



APPENDIX 4D

1. Name of Entity	CardieX Limited ACN 113 252 234
Half year ended	31 December 2022
Reporting period	1 July 2022 to 31 December 2022
Previous period	1 July 2021 to 31 December 2021

2. Results for announcement to the market

	31 December 2022	31 December 2021	% Change Up (Down)
	\$	\$	
2.1 Revenues from continuing operations	1,438,854	2,092,333	(31%)
2.2 Loss from continuing operations after tax attributable to members	(8,671,899)	(6,490,379)	34%
2.3 Net loss attributable to members	(8,671,899)	(6,490,379)	34%
2.4 Proposed dividends	Nil	Nil	-
2.5 Record date for dividend entitlement	N/A	N/A	-
2.6 Revenues for the period decreased on a year-on-year basis. The loss for the period has increased by \$2,181,520 as compared to the previous period. The increase in net loss is primarily attributable to greater spending on product development, including salaries and wages, as well as an increase in administration expenses incurred in relation to pursuing a US listing.			
	31 December 2022	30 June 2022	% Change Up (Down)
	Cents	Cents	
3. Net tangible asset per security*	3.1 cents	5.8 cents	(47)%

* Right of Use Assets are included in the NTA calculations

- The Group did not gain or lose control of an entity during the period.
- There were no payments of dividends during the reporting period.
- There is no dividend reinvestment plan in operation.
- There are no associates or joint venture entities.
- The Company is not a foreign entity.
- The CardieX Limited half-year report for the half-year ended 31 December 2022 has been subject to review by our external auditors, BDO Audit Pty Ltd. A copy of the independent review report is included in the accompanying half-year report

The Company's half year report follows.

Yours sincerely,



Jarrod White
Director
28 February 2023

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About CardieX

CardieX is a health technology company focused on devices & solutions for the world's largest population health disorders. Its ATCOR subsidiary is a world leader in the monitoring of vascular biomarkers for clinical trials and health care research based on the Company's "gold standard" SphygmoCor® central blood pressure technology. CardieX's CONNEQT subsidiary develops and markets medical devices, digital solutions, and wearables for home health, remote patient monitoring, and decentralized clinical trials.

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**CARDIEX LIMITED
AND CONTROLLED ENTITIES
ABN 81 113 252 234**

**HALF YEAR REPORT
FOR THE 6 MONTHS ENDED 31 DECEMBER 2022**



**CARDIEX LIMITED
AND CONTROLLED ENTITIES
ABN 81 113 252 234**

CORPORATE DIRECTORY

DIRECTORS

Mr. Niall Cairns
Mr. Craig Cooper
Mr. King Nelson
Mr. Jarrod White
Ms. Lesa Musatto

JOINT COMPANY SECRETARIES

Mr. Jarrod White
Mr. Nicholas Marshall

CHIEF FINANCIAL OFFICER

Mr. Reid Yeoman (appointed 1 January 2023)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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55 Lime Street
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Telephone: (02) 9874 8761
Email: info@CardieX.com
Website: www.CardieX.com

SHARE REGISTRY

Automic Pty Ltd
Level 5/126 Phillip St
Sydney NSW 2000
Telephone: (02) 9698 5414
Website: www.automicgroup.com.au

AUDITORS

BDO Audit Pty Ltd
Level 11, 1 Margaret Street
Sydney NSW 2000
Telephone: (02) 9251 4100
Facsimile: (02) 9240 9821
Website: www.bdo.com.au

CORPORATE ACCOUNTANT

Traverse Accountants
24-26 Kent Street
Millers Point NSW 2000
Website: www.traverseaccountants.com.au

STOCK EXCHANGE LISTING

CardieX Limited's shares are listed on the Australian Securities Exchange (ASX code: **CDX**).

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**CARDIEX LIMITED
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LETTER FROM CRAIG COOPER - CHIEF EXECUTIVE OFFICER

My Fellow Shareholders,

First half FY23 has been a strong period for the group as both our ATCOR business and CONNEQT business delivered significant milestones and progress which has CardieX well positioned for the remainder of FY23 and beyond.

The Company made a key hire to our ATCOR executive team during the period, to lead the expansion of our clinical trials solutions team. We believe the clinical trial market will be a significant revenue generator for the Company going forward, especially with the impending launch of our Pulse device which provides a full decentralized clinical trial solution for our traditional partners such as Bayer, Novartis, AstraZeneca, GSK and others.

We were pleased to announce a significant achievement late in the reporting period with ATCOR securing the largest clinical trial services agreement in the Company's history. With a strong team in place operating in one of the largest clinical trial markets, vascular health, we are very well placed to grow and convert our pipeline of clinical trial opportunities. Our current pipeline remains at over US\$10 million, after the successful conversions during the half year.

Subsequent to period end, the Company announced ATCOR has made further partnership agreements which we believe will add to our current pipeline of opportunities.

During the period, a lot of effort was directed towards the launch of the CONNEQT Pulse device. As part of this effort, the Company participated in CES and received tremendous recognition during and post the event. It is very pleasing to see the excitement within the industry around the impact and commercial potential of the CONNEQT suite of products and supporting ecosystem.

The strategic acquisition of Blumio Inc. during the period, which included the appointment of key executives to the CardieX team, strengthens our go-to-market efforts for CONNEQT products. We continued to collaborate with regulators and officials during the period to ensure the Company is successful in receiving the required regulatory approvals ahead of market launch.

The Directors continued their strong financial support for the Company through participation in CardieX's capital raise in August 2022 as well as providing corner-stone support in the placement which took place post period end.

The Company has a number of significant milestones to achieve in coming months which have the potential to be transformational for the business and markets in which we operate. We remain focused on delivering the world's first full arterial health monitor and wearable device, both incorporating our FDA cleared SphygmoCor® technology, to deliver a full suite of patented and trademarked heart and vascular health parameters beyond traditional blood pressure for general health care professionals and patients.

