Analytica Ltd

ABN 12 006 464 866

Appendix 4D

Half Year Report

For the 6 months ended December 2019 (current period)
And the previous corresponding period 6 months ended 31 December 2018

Results for announcement to the market

Revenue from ordinary activities:	Up	2197%	to	$728,626
(Loss) from ordinary activities after tax attributable to members:	Down	27%	to	(406,243)
Net (Loss) for the period attributable to members:	Down	27%	to	(406,243)

	Current period	Previous corresponding period
Net tangible asset backing per ordinary share	0.3 cents	0.3 cents
Basic earnings/(loss) per share	(0.012) cents	(0.044) cents

An explanation of the result of the current period is set out in the Directors Report contained in the attached audit reviewed half-year Financial Report

Full financial details of the Company are also contained in the attached audit reviewed half-year Financial Report

Dividends: It is not proposed that any dividend will be paid. No dividends were paid in the previous corresponding period.

Analytica Limited

ABN 12 006 464 866

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

HALF YEAR ENDED 31 DECEMBER 2019

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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 and dental 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 Auven 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.

Dr Thomas Lönngren.

Non-Executive Director (appointed 10 August 2015)

Degree in Pharmacy, Master of Science Degree in social and regulatory pharmacy. Honorary Doctorate from University of Bath, UK (2011), University of Uppsala, Sweden (2008), and Honorary Fellow of the Royal College of Physicians and Honorary Member of the Royal Pharmaceutical Society of Great Britain.

Dr Lönngren has a profound knowledge and experience in drug and medical device regulation, and health economics across the world's major markets. His extensive network of contacts in multinational pharmaceutical and medical device companies and capital markets will be a great asset for our Company as we expand our operations into the United States and Europe.

Other current directorships in listed entities. Dr Lönngren's current positions include Director and Founder of Pharma Executive Consulting Ltd in London, Strategic Advisor at NDA Group in Sweden, Germany, UK and Cambridge, MA, US and Non-Executive Director of Global Kinetics Corporation in Australia.

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 38 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 year

Operating results

The consolidated loss of the Group for the half year ended 31 December 2019 amounted to $406,243 (December 2018: loss $1,478,882), after providing for income tax. For the 6 months to December 2019 there is an overall reduction in expenses of $377k compared to December 2018. This reduction was predominantly attributable to a decrease in Research and Development of $249k (larger components of the development of "big data" analytics completed), an increase in administration of $10K, a decrease in marketing $50K, a decrease in patent maintenance expense $14k (timing) and a decrease in the options expense of $49k (re-estimation of likelihood of vesting).

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.

Best-In-Class

- Substantial investment in the development of PeriCoach has continued this last six months. The board strongly believe development must continue to secure and enhance the partnering value of the PeriCoach.
- The PeriCoach is a sophisticated medical device designed to collect valuable behavioural and performance data during treatment of pelvic floor dysfunction that has not been available previously outside of a clinical environment. The Australian limited market release in 2014 identified opportunities to improve ease of use, connectivity and responsiveness. These enhancements were incorporated in Version 2 of the PeriCoach. The company has continued to collect data and identified further enhancements to the PeriCoach, which include monitoring, and biofeedback capabilities. These additional features have been incorporated and introduced with the release of Version 3 of PeriCoach in May 2017. The PeriCoach is currently undergoing redesign to incorporate more features, increase reliability and lower cost of production
- The intuitive and patent-protected design of the PeriCoach incorporates sensors which provide an ongoing flow of data collected in real-time. This data is transmitted to Analytica's proprietary cloud database for further analysis. The PeriCoach smartphone app simplifies the sensor information providing immediate feedback to the user which drives performance and motivation. The development of the software, sensor hardware and algorithms is an ongoing task as we continue to use the data and develop the science from our unique insights into women's pelvic health.
- The data collected also provide a resource to demonstrate not only the efficacy of the product at a particular point in time, but how our product development program has improved efficacy over time. This improvement trajectory demonstrates to potential acquirers the first-mover advantage we have. Analytica has the world's biggest database of pelvic floor exercise. We have the data, we can analyse the data and we can improve our treatments based on the evidence we possess.
- The current stage of development is using sophisticated software to improve "technique training". Poor technique is a major contributor to poor results from pelvic floor exercises and the reason many give up.
- Australian (TGA) and European (CE) registration for Stress Urinary Incontinence was achieved in 2014 supported by extensive documentation and testing. Following United States Food and Drug Administration (FDA) approval in March 2015 as a prescription only product the company lodged an application with the FDA for PeriCoach to be approved as an 'Over the Counter' (OTC) product, meaning it does not require a prescription. The FDA granted this important milestone in the world's largest medical device market in July 2016.

