,939,326	711,144	6,650,470
		2021 \$			2020 \$		
Financial liabilities	Notes	Current	Non-current	Total	Current	Non-current	Total
Trade and other payables							
Trade payables	6(c)	3,072,039	-	3,072,039	754,679	-	754,679
Other payables	6(c)	3,496,245	-	3,496,245	3,258,390	-	3,258,390
Total Trade and other payables		6,568,284	-	6,568,284	4,013,069	-	4,013,069
Deferred consideration							
Provision for deferred settlement	6(d)	-	-	-	400,000	-	400,000
Total Deferred consideration		-	-	-	400,000	-	400,000
Borrowings							
Borrowings	6(e)	4,682,765	-	4,682,765	2,553,814	-	2,553,814
Total Borrowings		4,682,765	-	4,682,765	2,553,814	-	2,553,814
Financial Instruments							
Other financial liabilities	6(f)	581,136	1,210,398	1,791,534	-	937,609	937,609
Total Financial instruments		581,136	1,210,398	1,791,534	-	937,609	937,609
Total financial liabilities		11,832,185	1,210,398	13,042,583	6,966,883	937,609	7,904,492

#### 6(a) Cash and cash equivalents

##### Recognition and measurement

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

##### Cash at Bank

These are interest bearing accounts held at bank with average interest rates of 0.08% (2020: 0.13%).

##### Short term deposits

These represent interest-bearing short-term deposits held at bank with average interest rate of 0.05% (2020: 0.71%)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6. FINANCIAL ASSETS AND LIABILITIES (continued)

#### 6(b) Trade receivables and other financial assets

##### Recognition and measurement

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 days and therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Trade receivables are subject to the expected credit loss model. The Company applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period greater than 120 days past due. Impairment losses on trade receivables are presented within operating profit. Subsequent recoveries on amounts previously written off are credited against the same line item.

Other receivables are recognised at amortised cost, less any expected loss allowance.

The allowance for impairment of receivables is assessed by considering the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor's financial position.

Refer to Note 12 for information on the risk management policy of the Group.

##### Other receivables

Other receivables includes \$845,438 (2020: \$711,144) from LeMaitre Vascular, Inc., prepayments and security deposits for rental of corporate offices.

##### Trade receivables

As at 31 December 2021, no trade receivables (2020: \$155,026) were more than 60 days past due but not impaired. The ageing analysis of these trade receivables is as follows:

	Gross amount		Allowance for expected credit losses		Carrying amount	
	2021	2020	2021	2020	2021	2020
	\$	\$	\$	\$	\$	\$
Not overdue	122,724	317,427	-	-	122,724	317,427
Less than 30 days overdue	159,784	205,930	-	-	159,784	205,930
Between 30 and 60 days overdue	-	167,774	-	-	-	167,774
Between 60 and 90 days overdue	-	47,479	-	-	-	47,479
Over 90 days overdue	-	163,630	-	56,083	-	107,547
Total	282,508	902,240	-	56,083	282,508	846,157

The ageing classes less than 90 days overdue within trade and other receivables do not contain impaired assets and are not past due. Based on the history of these classes, it is expected that these amounts will be received. The Company provides for expected credit losses on a customer by customer basis. Impairment losses on trade receivables were nil in the current year (2020: \$56,083).

	2021	2020
	\$	\$
Opening balance	(56,083)	(125,301)
Additional provisions recognised	-	(56,083)
Receivables written off as uncollectable	56,083	125,301
Unused amounts reversed	-	-
Closing balance	-	(56,083)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6. FINANCIAL ASSETS AND LIABILITIES (continued)

#### 6(c) Trade and other payables

##### Recognition and measurement

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Refer to Note 12 for information on the risk management policy of the Group.

#### 6(d) Deferred consideration

The deferred consideration balance relates to the acquisition by Anteris Technologies Ltd of the remaining 11.13% of the shares in Regen Pty Ltd and the settlement of associated Federal Court proceedings. As a result of the settlement, the Group owns 100% of Anteris Technologies Ltd's regenerative tissue technology ADAPT®. Deferred consideration of \$400,000 was paid in January 2021.

#### 6(e) Borrowings

	2021 \$	2020 \$
Interest-bearing borrowings	-	2,621,596
Convertible notes	5,236,539	-
Capitalised transaction costs	(553,774)	(67,782)
	<b>4,682,765</b>	<b>2,553,814</b>

##### Recognition and measurement

##### *Interest-bearing borrowings*

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

##### *Convertible notes with embedded derivatives*

Convertible notes can be converted to ordinary shares at the option of the holder.

For convertible notes with embedded derivative liabilities, the embedded derivative liability is initially measured at fair value at the date the contract is entered into and deducted from the value of the host financial liability. Subsequent to initial recognition, the derivative liability is remeasured to fair value at the end of each reporting period with the change in fair value recognised in the profit or loss.

The host financial liability is measured at amortised cost (net of transaction costs) using the effective interest method until it is extinguished on conversion or redemption. Interest related to the financial liability is recognised in profit or loss.

On 8 May 2019 the Company entered into a facility agreement with Sio Partners, LP (Sio) for a debt facility of \$1 million. The facility ran for an initial term of 18 months and was charged at an interest rate of 12% per annum, compounded on a monthly basis and added to the loan balance. The facility incurred a one-off fee of \$125,000 which was capitalised to the loan. The principal interest and facility fee were all repayable on maturity of the loan. This was fully repaid on 15 December 2021.

In prior year, the Company entered into a short-term facility for the advance of \$1,220,000 equivalent to its forecasted research and development (R&D) tax incentive offset for the 10 months ended 31 October 2020. The facility was provided by Mitchell Asset Management Pty Ltd and incurred interest at a rate of 1.15% per month for the period of the facility. This facility was repaid on 3 June 2021 upon the receipt of Anteris' research and development tax incentive refund from the Australian Taxation Office.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 6. FINANCIAL ASSETS AND LIABILITIES (continued)

##### 6(e) Borrowings (continued)

On 6 January 2021 the Company announced a funding package of up to \$20 million principally for the Company's TAVR research and development including general working capital expenses. This facility was provided by Mercer Street Global Opportunity Fund, LLC, a New York based investment fund ("Mercer"). In addition to issuing share capital and options (refer to notes 9 and 10), the Company issued the following financial liabilities:

- On 20 January 2021, Anteris raised \$1,500,000 through the issue of 1,620,000 convertible notes. Each convertible note has a floor price of \$2.50 and expires on 19 May 2022.
- On 12 April 2021, Anteris raised \$1,000,000 through the issue of 1,080,000 convertible notes. Each convertible note has a floor price of \$2.50 and expires on 12 August 2022.

The funding package was subsequently expanded, with the Company raising a further \$2,500,000 through the issue of 2,700,000 convertible notes on 12 April 2021. Each convertible note has a floor price of \$4.00 and expires on 12 August 2022.

All of the convertible notes have the following features:

- Face value of \$1.00 at a subscription price of \$0.925926;
- No interest is payable on unconverted drawn funds;
- The conversion price is 90% of the volume weighted average price of the Shares for the five trading days on which the Shares traded in the ordinary course of business on the ASX ending on the date immediately prior to the relevant conversion notice, subject to the abovementioned floor prices; and
- Each Convertible Note provides Mercer with the option to convert the note into shares. If Mercer does not convert the Convertible Notes by the maturity date (16 months from the issue date), Anteris is required to repay Mercer the face value of the notes.

