CELLMID

ASX ANNOUNCEMENT

APPENDIX 4E AND FY2021 AUDITED FINANCIAL REPORT

SYDNEY, Thursday, 19 August 2021: Cellmid Limited (ASX: CDY) (Company) is pleased to provide its 4E and Audited Financial Statements in relation to the 2021 financial year.

Cellmid continued to deliver on its Growth Strategy in FY2021 with a strong focus on rationalising operational expenditure. Having successfully executed on the sale of its midkine research and development operations, Lyramid, Cellmid progressed towards operational profitability. The Company did not release guidance in relation to its operations for FY2021 due to the ongoing uncertainly around the impact of the COVID-19 pandemic, however, some of the key milestones towards reaching profitability in the near term have been achieved as follows:

- Cellmid continued to grow **online retail revenue** from direct to consumer (DTC) and through third party ecommerce. The Company made a significant investment into its DTC business, built inhouse digital marketing capabilities during the reporting period and launched a new, improved Australian e-commerce site in June 2021.

- Cellmid signed two **Chinese distribution agreements** with significant revenue growth potential. The ten-year distribution agreement with Ourui Health Management (OHM) was signed in December 2020 for the sale of the Jo-Ju® and Lexilis® branded FGF5 inhibitor hair growth products in various channels in China (see ASX announcement dated 14 December 2020). The distribution agreement with Aeon International (Aeon) for the sale of the evolis® branded hair loss products in China was also amended during the reporting period to provide for greater marketing collaboration between the parties.

- In April 2021 Cellmid received **Chinese import permits** for its Jo-Ju® and Lexilis® branded shampoos facilitating this trade (see ASX announcement dated 30 April 2021).

- Pursuant to Cellmid's Growth Strategy **Lyramid was sold** for an upfront payment of $500,000 and 4% royalty on any direct revenue as a result of the midkine programs. Should Lyramid sub-license the midkine products the Group will receive 8% of the sublicense revenue (see ASX announcement dated 29 April 2021).

- Cellmid continued to **focus on innovation and new product development**. This included research and development into novel targets in antiaging hair care, in addition to new formulations and brands, which will be progressively launched during FY2022.

With these significant developments the Company is well positioned to continue to deliver on its Growth Strategy with significant revenue growth and near-term profitability as primary objectives in addition to actively pursuing opportunities to grow by acquisition.

CELLMID

Approved for release by the Board of Directors.

End
Contact:
Maria Halasz, CEO
T +612 9221 6830
@mariahalasz

Cellmid Limited (ASX: CDY)

Cellmid is a health and beauty-tech business growing shareholder value through the global distribution and sales of its proprietary brands of differentiated, clinically validated anti-aging solutions. Advangen Limited is Cellmid's wholly owned subsidiary engaged in the development and sale of first in class, best in class, clinically validated anti-aging products for hair, skin and body. For further information, please see www.cellmid.com.au and www.evolisproducts.com.au.

Forward looking statements

This announcement may have forward-looking statements that are subject to risks and uncertainties. Such statements involve known and unknown risks that may cause the actual results, performance or achievements of Cellmid to be materially different from the statements in this announcement. Actual results could differ materially depending on factors such as the availability of resources, regulatory environment, the results of marketing and sales activities and competition.

Appendix 4E

Preliminary Final Report

Details of reporting period

Name of Entity	Cellmid Limited
ABN	69 111 304 119
Reporting period	For the year ended 30 June 2021
Previous period	For the year ended 30 June 2020

Results for announcement to the market

Financial Results			**June 2021 $**
Revenue and other income from ordinary activities (continuing operations)	down	18.89%	$6,819,839
Revenue and other income from ordinary activities (discontinued operations)	up	>100%	$500,000
Total revenue and other income from ordinary activities	**down**	**14.36%**	**$7,319,839**
Operating loss after tax from continuing operations	down	12.66%	$3,804,934
Operating profit after tax from discontinued operations	up	>100%	$418,302
Total operating loss after tax	**down**	**30.99%**	**$3,386,632**
Loss for the year attributable to the owners of Cellmid Limited	**down**	**23.91%**	**$3,710,527**

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

Net tangible assets	**June 2021**	**June 2020**
Net tangible assets per ordinary share (cents)	4.54	5.84

Audit qualification or review
The financial statements have been audited and an unqualified opinion has been issued.

Attachments
The operating results, review of operations and preliminary financial report of Cellmid Limited for the year ended 30 June 2021 are attached.

Other explanatory notes
The operating results for the Group continued to improve during the 2021 financial year. Although total revenue and other income for the Group decreased 14.36% to $7,319,839 (2020: $8,547,715) during the reporting period, with a 18.76% decrease in consumer health revenue to $6,041,636 (2020: $7,437,200), consolidated loss (after tax) was down by 30.99% to $3,386,632 (2020: $4,907,296 loss). This result included gain on the sale of Lyramid of $528,842. An R&D tax credit of $645,748 was received during the reporting period (2020: $840,288).

Signed

Director: ……………………………………
Bruce Gordon

Dated this 19th day of August 2021

Cellmid Limited

ABN 69 111 304 119

Financial Report

For the Year Ended 30 June 2021

Contents

For the Year Ended 30 June 2021

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of the Group, being Cellmid Limited ("the Company") and the entities it controlled, for the financial year ended 30 June 2021.