I would like to take this opportunity to thank all shareholders for their continuing support as we execute on our vision for the Company.

A handwritten signature in black ink, appearing to read "Craig Cooper".

**Craig Cooper
CEO & Managing Director
CardieX Limited**

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**CARDIEX LIMITED
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ABN 81 113 252 234**

OPERATIONAL UPDATE

Revenue

Group revenue for the half year is down to \$1,438,854 from \$2,092,333 in the previous corresponding period.

Review of Operations

CardieX is pleased to announce the following progress report for the six-month period, including key clinical trials within the ATCOR division and continued work within the Company's subsidiary, CONNEQT.

1. ATCOR UPDATE

ATCOR Clinical Trial Contracts

The opportunities in the clinical trial services market continued to expand during the period and remain a key focus for the Company moving forward. As a result, an important hire was made early in the period with Toni Hofhine appointed President of ATCOR. Toni is responsible for overall strategy, planning and clinical development. As part of this role, Toni will also help to expand the operations and new team requirements to execute the tremendous opportunities the Company sees for its products in the clinical trials market.

On 9 December 2022, the Company announced a significant new Clinical Trial Services Agreement for the provision of XCEL devices and data management services for a new global clinical trial. This new agreement is the largest in the Company's history and is anticipated to provide total life of contract revenue in the order of twice the FY22 revenues for the entire group.

ATCOR's XCEL device will be used by Procurement Partner, Clinichain BV, in all phases of the global clinical trial for the determination of clinically relevant arterial health outcomes based on SphygmoCor® digital vascular biomarkers for the assessment of arterial health.

The continued demand for contracted clinical trials using the ATCOR XCEL device and data management services continues to add significant new incremental revenue to the Company.

Following the conversion of a significant portion of the clinical trial pipeline during the half-year, the pipeline remained strong at period end at over US\$10 million.

Subsequent to period end, the Company announced a new partnership agreement between ATCOR and Invariant, a data-driven health technology company with precision AI and a comprehensive, integrated, high quality data driven platform designed to accelerate research and innovation in health care systems across the US and globally.

2. CONNEQT UPDATE

Acquisition of Blumio, Inc.

On 16 November 2022, CardieX acquired the core assets of wearable sensor start-up, Blumio, Inc (Blumio), a Silicon Valley based developer of advanced algorithms and technology for cardiovascular sensors.

The strategic acquisition of all Blumio assets and technology followed a 3-year collaboration between Blumio and CardieX during which time the companies demonstrated Blumio's sensor technology was compatible with ATCOR's patented SphygmoCor® arterial health technology.

Blumio's technology has the potential to significantly increase the clinical performance for CardieX's ecosystem of heart health monitoring solutions. Blumio's suite of data analytics and visualization tools will enhance the Company's 'Arty Heart Health Analytics Platform' to proactively monitor, alert, and provide actionable health insights from the CONNEQT Pulse and CONNEQT Band devices, thereby enabling physicians and patients alike to make more informed healthcare decisions.

As part of the acquisition, the Company was pleased to appoint Blumio co-founder, Catherine Liao, as Chief Strategy Officer, and Blumio's Head of Product & Operations, Steve Braaten, as VP of Strategic Operations.

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OPERATIONAL UPDATE (CONT.)

CONNEQT Pulse at CES 2023

Subsequent to period end, the Company participated in one of the world's largest technology events, the Consumer Electronics Show (CES), held annually in Las Vegas. The Company used this premier event to unveil the CONNEQT Pulse (Pulse). This event was a resounding success for the Company with Pulse being selected as a 'CES 2023 Innovation Award Honoree' by an elite panel of industry expert judges. This year's CES Innovation Awards program received a record number of over 2,100 submissions.

CES was an important marketing event for the Company. The CONNEQT booth was very well attended throughout the four-day event and strong coverage was secured in leading U.S. trade and industry publications, which will be invaluable as the Company prepares to launch the Pulse, subject to receiving the required regulatory approvals.

CONNEQT Product suite selected for NIH Maternal Health Challenge

During the half-year, the Company was selected for Phase 1 of the National Institute of Health's (NIH) RADx Tech for Maternal Health Challenge in the U.S., receiving an initial US\$20,000 cash prize. As one of 15 innovators accepted into the challenge, the Company now advances to Phase 2 of the challenge.

During Phase 2, the CONNEQT suite of devices and software, will undergo a detailed review of the scientific/technological, clinical, accessibility and usability, regulatory, and commercialization potential of the technology. Innovators who are selected as winners in this phase will receive US\$75,000 each and advance to the final phase of the challenge. Should CardieX be successful in all phases of the challenge, the Company stands to receive up to US\$895,000 in prize money.

CONNEQT Pulse Regulatory Approvals

The Company made good progress during the period in relation to regulatory approvals required for the Pulse. FDA has acknowledged receipt of the Company's application for review and an interactive process commenced with the lead reviewer where additional information has been requested and provided by the Company.

The Company anticipates receiving clearance in the coming months. Pending final FDA clearance, the Pulse will be the first arterial health monitor to incorporate a full suite of patented and trademarked heart and vascular health parameters beyond traditional blood pressure. Pulse will also be the first complete arterial health monitor to incorporate CardieX's SphygmoCor® technology in a device for general health care professionals and patients.

CONNEQT Band Development

During the half-year, the Company completed the Engineering Validation Test (EVT) phase of the development and manufacturing process. This stage is where prototypes are combined to ensure all functional requirements of the product requirement are met.

The Company has now commenced the Design Validation Test (DVT) stage to perfect tools and techniques necessary to ensure that the device can be mass produced while meeting cosmetic and environmental requirements. It is anticipated that this stage will be completed towards the end of calendar Q1 2023, at which point there will be product-ready devices necessary to begin the required electronics certifications prior to pursuing clinical validation.

