

Analytica Limited

ABN 12 006 464 866

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

HALF YEAR ENDED 31 DECEMBER 2022



Table of Contents

Directors Report	1
General information	1
Information on directors	1
Dr Michael Monsour	1
Dr Peter B. Corr.	1
Mr Ross Mangelsdorf	2
Principal activities and significant changes in nature of activities	2
Operating results and review of operations for the half year	2
Operating results	2
Review of Operations	2
Financial Review	4
Financial position	4
Events after the reporting date	4
Future developments and results	4
.	4
Key Management and Staff	6
Geoff Daly, Chief Executive Officer	6
Chelsea Cornelius – Product Development and Operations Manager	6
.	7
Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Interim Statement of Financial Position	9
Consolidated Interim Statement of Changes in Equity	10
Consolidated Interim Statement of Cash Flows	11
Notes to the Financial Statements	12
1: Summary of Significant Accounting Policies	12
2. Result for the half year	15
Revenue from continuing operations	15
Expenditure	15

Table of Contents

3. Issued Capital	16
4. Operating Segments	16
Segment information	16
5. Contingencies	19
6. Related Parties	19
7. Events Occurring After the Reporting Date	19
Directors' Declaration	20

Directors Report

General information

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.



Dr Michael Monsour

MBBS-HONS, FACRRM, FAICD

Chairman of the Board (appointed 28 June 2004)

Dr Michael Monsour is a Medical Practitioner with extensive interests in Queensland medical centres. Michael Monsour graduated from the University of Queensland in 1977 in medicine with honours. He operates a medical management company, which provides management support to medical and dental practitioners. He is the principal of Godbar Software (established 1988) which is one of the leading software developers of Occupational Health, Safety and Medical Accounting software packages in Australia.



Dr Peter B. Corr.

Non-Executive Director (appointed 23 May 2017)

Received his doctorate from Georgetown University School of Medicine.

Dr. Corr has extensive experience in the discovery and development of medicines as well as the sale of assets to major multinational corporations. Dr. Corr co-founded and is Managing General Partner of Auen Therapeutics, a private equity firm pursuing a life science investment strategy where products are acquired, developed and then sold to multinational pharmaceutical firms. Dr. Corr was previously a Professor of Medicine and Pharmacology at Washington University for 18 years. He then joined Searle as Senior VP of Discovery Research, and subsequently was President of Research and Development at Warner Lambert / Parke Davis and then President, worldwide Development at Pfizer, and Corporate Senior Vice President of Science and Technology at Pfizer.



Mr Ross Mangelsdorf

B.Bus, FCA, CTA, MAICD

Executive Director (appointed 7 October 2008)

Mr Mangelsdorf performs the function of Chief Financial Officer.

Mr Mangelsdorf is a Director/partner of a chartered accounting firm for 41 years. He works with SME production, manufacturing and retail firms assisting with business, taxation and management services.

Principal activities and significant changes in nature of activities

The principal activities of the Group during the year were:

- The development of strategies on commercial sales of PeriCoach;
- The development of intellectual property of medical device and mobile health application in relation to patents and systems in the pelvic floor exercise field (PeriCoach);
- The development of intellectual property in the medical device field in relation to patents in the burette field (AutoStart Infusion System);
- The development of strategies for commercial sales of burette products;
- There were no significant changes in the Group's principal activities during the half year.

Operating results and review of operations for the half year

Operating results

The consolidated loss of the Group for the half year ended 31 December 2022 amounted to \$1,306,506 (December 2021: loss \$1,373,117), after providing for income tax. For the 6 months to December 2022 there is an overall decrease in expenses of \$60k compared to December 2021. This decrease was predominantly attributable to an decrease in Research and Development of \$156k, an decrease in Administration of \$65k, an increase in Marketing \$85k. Income increased by \$32k, due to sales of the PeriCoach.