1. 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, unless stated otherwise, are:

Dr David King	**Former Chairman (Non-executive) –** *resigned 31 December 2020*
Qualifications	PhD in Seismology, Australian National University, Fellow of The Australian Institute of Company Directors, Fellow of the Australian Institute of Geoscientists
Experience	Experience as Chairman, executive and non-executive director in high growth companies, across a variety of sectors, with focus on governance in publicly listed companies.
Interest in shares and options	Shares & Options: Not applicable as no longer a director
Special responsibilities	Member of the Audit Committee and chairman of the Nomination and Remuneration Committee
Other directorships in listed entities held in the previous three years	Current directorships - Litigation Capital Management Limited, Galilee Energy Limited and African Petroleum Corporation, Tap Oil Limited and Renergen Limited

Mr Bruce Gordon	**Chairman (Non-executive)**
Qualifications	BA, Macquarie University, Fellow of The Institute of Chartered Accountants Australia and New Zealand, Fellow of The Australian Institute of Company Directors
Experience	An audit and corporate finance specialist, and an experienced finance professional with a career spanning more than 35 years advising and providing financial services to private and publicly listed companies as well as subsidiaries of large multinationals.
Interest in shares and options	Shares: 364,000 indirectly held Options: 52,000 indirectly held
Special responsibilities	From 1 January 2021 to present Chairman of the Board of Directors From 1 January 2021 Chairman of, and prior to 1 January 2021 a member of, the Nomination and Remuneration Committee From 1 January 2021 a member of, and prior to 1 January 2021 Chairman of, the Audit Committee
Other directorships in listed entities held in the previous three years	Current directorships - Pilot Energy Limited

Ms Maria Halasz	**Managing Director (Chief Executive Officer)**
Qualifications	MBA, BSc in Microbiology, University of Western Australia, Graduate of the Australian Institute of Company Directors
Experience	28 years' experience in life sciences working in executive positions in private and public companies, managing investment funds and holding senior positions in corporate finance specialising in life sciences. Maria has been CEO and Managing Director of Cellmid since April 2007.
Interest in shares and options	Shares: 588,000 directly held Shares: 4,049,639 indirectly held Options: 1,000,000 unvested, indirectly held Options: 2,000,000 vested, indirectly held Options: 629,819 indirectly held Options: 84,000 directly held
Special responsibilities	Managing Director and Chief Executive Officer
Other directorships in listed entities held in the previous three years	None

Dr Fintan Walton	**Director (Non-executive) –** *resigned 30 November 2020*
Qualifications	PhD, Genetics, Trinity College Dublin
Experience	Founder and CEO of PharmaVentures Ltd, a UK based corporate advisory firm that provides advice on all aspects of corporate transactions, business brokering, mergers and acquisitions and licensing deals to a diversified global network.
Interest in shares and options	Shares & Options: Not applicable as no longer a director
Special responsibilities	Member of the Nomination and Remuneration Committee
Other directorships in listed entities held in the previous three years	None

Dr Martin Cross	**Director (Non-executive)**
Qualifications	PhD Microbiology, Aberdeen University Scotland. Fellow of the Australia Institute of Company Directors.
Experience	Over 35 years' experience working in the pharmaceutical and biotech industries primarily in all aspects of marketing, selling and business management. This included global roles at international headquarters of AstraZeneca and Novartis. Former Country President for Novartis Australia/NZ, Managing Director for Alphapharm (Mylan) Australia/NZ with extensive retail experience in pharmacies and Chairman of the Generics Industry Association and Medicines Australia.
Interest in shares and options	Shares: 455,000 indirectly held Options: 65,000 indirectly held
Special responsibilities	From 1 January 2021 Chairman of, and prior to 1 January 2021 a member of, the Audit Committee From 1 January 2021 a member of the Nomination and Remuneration Committee

Other directorships in listed entities held in the previous three years	Non-Executive Director Oncosil Ltd

Mr Dennis Eck	**Director (Non-executive)**
Qualifications	BSc, The University of Montana
Experience	40 years senior management experience in the retail sector, providing significant strategic and operational expertise. Mr Eck, a professional investor, has extensive retail experience in fashion, groceries cosmetics, and hair salons. As a senior strategist, Mr Eck has helped reshape the operations of several retail businesses delivering outstanding shareholder returns.
Interest in shares and options	Shares: 18,147,625 directly held Options: 2,592,518 directly held
Special responsibilities	None
Other directorships in listed entities held in the previous three years	None

Ms Sarah Thompson-Eck	**Alternate Director to Dennis Eck (Non-executive)**
Qualifications	Master of Arts, Northwestern University and BA from UCLA in Mass Communication
Experience	Ms Eck-Thompson is a consumer brand specialist with expertise in experiential marketing. Ms Eck-Thompson founded and run an integrated marketing firm headquartered in Chicago, Illinois, leading the design and execution of experiential campaigns for major national and international brands including General Motors, Beam Suntory, The Venetian Las Vegas, Anheuser-Busch InBev, Maserati, Penfolds and The Illinois Lottery.
Interest in shares and options	nil
Special responsibilities	None
Other directorships in listed entities held in the previous three years	None

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Mr Lee Tamplin	**Company Secretary**
Qualifications	BA (Hons) Financial Services, Bournemouth University United Kingdom, Diploma of Financial Planning, Graduate of the Australian Institute of Company Directors and Member of the Governance Institute of Australia.
Experience	20 years' experience in financial services in both Australia and UK. Company Secretary for several ASX listed, NSX listed and proprietary companies.