CORPORATE ACTIVITIES

Placements and SPP

During the period, CardieX successfully completed a placement of new fully paid ordinary shares in the Company raising \$4.33 million at an issue price of \$0.30 per share (Placement) with a 1 for 3 free attaching unlisted option, exercisable at \$0.45, and expiring one year from the date of issue. Directors invested \$1 million as part of the Placement following shareholder approval at the Company's AGM held in November 2022.

In conjunction with the Placement, the Company also successfully completed a Share Purchase Plan (SPP) to eligible shareholders. The SPP had an issue price of \$0.30 per share and had originally targeted raising \$1 million. Due to strong demand, \$593,000 in oversubscriptions was received and accepted, resulting in a total raise of \$1.593 million under the SPP.

Post period end, CardieX successfully completed a placement of new fully paid ordinary shares in the Company raising \$4.5 million at an issue price of \$0.30 per share with a 1 for 2 free attaching unlisted option exercisable at

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OPERATIONAL UPDATE (CONT.)

\$0.50, and expiring one year from the date of issue. Directors have committed to invest more than \$450,000 as part of this placement, which will be subject to shareholder approval at the Company's next general meeting.

Funds raised from the Placements and SPP will be primarily used to support and accelerate new product initiatives related to the Company's CONNEQT subsidiary, operation expansion of the US executive team with an emphasis on ATCOR & CONNEQT clinical trial and remote patient monitoring business development, in addition to ongoing corporate initiatives in the USA.

Debt Facilities

Post period end, CardieX announced that wholly owned subsidiary, Atcor Medical Pty Ltd, had entered into a short term working capital loan facility for up to \$880,000 with Mitchell Asset Management Pty Ltd, the same lender who provides the Company with related financing under the Company's current R&D Loan Facility.

USA Listing

The Company continued to progress positioning itself for a potential dual listing on a major U.S. exchange. In order to further these initiatives, there will likely be the requirement for a shareholder meeting to be held in coming months to apply for such a listing. The Company will provide notice of such a meeting when required.

Appointment of US based CFO

Subsequent to period end, the Company announced the appointment of Reid Yeoman as the group's new U.S. based Chief Financial Officer (CFO).

Reid's experience as a US-based CFO of a NASDAQ-listed company is aligned with the Company's broadening focus in U.S. pharma and consumer health product markets, and is timely as CardieX puts in place the required financial processes and systems ahead of anticipated product development and launches over the coming year.

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DIRECTORS REPORT

Directors

The following persons held office as Directors of CardieX Limited at any time during or since the end of the reporting period, unless stated otherwise:

Mr. Niall Cairns – Executive Chairman and Director
Mr. Craig Cooper – Executive Director, Chief Executive Officer
Mr. King Nelson – Non-Executive Director
Mr. Jarrod White – Executive Director
Ms. Lesa Musatto – Non-Executive Director

Joint Company Secretaries

Mr. Jarrod White
Mr. Nicholas Marshall

Chief Financial Officer

Mr. Reid Yeoman (appointed 1 January 2023)

Review of Operations

The loss for the Group after income tax amounted to \$8,671,899 (31 December 2021 (restated): \$6,490,379).

The Group has generated total revenue of \$1,438,854 down from \$2,092,333 in the previous period.

Principal Activities

During the period the principal continuing activities of the Group consisted of designing, manufacturing and marketing medical devices for use in cardiovascular health management, and the development of clinical and consumer digital health solutions.

Dividends

No dividends were paid or declared by the Group since the end of the previous financial year and the Directors do not recommend dividends be paid for the half year ended 31 December 2022.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Group during the period.

Likely Developments and Expected Results of Operations

Further information on likely developments in the operations of the Group and the expected results of operations have not been included in this annual financial report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

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DIRECTORS' REPORT (CONT.)

Matters Subsequent to Period End

Since the end of the reporting period;

- On 9 February 2023, CardieX announced that it had successfully completed a placement of new fully paid ordinary shares in the Company raising \$4.5 million at an issue price of \$0.30 per share. As part of the placement there is a 1 for 2 free attaching unlisted option, exercisable at \$0.50, and expiring one year from the date of issue. Directors have committed to invest more than \$450,000 as part of this placement, which will be subject to shareholder approval at the Company's next general meeting.

No other significant subsequent event has arisen that significantly affects the operations of the Group.

Rounding of Accounts

The Company has applied the relief available under ASIC legislative Instrument 2016/191 and accordingly, amounts in the financial statements and Directors' report have been rounded to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9.

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

On behalf of the Directors:



Niall Cairns
Executive Chairman
Sydney, 28 February 2023

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF CARDIEX LIMITED

As lead auditor for the review of CardieX Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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



Tim Aman
Director

BDO Audit Pty Ltd

Sydney, 28 February 2023

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**CARDIEX LIMITED
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2022**

	Note	31 December 2022 \$	31 December 2021 (restated) \$
Sales revenue	3	<u>1,438,854</u>	<u>2,092,333</u>
		1,438,854	2,092,333
Other income	4	<u>602,719</u>	<u>552,740</u>
Total income		2,041,573	2,645,073
Cost of sales		(334,076)	(520,534)
Provision for doubtful debts		-	(8,582)
Marketing and sales expense		(501,109)	(757,621)
Product development and regulatory expense		(2,032,941)	(1,057,070)
Occupancy expense		(133,662)	(151,534)
Employee benefits expense		(5,491,025)	(4,583,648)
Administration expense	5	(2,025,082)	(699,426)
Interest expense		(129,814)	(141,526)
Foreign exchange gain		100,644	160,846
Fair value loss		<u>(166,407)</u>	<u>(1,376,357)</u>
Loss before income tax expense		(8,671,899)	(6,490,379)
Income tax expense		-	-
Loss attributable to members of the parent entity		<u>(8,671,899)</u>	<u>(6,490,379)</u>
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations		<u>(30,207)</u>	<u>(2,221)</u>
Total comprehensive loss for the period		<u>(8,702,106)</u>	<u>(6,492,600)</u>
Basic loss per share (cents)	6	(7.2)	(6.7)
Diluted loss per share (cents)	6	(7.2)	(6.7)

These financial statements should be read in conjunction with the accompanying notes.