Review of Operations

PeriCoach

Executing the commercialisation strategy for the PeriCoach is focused on the following milestones:

- Building 'best-in-class' conservative treatment for pelvic floor conditions, with a particular focus on urinary incontinence.
- Validate and extend clinical credibility and effectiveness of PeriCoach.
- Confirming market acceptance while creating a positive sales environment.
- Securing a competitive partnering agreement with a major multinational company with the resources to make the PeriCoach a global success.

Manufacturing Capability

Analytica's commercialisation process for the PeriCoach system has followed the path of R&D, product development, regulatory clearances, and conducting market research. During this phase Analytica has outsourced manufacturing of the product.

Analytica continues to develop its own manufacturing capability and become the regulatory manufacturer of record for the PeriCoach product. The company quality management system has been certified by BSI to ISO13485:2016 for the design, development, production, sales and distribution of pelvic floor exercise aides.

The benefits of bringing the PeriCoach product under Analytica's control include:

Better supply chain management and regulatory compliance - being better able to manage delays in global supply chains and comply with regulatory requirements (including new certifications and responsibilities imposed on manufacturers following recent rule changes in Europe and Australia regarding software and medical devices);

Meet potential demand from distribution networks - being better able to meet prospective demand for the PeriCoach; and

Market re engagement - provide the ability to re commence direct to consumer sales and continue to pursue deals with public health systems and health insurers to address the enormous Women's Health issues of rehabilitation of post-natal mother's and treatment for post-menopausal women to prevent or delay their entry into residential aged care.

Initially, Analytica will accept supplied components and perform final assembly, quality control testing, packaging and product release. As volumes increase the plan allows for plastic and silicon moulding to be brought in house, and at full implementation, electronics manufacturing.

Intellectual Property

On the 13th July 2022 Canadian patent 2,964,183 "Intra vaginal device to aid in training and determining muscle strength" concerning the arrangement of force sensors in pelvic floor exercise devices was granted. This patent will expire on 16th of October 2035 provided all renewal fees are paid. This invention has previously been granted patent protection for this

feature in Australia and USA and is patent pending in Brazil, Europe, Japan, China and India.

This invention has also been granted patent protection in Australia, China, and Japan, USA, Europe including Switzerland, France, Great Britain, Italy, Sweden, Turkey and Germany.

Financial Review

Financial position

The net assets of the Group have decreased by \$1,306k from 30 June 2022 to \$1,453k at 31 December 2022.

The Company's immediate short term working capital requirements are being provided by the Company's major shareholder. There are a number of commercial initiatives that are advanced but remain incomplete and confidential. The Company believes that if these commercial initiatives can be completed, the Company will have a commercial basis to seek additional equity funding to meet its business objectives.

Events after the reporting date

No matters or circumstances have arisen since the end of the half year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Future developments and results

Continue the commercialisation strategy for the PeriCoach namely:

- Executing the commercialisation strategy for the PeriCoach is focused on the following milestones:
- Building 'best-in-class' conservative treatment for pelvic floor conditions, with expansion from the current focus on urinary incontinence to include pelvic organ prolapse, a condition which affects up to 10% of all women at some stage of their lives.
- Validate and extend clinical credibility and effectiveness of PeriCoach
- Confirming market acceptance while creating a positive sales environment
- Securing a competitive partnering agreement with a major multinational company with the resources to make the PeriCoach and AutoStart/AutoFlush burette global success's.

■

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



Dr Michael Monsour

Director



Mr Ross Mangelsdorf

Director

Dated this 28 February 2023

Key Management and Staff



Geoff Daly, Chief Executive Officer

Mr Daly is a Chartered Biomedical and Mechanical Engineer with 25 years of professional engineering experience, the last 20 in the medical device industry. Mr Daly has expertise in design processes, quality systems, and business system improvement, and is trained in the use of Six Sigma tools. He has extensive hands-on design experience of product development in FDA QSR and ISO 13485 environments in some of Australia's largest and smallest medical device companies.