Principal activities of the Group

The Group has operated through its holding entity, Cellmid Limited (corporate, operational and administrative functions) and two subsidiary companies, Advangen Pty Limited (consumer health product development and sales) and up to 31 December 2020, Lyramid Limited (midkine and midkine antibody research and development). The Group continued to work towards its Growth Strategy released in February 2019 and as amended in March 2020. The Group did not release guidance for FY2021 due to the ongoing uncertainty around the impact of the COVID-19 pandemic. Other than the discontinuation of the midkine antibody research and development program with the disposal of Lyramid Limited there was no other substantial changes in the activities of the Group during the reporting period. The principal activities of the Group during the financial year were:

Cellmid Limited

The holding entity, Cellmid Limited, is responsible for the corporate functions of the Group including administrative, legal and operational matters. Pursuant to its Growth Strategy the Group has executed on the sale of its wholly owned subsidiary, Lyramid Limited (Lyramid) during the reporting period. Cellmid Limited retained ownership of the midkine patent portfolio and Lyramid, pursuant to an exclusive license agreement between Cellmid Limited and Lyramid, will continue to be responsible for the midkine research and development programs. The sale of Lyramid resulted in a net gain before and after income tax of $528,842 for the Group during the reporting period, which is further detailed in *Note 7 Discontinued Operations* of this report.

Advangen Pty Limited (Advangen)

During FY2021 Advangen continued its health and beauty tech business; the development and sale of over-the-counter (OTC) and cosmetic antiaging and longevity targeting products and technologies. Advangen's hair loss and antiaging hair care brands marketed during the reporting period continued to feature the Group's proprietary FGF5 inhibitor formulations. Since the acquisition of the FGF5 technology the Group has developed a range of new products under the evolis®, evolis® Professional, Lexilis® Hybrid, Jo-Ju® RED and Lexilis® BLACK brands. Distribution channels of the Group's consumer brands have been refocused during the reporting period to satisfy the change in pandemic consumer behaviour concentrating on e-commerce, television shopping and export markets to China. The Group continued product innovation during the reporting period, researched new hair loss targets and developed new formulations containing additional ingredients for improved efficacy. These innovations formed important part of product launches in FY2021 including the Jo-Ju® RED EX range, which targets FGF5 and FGF7 for improved efficacy in hair loss prevention. The Group has continued to implement operational and administrative efficiencies in its consumer business during the reporting period resulting in improved financial performance.

2. OPERATING RESULTS AND REVIEW OF OPERATIONS FOR THE YEAR

Results

Revenue and other income of the Group from continuing operations was down 19% for FY2021 to $6,819,839 (FY2020: $8,408,436), as a result of the ongoing impact of the COVID-19 pandemic, lower research and development tax credit and unfavourable foreign exchange fluctuations. In addition to this, the Group received other income of $500,000 from the sale of Lyramid in April 2021. Consumer health sales of the Group's FGF5 inhibitor hair growth products were down 20% to $5,816,351 (FY2020: $7,282,659). Consumer health revenue in all geographical regions has been affected by the pandemic, most significantly in the US and Japan. Operating performance of the Group improved, and loss was down 31% to $3,386,632 (FY2020: $4,907,296), even though unfavourable foreign exchange movements resulted in lower recorded revenue on translation.

Review of operations

The Group did not release guidance in relation to its operations for FY2021 due to the ongoing uncertainly around the impact of the COVID-19 pandemic, however it continued to deliver on its Growth Strategy by repositioning its distribution to focus on e-commerce channels, both direct to consumer and third-party retail partners, as well as signing two Chinese distribution agreements for its evolis® and Jo-Ju® (Lexilis®) brands. With a strong focus on rationalising operational expenditure and with the sale of its midkine research and development operations the Group has progressed towards operational profitability. Some of the specific milestones reached in the Group's Growth Strategy are as follows:

Growing online retail revenue from direct to consumer and through third party ecommerce

- The Group has made a significant investment into direct-to-consumer e-commerce and built inhouse digital marketing capabilities during the reporting period. Launch of a new, improved Australian e-commerce site in June 2021 was the first major milestone with the US site scheduled for August 2021.

- Sales from third party online retailers, including Dermstore, Macys.com and Amazon, have increased significantly during the reporting period in the US, partially compensating for the pandemic affected prestige retail distribution network such as Neiman Marcus, Bloomingdales, and professional salon distributors.

Signing Chinese distribution agreements with significant revenue growth potential

- The Group signed a ten-year distribution agreement with Ourui Health Management (OHM) in December 2020 for the sale of the Jo-Ju® and Lexilis® branded FGF5 inhibitor hair growth products in various channels in China. The first major OHM order was received in January 2021 and shipped between February and May 2021. In April 2021 the Group received Chinese import permits for its Jo-Ju® and Lexilis® branded shampoos facilitating this trade.

- The distribution agreement with Aeon International (Aeon) for the sale of the evolis® branded hair loss products in China was amended during the reporting period to provide for greater marketing collaboration between the parties. The agreement provides for an increased investment in marketing, including RED notes and influencers, and core activities for brand building in China.

Important strategic milestone achieved: executed on the sale of Lyramid

- Pursuant to the Group's Growth Strategy Lyramid was sold for an upfront payment of $500,000 and 4% royalty on any direct revenue as a result of the midkine programs. Should Lyramid sub-license the midkine products the Group will receive 8% of the sublicense revenue.

- As a result of the sale the Group has achieved a simpler business and corporate structure, will likely be able to implement further operational efficiencies and have sole focus on its health and beauty tech business. Furthermore, the Group has retained an upside in relation to the commercialisation of its midkine asset portfolio, without having to commit the considerable funding that such programs demand.

Focus on innovation and new product development

- The Group has increased its focus on new product development activities during the reporting period. This included research and development into novel targets in antiaging hair care, in addition to new formulations and brands.