Establish and extend clinical credibility of effectiveness

- Analytica conducted a post-clearance randomised, controlled clinical trial for incontinence treatment and sexual function, utilising the version 2 PeriCoach. Although not required for regulatory clearance, this trial was conducted to provide independent evidence and validation of the PeriCoach system efficacy for consumers, clinicians and potential partners.
- Clinical advisory boards consisting of key opinion leaders in both Australia and the United States continue to provide expert guidance and clinical relations support.
- Clinical papers and case studies using PeriCoach in treatment have been published in leading clinical urology journals. Data from the PeriCoach clinical trial was accepted and presented at international urogynaecology, physiotherapy and sexual health clinical conferences.

Testing market acceptance and create a positive sales environment

- The company has been represented at top urogynaecology and physiotherapy clinical conferences in Australia, United States, Europe, and the United Kingdom. These conferences are a platform to introduce product, gain clinical perspective on conservative management of PFD as well as disseminate PeriCoach clinical evidence and core differentiators to non-clinical competitors.
- Engagement of clinical advisory board members and key opinion leaders in clinical events.
- Continued creativity and refinement of brand assets to build momentum online among search engine marketing and social media.
- Developing video training and promotional assets.
- Strategic engagement with core demographic audience via bloggers and public relations efforts to garner regional brand ambassadors that resonate with a global audience.
- Data driven programming to build awareness and derive evidence-based insights about our core audience, messaging and content triggers that prompt visits to www.pericoach.com.
- Search Engine Optimization driven by expanded web content, responsive advertising, in addition to continuous Google Analytics monitoring, further define digital profile for online consumer journey.

Partnership

The US, EU and Chinese markets are considered the largest medical device markets in the world. Addressing these markets competitively will require significantly more marketing and sales resources than Analytica has

available. The company is actively engaged in discussions with potential partners that have the capacity to maximise the sales of PeriCoach in these important regions. Directors Dr Peter Corr, Dr Thomas Lönngren have experience and networks in the US and EU. In addition, Ankura Capital Advisors have been engaged to assist with the development of the company's partnering strategy.

AutoStart Infusion System

This product, despite overwhelming evidence of cost effectiveness and safety has struggled for a foothold in the small Australian market. ICU Medical has successfully listed the AutoStart burette on the Queensland Health purchasing schedule. Inclusion in this schedule is a prerequisite for all public Queensland health facilities to purchase medical devices. Analytica believes this important step could provide a valuable opportunity to gain some market share in Australia.

As a result of this listing the system has been trialed in a Queensland hospital, with encouraging support. The success of these trials has been applied by Analytica to approach other hospitals to use the burette and adoption rate is increasing.

Analytica is investigating the opportunities presented by home based hospital care for the AutoStart infusion system. Whereas hospitalisation costs upwards of US$1,500 to US$2,500 per day, the average cost of home infusion is US$150 to US$200 per day. Additionally, the potential savings accrued by preventing hospital-acquired infections are significant, as these infections result in direct costs to hospitals of US$28 to US$45 billion a year in the US. The global home infusion therapy market in 2014 was estimated at US$12,187 million. This is a market well suited to the AutoStart infusion system, with the AutoStart infusion system features of safety, simplicity, and cost effectiveness.

Intellectual Property

Analytica continues to develop and protect its intellectual property through patents, trademarks and design registrations. Protection of intellectual property is critical in partnering negotiations and assists in securing a potential partner's freedom to operate in the market.

The PeriCoach was granted patent protection in China in August 2016. China has an estimated 227 million women with urinary incontinence. Many jurisdictions allow patent protection for 20 years providing patent coverage until 2032. The PeriCoach was granted patent protection in Japan in February 2017. The PeriCoach was granted patent protection in Australia in May 2017. Analytica also has PeriCoach patents pending in the PCT national phase in Brazil, India, Germany, and France. Design registrations have also been granted in these jurisdictions.

Analytica's R&D team has developed additional novel ideas for future products and product enhancements during the PeriCoach product development process. Analytica aims to investigate these ideas and assess their patentability and commercial viability in the coming year.