The Mercer funding package includes a put option facility allowing the Company, subject to a number of conditions, to request funding from Mercer of up to \$16,500,000 in exchange for shares with a deemed issue price equal to 90% of the average 5-day VWAP at the time the Company makes the call. As part of the conditions underlying the put option facility, Mercer cannot be required to acquire an interest in fully paid ordinary shares in Anteris exceeding 4.99% unless Mercer gives its written consent and in that case it is not to exceed 9.99%. The put option expires on 6 January 2023. Derivatives are measured at fair value through profit or loss.

##### 6(f) Other financial liabilities

	2021 \$	2020 \$
<b>Current</b>		
Embedded derivatives	581,136	-
	<b>581,136</b>	-
<b>Non-current</b>		
Warrant	1,210,398	937,609
	<b>1,210,398</b>	937,609

#### Recognition and measurement

The embedded derivatives and warrants are derivatives with changes in fair value recognised in the profit or loss. Refer below for the method and assumptions used in determining the fair value of the derivatives.

##### Embedded derivatives

The embedded derivatives are associated with the Convertible notes issued during the period (refer to note 6(e)). The embedded derivative components of the convertible notes are valued using Monte Carlo simulations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 6. FINANCIAL ASSETS AND LIABILITIES (continued)

##### 6(f) Other financial liabilities (continued)

###### Warrants

In conjunction with receiving a loan facility from Partners For Growth ("PFG") in October 2017, Anteris Technologies Ltd issued PFG a 7-year warrant for the issue of 49,388 ordinary shares in the Company at an exercise price of AUD\$25.31 per share. The warrant expires on 26 October 2024. The holder of the warrant also has the option to put the warrant to the Company for AUD\$1,500,000 on expiry or on the occurrence of certain events. Both these components need to be considered when determining the valuation of the warrant.

The value of the call option component of the warrant in relation to the issue of the shares has been determined using a Black Scholes pricing model that incorporates a share price hurdle. The share price hurdle reflects the fact the call option will only be exercised in circumstances where the value that can be derived from exercising the call option exceeds the value that can be derived from the put option. The value of the put option is determined having regard to a discounted cash flow methodology to calculate its risk-adjusted present value.

##### 6(g) Cash flow information

###### Reconciliation of Loss After Income Tax to Net Cash Outflow from Operating Activities

	2021 \$	2020 \$
<b>Loss for the year</b>	<b>(22,907,027)</b>	<b>(15,274,534)</b>
Adjustments for		
Depreciation and amortisation expense	1,354,182	1,212,578
Non-cash interest income	-	(69,693)
Non-cash share based payments expense	341,803	420,207
Non-cash financing costs	1,185,213	289,650
Fair value movement of derivatives	466,648	(65,816)
Foreign exchange differences	(606,207)	584,338
Transfer from term deposits reported in investing activities	-	(7,508,636)
Loss on disposal of property, plant and equipment	41,183	-
Sundry	(4,858)	(24,757)
Change in operating assets and liabilities:		
(Increase)/decrease in receivables and other assets	(51,934)	5,872,900
(Increase)/decrease in inventories	(64,281)	1,119,021
Increase/(decrease) in creditors	1,501,599	(908,085)
Increase/(decrease) in other provisions	(65,930)	(20,335)
<b>Net cash outflow from operating activities</b>	<b>(18,809,609)</b>	<b>(14,373,162)</b>

###### Non-cash investing and financing activities

The Group had the following non-cash investing and financing activities:

- Capitalised transaction costs include the fair value of options totalling \$1,355,394 and the fair value of shares totalling \$471,500 which were issued to external investors as part of capital raising transactions.
- The Group leased \$332,500 right-of-use assets during the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 6. FINANCIAL ASSETS AND LIABILITIES (continued)

#### 6(g) Cash flow information (continued)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	2021 \$	2020 \$
<b>Opening balance - Borrowings</b>	<b>2,553,814</b>	<b>1,112,641</b>
<b>Changes from financing cash flows</b>		
Proceeds from borrowings	5,000,000	1,220,000
Repayment of borrowings	(2,791,128)	-
Term facility transaction costs	(518,738)	(31,150)
<b>Total changes from financing cash flows</b>	<b>1,690,134</b>	<b>1,188,850</b>
<b>Other changes</b>		
Non-cash transaction costs on borrowings	(385,765)	-
Recognition of embedded derivatives	(387,277)	-
Transaction costs accrued into borrowings	-	30,000
Non-cash interest expense	-	155,498
Amortisation of transaction costs	1,182,292	96,296
Facility costs (accrual) / reversal	29,567	(29,471)
<b>Total other changes</b>	<b>438,817</b>	<b>252,323</b>
<b>Closing balance - Borrowings</b>	<b>4,682,765</b>	<b>2,553,814</b>

### 7. NON-FINANCIAL ASSETS AND LIABILITIES

	Notes	2021 \$			2020 \$		
		Current	Non-current	Total	Current	Non-current	Total
<b>Non-Financial assets</b>							
Inventories	7(a)	757,745	-	757,745	693,464	-	693,464
Other assets	7(b)	1,196,449	-	1,196,449	1,460,000	-	1,460,000
Property, plant and equipment	7(c)	-	1,666,124	1,666,124	-	1,372,318	1,372,318
Right-of-use assets	7(d)	-	830,863	830,863	-	1,058,727	1,058,727
Intangible assets	7(e)	-	1,145,195	1,145,195	-	1,416,323	1,416,323
<b>Total non-financing assets</b>		<b>1,954,194</b>	<b>3,642,182</b>	<b>5,596,376</b>	<b>2,153,464</b>	<b>3,847,368</b>	<b>6,000,832</b>

	Notes	2021 \$			2020 \$		
		Current	Non-current	Total	Current	Non-current	Total
<b>Non-Financial liabilities</b>							
<b>Provisions</b>							
Employee benefit provisions	7(f)(i)	484,240	42,092	526,332	472,601	59,405	532,006
Lease make good provisions	7(f)(ii)	-	518,193	518,193	-	578,449	578,449
<b>Total Provisions</b>		<b>484,240</b>	<b>560,285</b>	<b>1,044,525</b>	<b>472,601</b>	<b>637,854</b>	<b>1,110,455</b>
Lease Liabilities	7(d)	625,240	421,460	1,046,700	399,940	829,201	1,229,141
<b>Total non-financing liabilities</b>		<b>1,109,480</b>	<b>981,745</b>	<b>2,091,225</b>	<b>872,541</b>	<b>1,467,055</b>	<b>2,339,596</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(a) Inventories

	2021 \$	2020 \$
Raw materials – at cost	342,277	262,979
Work in progress – at cost	267,878	243,013
Finished goods – at cost	147,590	187,472
	757,745	693,464
Provision for write-down of inventory	-	-
	757,745	693,464

#### Inventory expense

The write-down of inventories to net realisable value recognised as an expense during the year ended 31 December 2021 amounted to nil (2020: \$104,892).

#### Recognition and measurement

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a weighted average cost formula. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, plus an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### Critical accounting estimates

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of allowance is assessed by considering the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

#### 7(b) Other assets

Other assets include a \$1,196,449 refund for research and development tax incentive from the Australian Tax Office (2020: \$1,420,000).