- The first new product Jo-Ju® RED EX was launched on QVC Japan in June 2021 and achieved record sales in a Today's Special Value (TSV) event on 12 June 2021.

i. Advangen

Total revenue and other income in the Group's consumer health business, Advangen Pty Limited, was down 19% to $6,041,636 (FY2020: $7,437,200), with segment loss before tax down 19% to $1,090,872 (FY2020: $1,340,827). Australian revenue was up 4% largely as a result of an increase in e-commerce activity, while the bricks and mortar pharmacy revenue continued to decline during the reporting period. USA based revenue was down 28% given difficult trading conditions due to the COVID-19 pandemic. For the same reason, Japan has not been able to export to China for some months during 1H FY2021, which resulted in a 23% drop in revenue for that region. The significant appreciation of Australian dollar relative to the Japanese yen and US dollar over FY2021 accounted for approximately 7% of the 19% drop in total revenue.

Japan: QVC remained the most significant sales channel for the Group

Similarly to previous years, sales on television shopping channel QVC continued to perform well during FY2021 with one Today's Special Value (TSV) sales day on 12 June 2021 delivering record $1.38 million revenue for the Group. The Group's new product, Jo-Ju® RED EX was launched during the event. Together with other sales events, and as in previous years, the Jo-Ju® branded FGF5 inhibitor products proved to be the best performing range for the Group. Japanese revenue was down 23% to $4,328,206 (FY2020: $5,612,837) and segment profit before tax was down 24% to $389,425 (FY2020: $511,793) as a direct result of the pandemic; the Group was unable to fulfil export orders during most of 1H 2021 due to trade disruptions and shipping only resumed to China in February 2021 following the signing of the new distribution agreement with Ourui Health Management. The appreciation of the Australian dollar contributed 8% to the 24% drop in revenue. The Advangen concept store in Ginza remained closed during the reporting period, and the launch of the evolis® Professional branded products was postponed due to the pandemic.

Australia: Building inhouse digital marketing capabilities

The Group's Australian consumer health revenue grew 4% during FY2021 to $1,242,123 (FY2020: $1,198,490) with loss down 23% to $909,839, (FY2020: $1,179,098). Whilst revenue from the pharmacy channel was down it remained the most significant source of sales during the reporting period, followed by e-commerce. The Group has built inhouse digital marketing capabilities during the reporting period including website development, social media, performance marketing and digital content development skills. The evolisproducts.com.au site was relaunched in June 2021 with improved performance. Television shopping channel revenue has also grown during the year. Sales in the pharmacy channel have decreased due to the pandemic and the Priceline in-store events have not resumed since they were postponed in March 2020.

USA: Sales were down 28% due to the impact of the pandemic on prestige retailers

The Group's US consumer health revenue was down 28% to $451,307 (FY2020: $625,873) with loss before tax also down by 15% to $570,458 (FY2020: $673,522 loss) bearing the full year effect of the pandemic as premium department stores Neiman Marcus, Bloomingdales and Saks were closed for a significant part of FY2021. Third party online sales from Dermstore, Beauty Collections, Macys.com and Amazon.com compensated to some extent for the loss of bricks and mortar retail revenue, however, the US operations had to be significantly streamlined. A reduced marketing and advertising spend, and the closed retailers resulted in the reported drop in revenue. Appreciation of the Australian dollar also contributed 8% to the drop in revenue.

ii. Lyramid Limited

The Group sold its wholly owned subsidiary, Lyramid Limited, during the reporting period. Lyramid has been engaged in research and development pertaining to the Group's midkine intellectual property portfolio. The Group retained ownership of the existing midkine patents and licensed these to Lyramid on arm's length terms. Pursuant to the license agreement Lyramid will continue the midkine research and development programs. Key terms of the sale of Lyramid are as follows:

- $500,000 upfront payment received by the Group;
- The terms of the license agreement between the Group and Lyramid remained in force;
- The license prescribes a royalty of 4% on all midkine related revenue received by Lyramid;
- The license also prescribes 8% royalty on all sublicensing revenue received by Lyramid.

iii. Other General Information

Intellectual Property

The Group's intellectual property portfolio currently stands at 51, including 36 granted midkine patents and one midkine patent application that are the subject of the license agreement between Cellmid and Lyramid. In addition, 14 granted patents relate to the Group's consumer health business and include midkine for hair loss and FGF5 and monoterpenoid claims.

Inventory

Inventory holding for the Group was $2,549,759 (FY2020: $2,609,359) and expected to be at an appropriate level to fulfil orders in the Group's sales territories. Of the $2,112,683 cost of goods sold in the consolidated statement of financial performance and other comprehensive income for the Group, $301,206 (FY2020: $287,113) relates to a provision for obsolete inventories.

COVID-19 pandemic impact

In addition to the immediate impact of lost sales the COVID-19 pandemic necessitated a fundamental change in the Group's distribution strategy, accelerating its shift to e-commerce and reducing investment in prestige retail channels. The drop in bricks-and-mortar retail activity in Japan, Australia and in the USA, and the supply chain and logistics difficulties in China for months, resulted in lower-than-expected consumer health sales, however, this was in part offset by an increase in e-commerce revenue from online retailers during FY2021 and a reduction in expenditure.

The COVID-19 pandemic has also resulted in the addition of a new product line to the diagnostic business; however, this has not proved to have material impact on the financial results of the Group during the reporting period. The pandemic has been a catalyst for a sharp focus on rationalising resources and reducing costs at most areas of the organisations' operations. Overall, the Group has demonstrated financial and operational resilience during the pandemic.