Chelsea Cornelius – Product Development and Operations Manager

Chelsea started at Analytica in 2008 and has been a key developer of the PeriCoach. Chelsea has a double degree of Arts (Cultural Studies) and Engineering (Mechanical; Hons) at Swinburne University, and a Masters of Biomedical Engineering at Melbourne University. In 2016 Chelsea received the Medical Technology Association of Australia Outstanding Achievement Award.

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001***

TO THE DIRECTORS OF ANALYTICA LIMITED

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2022 there has been:

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



Bentleys Brisbane Partnership
Chartered Accountants



Stewart Douglas
Partner

28 February 2023

Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2022

Continuing operations	Note	Dec-22 \$	Dec-21 \$
Sales Revenue		33,258	2,882
Cost of Sales		<u>(16,234)</u>	<u>(1,323)</u>
Gross Profit		17,024	1,559
Investment revenue		-	308
Profit/(Loss) on Sale of Equipment		-	(1,258)
Royalty Income/(Reversal)		(1,500)	(1,823)
Administration expense	2	(435,561)	(500,263)
Depreciation, amortisation and impairments	2	(15,896)	(7,015)
Finance expenses	2	(60,381)	(36)
Foreign Currency Gains and Losses		(1,580)	(1,991)
Investments Fair Value Adjustment		-	8,358
Marketing expenses	2	(203,645)	(118,346)
Occupancy expenses		(16,123)	(9,457)
Patent maintenance expenses	2	(14,793)	(13,420)
Research and development expense	2	(574,051)	(729,733)
Profit/(Loss) before tax		<u>(1,306,506)</u>	<u>(1,373,117)</u>
Income tax expense		<u>-</u>	<u>-</u>
Net Profit/(Loss)		<u>(1,306,506)</u>	<u>(1,373,117)</u>
Earnings per share			
Basic/diluted earnings per share (cents)		(0.028)	(0.030)

Consolidated Interim Statement of Financial Position

Consolidated Interim Statement of Financial Position

As at 31 December 2022

	Dec-22 \$	Jun-22 \$
Assets		
Current Assets		
Cash and cash equivalents	21,280	30,258
Inventories	184,667	150,589
Prepayments	57,228	123,153
Trade and other receivables	9,717	13,932
Total Current Assets	272,892	317,932
Non-current Assets		
Intangible assets	453,367	436,585
Other financial assets	9,402	9,402
Property, plant and equipment	16,979	20,490
Total Non-current Assets	479,748	466,477
Total Assets	752,640	784,409
Liabilities		
Current Liabilities		
Directors loans	1,688,301	450,643
Employee benefits	319,108	307,249
Short-term provisions	65,327	63,380
Trade and other payables	113,818	94,745
Total Current Liabilities	2,186,554	916,017
Non-Current Liabilities		
Provision for Long Service Leave	19,301	15,101
Total Non-Current Liabilities	19,301	15,101
Total Liabilities	2,205,855	931,118
Net Assets	(1,453,215)	(146,709)
Equity		
Current Year Earnings	(1,296,200)	(2,248,859)
Issued capital	107,383,796	107,383,796
Reserves	89,496	89,496
Retained Earnings	(107,630,307)	(105,371,142)
Total Equity	(1,453,215)	(146,709)

Consolidated Interim Statement of Changes in Equity

Consolidated Interim Statement of Changes in Equity

For the Half Year Ended 31 December 2022

	Ordinary Shares	Retained Earnings	Option Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2022	107,383,796	(107,620,001)	89,496	(146,709)
Profit (loss) attributable to members		(1,306,506)	-	(1,306,506)
Shares issued during the year	-	-	-	-
Transaction costs	-	-	-	-
Balance at 31 December, 2022	107,383,796	(108,926,507)	89,496	(1,453,215)

Half Year Ended 31 December 2021

	Ordinary Shares	Retained Earnings	Option Reserve	Total
	\$	\$	\$	\$
Balance at 1 July 2021	107,383,796	(106,192,017)	900,065	2,091,844
Profit (loss) attributable to members	-	(1,373,117)	-	(1,373,117)
Shares issued during the year	-	648,045	(648,045)	-
Transaction costs	-	-	-	-
Balance at 31 December, 2021	107,383,796	(106,917,089)	252,020	718,727