#### Critical accounting estimates

##### *Research and development tax incentive*

Significant judgment is required in determining the amount and timing of recognition of the research and development tax incentive asset. As the grant requirements are complex, the Company engages external technical experts to assist in determining the research and development tax incentive claim.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(c) Property, plant and equipment

	31 DECEMBER 2021			31 DECEMBER 2020		
	Plant and equipment \$	Software \$	Total \$	Plant and equipment \$	Software \$	Total \$
<b>Plant &amp; equipment</b>						
Cost	4,886,456	93,440	4,979,896	4,871,512	93,440	4,964,952
Accumulated depreciation	(3,220,332)	(93,440)	(3,313,772)	(3,499,194)	(93,440)	(3,592,634)
Net book amount	1,666,124	-	1,666,124	1,372,318	-	1,372,318
<b>Reconciliation</b>						
Opening net book amount	1,372,318	-	1,372,318	1,562,256	27,876	1,590,132
Additions	819,779	-	819,779	288,523	-	288,523
Disposals	(51,632)	-	(51,632)	(7,386)	-	(7,386)
Depreciation	(495,321)	-	(495,321)	(465,973)	(27,876)	(493,849)
Exchange rate differences	20,980	-	20,980	(5,102)	-	(5,102)
Closing net book amount	1,666,124	-	1,666,124	1,372,318	-	1,372,318

#### Recognition and measurement

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-10 years
Plant and equipment	3-7 years
Software	3-5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is de-recognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Costs incurred in developing software products or systems and costs incurred in acquiring software and licences that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and services and direct payroll related costs of employees' time spent on the project. Software development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

#### Critical accounting estimates

The consolidated entity determines the estimated useful lives and related depreciation for its plant and equipment. The useful lives could change significantly because of technical innovations or some other event. The depreciation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(d) Leases

This note provides information for leases where the group is a lessee.

The Group leases laboratory facilities and offices. These leases typically include leases options to renew the lease at which time the lease payments are renegotiated to reflect market rentals. Extension and termination options are included in a number of the property leases to allow for flexibility in terms of corporate growth and managing the assets used in the Group's operations.

The Group leases IT equipment with contract terms of 2-5 years. Most of these leases are of low-value items.

The Group leases a motor vehicle with a contract term of 3 years with a balloon payment at the end of the lease. In order to extend the lease, both parties must agree.

The contractual undiscounted cash flows of lease liabilities is disclosed in note 12(d).

#### Recognition and measurement

At inception of a contract, the consolidated entity assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the lease commencement date, the consolidated entity recognises a right-of-use (ROU) asset (the right to use the leased item) and a corresponding lease liability.

The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The related lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The exceptions are short-term leases (being those leases which have a term of 12 months or less or had a remaining term of less than 12 months at the adoption date) and low value leases (being those leases with a value of less than \$5,000). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### Critical accounting estimates

Extension and termination options are included in a number of property leases across the group and are an area of judgement. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

#### (i) Amounts recognised in the Statement of financial position

The Statement of financial position includes right-of-use assets and lease liabilities relating to leases.

#### Right-of Use assets reconciliation

31 DECEMBER 2021	Property \$	IT equipment \$	Motor Vehicles \$	Total \$
<b>Right-of-Use Assets</b>				
Cost	1,922,631	132,339	68,520	2,123,490
Accumulated depreciation	(1,208,048)	(42,706)	(41,873)	(1,292,627)
Net book amount	714,583	89,633	26,647	830,863
<b>Reconciliation</b>				
Opening net book value at 1 January 2021	955,161	54,079	49,487	1,058,727
Additions	241,937	90,563	-	332,500
Derecognition of right-of-use assets	-	(6,757)	-	(6,757)
Depreciation charge	(501,652)	(50,771)	(22,840)	(575,263)
Exchange rate differences	19,137	2,519	-	21,656
Closing net book amount	714,583	89,633	26,647	830,863

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(d) Leases (continued)

##### (i) Amounts recognised in the Statement of financial position (continued)

31 DECEMBER 2020	Property \$	IT equipment \$	Motor Vehicles \$	Total \$
<b>Right-of-Use Assets</b>				
Cost	1,640,484	119,336	68,520	1,828,340
Accumulated depreciation	(685,323)	(65,257)	(19,033)	(769,613)
Net book amount	955,161	54,079	49,487	1,058,727
<b>Reconciliation</b>				
Opening net book value at 1 January 2020	1,333,786	68,012	-	1,401,798
Additions	-	39,077	68,520	107,597
Depreciation charge	(365,712)	(50,916)	(19,033)	(435,661)
Exchange rate differences	(12,913)	(2,094)	-	(15,007)
Closing net book amount	955,161	54,079	49,487	1,058,727

##### Lease liability reconciliation

31 DECEMBER 2021	Property \$	IT equipment \$	Motor Vehicles \$	Total \$
Current lease liabilities	566,954	46,318	11,968	625,240
Non-current lease liabilities	340,361	46,484	34,615	421,460
Total	907,315	92,802	46,583	1,046,700
<b>Reconciliation</b>				
Opening net value at 1 January 2021	1,113,086	57,507	58,548	1,229,141
Additions	241,937	90,563	-	332,500
Derecognition of right-of-use assets	-	(7,693)	-	(7,693)
Principal repaid	(475,462)	(51,152)	(11,965)	(538,579)
Exchange rate differences	27,754	3,577	-	31,331
Closing net book amount	907,315	92,802	46,583	1,046,700

31 DECEMBER 2020	Property \$	IT equipment \$	Motor Vehicles \$	Total \$
Current lease liabilities	351,732	36,242	11,966	399,940
Non-current lease liabilities	761,354	21,265	46,582	829,201
Total	1,113,086	57,507	58,548	1,229,141
<b>Reconciliation</b>				
Opening net value at 1 January 2020	1,433,056	71,520	-	1,504,576
Additions	-	39,077	68,519	107,596
Principal repaid	(301,955)	(52,145)	(9,971)	(364,071)
Exchange rate differences	(18,015)	(945)	-	(18,960)
Closing net book amount	1,113,086	57,507	58,548	1,229,141

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(d) Leases (continued)

##### (ii) Amounts recognised in the Statement of profit or loss

The Statement of profit or loss shows the following amounts relating to leases:

	2021 \$	2020 \$
Depreciation expense	575,263	435,661
Interest expense (included in financing costs)	172,644	206,704
Expense relating to leases of low-value assets (included in IT and telecommunications expenses)	25,662	125,741

The total cash outflow for leases in 2021 was \$736,885 (2020: \$696,516).

#### 7(e) Intangible assets

31 DECEMBER 2021	Patents \$	Software \$	Intellectual property \$	Total \$
<b>Intangible assets</b>				
Cost	671,817	12,470	3,500,000	4,184,287
Accumulated depreciation	(443,957)	(623)	(2,594,512)	(3,039,092)
Net book amount	227,860	11,847	905,488	1,145,195
<b>Reconciliation</b>				
Opening net book amount	261,451	-	1,154,872	1,416,323
Additions – external purchases	-	12,470	-	12,470
Amortisation	(33,591)	(623)	(249,384)	(283,598)
Closing net book amount	227,860	11,847	905,488	1,145,195
<b>31 DECEMBER 2020</b>	<b>Patents \$</b>	<b>Software \$</b>	<b>Intellectual property \$</b>	<b>Total \$</b>
<b>Intangible assets</b>				
Cost	671,817	-	3,500,000	4,171,817
Accumulated depreciation	(410,366)	-	(2,345,128)	(2,755,494)
Net book amount	261,451	-	1,154,872	1,416,323
<b>Reconciliation</b>				
Opening net book amount	295,134	-	1,404,257	1,699,391
Amortisation	(33,683)	-	(249,385)	(283,068)
Closing net book amount	261,451	-	1,154,872	1,416,323

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(e) Intangible assets (continued)

##### Recognition and measurement

##### Critical accounting estimates

The consolidated entity tests goodwill and other indefinite life intangible assets annually, or more frequently if events or changes in circumstances indicate impairment. The recoverable amounts of cash-generating units are determined based on either value-in-use calculations or fair value less cost of disposal. Value-in-use calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate several key estimates and assumptions.