3. FINANCIAL REVIEW

Financial position

The net assets of the Group as at 30 June 2021 were $10,434,384, up 6% (2020: $9,810,715) while current assets were steady at $11,287,862 (2020: $11,627,853). With the cash and cash equivalents slightly down to $6,727,764 (2020: $6,970,967) the Group is in a strong position to deliver on its strategic objectives.

4. OTHER

Significant changes in the state of affairs

Other than the disposal of Lyramid Limited, there have been no significant changes in the state of affairs of the entities in the Group during the 2021 financial year.

Dividends paid or recommended

The Company has not paid or declared any dividends during the financial year (2020: $Nil).

Significant change since the end of FY2021

The Group received payment from its record QVC sales of $1,374,483 in July 2021 further boosting its cash reserves immediately after the closing of the financial year.

Likely developments and expected results of operations

The Group is building a global consumer health and beauty tech business focused on products that counter aging and contribute to the healthy longevity of the population. The Group intends to grow its range of products, distribution network and revenues to meet its growth and profitability targets. Concurrently, the Group is actively pursuing opportunities to grow by acquisition. Due to the uncertainties that remain as a result of the COVID-19 pandemic, the Group does not provide any forecasts in relation to its performance in FY2022.

Environmental, social and governance matters

The Group is committed to its corporate responsibilities and published its environmental, social and governance statement as follows.

Environmental

The Group undertakes to act responsibly and commit to continually reduce the environmental impact resulting from the business as follows:

- Minimise contribution to landfill by using recyclable materials in our packaging
- Participate in industry funded recycling schemes, such as The Grune Punkt program

- When introducing new products, and when updating existing products, use innovative materials with improved recyclability and biodegradability.
- At an ingredients level aim to source those with minimal environmental footprint or those that are produced through organic and/or sustainable farming practices.

Social

The Group operates with the core values of diversity and respect of all genders, cultures, religions, and races and acts to live up these values and contribute to society:

- Encouraging support and respect for employees and endeavour to work with suppliers and vendors that respect internationally accepted labour and human rights.
- Provide an inclusive and supportive culture that is fair and responsible.
- Being committed to providing solutions for the problems faced by an aging population and develop products and services that contribute to healthy longevity.

Governance

The Group is committed to the delivery of the highest levels of honesty, integrity, and transparency in a way its business is conducted. The Group will:

- work against fraud, corruption and any action that would undermine the business.
- comply with the regulatory requirements in the jurisdictions we operate in, conducting our business with customers and suppliers according to local laws.
- maintain true and correct financial records of our business and undertake regular independent audits.

Currently the Group's operations are not regulated by any significant environmental law of the Commonwealth or of a state or territory of Australia or Japan.

Proceedings on behalf of the Group

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

Indemnification and insurance of officers and auditors

During the financial year, the Group paid a premium to insure the Directors and Officers of the Group. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Officers of the Group, and any other payments arising from liabilities incurred by the Officers in connection with such proceedings. This does not include such liabilities (other than legal costs) that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for them or someone else or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

During or since the end of the financial year, the Group has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums in favour of its Directors as follows:

- a right to access certain Board papers of the Group during the period of their tenure and for a period of seven years after that tenure ends;

- subject to the *Corporations Act 2001*, an indemnity in respect of liability to persons other than the Group and its related bodies corporate, that they may incur while acting in their capacity as an officer of the Company or a related body corporate, except for specified liabilities where that liability involves a lack of good faith or is for legal costs for defending certain legal proceedings; and

- the requirement that the Group maintain appropriate directors' and officers' insurance for the officer.

No liability has arisen under these indemnities as at the date of the report. There is no indemnity cover in favour of the auditor of the Group during the financial year.

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group is important and relevant and where the nature of the services provided does not compromise the general principles relating to the auditor's independence in accordance with APES 110*: Code of Ethics for Professional Accountants (including Independence Standards)* set by the Accounting Professional and Ethical Standards Board. There were no additional services provided by the auditor during the 2021 financial year.

Meetings of Directors

Seven meetings of the Directors were held during the financial year. Attendances by each Director during the year were as follows:

	Directors' Meetings		Audit Committee		Nomination and Remuneration Committee	
	Number eligible to attend	**Number attended**	**Number eligible to attend**	**Number attended**	**Number eligible to attend**	**Number attended**
Dr David King	4	4	3	3	1	1
Ms Maria Halasz	7	7	-	6*	-	-
Mr Bruce Gordon	7	7	6	6	1	1
Dr Fintan Walton	3	2	-	2*	1	1
Dr Martin Cross	7	7	6	6	-	-
Mr Dennis Eck	7	6	-	-	-	-

***** by invitation

Shares under option

Unissued ordinary shares of the Company under performance dependent share options at the date of this report are as follows:

	Expiry date	Exercise Price	Number under option
Unlisted options	28 September 2021	$0.80	1,000,000
Unlisted options	3 October 2021	$0.80	200,000
Unlisted options	21 May 2022	$0.30	1,000,000
Unlisted options	27 February 2023	$0.50	254,400
Listed options	1 April 2023	$0.18	32,367,268
Unlisted options	30 July 2024	$0.23	3,135,000
Unlisted options	8 November 2024	$0.24	100,000
Unlisted options	20 November 2024	$0.24	3,000,000
Unlisted options	28 February 2025	$0.20	200,000
Unlisted options	31 March 2025	$0.23	300,000
Unlisted options	31 March 2025	$0.27	500,000
			42,056,668

1,265,000 performance dependent share options lapsed during the financial year ended 30 June 2021 (2020: 100,000 options).

5. REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration agreements for the Group in accordance with the requirements of the *Corporations Act 2001* and its regulations.

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

The key management personnel of the Group for the year consisted of the following Directors and management of Cellmid Limited:

Officer	Position	Date Appointed	Date Ceased
Dr David King	Non-executive Chairman	18 January 2008	31 December 2020
Mr Bruce Gordon	Non-executive Chairman	1 July 2015	Current
Dr Fintan Walton	Non-executive Director	21 July 2015	31 December 2020
Dr Martin Cross	Non-executive Director	16 October 2017	Current
Mr Dennis Eck	Non-executive Director	26 March 2018	Current
Ms Maria Halasz	CEO and Managing Director	14 April 2007	Current
Mr Koichiro Koike	CEO – Advangen Inc.	1 May 2014	31 March 2021
Ms Teruko Fujii	Managing Director – Advangen Japan	1 April 2021	Current
Mr Bart Wuurman	CEO - Lyramid	1 June 2019	30 November 2020
Mr Brian McGee	CEO – Advangen LLC	1 November 2019	26 February 2021

Principles used to determine the nature and amount of remuneration

The performance of the Group depends on the quality of its directors and executives. To prosper, the Group must attract, motivate and retain highly skilled directors and executives. To this end, the Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives; and
- if and when appropriate, establish performance hurdles in relation to variable executive remuneration.

The Board assesses the appropriateness of the nature and amount of remuneration of directors and senior managers of the Group on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

Group performance and link to remuneration

No performance-based cash bonus or incentive payments have been made during the reporting period. The table below details the last five years earnings and total shareholders' return.

	$ 2021	$ 2020	$ 2019	$ 2018	$ 2017
Revenue and Other Income	6,819,839	8,547,715	8,347,184	6,834,924	5,560,121
Operating Profit / (Loss)	(3,221,986)	(4,108,789)	(3,042,031)	(2,714,117)	(4,022,577)
Loss after income tax	(3,386,632)	(4,907,296)	(5,909,557)	(3,732,615)	(4,482,273)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	$ 2021	$ 2020	$ 2019	$ 2018	$ 2017
Share price at financial year end	0.06	0.10	0.17	0.47	0.50
Total dividends declared	-	-	-	-	-
Basic earnings per share	(2.41)	(5.04)	(7.77)	(6.74)	(8.79)

Remuneration structure

In accordance with best practice corporate governance the structure of non-executive director and senior executive remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain directors of the highest calibre, while incurring costs that are acceptable to shareholders.

Structure

Each non-executive director receives a fixed fee for being a Director of the Group.

The Constitution and the ASX Listing Rules specify that the maximum aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting of shareholders. At the general meeting of shareholders in 2005, the maximum amount was set at $300,000 per annum. On 8 November 2018, at the annual general meeting of shareholders, the aggregate remuneration was changed to $400,000, to ensure that the Group can compensate all of its non-executive directors. In FY2021, the Group paid non-executive directors a total of $225,340 (2020: $252,100).

The amount of aggregate remuneration sought to be approved by shareholders and the fixed fees paid to directors are reviewed annually.

Executive remuneration

Objective

The Group aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:

- reward executives for Group and individual performance against targets set by reference to appropriate benchmarks;
- align the interests of executives with those of shareholders; and
- ensure total remuneration is competitive by market standards.

Structure

A policy of the Board is the establishment of employment or consulting contracts with the Chief Executive Officer and other senior executives. Remuneration consists of fixed remuneration under an employment or consultancy agreement and may include bonus or short term and long-term equity-based incentives that are subject to satisfaction of performance conditions. Details of these performance conditions are outlined in the equity-based payments section of this remuneration report. The equity-based incentives are intended to retain key executives and reward performance against agreed performance objectives.

Fixed remuneration

The level of fixed remuneration is set so as to provide a base level of remuneration that is both appropriate to the position and competitive in the market. Fixed remuneration is reviewed annually by the Board and the process consists of a review of

Group-wide and individual performance, relevant comparative remuneration in the market, and internal and (where appropriate) external advice on policies and practices.

Senior executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and expense payment plans, such that the manner of payment chosen is optimal for the recipient without creating additional cost for the Group.

Remuneration details for the year ended 30 June 2021

Details of the remuneration of the directors and key management personnel ("KMP") of the Group (as defined in AASB 124 Related Party Disclosures) and the highest paid executives of Cellmid are set out in the following tables.

	Short-term benefits		Long-term benefits	Post-employment benefits	Shares based payments	
	Cash salary fees	**Employee entitlements**	**Employee entitlements**	**Superannuation**	**Equity & Options**	**Total**
2021	**$**	**$**	**$**	**$**	**$**	**$**
Directors						
Non-executive directors						
David King (resigned Dec 20)	32,500	-	-	3,088	-	35,588
Bruce Gordon	60,000	-	-	-	-	60,000
Fintan Walton (resigned Dec 20)	25,002	-	-	-	-	25,002
Martin Cross	50,000	-	-	4,750	-	54,750
Dennis Eck (1)	-	-	-	-	50,000	50,000
Total non-executive directors	**167,502**	**-**	**-**	**7,838**	**50,000**	**225,340**
Executive directors and KMP						
Maria Halasz (2)	478,655	24,185	(11,784)	25,662	62,490	579,208
Koichiro Koike (3)	193,678	-	-	209,463	-	403,141
Teruko Fujii (3)	49,139	-	-	3,423	-	52,562
Brian McGee (4)	142,857	-	-	-	(1,096)	141,761
Bart Wuurman	39,294	-	-	-	(103)	39,191
Total executive directors and KMP	**903,623**	**24,185**	**(11,784)**	**238,548**	**61,291**	**1,215,863**

(1) Dennis Eck receives no cash remuneration in relation to his role as non-executive director, unlike other Cellmid directors. Mr Eck's renumeration is expected to be in the form of shares. The issue of these shares is subject to shareholders' approval at the next Annual General Meeting of the Group. In the event that shareholders' approval is not received he will receive the equivalent remuneration to other non-executive directors in cash.