Consolidated Interim Statement of Cash Flows

For the Half Year Ended 31 December 2022

	Dec-22 \$	Dec-21 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	33,258	2,882
Interest received	-	308
Payments to suppliers and employees	(1,190,346)	(1,263,201)
Finance costs	-	(36)
Net cash provided by/(used in) operating activities	<u>(1,157,088)</u>	<u>(1,260,047)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for intangible asset	(29,166)	(40,912)
Purchase of property, plant and equipment	-	(13,356)
Payment for Deposit	-	(4,200)
Net cash used by investing activities	<u>(29,166)</u>	<u>(58,468)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Directors' Loans	<u>1,177,277</u>	<u>-</u>
Net cash used by financing activities	<u>1,177,277</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents held	(8,978)	(1,318,515)
Cash and cash equivalents at beginning of year	30,258	1,890,683
Cash and cash equivalents at end of the half year	21,280	572,168

Notes to the Financial Statements

1: Summary of Significant Accounting Policies

This condensed interim financial report for the reporting period ending 31 December 2022 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Analytica Limited. As such it does not contain information that represents relatively insignificant changes occurring during the half year within Analytica Limited. This condensed financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of Analytica Limited for the year ended 30 June 2022, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, other than those outlined in note 1 (f).

The consolidated financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

The consolidated interim financial report covers Analytica Limited and its controlled entities, PeriCoach Pty. Ltd, Analytica Operations Pty Ltd and Analytica Export ME Pty Ltd. Analytica Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

The functional and presentation currency of Analytica Limited is Australian dollars.

The financial report was authorised for issue by the Directors on the date the Directors report was signed.

a. Revenue and other income.

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. When the inflow of consideration is deferred, it is treated as the provision of financing and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the satisfaction of the performance obligation within the contract.

Interest revenue is recognised using the effective interest method.

Dividend revenue is recognised when the right to receive a dividend has been established.

Dividends received from associates and joint ventures are accounted for in accordance with the equity method of accounting.

Royalty revenue is recognised in the consolidated statement of profit or loss and other comprehensive income when the later of the subsequent sale or usage occurs and the performance obligation to which the sale-based or usage based royalty has been allocated has been satisfied.

The Group is eligible for research and development incentives from the Federal Government. Such amounts are recognised as revenue upon receipt.

All revenue is stated net of the amount of goods and services tax.

b. Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first in first out basis and is net of any rebates and discounts received.

c. Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment of losses.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight line basis over the assets useful life to the Company, commencing when the asset is ready for use.

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

d. Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Bank overdrafts also form part of cash equivalents for the purpose of the interim statement of cash flows and are presented within current liabilities on the interim statement of financial position.

e. Going concern

As disclosed in the consolidated interim statement of profit or loss and other comprehensive income, the Group incurred a significant loss of \$1,306,506 for the half year (31 December 2021: \$1,373,117). The consolidated interim statement of financial position discloses a net current asset deficiency of \$1,913,662 (30 June 2022: \$598,085) and a net asset deficiency of \$1,453,215 (30 June 2022: \$146,709). The consolidated interim statement of cash flows discloses a cash outflow of \$1,259,906 (31 December 2021: \$1,260,047) from operating activities.

The Group has a loan facility agreement in place at the half-year with one of its directors, Dr Monsour, of up to \$2,000,000. The undrawn balance of this facility at balance date is \$311,699, with the term set to expire at 30 June 2023. Subsequent to the period, this facility has been increased to \$2,300,000 and extended to 31 December 2023. It is the belief of the Directors, that this will be extended for the foreseeable future.