##### *Impairment assessment of intellectual property and patents*

For patents and intellectual property, fair value was determined using a form of the income approach, known as the relief-from-royalty method. This method estimates the net revenue expected to be generated multiplied by the royalty rate (in this case 5%), adjusting for tax, and discounting these cashflows (15%-45%) to present value. As a result of our testing no impairment arose. No reasonably possible change in a key assumption would result in impairment of the intellectual property and patents.

##### Recognition and measurement

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the de-recognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

##### *Research and development*

Research costs are expensed in the period in which they are incurred. Development costs are capitalised, up to the stage of commercialisation, when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity can use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

##### *Intellectual property*

The intellectual property relates to the ADAPT® tissue engineering technology and was recognised based on an external valuation via a business combination. It is being amortised on a straight-line basis over the period of its expected benefit.

##### *Patents and trademarks*

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of up to 20 years.

##### *Impairment of non-financial assets*

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 7. NON-FINANCIAL ASSETS AND LIABILITIES (continued)

#### 7(f) Provisions

	2021 \$	2020 \$
<b>Current</b>		
Provision for annual leave	457,307	472,601
Provision for long service leave	26,933	-
	<b>484,240</b>	<b>472,601</b>
<b>Non-current</b>		
Provision for long service leave	42,092	59,405
Lease make good provision	518,193	578,449
	<b>560,285</b>	<b>637,854</b>

	Provision for annual leave	Provision for long service leave	Lease make good provision	Total
Balance at 1 January 2021	472,601	59,405	578,449	1,110,455
Provisions made during the year	654,514	9,620	9,881	674,015
Provisions used during the year	(655,978)	-	-	(655,978)
Provisions reversed during the year	(13,830)	-	(70,137)	(83,967)
Balance at 31 December 2021	457,307	69,025	518,193	1,044,525

#### (i) Employee benefits

##### *Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

##### *Other long-term employee benefits*

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

##### *Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

##### *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The entity recognises termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of AASB 137 and involves the payment of terminations benefits.

#### (ii) Lease make good

The lease make good provision relates to the removing of leasehold improvements including laboratories and clean rooms in accordance with the lease agreements. The provision is based on an independent valuation.

##### *Critical accounting estimate*

The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

#### (iii) Recognition and measurement

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation due to a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8. FAIR VALUE MEASUREMENT

#### Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

The table does not include carrying amounts of other financial assets and liabilities not measured at fair value as the carrying amounts are a reasonable approximation of their fair values.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>31 December 2021</b>				
<i>Liabilities</i>				
Convertible notes – embedded derivative component	-	581,136	-	581,136
Warrant	-	1,210,398	-	1,210,398
Total liabilities	-	1,791,534	-	1,791,534
<b>31 December 2020</b>				
<i>Liabilities</i>				
Warrant	-	937,609	-	937,609
Total liabilities	-	937,609	-	937,609

The warrant is valued using a Black-Scholes model that incorporates a share price hurdle and a discounted cashflow methodology.

The embedded derivative components of the convertible notes are valued using Monte Carlo simulations that use risk neutral valuation techniques and sampling procedures to calculate the expected payoffs from the convertible notes under a range of different outcomes.

#### Recognition and measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 9. CONTRIBUTED EQUITY

#### (a) Share Capital

	NUMBER		\$	
	2021	2020	2021	2020
Ordinary shares, Fully paid	<b>11,093,845</b>	6,227,258	<b>172,638,045</b>	138,740,016

The Company does not have authorised capital or par value in respect of its issued shares.

All ordinary shares rank equally. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

#### (b) Movements in Ordinary Share Capital

Details	Date	Notes	No. shares	Issue Price \$	\$
<b>Balance</b>	<b>1 JAN 2020</b>		<b>590,842,803</b>		<b>137,757,528</b>
Exercise of options		(i)	14	0.08	1
Effect of 1:100 consolidation of shares		(ii)	(584,932,513)		-
Share placement		(iii)	316,954	3.37	1,068,142
Transaction costs			-		(85,655)
<b>Balance</b>	<b>31 DEC 2020</b>		<b>6,227,258</b>		<b>138,740,016</b>
Exercise of unlisted options - ESOP		(iv)	502	3.50	1,757
Exercise of unlisted options - ESOP		(iv)	168	7.58	1,273
Share placement		(v)	291,545	3.43	1,000,000
Share placement		(v)	50,000	3.43	171,500
Share placement		(v)	55,838	9.85	550,000
Share placement		(vi)	310,386	7.50	2,327,895
Share placement		(vi)	1,125,000	8.00	9,000,000
Share placement		(vi)	625,000	8.00	5,000,000
Share placement		(vi)	37,500	8.00	300,000
Exercise of listed options		(vii)	2,370,648	8.00	18,965,184
Transaction costs					(3,419,580)
<b>Balance</b>	<b>31 DEC 2021</b>		<b>11,093,845</b>		<b>172,638,045</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 9. CONTRIBUTED EQUITY (continued)

#### (b) Movements in Ordinary Share Capital (continued)

##### (i) Exercise of options

On 9 January 2020, 14 options issued under the December 2018 rights issue were exercised at a price of \$0.08 per share.

##### (ii) Consolidation of securities

On 26 February 2020 the Company held an Extraordinary General Meeting at which shareholders passed a resolution for the consolidation of every 100 securities into one new security. In the event that a multiple of pre-consolidation shares was not divisible by 100, holdings were rounded up to the nearest whole post-consolidation share.

##### (iii) Share Placement to new investors

On 29 December 2020, 316,954 ordinary shares were issued at \$3.37 per share.

##### (iv) Exercise of unlisted options

During the year, unlisted options issued under the Anteris Technologies Ltd Employee Share Option Plan were exercised.

##### (v) Share placements - Mercer Street Global Opportunity Fund, LLC

On 20 January 2021, Anteris Technologies Ltd entered into a private placement with Mercer Street Global Opportunity Fund, LLC ("Mercer"). 291,545 ordinary shares were issued at an issue price of \$3.43/share for \$1,000,000 consideration.

Mercer received an additional 50,000 new ordinary shares for entering into the agreement. The value of these shares at \$171,500 has been measured based on the price of the above shares.

On 12 April 2021, the private placement with Mercer was extended with an issue of 55,838 ordinary shares at an issue price of \$9.85/share for \$550,000 consideration.

##### (vi) Share placements

On 31 May 2021, 310,386 new ordinary shares were issued to investors at \$7.50 per share for total consideration of \$2,327,895. On 16 July 2021, as part of this placement, these investors received one unlisted 2-year options exercisable at \$11.50 for every two new shares issued (totalling 155,199 Options).