Analytica's more recent (2006) patent-pending embodiments of licensed burette patents are maintained for the North American, Australian, and European markets and extended in these regions and China until 2026. Patent protection for this later embodiment of the AutoStart burette was granted in United States in July 2016.

Analytica's Flush feature developed in 2008 is currently in the Patent Cooperation Treaty (PCT) national phases, and has been granted patents in China, with US, Australia and Germany pending.

Analytica also maintains registered trademarks in the various jurisdictions above and owns the top-level (.com) internet domains with these trademarks.

Financial Review

Financial position

The net assets of the Group have decreased by $ 461k from 30 June 2019 to $1,208K at 31 December 2019.

The company continued the expenditure reduction program focusing on essential research and development and partnering to further extend the company's cash resources.

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.

Auditors independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December, 2019 has been received and can be found on page 10 of the interim financial report.

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

Dr Michael Monsour

Director

Mr Ross Mangelsdorf

Director

26/2/20

Dated this

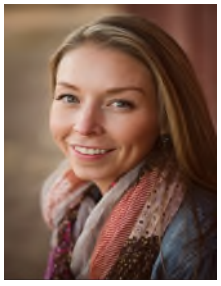
Key Management and Staff

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.



Megan Henken – VP Global Marketing

Megan has a degree in Business Management, emphasis in Marketing from Colorado State University. She is a global marketing and sales strategist with over 10 years of healthcare commercial experience, launching of over 20 FDA regulated products. Her experience spans clinical diagnostics, point of care medical devices and health care distribution.

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 2019 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

Ashley Carle
Partner
26 February 2020

Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2019

Continuing operations	Note	Dec-19 $	Dec-18 $
Sales Revenue		**10,889**	21,193
Cost of Sales		**(5,258)**	(10,789)
Gross Profit		**5,631**	10,404
Grant Income		**708,447**	-
Investment revenue		**3,195**	11,971
Royalty Income		**6,095**	-
Administration expense	**2**	**(409,784)**	(399,976)
Depreciation, amortisation and impairments	**2**	**(4,519)**	(6,042)
Finance expenses		**(34)**	(2,655)
Foreign Currency Gains and Losses		**(7,690)**	(8,805)
Investments Fair Value Adjustment		**(2,089)**	(16,715)
Marketing expenses	**2**	**(94,512)**	(144,637)
Occupancy expenses		**(3,341)**	(3,195)
Option Expenses		**49,005**	-
Patent maintenance expenses	**2**	**(11,032)**	(24,663)
Research and development expense	**2**	**(645,615)**	(894,569)
Loss before tax		**(406,243)**	**(1,478,882)**
Income tax expense		**-**	**-**
Net Loss		**(406,243)**	**(1,478,882)**
Earnings per share			
Basic/diluted earnings/(loss) per share (cents)		**(0.012)**	**(0.044)**

Consolidated Interim Statement of Financial Position

As at 31 December 2019

Assets	Dec-19 $	Jun-19 $
Current Assets		
Cash and cash equivalents	**1,086,627**	1,769,303
Inventories	**123,097**	118,113
Prepayments	**29,797**	67,613
Trade and other receivables	**12,860**	21,544
Total Current Assets	**1,252,381**	**1,976,573**
Non-current Assets		
Intangible assets	**278,569**	235,224
Other financial assets	**13,581**	15,671
Property, plant and equipment	**9,722**	12,255
Total Non-current Assets	**301,872**	**263,150**
Total Assets	**1,554,253**	**2,239,723**
Liabilities		
Current Liabilities		
Employee benefits	**222,634**	226,363
Short-term provisions	**44,413**	65,700
Trade and other payables	**69,355**	270,033
Total Current Liabilities	**336,402**	**562,096**
Non-Current Liabilities		
Provision for Long Service Leave	**10,182**	9,395
Total Non-Current Liabilities	**10,182**	**9,395**
Total Liabilities	**346,584**	**571,491**
Net Assets	**1,207,669**	**1,668,232**
Equity		
Current Year Earnings	**(406,243)**	(2,054,175)
Issued capital	**103,867,798**	103,873,113
Reserves	**878,484**	927,489
Retained Earnings	**(103,132,370)**	(101,078,195)
Total Equity	**1,207,669**	**1,668,232**