(2) Amount includes consulting fees paid to Direct Capital Group Pty Ltd. Ms Halasz is also the director of Direct Capital Group Pty Ltd ("DCG") which provides consulting services under specific contract to the Group.

(3) Koichiro Koike retired on 31 March 2021. Teruko Fujii was subsequently appointed as Managing Director of Advangen Japan which includes subsidiary companies Advangen Inc and Evolis Japan Inc (wholly owned subsidiaries of Cellmid Limited) on 1 April 2021;

(4) Brian McGee resigned as CEO of Advangen LLC, a wholly owned subsidiary of Cellmid Limited on 28 February 2021.

(5) Bart Wuurman resigned as CEO – Lyramid on 30 November 2020

KMP's receive their equity incentives in the form of options.

	Short-term benefits		Long-term benefits	Post-employment benefits	Shares based payments	
	Cash salary fees	Employee entitlements	Employee entitlements	Superannuation	Equity & Options	Total
2020	**$**	**$**	**$**	**$**	**$**	**$**
Directors						
Non-executive directors						
David King	59,583	-	-	5,660	-	65,243
Bruce Gordon	45,000	-	-	-	-	45,000
Fintan Walton	41,670	-	-	-	-	41,670
Martin Cross	45,833	-	-	4,354	-	50,187
Dennis Eck (1)	-	-	-	-	50,000	50,000
Total non-executive directors	**192,086**	**-**	**-**	**10,014**	**50,000**	**252,100**
Executive directors and KMP ^						
Maria Halasz (2)	492,603	22,088	10,211	24,914	150,888	700,704
Koichiro Koike	281,172	-	-	22,499	45,000	348,671
Brian McGee (3)	251,447	-	-	-	13,096	264,543
Bart Wuurman (4)	221,431	-	-	-	200,103	421,534
Total executive directors and KMP	**1,246,653**	**22,088**	**10,211**	**47,413**	**409,087**	**1,735,452**

(1) Dennis Eck receives no cash remuneration in relation to his role as non-executive director, unlike other Cellmid directors. Mr Eck's renumeration is expected to be in the form of shares. The issue of these shares is subject to shareholders' approval at the next Annual General Meeting of the Group. In the event that shareholders' approval is not received he will receive the equivalent remuneration to other non-executive directors in cash.

(2) Amount includes consulting fees paid to Direct Capital Group Pty Ltd. Ms Halasz is also the director of Direct Capital Group Pty Ltd ("DCG"), that provides consulting services under specific contract to the Group.

(3) Brian McGee was appointed as CEO of Advangen LLC, a wholly owned subsidiary of Cellmid Limited, on 1 November 2019.

(4) Bart Wuurman commenced employment 1 June 2019.

Directors' and Key Management Personnel (KMP) shareholdings

The number of shares held in the Group during the financial year by each Director and KMP of Cellmid Limited, including their related parties, are set out below:

	Balance at beginning of year	Received as part of remuneration	Other changes	Balance at end of year
2021				
David King (1)	1,700,000	-	(1,700,000)	-
Maria Halasz	3,000,000	-	1,637,639	4,637,639
Bruce Gordon	160,000	-	204,000	364,000
Fintan Walton (1)	65,000	-	(65,000)	-
Martin Cross	325,000	-	130,000	455,000
Dennis Eck (2)	12,497,152	465,437	5,185,036	18,147,625
Koichiro Koike (1)	157,146	-	(157,146)	-
Teruko Fujii	-	-	-	-
Brian McGee	-	-	-	-
Bart Wuurman	-	-	-	-
2020				
David King	1,400,000	-	300,000	1,700,000
Maria Halasz	2,019,938	-	980,062	3,000,000
Bruce Gordon	110,000	-	50,000	160,000
Fintan Walton	65,000	-	-	65,000
Martin Cross	175,000	-	150,000	325,000
Dennis Eck (2)	5,461,579	217,391	6,818,182	12,497,152
Koichiro Koike	157,146	-	-	157,146
Brian McGee	-	-	-	-

(1) David King and Fintan Walton resigned from their positions as non-executive directors on 31 December 2020. Koichiro Koike retired from the position of Managing Director Advangen Japan on 31 March 2021.

(2) Dennis Eck receives no cash remuneration in relation to his role as non-executive director. His renumeration was provided in the form of shares, approved by shareholders at the Annual General Meeting of the Group.

Directors' and KMP option holdings

The number of options held in the company during the financial year by each director and member of key management personnel of Cellmid Limited, including their personally related parties, are set out below.