On 9 August 2021, 1,125,000 new ordinary shares were issued at \$8.00 per share for total consideration of \$9,000,000. On 27 September 2021, as part of this placement, these investors received three unlisted 4-year options exercisable at \$10.00 for every five new shares issued (totalling 675,001 options).

On 1 November 2021, 625,000 new ordinary shares were issued at \$8.00 per share for total consideration of \$5,000,000. As part of this placement, these investors also received four unlisted 4-month options exercisable at \$10.00 for every five new shares issued (totalling 500,000 Options). On 21 December 2021, these investors received 330,000 unlisted 2-year options exercisable at \$15.00. These 2-year options will only vest if the 500,000 4-month options have been exercised. The lead manager was issued with 37,500 new ordinary shares as consideration for lead manager services.

##### (vii) Exercise of listed options

During the year, 2,370,648 listed options issued under the December 2018 rights issue were exercised at a price of \$8.00 per share raising total gross proceeds of \$18,965,184.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 9. CONTRIBUTED EQUITY (continued)

##### (c) Recognition and measurement

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### (d) Capital Risk Management

The Company's objective when managing capital is to safeguard the ability to continue as a going concern and to provide returns for shareholders and benefits for other stakeholders and to maintain capital structure to reduce the cost of capital. The Board and Executive have developed a detailed Capital Management Plan to set the short to medium strategy on the management of the Company's capital.

The Board of Directors monitors capital including cash held; projected timing for repayment of loans and borrowings; and conversion of options as part of each Board meeting or more frequently as required. No formal targets are in place for return on capital or gearing.

#### 10. EQUITY – RESERVES

##### (a) Reserves

	2021 \$	2020 \$
Share based payments	7,097,424	5,757,371
Other reserve	(6,885,884)	(7,243,027)
Foreign currency translation reserve	(822,108)	(74,566)
	(610,568)	(1,560,222)

##### (b) Share based payments

Refer to Note 18 for details of share based payments.

##### (c) Reconciliation – Other reserve

	2021 \$	2020 \$
Opening balances	(7,243,027)	(7,243,027)
Options issued to external investors	357,143	-
Closing balance	(6,885,884)	(7,243,027)

As detailed in note 6(e), the Company entered into a funding agreement with Mercer Street Global Opportunity Fund, LLC ("Mercer") during the period. As consideration for Mercer entering into the agreement and extending the agreement with Anteris, the following securities were issued to Mercer:

- On 20 January 2021, the Company issued 150,000 three-year options to purchase new shares in the Company at an exercise price of \$10; and
- On 12 April 2021, the Company issued 350,000 three-year options to purchase new shares in the Company at an exercise price of \$10.

The issue of the above options with a value of \$357,143 has been incorporated into the Other reserve, which previously only reflected the additional consideration paid by the Company to acquire a portion of the remaining non-controlling interests of a subsidiary.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 10. EQUITY – RESERVES (continued)

#### (d) Nature and purpose

##### *Share based payments reserve*

The share-based payments reserve is used to recognise the change in equity associated with a share-based payment.

##### *Other reserve*

The Other reserve reflects the additional consideration paid by the Company to acquire a portion of the remaining non-controlling interests of a subsidiary plus the value of options issued to external investors for nil consideration.

##### *Foreign currency translation reserve*

The foreign currency translation reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars, in addition to exchange differences on an entity's net investment in foreign operations.

### 11. LOSS PER SHARE

#### (a) Calculation of loss per share

		2021	2020
Weighted average number of ordinary shares used in the denominator in calculating basic and diluted loss per share	Number	7,415,014	5,912,900
Loss Used in Calculating basic and diluted Loss Per Share	\$	(22,907,027)	(15,274,534)
Basic and diluted loss per share	\$	3.09	2.58

#### (b) Information concerning classification of securities

No adjustments for the calculation of diluted earnings per share have been disclosed given that the potential shares are anti-dilutive and would increase the loss per share from continuing operations.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks (including interest rate risk, credit risk and liquidity risk). The Group's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate risk and foreign exchange risk, and ageing analysis for credit risk.

Risk management is carried out by the Company with assistance as required from suitably qualified external advisors. Interest rate risk is managed for financial assets by investing in higher yielding term deposits with large financial institutions. Credit risk is monitored by regular age analysis of debtors as well as the initial assessment of the credit worthiness of counterparties.

The Group and the Company hold the following financial instruments:

	2021 \$	2020 \$
<b>Financial assets</b>		
Cash and cash equivalents	21,299,864	4,354,355
Trade and other receivables	2,585,438	2,296,115
	<b>23,885,302</b>	<b>6,650,470</b>
<b>Financial liabilities</b>		
Trade and other payables	6,568,284	4,013,069
Deferred consideration	-	400,000
Borrowings	4,682,765	2,621,596
Lease liabilities	1,046,700	1,229,141
Other financial liabilities	1,791,534	937,609
	<b>14,089,283</b>	<b>9,201,415</b>
<b>Net financial assets/(liabilities)</b>	<b>9,796,019</b>	<b>(2,550,945)</b>

#### (a) Market Risk

##### Interest rate risk

The Group's primary interest rate risk arises from cash and cash equivalents held. Term deposits and current accounts held with variable interest rates expose the Group to cash flow interest rate risk. The Group periodically places cash not required for immediate or short-term operational requirements on deposit for varying lengths in order to maximise interest returns and achieve greater certainty over returns.

The following sets out the Group's exposure to interest rate risk, including the effective weighted average interest rate by maturity years:

	Note	Weighted average interest rate	Total \$
<b>31 December 2021</b>			
<b>Financial assets</b>			
Cash and cash equivalents	6(a)	0.08%	21,299,864
<b>31 December 2020</b>			
<b>Financial assets</b>			
Cash and cash equivalents	6(a)	0.13%	4,354,355

##### Sensitivity

At 31 December 2021, if interest rates had increased by 50 basis points or decreased by 50 basis points (without dropping below nil interest rate) from the year end rates with all other variables held constant, the impact on post-tax loss for the year based on the average cash balance would have been \$4,047 lower/\$23,837 higher (31 December 2020 changes 50 basis points: \$21,217 lower/\$21,217 higher), mainly because of higher/lower interest income from cash and cash equivalents.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 12. FINANCIAL RISK MANAGEMENT (continued)

##### (b) Credit Risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. The credit risk of new customers is assessed at the time of a proposed transaction and is then regularly monitored by management.

##### (c) Foreign currency risk management

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures.

The Group regularly monitors the level of foreign currency exposure and where appropriate, considers the use of foreign exchange contracts to manage significant exposures. There were no foreign exchange contracts entered at 31 December 2021 (31 December 2020: nil).

The following table includes the financial assets and liabilities denominated in currencies other than the functional currency of the respective entities and presents the Group's exposure to foreign exchange risk at the end of the reporting period, expressed in Australian Dollars. The Group's manufacturing facilities are based in Australia, and the sales for the ADAPT® business are denominated in USD, EUR and AUD and create an AUD denominated foreign exchange risk. Some suppliers are based overseas and some cash and cash equivalents may be held in foreign currencies, creating a foreign exchange risk.