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**CARDIEX LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	31 December 2022	30 June 2022
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		2,482,249	1,455,590
Trade and other receivables		515,438	813,138
Inventory		1,439,870	994,774
Financial assets	8	5,524,723	-
Other current assets	7	1,860,819	1,566,218
TOTAL CURRENT ASSETS		11,823,099	4,829,720
NON-CURRENT ASSETS			
Property, plant and equipment		1,110,185	1,069,790
Intangible assets		567,480	320,885
Financial assets	8	608,945	6,080,309
Other non-current assets	7	77,751	77,160
TOTAL NON-CURRENT ASSETS		2,364,361	7,548,144
TOTAL ASSETS		14,187,460	12,377,864
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		3,836,933	2,224,631
Unearned revenue	9	2,250,338	877,312
Provisions		543,484	526,538
Financial liabilities	10	-	66,778
Lease liabilities		143,902	122,871
Borrowings	11	2,177,505	1,297,505
TOTAL CURRENT LIABILITIES		8,952,162	5,115,635
NON-CURRENT LIABILITIES			
Other payables		115,385	-
Provisions		3,608	1,824
Lease liabilities		572,534	649,092
TOTAL NON-CURRENT LIABILITIES		691,527	650,916
TOTAL LIABILITIES		9,643,689	5,766,551
NET ASSETS		4,543,771	6,611,313
EQUITY			
Contributed equity	13	73,009,420	67,552,468
Reserves		5,072,827	3,925,422
Accumulated losses	14	(73,538,476)	(64,866,577)
TOTAL EQUITY		4,543,771	6,611,313

These financial statements should be read in conjunction with the accompanying notes.

**CARDIEX LIMITED
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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER
2022**

Note	Contributed equity \$	Reserves \$	Accumulated losses \$	Total \$
Balance at 1 July 2021 (reported)	59,286,666	3,086,032	(54,462,349)	7,910,349
Fair value adjustments	-	-	796,783	796,783
Balance at 1 July 2021 (restated)	59,286,666	3,086,032	(53,665,566)	8,707,132
Loss for the half year (restated)	-	-	(6,490,379)	(6,490,379)
Other comprehensive income/(loss)	-	(2,221)	-	(2,221)
Total comprehensive income/(loss) for the half year	-	(2,221)	(6,490,379)	(6,492,600)
Transactions with equity holders in their capacity as owners				
Shares issued on conversion of options	7,602,431	-	-	7,602,431
Shares issued on conversion of performance rights	422,557	(422,557)	-	-
Shares issued on conversion of convertible notes	270,663	(35,719)	-	234,944
Share issue costs	(147,564)	-	-	(147,564)
Share based payments	68,465	1,032,095	-	1,100,560
Performance rights expired	-	(35,591)	35,591	-
Balance at 31 December 2021	67,503,218	3,622,039	(60,120,354)	11,004,903
Balance at 1 July 2022	67,552,468	3,925,422	(64,866,577)	6,611,313
Loss for the half year	-	-	(8,671,899)	(8,671,899)
Other comprehensive income/(loss)	-	(30,207)	-	(30,207)
Total comprehensive income/(loss) for the half year	-	(30,207)	(8,671,899)	(8,702,106)
Transactions with equity holders in their capacity as owners				
Capital placement	13	5,923,000	-	-
Shares issued in lieu of payments to employees	13	35,000	-	-
Share issue costs	13	(536,762)	-	-
Share based payments	13	35,714	1,177,612	-
Balance at 31 December 2022		73,009,420	5,072,827	(73,538,476)

These financial statements should be read in conjunction with the accompanying notes.

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		3,076,963	1,703,551
Other income received		165,778	-
Payments to suppliers and employees (inclusive of GST)		<u>(8,455,311)</u>	<u>(6,443,321)</u>
		(5,212,570)	(4,739,770)
Interest received		-	34
Net cash used in operating activities		<u>(5,212,570)</u>	<u>(4,739,736)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire property, plant and equipment		(24,142)	(125,113)
Payments for intangible assets		<u>(22,573)</u>	<u>(17,070)</u>
Net cash used in investing activities		<u>(46,715)</u>	<u>(142,183)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from shares issued	13(a)	5,923,000	7,602,431
Share issue costs		(267,775)	(147,564)
Borrowings received, net of transaction costs		800,000	-
Borrowings repaid		(66,778)	(594,000)
Finance costs		-	(26,006)
Repayment of lease liabilities		<u>(103,060)</u>	<u>(102,461)</u>
Net cash provided by financing activities		<u>6,285,387</u>	<u>6,732,400</u>
Net increase in cash held		1,026,102	1,850,481
Cash and cash equivalents at beginning of financial period		1,455,590	3,665,259
Effects of foreign currency exchange		<u>557</u>	<u>(50,269)</u>
Cash and cash equivalents at end of financial period		<u>2,482,249</u>	<u>5,465,471</u>

These financial statements should be read in conjunction with the accompanying notes.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These condensed general purpose financial statements represent those of CardieX Limited ("CardieX") for the interim half year reporting period ended 31 December 2022 and its controlled entities (the "consolidated group" or "group") and have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The separate financial statements of the parent entity, CardieX Limited, have not been presented within this financial report pursuant to the Corporations Act 2001.

These condensed general purpose financial statements do not include all the notes of the type normally included in annual financial statements. These financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

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

Comparative figures have been adjusted to conform to changes in presentation for the current reporting period.

Accounting Policies

a) Going Concern

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

For the period ended 31 December 2022, the Group incurred a loss after tax of \$8,671,899 (2021: \$6,490,379) and had net cash outflows from operating activities of \$5,212,570 for the half year ended 31 December 2022 (2021: \$4,739,735). In order to execute the planned strategy of the Group further capital raisings are required. As a result the Directors have assessed that there is a material uncertainty related to going concern that may cast significant doubt over the ability of the Group to continue as a going concern.