The Group has prepared a cashflow forecast until February 2024 that indicates the Group has sufficient cashflow to continue as a going concern and pay its debts as and when they fall due and payable. On this basis, the directors have determined that it is appropriate to prepare the financial report on a going concern basis. However, the cashflow forecast contains the following significant assumptions:

- The existing loan facility agreement will continue into the foreseeable future;
- A share capital raising will be undertaken within the next few months; and
- A deal for production and sale of Analytica medical device.

Given the above matters and the significant assumptions in the cashflow forecasts, a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and pay its debts as and when they fall due and payable.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities in a manner other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. As the financial report has been prepared on a going concern basis it does not include any adjustments relating to the recoverability and classification of recorded asset amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

f. Adoption of new and revised accounting standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2022.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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

2. Result for the half year

Revenue from continuing operations

	Dec-22 \$	Dec-21 \$
Sales Revenue	33,258	2,882
Government Business Support	-	-
Grant Income	-	-
Investment revenue	-	308
Royalty Income/(Reversal)	(1,500)	(1,823)
Total Income	31,758	1,367

Expenditure

Profit before income tax from continuing operations includes the following specific expenses

Administration expense

Administration - compliance	268,252	304,324
Administration - employment	144,980	188,851
Administration - general	12,023	7,088
Total Administration expense	425,255	500,263

Depreciation, amortisation, impairments

Intangible assets	12,385	4,987
Property, plant and equipment	3,511	2,028
Total Depreciation, amortisation, impairments	15,896	7,015

Finance expenses

Directors' Loan	60,258	-
External	123	36
Total Finance expenses	60,381	36

Marketing expenses

Marketing - employment	519	569
Marketing - Other	44,828	-
Marketing - PeriCoach	158,298	117,777
Total Marketing expenses	203,645	118,346

Patent maintenance expenses

Patent Maintenance - AutoStart Burette	8,121	8,758
Patent Maintenance - PeriCoach	6,672	4,662
Total Patent maintenance expenses	14,793	13,420

Research and development expense

R & D – Employment	391,152	351,111
R & D – PeriCoach	182,899	378,622
Total Research and development expense	574,051	729,733

3. Issued Capital

	Dec-22	Jun-22
	\$	\$
Ordinary shares: 4,613,801,129 (Jun 2022: 4,613,801,129)	107,383,796	107,383,796

(a) Ordinary shares

	Dec-22	Jun-22
	No.	No.
At the beginning of the reporting period	4,613,801,129	4,613,801,129
Shares issued during the period	-	-
At the end of the reporting period	4,613,801,129	4,613,801,129

4. Operating Segments

Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings as the diversification of the group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the manufacturing process;
- the type or class of customer for the products or services;
- the distribution method; and
- any external regulatory requirements.

Performance is measured based on segment profit before income tax as included in the internal financial reports.

Types of products and services by reportable segment

(i) Medical Devices

- AutoStart Burette
- PeriCoach (Perineometer)

Analytica's lead product is the Perineometer device branded PeriCoach, to assist women and their clinicians in treatment of Stress Urinary Incontinence. The PeriCoach has a TGA ARTG entry, CE-marking, and USFDA 510(k) 'approval'.

Analytica is also commercialising the Enhanced Infusion System. The Enhanced Infusion System set automatically restarts the delivery of intravenous fluid once the burette has dispensed its predetermined amount of liquid or drug. Automatic restart of the IV fluid, once the drug is dispensed can provide enormous savings in nursing time during and following a medication event, and reduces the risk of blood clots forming that may obstruct the intravenous cannula. The AutoFlush feature uses the existing IV line to flush syringe and injection port, reducing time, cost and risk.

The AutoStart Burette has a TGA ARTG entry and USFDA 510(k) clearance.

(ii) Corporate

The corporate segment includes all other operations including the administration and associated listed public company expenditure.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless stated below, all amounts reported to the Board of Directors, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Income tax expense

Income tax expense is calculated based on the segment operating net profit using a notional charge of 25%. The effect of taxable or deductible temporary difference is not included for internal reporting purposes.