	Cash and cash equivalents	Trade and other receivables	Trade and other payables	Net Related party payables	Total
	\$	\$	\$	\$	\$
<b>At 31 December 2021</b>					
USD	359,799	684,296	(87,199)	(331,521)	625,375
GBP	1,969	-	-	-	1,969
CHF	-	-	-	(754,715)	(754,715)
EUR	5,427	49,489	(64,689)	-	(9,773)
AUD	-	-	-	(15,609,589)	(15,609,589)
<b>At 31 December 2020</b>					
USD	838,898	552,385	(66,335)	-	1,324,948
GBP	3,481	4,346	-	-	7,827
CHF	54,319	-	1,532	-	55,851
EUR	-	55,234	(5,240)	-	49,994
AUD	-	-	-	(9,973,404)	(9,973,404)

##### Sensitivity

A 10% strengthening/(weakening) of the US dollar, Swiss franc or Australian dollar against all other currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below.

In AUD Currency	2021		2020	
	Strengthening	Weakening	Strengthening	Weakening
	\$	\$	\$	\$
USD	(95,764)	78,352	(120,450)	132,495
CHF	126,443	(103,454)	(5,077)	5,585
AUD	1,734,399	(1,419,054)	906,673	(1,108,156)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 12. FINANCIAL RISK MANAGEMENT (continued)

##### (d) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash balances and access to equity and debt funding.

The Group's exposure to the risk of changes in market interest rates relates primarily to cash assets and floating interest rates. The Group does not have significant interest-bearing liabilities with variable rates and is not materially exposed to changes in market interest rates. The Directors monitor the cash-burn rate of the Group on an ongoing basis against budget.

The Group has access to a discretionary drawdown facility totalling \$16,500,000 which was established through a funding package agreed with Mercer Street Global Opportunity Fund, LLC (Mercer) in January 2021. The put option facility gives Anteris the option to require Mercer to invest in new shares subject to certain terms and conditions. The terms and conditions include that Mercer cannot be required to acquire an interest in fully paid ordinary shares in Anteris exceeding 4.99% unless Mercer gives its written consent and in that case it is not to exceed 9.99%. At 31 December 2021, the total unused finance facility available to Anteris was \$3,717,354 (2020: nil).

At 31 December 2021, the Company had 2,485,200 unlisted options on issue to external parties with a weighted average exercise price of \$10.12 which were in-the-money and exercisable.

The Group held various financial liabilities at reporting date. Trade payables incurred in the normal course of the business were non-interest bearing and were due within the normal terms of creditor payments. The Company held a warrant expiring on 26 October 2024 for which the holder has the ability to convert the warrant to shares or to put that warrant to the Company for \$1,500,000. The Company also held convertible notes settling during 2022 for which the holder has the ability to convert the convertible notes to shares or require the Company to repay \$5,400,000.

##### *Maturities of financial liabilities*

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. It is not expected that the cash flows included in the below maturity analysis could occur significantly earlier, or at significantly different amounts.

	Less than 6 months \$	6-12 months \$	1-2 years \$	2-5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount liabilities \$
<b>At 31 December 2021</b>							
<b>Non-derivatives</b>							
Trade and other payables	6,568,284	-	-	-	-	6,568,284	6,568,284
Borrowings	1,620,000	3,780,000	-	-	-	5,400,000	4,682,765
Lease liabilities	378,111	367,596	417,722	37,853	-	1,201,282	1,046,700
Total non-derivatives	8,566,395	4,147,596	417,722	37,853	-	13,169,566	12,297,749
<b>Derivatives</b>							
Warrant	-	-	-	1,500,000	-	1,500,000	1,210,398
Total derivatives	-	-	-	1,500,000	-	1,500,000	1,210,398
<b>At 31 December 2020</b>							
<b>Non-derivatives</b>							
Trade and other payables	4,013,069	-	-	-	-	4,013,069	4,013,069
Borrowings	1,220,000	1,401,596	-	-	-	2,621,596	2,621,596
Lease liabilities	284,592	280,943	557,400	409,589	-	1,532,524	1,229,141
Deferred consideration	400,000	-	-	-	-	400,000	400,000
Total non-derivatives	5,917,661	1,682,539	557,400	409,589	-	8,567,189	8,263,806
<b>Derivatives</b>							
Warrant	-	-	-	1,500,000	-	1,500,000	937,609
Total derivatives	-	-	-	1,500,000	-	1,500,000	937,609

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 12. FINANCIAL RISK MANAGEMENT (continued)

#### (e) Fair Value Estimation

The fair value of financial assets and liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of receivables as well as trade payables are assumed to approximate their fair values due to their short-term nature.

The consolidated entity's principal financial instruments consist of cash and deposits with banks, accounts receivable, trade payables and loans payable. The main purpose of these non-derivative financial instruments is to finance the entity's operations.

### 13. CONTROLLED ENTITIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy.

Name of entity	Class of share	Country of Incorporation	Equity Holding	
			2021 %	2020 %
<b>Accounting Parent Entity</b>				
Admedus Investments Pty Limited	Ordinary	Australia	100	100
<b>Legal Parent Entity</b>				
Anteris Technologies Ltd	Ordinary	Australia	-	-
<b>Controlled Entities</b>				
Admedus (NZ) Limited	Ordinary	New Zealand	100	100
Admedus (Australia) Pty Limited	Ordinary	Australia	100	100
Admedus Regen Pty Limited	Ordinary	Australia	100	100
Anteris Technologies Corporation	Ordinary	USA	100	100
Anteris Technologies Sàrl	Ordinary	Switzerland	100	100
Admedus Biomanufacturing Pty Ltd	Ordinary	Australia	100	100
Admedus (Singapore) Pte. Ltd.	Ordinary	Singapore	100	100

The proportion of ownership interest is equal to the proportion of voting power held.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 14. PARENT ENTITY INFORMATION

The following details information related to the legal parent entity, Anteris Technologies Ltd, at 31 December 2021.

The financial information presented below has been prepared on the same basis as the consolidated financial statements except that investments in subsidiaries are accounted for at cost, less impairment. These policies have been consistently applied to all the years presented, unless otherwise stated.

	PARENT COMPANY	
	2021	2020
	\$	\$
<b>Statement of financial position</b>		
Current assets	23,108,510	5,871,675
Non-current assets	81,163	14,635,654
<b>Total assets</b>	<b>23,189,673</b>	<b>20,507,329</b>
Current liabilities	(10,804,354)	(12,789,823)
Non-current liabilities	(52,102)	(11,582,779)
<b>Total liabilities</b>	<b>(10,856,456)</b>	<b>(24,372,602)</b>
Contributed equity	196,994,215	163,059,069
Reserves	(29,596,470)	(19,509,737)
Accumulated losses	(147,414,605)	(138,703,495)
Loss for the year	(7,649,923)	(8,711,110)
<b>Total equity</b>	<b>12,333,217</b>	<b>(3,865,273)</b>
<b>Statement of comprehensive income</b>		
Loss for the year	(7,649,923)	(8,711,110)
Other comprehensive loss for the year	-	-
<b>Total comprehensive loss for the year</b>	<b>(7,649,923)</b>	<b>(8,711,110)</b>

#### Contingent liabilities of the parent entity

There were no contingent liabilities in relation to the current reporting period.

#### Commitments of the parent entity

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2021 (2020: nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 15. COMMITMENTS

The Group had no capital commitments for property, plant and equipment as at 31 December 2021.

#### 16. CONTINGENCIES

##### *Contingent asset*

Anteris Technologies Ltd sold the distribution rights to its CardioCel™ and VasculCel™ product range to LeMaitre Vascular, Inc. (LeMaitre) on 11 October 2019. In August 2021, the manufacturing agreement was extended for nine-months, and will now conclude in July 2023.