The Directors believe that there are reasonable grounds that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group had cash and cash equivalents of \$2,482,249 as at 31 December 2022 (30 June 2022: \$1,455,590). As at that date, the Group had net current assets of \$2,870,937 (30 June 2022: net current liabilities of \$285,915) and net assets of \$4,543,771 (30 June 2022: \$6,611,313). The Group has performed a cash flow forecast and determined that it has adequate cash resources in place to fund its operations for the next 12 months. It is forecasted that the Group will require further capital to fund its growth. The Group has the ability to continue to raise additional funds on a timely basis pursuant to the Corporations Act 2001. The Group and the Directors have no reason to believe that it will not be able to continue to source equity or alternative funding if required;
- On 9 December 2022, CardieX announced a significant new clinical trial agreement with Procurement Partner, CliniChain BV. The clinical trial involves the provision of ATCOR's XCEL devices and data management services over a period of approximately 30 months. Since June 30, 2022, over US\$1M has been received under this contract.
- On 6 January 2023, CardieX announced that AtCor Medical Pty Ltd had entered into a short-term working capital loan facility with Mitchell Asset Management. The facility limit is A\$880,000 at a rate of 16% per annum and matures on 30 October 2023.
- On 9 February 2023, CardieX announced that it had completed a \$4.5 million placement.
- If required, the Group has the ability to continue to raise additional funds on a timely basis pursuant to the Corporations Act 2001. Based on the Group's track record of successful equity funding in the preceding financial years and subsequent to the reporting period end, the Directors believe that the Group will be able to continue to source equity or alternative funding if required.

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- There is a term loan facility of A\$1.3 million repayable in October 2023, however this will be partially offset by R&D tax rebates expected in the same month. The Group is also currently reviewing options to extend or refinance the facility.
- The Group has the ability to scale back a significant portion of its development activities if required.
- The Group is currently progressing with a US listing which will provide access to additional capital markets and raising opportunities.

The report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concern. The directors consider that it is reasonably foreseeable that the company will continue as a going concern and therefore it will realise its assets and extinguish its liabilities in the normal course of business and at the amount stated in the financial report, and that it is appropriate to adopt the going concern basis in the preparation of the financial report. Should the above events not materialise the Group may not be able to realise its Assets and discharge its Liabilities in the normal course of business.

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NOTE 2: RESTATEMENT OF COMPARATIVE FIGURES

The December 2021 consolidated statement of profit or loss and other comprehensive income have been restated as a result of a revaluations of the group's financial assets. Refer note 8 for further details.

	31 December 2021 Reported \$	31 December 2021 Adjustments \$	31 December 2021 Restated \$
Sales revenue	2,092,333	-	2,092,333
Other income	552,740	-	552,740
Total income	2,645,073	-	2,645,073
Cost of sales	(520,534)	-	(520,534)
Provision for doubtful debts	(8,582)	-	(8,582)
Marketing and sales expense	(757,621)	-	(757,621)
Product development and regulatory expense	(1,057,070)	-	(1,057,070)
Occupancy expense	(151,534)	-	(151,534)
Employee benefits expense	(4,583,648)	-	(4,583,648)
Administration expense	(699,426)	-	(699,426)
Interest expense	(141,526)	-	(141,526)
Foreign exchange gain	143,065	17,781	160,846
Fair value loss	-	(1,376,357)	(1,376,357)
Loss before income tax expense	(5,131,803)	(1,358,576)	(6,490,379)
Income tax expense	-	-	-
Loss attributable to members of the parent entity	(5,131,803)	(1,358,576)	(6,490,379)
Other comprehensive income			
Exchange differences on translating foreign operations	(2,221)	-	(2,221)
Total comprehensive loss for the period	(5,134,024)	(1,358,576)	(6,492,600)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 3: REVENUE

	31 December 2022	31 December 2021
	\$	\$
<i>Sales revenue</i>		
Sale of goods	924,458	1,023,262
Lease income	301,233	792,482
Service income	157,310	230,483
Freight income	25,988	17,829
Royalty income	29,865	28,277
Total revenue	<u>1,438,854</u>	<u>2,092,333</u>

NOTE 4: OTHER INCOME

Grant income	302,091	304,779
Interest received	129,731	242,903
Other income	170,897	5,058
Total	<u>602,719</u>	<u>552,740</u>

NOTE 5: EXPENSES

Loss before income tax includes the following specific expenses:

Administration expense

Professional fees associated with US listing	857,589	-
Other professional fees	895,491	564,355
Other administration expenses	272,002	135,071
Total	<u>2,025,082</u>	<u>699,426</u>

NOTE 6: LOSS PER SHARE

	31 December 2022	31 December 2021 (restated)
a. Reconciliation of earnings:		
Loss after tax	<u>(8,671,899)</u>	<u>(6,490,379)</u>
	No.	No.
b. Weighted average number of ordinary shares outstanding during the half year used in calculating EPS	120,490,202	96,193,616
	Cents	Cents
c. Basic loss per share	<u>(7.2)</u>	<u>(6.7)</u>
d. Diluted loss per share	<u>(7.2)</u>	<u>(6.7)</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 7: OTHER ASSETS

	31 December 2022	30 June 2022
	\$	\$
CURRENT		
Prepayments	701,936	816,388
Contract assets	18,842	12,179
R&D tax incentive receivable ¹	1,037,117	735,026
Other	102,924	2,625
	<u>1,860,819</u>	<u>1,566,218</u>
NON CURRENT		
Deposits	77,751	77,160
	<u>77,751</u>	<u>77,160</u>

1. The FY2022 R&D tax incentive estimate of \$735,026 is expected to be received in March 2023. The grant income recorded in the current period is \$302,091 and is based on estimated R&D tax incentive claims on Australian R&D expenditure. The FY2023 R&D tax incentive is expected to be received by October 2023.