Consolidated Interim Statement of Changes in Equity

For the Half Year Ended 31 December 2019

	Ordinary Shares	Retained Earnings	Option Reserve	Total
	$	$	$	$
Balance at 1 July 2019	**103,873,113**	**(103,132,370)**	**927,489**	**1,668,232**
Profit (loss) attributable to members of the entity		**(406,243)**	**-**	**(406,243)**
Options expensed/(reversed)	**-**	**-**	**(49,005)**	**(49,005)**
Shares issued during the year	**-**	**-**	**-**	**-**
Transaction costs	**(5,315)**	**-**	**-**	**(5,315)**
Balance at 31 December, 2019	**103,867,798**	**(103,538,613)**	**878,484**	**1,207,669**

Half Year Ended 31 December 2018

	Ordinary Shares	Retained Earnings	Option Reserve	Total
	$	$	$	$
Balance at 1 July 2018	103,011,981	(101,563,734)	1,400,031	2,848,278
Profit (loss) attributable to members of the entity		(1,478,882)	-	(1,478,882)
Shares issued during the year	-	-	-	-
Options lapsed during the year	-	407,037	(407,037)	-
Balance at 31 December, 2018	103,011,981	(102,635,579)	992,994	1,369,396

Consolidated Interim Statement of Cash Flows

For the Half Year Ended 31 December 2019

	Dec-19 $	Dec-18 $
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	**10,889**	21,193
Receipts from grants	**708,447**	-
Other receipts	**6,095**	-
Interest received	**3,195**	11,971
Payments to suppliers and employees	**(1,332,463)**	(1,393,319)
Finance costs	**(34)**	(2,655)
Net cash provided by/(used in) operating activities	**(603,871)**	(1,362,810)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment for intangible asset	**(40,386)**	(12,281)
Purchase of property, plant and equipment	**-**	-
Net cash used by investing activities	**(40,386)**	(12,281)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	**-**	-
Payment of transaction costs	**(38,419)**	-
Net cash used by financing activities	**(38,419)**	-
Net increase/(decrease) in cash and cash equivalents held	**(682,676)**	(1,375,091)
Cash and cash equivalents at beginning of year	**1,769,303**	2,841,161
Cash and cash equivalents at end of the half year	**1,086,627**	1,466,070

Notes to the Financial Statements

1: Summary of Significant Accounting Policies

This condensed interim financial report for the reporting period ending 31 December, 2019 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 2019, 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 entity, PeriCoach 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

The financial statements have been prepared on a going concern basis.

This basis has been adopted as the company has sufficient cash at 31 December 2019 to conduct its affairs. The company has a guarantee of continuing financial support from Dr Monsour to allow the company to meet its liabilities and it is the belief that such financial support will continue to be made available.

The company's forward cash flow projections currently indicate that the company has sufficient funds to meet forecast needs. The Directors have considered this position and have assessed available funding options and believe should funding be required that sufficient funds could be sourced to satisfy creditors as and when they fall due.

However, if adequate capital raising is not achieved the company may be unable to continue as a going concern. No adjustments have been made relating to the recoverability and classification of recorded assets amounts and classification of liabilities that might be necessary should the company not 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 2019.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 16 *Leases*

The Group does not have any leases as at report date and/or that would require adjustment made to the current or prior period upon adoption of the standard.

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

2. Result for the year

Revenue from continuing operations

	Dec-19 $	Dec-18 $
Sales Revenue	**10,889**	21,193
Grant Income	**708,447**	-
Investment revenue	**3,195**	11,971
Royalty Income	**6,095**	-
Total Other Income	**728,626**	33,164

Expenditure

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

Administration expense		
Administration - compliance	**253,777**	230,396
Administration - employment	**149,021**	158,531
Administration - general	**6,986**	11,049
Total Administration expense	**409,784**	399,976
Depreciation, amortisation and impairments		
Intangible assets	**1,986**	1,979
Property, plant and equipment	**2,533**	4,063
Total Depreciation, amortisation impairments	**4,519**	6,042
Marketing expenses		
Marketing - employment	**2,158**	17,194
Marketing - Other	**1,966**	24,639
Marketing - Pericoach	**90,388**	102,804
Total Marketing expenses	**94,512**	144,637
Patent maintenance expenses	**-**	-
Patent Maintenance - AutoStart Burette	**4,719**	7,212
Patent Maintenance - PeriCoach	**6,313**	17,451
Total Patent maintenance expenses	**11,032**	24,663
Research and development expense		
R & D - Employment	**335,761**	372,278
R & D - Pericoach	**309,854**	522,291
Total Research and development expense	**645,615**	894,569