Under the revised agreement, LeMaitre will assume responsibility for applying for regulatory approvals under the European Medical Devices Directorate Regulation. The associated costs will also be assumed by LeMaitre and deducted from the potential \$US2.0 million earn-out that may be received by Anteris. The earn-out will be payable in instalments upon receipt of each product approval under European Medical Devices Directorate Regulation.

This contingent receipt included within the contract has not been recognised as revenue as it is too early to determine that the amount is virtually certain to be received.

The Company had the potential to receive up to \$US2.5 million if gross revenue from LeMaitre CardioCel® and VasculCel® product sales exceeded \$US30.0 million in the second 12 months or \$US1.2 million if gross revenue from product sales exceeded \$US22.5 million in the second 12 months. These targets were not met and the Company did not receive any payments in respect of this.

##### *Contingent liabilities*

There were no contingent liabilities in relation to the current reporting period.

#### 17. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Since 31 December 2021, the Company has raised \$6,215,830 through the issue of 620,258 ordinary shares as result of option-holders exercising their options.

Other than the above event, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 18. SHARE BASED PAYMENTS

The number and weighted-average exercise prices of share options under share based payment arrangements were as follows.

	2021		2020	
	Number of options	Weighted-average exercise price	Number of options	Weighted-average exercise price
Outstanding at 1 January	530,568	12.67	17,846,436	70.00
Effect of 1:100 consolidation of shares	-	-	(17,723,556)	40.68
Granted during the year	1,046,000	10.63	439,900	11.12
Forfeited during the year	(3,083)	8.64	(7,862)	34.64
Exercised during the year	(670)	4.52	-	-
Expired during the year	(1,167)	32.29	(24,350)	118.80
Outstanding at 31 December	1,571,648	11.31	530,568	12.67
Exercisable at 31 December	912,017	11.99	66,668	22.22

The options outstanding at 31 December 2021 had an exercise price in the range of \$3.50 to \$37.00 (2020: \$3.50 to \$37.00) and a weighted-average contractual life of 4.3 years (2020: 5.7 years). Of these options, 44,745 were issued before 31 December 2018 (2020: 46,412) and have exercise prices between \$22.00 and \$37.00 (2020: \$22.00 and \$37.00). Options subsequently issued have exercise prices between \$3.50 and \$15.00 (2020: \$3.50 and \$11.20) and a weighted average contractual life of 4.2 years (2020: 5.4 years).

The weighted average share price at the date of exercise for share options exercised in 2021 was \$9.30 (2020: no options exercised).

#### (a) Employee Share Options

The Anteris Employee Incentive Plan (EIP) was approved by shareholders at the 2017 Annual General Meeting and again at the 2020 Annual General Meeting. Eligible employees can participate in the Plan.

The key terms of the EIP Options include:

- Options are issued to selected Eligible Employees for nil cost;
- The allotment of options is at the discretion of the Board of Directors;
- Shares allotted on the exercise of the options are to be issued at an exercise price determined by the Board in its absolute discretion;
- Options vest in three equal tranches over 1, 2 and 3 years subject to the holder still being employed by the Group;
- Options expire 5 years after the grant date under the new plan, and 10 years under the old plan;
- All options expire on the earlier of their expiry date or 90 days after the termination of the individual's employment;
- Options are unlisted and not transferable unless the Directors in their absolute discretion agree to a transfer; and
- Options carry no dividend rights or voting rights.

On 20 March 2020 following approval by shareholders at the Extraordinary General Meeting on 26 February 2020, the Company issued 350,000 options to Wayne Paterson (CEO), 60,000 options to John Seaberg (Chair) and 25,000 options to Stephen Denaro (Non-Executive Director and Company Secretary) at an exercise price of \$11.20 ("EGM Options"). These options expire after 5 years and are subject to the achievement of performance hurdles and will only vest on the completion of at least 12, 18 and 24 months service and corresponding increases in the Company's share price to \$16.80, \$22.40 and \$33.60 respectively. If share price hurdles have not been achieved within at least 36 months, the Board of Directors can exercise discretion to extend this for an additional period of up to 12 months. These options were not awarded as part of the existing Employee Incentive Plan. Due to the performance conditions attached, these options have been valued under the Monte Carlo simulation model.

#### (b) Fair Value of Options Granted

The fair value of the EIP options issued during the year has been determined using a Black-Scholes option pricing model that considers the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option based on government bonds. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 18. SHARE BASED PAYMENTS (continued)

#### (c) Other Options granted

The Company granted options to Evolution Capital Advisors Pty Ltd as consideration for lead manager services and underwriting services during the year, with the cost of the issues being equity and debt transaction costs.

The fair values assigned to the options granted to the consultants was either determined using the contracted amount of cash payments to be made in the event that the option issue was not approved by shareholders, or through the use of the Black-Scholes option pricing model analysis' with reference to options with similar terms and exercise prices.

#### (d) Option inputs

The weighted average inputs (based on number of options granted) used in the measurement of the fair values at grant date of the share based payments options granted during the year were as follows.

	EIP options		Other options	
	2021	2020	2021	2020
Fair value per option at grant date	<b>\$4.80</b>	\$1.14	<b>\$1.21</b>	-
Share price at grant date	<b>\$8.41</b>	\$3.54	<b>\$8.36</b>	-
Exercise price	<b>\$8.79</b>	\$11.12	<b>\$11.12</b>	-
Expected volatility	<b>86.19%</b>	89.49%	<b>83.29%</b>	-
Expected life	<b>3.5 years</b>	3.0 years	<b>3.24 years</b>	-
Expected dividends	<b>Nil</b>	Nil	<b>Nil</b>	-
Risk-free interest rate	<b>0.28%</b>	0.50%	<b>0.47%</b>	-

#### (e) Recognition and measurement

Equity-settled share-based compensation benefits are provided to employees. Equity-settled transactions are awards of shares, or options over shares that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions provided under the EIP are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 19. RELATED PARTY TRANSACTIONS

#### (a) Parent Entity

The Legal parent entity within the Group is Anteris Technologies Ltd.

#### (b) Subsidiaries

Interests in subsidiaries are set out in Note 13.

The Company's controlled subsidiary, Admedus Sarl, changed its name during the period to Anteris Technologies Sàrl.

The Company may provide letters of support to its subsidiary companies when required.

#### (c) Key Management Personnel compensation

	2021 \$	2020 \$
Short-term employee benefits	3,626,958	3,987,859
Post-employment benefits	73,212	85,452
Termination benefits	-	-
Share based benefits	264,240	347,928
	<b>3,964,410</b>	<b>4,421,239</b>

Compensation of the Group's key management personnel includes salaries and non-cash benefits.

With effect from 1 July 2021, Martha Engel (General Counsel) ceased employment with Anteris Technologies Ltd. Upon cessation of her employment, the Board of Directors amended her options such that they will continue to vest and expire based on the initial terms.

All other remuneration items remained unchanged.

#### (d) Loans

Loan from Sio Capital (shareholder)	2021 \$	2020 \$
Beginning of the year	1,401,596	1,216,098
Arrangement fee	-	30,000
Interest charged	169,533	155,498
Loan repayments made	(1,571,129)	-
End of the year	-	1,401,596

On 8 May 2019 the Company entered into a facility agreement with Sio Partners, LP (Sio) for a secured debt facility of AUD\$1 million. The facility was for a term of 18 months with an interest rate of 12% per annum, compounded on a monthly basis and added to the loan balance. The facility incurred a one-off fee of AUD\$ 125,000 which has been capitalised to the loan. The principal interest and facility fee were all repayable on maturity of the loan. On 16 October 2020 the Company announced that this facility had been extended until 15 December 2021. The terms and conditions include the ability of the lender to seek repayment of the outstanding balance in the event the Company completes a capital or other transaction generating in excess of \$5m. There was no change to the interest rate. The facility was repaid on the due date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 20. DIVIDENDS

No dividends have been declared or paid during the year.