NOTE 8: FINANCIAL ASSETS

	31 December 2022	30 June 2022
	\$	\$
CURRENT FINANCIAL ASSETS		
inHealth Medical Services convertible note (b)	5,524,723	-
	<u>5,524,723</u>	<u>-</u>
NON-CURRENT FINANCIAL ASSETS		
Blumio Inc convertible note (a)	-	-
inHealth Medical Services investment (b)	608,945	648,461
inHealth Medical Services convertible note (b)	-	5,431,848
	<u>608,945</u>	<u>6,080,309</u>
Total	<u>6,133,668</u>	<u>6,080,309</u>

(a) *Blumio Inc.*

- In March 2018, the Company entered into a convertible note purchase agreement for the acquisition of a Convertible Note (the "Blumio Note") issued by Blumio Inc ("Blumio"), payable in two instalments. The full principal balance of US\$600,000 payable under the Blumio Note agreement was met on 14 March 2019.
- Both the debt and derivative components of the Blumio Note are measured as a single instrument at fair value through profit and loss (FVTPL). It is measured at FVTPL as there is an embedded conversion feature. It is measured at FVTPL as a single instrument to significantly reduce any measurement or recognition inconsistencies that would arise from other methods. The term of the Blumio Convertible Note continues until a fundraising event of more than US\$8,000,000 occurs at which point the investment will convert into shares in Blumio at a 20% discount to the price of the fundraising.
- As part of a detailed review of all financial assets in the Group as at 30 June 2022, management determined that the fair value of the Blumio Note should be written down to nil as at 30 June 2021. This is due to the fact the Company obtained financial statements from Blumio which indicated that Blumio was in a net liabilities position as at 30 June 2020, 30 June 2021 and 30 June 2022. No equity funding has been received by Blumio in over five years, and only minor convertible note debt funding had been received in the past three years with no conversions to equity to date. The financial statements also indicated that Blumio has not generated any income to date, other than research grants.

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NOTE 8: FINANCIAL ASSETS (CONT.)

- On 16 November 2022, CardieX announced the acquisition of the core assets from Blumio, Inc. The purchase price of the asset was US\$15,100 payable on execution of the asset purchase agreement, followed by US\$150,000 in CardieX Ordinary Shares, payable in two equal tranches on 15 June 2023 and 15 March 2024 subject to service-based performance criteria. As a result, CardieX recognised A\$253,343 in intangible assets and is reflected in the closing intangible assets balance.
- The face value and accrued interest owing to CardieX was extinguished as result of the acquisition. There was no deemed control over Blumio or any of its assets prior to this time. Although the Blumio convertible note asset was written down to nil in FY2021 in line with the interpretation of accounting standards, CardieX management firmly believed there was a strategic gain in acquiring Blumio assets, particularly due to Blumio's capabilities in wearable sensor development, signal processing, and big data analytics, as well as the wealth of experience and technical knowledge from Blumio's team members that are joining CardieX as a result of the acquisition.

(b) InHealth Medical Services

- On 31 January 2019, the Company exercised in full its option under the agreement to purchase US\$3,000,000 of inHealth Medical Services "Tranche 2" (T2) Convertible Note (the "inHealth Note") securities.
- Both the debt and derivative components of the inHealth Note are measured as a single instrument at FVTPL as there is an embedded conversion feature. It is measured at FVTPL as a single instrument to significantly reduce any measurement or recognition inconsistencies that would arise from other methods.
- By 31 December 2019, the Company had paid the full US\$3,000,000 to inHealth under the Agreement for the T2 Notes.
- In July 2020, the Company and inHealth had signed an agreement to restructure the partnership. Key changes were reducing the outstanding convertible note to US\$2,500,000 by repayment of US\$500,000, extending the maturity date to 1 July 2021, and exchanging the option to move to 50.5% for the issuance of 1% of the fully diluted equity of inHealth.
- In July 2021 it was agreed to further extend the maturity date of the convertible note to 31 December 2021, and further agreed between the parties to forgive accrued interest up until 30 June 2020 totalling A\$338,373 in return for a further 1% of fully diluted equity of inHealth to CardieX.
- In March 2022, the inHealth Note was extended a further term to November 2023, incorporating all interest for the period 1 July 2021 to 28 February 2022 to the principal value of the inHealth Note totalling US\$2,875,317.
- As at 31 December 2022, the face value of the inHealth Note was US\$2,875,317 and US\$144,160 in interest had accrued.
- As at 31 December 2022, the total convertible note asset was fair valued by an external expert at U\$3.74m (30 June 2022: US\$3.74m).
- As at 31 December 2022, the Company holds 7.64% equity in inHealth Medical Services, Inc, currently valued at A\$609k.
- The CardieX Board continues to closely monitor its investment, is in regular communication with inHealth, and is current considering available options as the current amendment of the Note nears maturity towards the end of the calendar year.

NOTE 9: UNEARNED REVENUE

	31 December 2022	30 June 2022
	\$	\$
CURRENT		
Advances received from clinical trial contracts	2,130,487	767,535
Unearned revenue from sales of goods	7,428	-
Unearned revenue from customer service contracts	112,423	109,777
	<u>2,250,338</u>	<u>877,312</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 10: FINANCIAL LIABILITIES

	31 December 2022	30 June 2022
	\$	\$
CURRENT		
Convertible note liabilities	-	66,778
	-	66,778
	-	66,778

NOTE 11: BORROWINGS

	31 December 2022	30 June 2022
	\$	\$
CURRENT		
R&D loan facility	1,297,505	1,297,505
Working capital loan facility	880,000	-
	2,177,505	-
	2,177,505	1,297,505

R&D Loan facility

On 24 March 2022, the Company entered into a new term loan facility of \$1,294,125, secured against future R&D refunds to be received by the Company and its wholly owned subsidiary AtCor Medical Pty Ltd. The facility is a prepayment of forecasted R&D tax incentive claim for the year ended 30 June 2022, and an initial termination date of 31 October 2022, since extended to 31 December 2023. Currently the facility attracts interest at 1.33% per calendar month (16%pa). A general security is held over the Company. Any balance owing after the 2022 R&D refund has been offset and can be:

- Paid out in cash with no interest or fees payable under the current facility terms following the month end of the FY2022 R&D payout; or
- Secured against the Company's FY2023 R&D refund and paid on or before the end of the extended facility term of 31/12/23.