3. Issued Capital

	Dec-19 $	Jun-19 $
Ordinary shares: 3,519,612,332 (Jun 2019: 3,519,612,332)	**103,867,798**	103,873,113

(a) Ordinary shares

			Dec-19 No.	Jun-19 No.
At the beginning of the reporting period			**3,519,612,332**	3,337,012,350
Shares issued during the year				
14-June-2019	Entitlement Offer	@ 0.05 cents per share	-	182,599,982
At the end of the reporting period			**3,519,612,332**	3,519,612,332

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 entered controlled market release in June 2014, with clinical trials undertaken in November 2014, with its public release in Australia and United Kingdom January 2015 and release in the United States in June 2015. The PeriCoach V3 was released in May 2017. The PeriCoach has a TGA ARTG entry, CE-marking, and USFDA 510(k) 'approval'.

Analytica is also commercialising the AutoStart Burette infusion system. The AutoStart Burette 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.

Analytica has licensed the AutoStart Burette and other burette intellectual property to Medical Australia (Formerly BMDI Tuta) for distribution in the Australian Market. 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 27.5%. 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-19	Dec-18	**Dec-19**	Dec-18	**Dec-19**	Dec-18
	$	$	**$**	$	**$**	$
REVENUE						
Revenue from customers	**10,889**	21,193	**-**	-	**10,889**	21,193
Grant revenue	**-**	-	**708,447**	-	**708,447**	-
Royalties	**6,095**	-	**-**	-	**6,095**	-
Interest revenue			**3,195**	11,971	**3,195**	11,971
Total segment revenue	**16,984**	**21,193**	**711,642**	**11,971**	**728,626**	**33,164**
Depreciation & amortisation	**(1,986)**	(1,979)	**(2,533)**	(4,063)	**(4,519)**	(6,042)
Cost of sales	**(5,258)**	(10,789)	**-**	-	**(5,258)**	(10,789)
Interest expense	**-**	-	**(34)**	(2,655)	**(34)**	(2,655)
Marketing	**(94,512)**	(144,637)			**(94,512)**	(144,637)
Other expense			**(373,899)**	(428,691)	**(373,899)**	(428,691)
Patent maintenance	**(11,032)**	(24,663)	**-**	-	**(11,032)**	(24,663)
Research & development	**(645,615)**	(894,569)	**-**	-	**(645,615)**	(894,569)
Total segment expense	**(758,403)**	(1,076,637)	**(376,466)**	(4351,409)	**(1,134,869)**	(1,512,046)
Segment profit (loss)	**(741,419)**	(1,055,444)	**340,242**	(423,438)	**(406,243)**	(1,478,882)

	Medical Devices		Corporate		Total	
	Dec-19	Dec-18	Dec-19	Dec-18	Dec-19	Dec-18
	$	$	$	$	$	$
(e) Segment assets						
Segment assets	**414,526**	347,298	**1,126,146**	1,512,657	**1,540,672**	1,859,955
Financial assets at fair value through profit and loss			**13,581**	18,805	**13,581**	18,805
Total	**414,526**	347,298	**1,139,727**	1,531,462	**1,554,253**	1,878,760
(f) Segment liabilities						
Segment liabilities	-	-	**346,584**	509,364	**346,584**	509,364

5. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2019, (31 December 2018: 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: Nil

7. Events Occurring After the Reporting Date

No 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 11 to 22, 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 2019 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 26/2/20

INDEPENDENT REVIEW REPORT
TO THE MEMBERS OF ANALYTICA LIMITED

Report on the Half-year Financial Report

We have reviewed the accompanying half-year consolidated financial report of Analytica Limited (the Company and its subsidiary, together, the "Group"), which comprises the consolidated interim statement of financial position as at 31 December 2019 and consolidated interim statement of profit or loss and other comprehensive income, consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

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 (including Australian Accounting Interpretations) 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 is free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Analytica Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001.*

Conclusion

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

(a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year period ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(e) to the financial report which indicates that the Group may be required to raise additional funds to meet forecasted cash needs. These conditions, along with other matters as set forth in Note 1(e), indicate the existence of a material uncertainty that may cast significant doubt about the 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.

Bentleys Brisbane Partnership
Chartered Accountants

Ashley Carle
Partner
26 February 2020