##### *Recognition and measurement*

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

#### 21. REMUNERATION OF AUDITORS

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2021 \$	2020 \$
<b>Audit Services</b>		
HLB Mann Judd (WA Partnership)		
Audit and review of financial reports and other audit work under the <i>Corporations Act 2001</i>	85,000	80,000
Audit and review of prior year financial reports	-	26,725
Total remuneration for audit and other assurance services	85,000	106,725

It is the Group's policy to employ HLB Mann Judd (WA Partnership) on assignments additional to their statutory audit duties where their expertise and experience with the Group are important, but only if it would not compromise their independence.

No non-audit services were provided by HLB Mann Judd (WA Partnership) in 2021 (2020: nil).

#### 22. SUMMARY OF ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the consolidated entity re-measures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at fair value on the acquisition-date. Subsequent changes in the fair value of contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 22. SUMMARY OF ACCOUNTING POLICIES (continued)

#### (a) Business combinations (continued)

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition; or (ii) when the acquirer receives all the information possible to determine fair value.

##### *Reverse Acquisition*

In accordance with AASB 3 *Business Combinations*, when Anteris Technologies Ltd ("the legal parent" or "Anteris Technologies") acquired Admedus Investments Pty Limited ("the legal subsidiary" or "Admedus Investments"), the acquisition was deemed to be a reverse acquisition. The substance of the transaction was that the existing shareholders of Admedus Investments (the accounting acquirer) had effectively obtained control of Anteris Technologies.

Under reverse acquisition accounting, the consolidated financial statements are issued under the name of the legal parent (being Anteris Technologies), but are a continuation of the financial statements of the deemed accounting acquirer being Admedus Investments.

At the date of acquisition, the assets and liabilities of the Admedus Investments group were recognised and measured in the consolidated financial statements at their pre-combination carrying amounts and added to the assets and liabilities of Anteris Technologies (the legal parent) which had been recognised and measured in accordance with AASB 3 Business Combinations (generally fair value).

In contrast to the above, the share capital on issue in the consolidated financial statements reflects the share capital of the legal parent, Anteris Technologies. It was measured on acquisition date by adding the total fair value of the legal parent (Admedus Investments) to the legal subsidiary's equity (Anteris Technologies). Fair value of the legal parent was determined as the total fair value of all the issued equity instruments of Anteris Technologies immediately prior to the business combination.

Retained earnings and equity balances in the consolidated financial statements at the acquisition date were those of Admedus Investments immediately prior to the transaction.

#### (b) Foreign currency translation

##### *Foreign currency transactions*

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

##### *Foreign operations*

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximates the rate at the date of the transaction. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency translation reserve in equity. The foreign currency translation reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

### 22. SUMMARY OF ACCOUNTING POLICIES (continued)

#### (c) Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification. An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

#### (d) Goods and Services Tax ("GST") and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case, it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

#### (e) New, revised or amending Accounting Standards and Interpretations adopted

*Standards and Interpretations applicable to 31 December 2021*

The Directors have reviewed all Standards and Interpretations on issue not yet adopted for the year ended 31 December 2021. As a result of this review, the Directors have determined that there is no material impact of the Standards and Interpretations on issue not yet adopted by the Company, and therefore, no change is necessary to Group accounting policies.

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



## DIRECTORS' DECLARATION

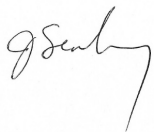
In the opinion of the Directors of the Company:

1. The consolidated financial statements, notes and the Remuneration report in the Directors' report are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial year ended on that date.
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001* for the financial year ended 31 December 2021.

The Directors draw attention to Note 1 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



**John Seaberg**  
Chair

Dated 25 February 2022

## INDEPENDENT AUDITOR'S REPORT

To the members of Anteris Technologies Ltd

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Anteris Technologies Ltd ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### *Basis for opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Material uncertainty related to going concern*

We draw attention to Note 1(a) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### *Key audit matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
<p><b>Carrying value of intangible assets</b> Refer Note 7(e)</p> <p>As at 31 December 2021, the Group has an intangible assets balance of \$1.1 million which relates to its ADAPT technology.</p> <p>Under AASB 136 <i>Impairment of Assets</i>, finite life intangible assets are subject to an impairment test should indicators of impairment arise.</p> <p>As impairment indicators were present, Management conducted a formal impairment assessment under AASB 136 and prepared a valuation model to assist in the determination of recoverable amount.</p> <p>We consider the recoverable amount of intangible assets to be a key audit matter as it involves complex matters involving subjectivity and judgement, it is material to the users' understanding of the financial statements as a whole and it required significant auditor attention and communication with those charged with governance.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>- Consideration of management's assessment of impairment indicators which would necessitate an impairment assessment under AASB 136;</li> <li>- Reviewing the valuation of ADAPT ensuring that the model employed by management is appropriate;</li> <li>- Validation of the accuracy of the mathematical calculations used in the model;</li> <li>- Consideration of the data used by management within the valuation model for appropriateness, relevance and reliability;</li> <li>- Critically assessing management's assumptions and material inputs into the valuation model including sensitivities; and</li> <li>- Assessing the appropriateness of the disclosures included within the financial report.</li> </ul>
<p><b>Accounting for the Mercer Funding Agreement</b> Refer to Note 6(e)</p> <p>On 6 January 2021 the Company announced a funding package provided by Mercer Street Global Opportunity Fund, LLC. Included in this funding package were the issue of convertible notes and includes a put option facility allowing the Company, subject to a number of conditions, to request funding from Mercer.</p> <p>The accounting treatment, classification and valuation of the financial instrument was complex due to significant judgement involved in identifying and valuing the derivative liability at inception and through to the balance date.</p> <p>Fair value movements in the derivatives are driven by movements in the financial markets.</p> <p>As such this matter was determined to be a key audit matter.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>- Examining the agreements to understand the key terms and conditions;</li> <li>- Evaluating the Group's accounting treatment of the financial instruments in accordance with the applicable Australian Accounting Standards;</li> <li>- Assessing the Group's valuations of the derivative liabilities including the methodology used for the valuations;</li> <li>- Assessing the put option facility and whether there is any associated derivative asset that requires valuation;</li> <li>- Testing the calculation of fair value movements on the derivatives and the corresponding impact on the Statement of Profit or Loss and Other Comprehensive Income; and</li> <li>- Assessing the appropriateness of the disclosures included within the financial report.</li> </ul>

*Information other than the financial report and auditor's report thereon*

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2021, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the directors for the financial report*

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

*Auditor's responsibilities for the audit of the financial report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the Remuneration Report**

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the directors' report for the year ended 31 December 2021.

In our opinion, the Remuneration Report of Anteris Technologies Ltd for the year ended 31 December 2021 complies with section 300A of the *Corporations Act 2001*.

### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards



**HLB Mann Judd**  
Chartered Accountants

**Perth, Western Australia**  
**25 February 2022**



**B G McVeigh**  
Partner