Working capital loan facility

In December 2022, wholly owned subsidiary Atcor Medical Pty Ltd entered into a short-term working capital loan facility for up to \$880,000, to support product and development expansion initiatives. The facility attracts an interest rate of 1.33% per calendar month (16%p.a) and expires on 30 October 2023. A general security is held over the Company. As at 31 December 2022 the facility was fully drawn, with \$80,000 withheld for prepaid interest and establishment fees.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 12: CONTROLLED ENTITIES

Controlled Entities Consolidated

	Country of Incorporation	Percentage Owned (%)*	
		31 December 2022	30 June 2022
PARENT ENTITY:			
CardieX Limited	Australia		
SUBSIDIARIES OF CARDIEX LIMITED			
AtCor Medical Pty Limited	Australia	100	100
AtCor Medical Inc.	USA	100	100
CardieX (Shanghai) Medical Technology Co., Ltd.	China	100	100
Conneqt Inc	USA	100	100

* Percentage of voting power is in proportion to ownership

NOTE 13: ISSUED CAPITAL

	No of Shares	\$
(a) Ordinary shares		
<i>Transactions for the year ended 30 June 2022</i>		
Opening balance as at 1 July 2021	926,038,155	59,286,666
Shares issued on conversion of options	152,048,619	7,602,431
Shares issued on conversion of performance rights	12,000,000	422,557
Shares issued on conversion of convertible notes	7,831,467	270,663
Shares issued in lieu of payments to employees	1,614,480	103,465
Share consolidation (a)	(989,579,021)	-
Shares issued in lieu of payments to employees post share consolidation	50,000	15,500
Cost of raising capital	-	(148,814)
Closing balance as at 30 June 2022	110,003,700	67,552,468
<i>Transactions for the period ended 31 December 2022</i>		
Shares issued from capital placements	14,433,337	4,330,000
Shares issued a result of a share purchase plan	5,310,061	1,593,000
Shares issued in lieu of payments to employees	117,998	35,000
Shares issued in lieu of payments to suppliers	119,048	35,714
Cost of raising capital	-	(536,762)
Closing balance as at 31 December 2022	129,984,144	73,009,420

- (a) On 16 February 2022, there was a share consolidation of the issued capital of the Company on the basis of one (1) security for every ten (10) securities held. Where the consolidation resulted in a fraction of a Share, Performance Right or Option being held, the Company rounded that fraction up to the next whole number. The prior year number of shares has been adjusted for the share consolidation to ensure the numbers are comparable

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 13: ISSUED CAPITAL (CONT.)

	No of Rights	\$
(b) Rights on Issue		
<i>Transactions for the year ended 30 June 2022</i>		
Opening balance at 1 July 2021	196,500,000	1,593,292
Rights converted	(12,000,000)	(422,557)
Rights expired	(24,000,000)	(573,032)
Rights vesting expense	-	1,432,148
Transfer to retained earnings	-	(35,591)
Share consolidation	(144,450,000)	-
Closing balance as at 30 June 2022	16,050,000	1,994,260
<i>Transactions for the period ended 31 December 2022</i>		
Rights issued	6,750,000	-
Rights vesting expense	-	699,413
Closing balance as at 31 December 2022	22,800,000	2,693,673

On 11 December 2020, shareholders approved the issue of performance rights to be issued to the Directors under the Company's Performance Rights and Option Plan. These performance rights total 16,050,000 and expire on 11 December 2023. The terms of the Director rights on issue are as follows:

Tranche	Number of performance rights	Will vest if share price trades at or above:
1	1,100,000	\$0.12
2	1,100,000	\$0.15
3	2,450,000	\$0.20
4	5,700,000	\$0.25
5	5,700,000	\$0.50

On 30 November 2022, shareholders approved the issue of performance rights to be issued to the Directors under the Company's Performance Rights and Option Plan. These performance rights total 6,750,000 and expire on 30 November 2027. The terms of the Director rights on issue are as follows:

Tranche	Number of performance rights	Vesting conditions
1	2,250,000	Vest upon the Company successfully achieving a Secondary Listing on a US exchange
2	2,250,000	Vest upon the Company achieving an audited A\$10 million in Revenue from third parties in any financial year prior to the expiry date
3	2,250,000	Vest upon the Company achieving an audited A\$20 million in Revenue from third parties in any financial year prior to the expiry date

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NOTE 13: ISSUED CAPITAL (CONT.)

	No of Options	\$
(c) Options on Issue		
<i>Transactions for the year ended 30 June 2022</i>		
Opening balance at 1 July 2021	213,555,201	800,492
Options vesting expense	-	494,388
Expired and lapsed employee options	(11,123,249)	-
Options converted to shares	(152,048,619)	-
Share consolidation	(45,103,333)	-
Options issued to employees post share consolidation	1,300,000	-
Closing balance at reporting date	6,580,000	1,294,880
<i>Transactions for the period ended 31 December 2022</i>		
Free attaching options (1 for 3) as attaching to placement	4,811,122	-
Options issued to brokers and consultants	1,494,370	268,986
Options issued to Directors	1,000,000	-
Options issued to employees	1,000,000	-
Options vesting expense	-	209,213
Closing balance at reporting date	14,885,492	1,773,079

NOTE 14: ACCUMULATED LOSSES

	31 December 2022	30 June 2022
Opening balance	(64,866,577)	(53,665,566)
Losses for the period	(8,671,899)	(11,809,634)
Transfer from share-based payments reserve	-	608,623
Closing balance at end of financial period	(73,538,476)	(64,866,577)

NOTE 15: EVENTS AFTER THE BALANCE SHEET DATE

Since the end of the reporting period;

- On 9 February 2023, CardieX announced that it had successfully completed a placement of new fully paid ordinary shares in the Company raising \$4.5 million at an issue price of \$0.30 per share. As part of the placement there is a 1 for 2 free attaching unlisted option, exercisable at \$0.50, and expiring one year from the date of issue. Directors have committed to invest more than \$450,000 as part of this placement, which will be subject to shareholder approval at the Company's next general meeting.