(b) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(c) Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Segment performance

	Medical Devices		Corporate		Total	
	Dec-22	Dec-21	Dec-22	Dec-21	Dec-22	Dec-21
	\$	\$	\$	\$	\$	\$
REVENUE						
Revenue from customers	33,258	2,882	-	-	33,258	2,882
Royalties	(1,500)	(1,823)	-	-	(1,500)	(1,823)
Interest revenue	-	-	-	308	-	308
Total segment revenue	31,758	1,059	-	308	31,758	1,367
Depreciation & amortisation	(12,385)	(4,987)	(3,511)	(2,028)	(15,896)	(7,015)
Cost of sales	(16,234)	(1,323)	-	-	(16,234)	(1,323)
Interest expense	-	-	(60,381)	(36)	(60,381)	(36)
Marketing	(203,645)	(118,346)	-	-	(203,645)	(118,346)
Other expense	-	-	(453,265)	(504,611)	(453,265)	(504,611)
Patent maintenance	(14,793)	(13,420)	-	-	(14,793)	(13,420)
Research & development	(574,051)	(729,733)	-	-	(574,051)	(729,733)
Total segment expense	(821,108)	(867,809)	(517,156)	(506,675)	(1,338,264)	(1,374,484)
Segment profit (loss)	(789,350)	(866,750)	(517,156)	(506,367)	(1,306,506)	(1,373,117)

(e) Segment assets

Segment assets	655,013	553,875	88,225	646,077	743,238	1,199,952
Financial assets at fair value through profit and loss	-	-	9,402	21,939	9,402	21,939
Total	655,013	553,875	97,627	668,016	752,640	1,221,891

(f) Segment liabilities

Segment liabilities	-	-	2,205,855	503,164	2,205,855	503,164
---------------------	---	---	------------------	---------	------------------	---------

5. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (30 June 2022: None).

6. Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions occurred with related parties are shown below.

Loan facility to the company up to \$2,300,000 (30 June 2022: \$2,00,000) provided by Dr Monsour.

The balance as at reporting date is 1,688,301 (30 June 2022: 450,643), Interest of 11.51 % is being paid on this loan.

7. Events Occurring After the Reporting Date

No other matters or circumstances have arisen since the end of the year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' Declaration

In accordance with a resolution of the directors of Analytica Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 8 to 19, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standard, AASB 134 *Interim Financial Reporting*; and
 - b. give a true and fair view of the financial position as at 31 December 2022 and of the performance for the half year ended on that date of the consolidated group;
2. 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.

Directors



Dr Michael Monsour



Mr Ross Mangelsdorf

Dated this 28 February 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ANALYTICA LIMITED



Report on the Half-Year Financial Report

Qualified Conclusion

We have reviewed the half-year financial report of Analytica Limited and its controlled entity (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, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, except for the effects of the matter described in the *Basis for Qualified Conclusion* section of our report, 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:

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

Basis for Qualified Conclusion

The half-year financial report has been prepared on a going concern basis, which indicates continuity of business activities and the realisation of assets and settlement of liabilities in the normal course of business.

We draw attention to Note 1(e) of the half-year financial report which indicates that the for the half year to 31 December 2022 the group incurred a loss of \$1,306,506 (31 December 2021: 1,373,117 loss); is in net current liability position of \$1,913,662 (30 June 2022: \$598,085), is in a net liability position of \$1,453,215 (30 June 2022: \$146,709), had an operating cash outflow of \$1,259,906 (31 December 2021: 1,260,047) and that the group will be required to raise additional funds to meet its cash needs.

These conditions, along with other matters as set forth in Note 1(e), cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the half-year financial report.

We believe that the review evidence we have obtained is sufficient and appropriate to provide a basis for our qualified conclusion.

Independence

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 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ANALYTICA LIMITED (Continued)

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

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.



Bentleys Brisbane Partnership
Chartered Accountants



Stewart Douglas
Partner
Brisbane, 06 March 2023