No other significant subsequent event has arisen that significantly affects the operations of the Group.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 16: SEGMENT REPORTING

(a) Description of segments

In the half year 2023 financial period, the Group operated in one operating segment and has identified only one reportable segment being sales of cardiovascular devices and services to hospitals, clinics, research institutions and pharmaceutical companies.

Geographically, the Group prepares information based on the location of its customers, being:

- Americas (includes global pharmaceutical trials business)
- Europe (includes Middle East and Africa)
- Asia Pacific (includes Asia & Australia/NZ)

(b) Segmental information provided to the Board

	Americas	Europe	Asia Pacific	Inter- segment eliminations/ unallocated	Consolidated
	\$	\$	\$	\$	\$
31 December 2022					
Sales to external customers	1,128,599	186,036	124,219	-	1,438,854
Intersegment sales	-	-	4,105,022	(4,105,022)	-
Total sales revenue	1,128,599	186,036	4,229,241	(4,105,022)	1,438,854
Other income	-	-	602,719	-	602,719
Total segment revenue and other income	1,128,599	186,036	4,831,960	(4,105,022)	2,041,573
Segment result	(5,322,159)	142,107	(594,083)	(2,897,764)	(8,671,899)
Unallocated revenue less unallocated expenses					-
Loss before income tax					(8,671,899)
Income tax expense					-
Loss for the period					(8,671,899)
Segment assets	16,537,928	-	78,471,271	(80,821,739)	14,187,460
Segment liabilities	46,212,260	-	59,070,820	(95,639,391)	9,643,689

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 16: SEGMENT REPORTING (CONT.)

	Americas	Europe	Asia Pacific	Inter- segment eliminations/ unallocated	Consolidated
31 December 2021	\$	\$	\$	\$	\$
Sales to external customers	1,576,670	342,206	173,457	-	2,092,333
Intersegment sales	-	-	541,100	(541,100)	-
Total sales revenue	1,576,670	342,206	714,557	(541,100)	2,092,333
Other income	-	-	552,740	-	552,740
Total segment revenue and other income	1,576,670	342,206	1,267,297	(541,100)	2,645,073
Segment result (restated)	(3,060,150)	197,854	(3,638,278)	10,195	(6,490,379)
Unallocated revenue less unallocated expenses					-
Loss before income tax					(6,490,379)
Income tax expense					-
Loss for the period					(6,490,379)
					30 June 2022
Segment assets	14,157,297	-	71,135,687	(72,915,120)	12,377,864
Segment liabilities	38,160,540	-	57,918,055	(90,312,044)	5,766,551

(c) Notes to and forming part of the segment information

Inter-segment transfers

Segment revenues, expenses and results include transfers between segments. The group transfer inventory and finished goods between its group companies. Such transfers are priced on an "arm's-length" basis and are eliminated on consolidation.

Segment revenue

There was no significant concentration of revenue attributable to one customer in the 6 months to December 2022 (2021: \$nil).

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 16: SEGMENT REPORTING (CONT.)

(d) Disaggregation of revenue

Revenue is disaggregated by the country in which the customer is located as this depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors.

31 December 2022	Americas	Europe	Asia Pacific	Consolidated
	\$	\$	\$	\$
Sale of goods	650,749	180,805	92,904	924,458
Lease income	301,233	-	-	301,233
Service income	155,990	570	750	157,310
Freight income	20,627	4,661	700	25,988
Royalty income	-	-	29,865	29,865
Total sales revenue	1,128,599	186,036	124,219	1,438,854
Other income	-	-	602,719	602,719
Total revenue and other income	1,128,599	186,036	726,938	2,041,573

31 December 2021	Americas	Europe	Asia Pacific	Consolidated
	\$	\$	\$	\$
Sale of goods	554,582	333,175	135,506	1,023,263
Lease income	792,482	-	-	792,482
Service income	219,350	3,343	7,790	230,483
Freight income	10,256	5,688	1,884	17,828
Royalty income	-	-	28,277	28,277
Total sales revenue	1,576,670	342,206	173,457	2,092,333
Other income	-	-	552,740	552,740
Total revenue and other income	1,576,670	342,206	726,197	2,645,073

NOTE 17: CAPITAL COMMITMENTS

CardieX subsidiary, AtCor Medical Pty Ltd has an open purchase order to the value of US\$279,000 for microchips.

There were no other capital commitments as at 31 December 2022.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2022

NOTE 18: COMPANY DETAILS

The registered office of the Company is:

CardieX Limited
Suite 301, Level 1
55 Lime Street
Sydney NSW 2000

The principal place of business is:

CardieX Limited
Suite 301, Level 3
55 Lime Street
Sydney NSW 2000

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DIRECTORS' DECLARATION

The Directors of the Company declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements;
- (c) in the directors' opinion, the attached financial statements and notes as set out on pages 10 to 27 comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (d) the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date.

Signed in accordance with a resolution of the directors made pursuant to s303 (5) (a) of the Corporations Act 2001.

On behalf of the Directors:



Niall Cairns
Executive Chairman
Sydney, 28 February 2023

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of CardieX Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of CardieX Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, 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 half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

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Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

BDO

A handwritten signature in black ink, appearing to read 'Tim Aman', is written over a horizontal line.

**Tim Aman
Director**

Sydney, 28 February 2023

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