	Balance at beginning of year	Purchased by subscription	Disposed/ Expired/ Exercised/	Received as part of 2021 remuneration	Balance at end of year	Vested at end of year
2021						
David King	-	-	-	-	-	-
Maria Halasz	3,000,000	713,819	-	-	3,713,819	1,000,000
Bruce Gordon	-	52,000	-	-	52,000	-
Fintan Walton	-	-	-	-	-	-
Martin Cross	-	65,000	-	-	65,000	-
Dennis Eck	-	2,592,518	-	-	2,592,518	-
Koichiro Koike	1,000,000	-	625,000	-	375,000	375,000
Teruko Fujii	-	-	-	-	-	-
Brian McGee	200,000	-	100,000	-	100,000	100,000
Bart Wuurman	2,500,000	-	-	-	2,500,000	2,500,000

	Balance at beginning of year	Acquired	Disposed/ Expired/ Exercised/	Received as part of 2020 remuneration	Balance at end of year	Vested at end of year
2020						
David King	-	-	-	-	-	-
Maria Halasz	-	-	-	3,000,000	3,000,000	-
Bruce Gordon	-	-	-	-	-	-
Fintan Walton	-	-	-	-	-	-
Martin Cross	-	-	-	-	-	-
Dennis Eck	-	-	-	-	-	-
Koichiro Koike	-	-	-	1,000,000	1,000,000	-
Brian McGee	-	-	-	200,000	200,000	-
Bart Wuurman	-	-	-	2,500,000	2,500,000	2,000,000

Relationship between remuneration policy and company performance

The proportion of remuneration linked to performance and the proportion that is fixed is as follows:

	Fixed remuneration		At risk STI		At risk LTI	
	2021 %	2020 %	2021 %	2020 %	2021 %	2020 %
David King	100.00	100.00	-	-	-	-
Maria Halasz	89.21	78.47	-	17.13	10.79	4.40
Bruce Gordon	100.00	100.00	-	-	-	-
Fintan Walton	100.00	100.00	-	-	-	-
Martin Cross	100.00	100.00	-	-	-	-
Dennis Eck^	100.00	100.00	-	-	-	-
Koichiro Koike	100.00	87.09	-	12.91	-	-
Teruko Fujii	100.00	-	-	-	-	-
Brian McGee	100.00	95.05	-	4.54	-	0.41
Bart Wuurman	100.00	52.53	-	47.45	-	0.02

^Dennis Eck's remuneration is expected to be received on an equity basis in the form of shares.

Service agreements

Maria Halasz

The remuneration of the Chief Executive Officer, Maria Halasz, reflects the activities of the two business units, Advangen Limited and Cellmid Limited, within the Group.

On 1 July 2019 a service agreement was signed between the Group and Maria Halasz. Pursuant to this service agreement Maria Halasz's salary component incurred by Cellmid Limited was reduced, and a consulting agreement with Advangen Limited, was signed by Direct Capital Group Pty Ltd, a company associated with Ms Halasz.

The above arrangement is covered under one service agreement and the conditions are as follows:

- The remuneration for Ms Halasz is fixed, however, at the discretion of the Board and subject to approval by shareholders, she may receive performance-based incentives in the future.
- The duration of the service agreement is 3 years. In the event that the parties do not sign a new agreement prior to the expiry of the term, the agreement is automatically extended for 12 months.
- No leave and superannuation entitlement accrue in relation to the consulting agreements with Direct Capital Group Pty Ltd.
- Ms Halasz may resign from her position and thus terminate the service agreement, including the consulting agreements with Direct Capital Group Pty Ltd, by giving six months' written notice. On resignation any unvested options will be forfeited.
- The Group may terminate the employment agreement, including the consulting agreements with Direct Capital Group Pty Ltd, by providing six months' written notice or providing payment in lieu of the notice period (based on the fixed component of Ms Halasz's remuneration).

- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the CEO is only entitled to that portion of remuneration, which is fixed, and only up to the date of termination.

Koichiro Koike

Koichiro Koike was contracted as Managing Director of Advangen Inc., the Group's wholly owned Japanese subsidiary, on the following terms and pursuant to Japanese employment laws and as revised on 20 August 2019:

- The remuneration of Mr Koike is fixed, however, at the discretion of the Board he may receive performance-based incentives.
- There is no fixed term in Mr Koike's contract.
- There is leave, retirement and travel allowance included in the remuneration.
- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the CEO is only entitled to that portion of remuneration, which is fixed, and only up to the date of termination.
- Employment agreement terminated upon his retirement on 31 March 2021.

Teruko Fujii

Teruko Fujii was contracted as Managing Director of Advangen Inc., the Group's wholly owned Japanese subsidiary, on the following terms and pursuant to Japanese employment laws and as revised on 1 April 2021:

- The remuneration of Ms Fujii is fixed, however, at the discretion of the Board she may receive performance-based incentives.
- There is no fixed term in Ms Fujii's contract.
- There is leave, retirement and travel allowance included in the remuneration.
- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the Managing Director is only entitled to that portion of remuneration, which is fixed, and only up to the date of termination.

Brian McGee

Brian McGee was appointed as CEO of Advangen LLC, the Group's wholly owned US subsidiary, on the following terms on 1 November 2019:

- Mr McGee's remuneration is fixed, however, at the discretion of the Board he may receive performance-based incentives.
- The term of the contract is one year extendable to a further two years.
- The Group or Mr McGee may terminate the contract by giving one-month notice.
- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the CEO is only entitled to that portion of remuneration, which is fixed, and only up to the date of termination.
- Mr McGee resigned from his position on 28 February 2021.

Bart Wuurman

Bart Wuurman is contracted as CEO of Lyramid Limited pursuant to a modified service agreement dated 1 April 2020 on the following terms:

- Mr Wuurman's remuneration consists of a fixed and at-risk component.
- The term of the service agreement is three months extendable by mutual consent (extended on 1 July 2020).
- There is no leave and retirement component in the service agreement.
- The Group may terminate the service agreement with one-month notice.

- The Group may terminate the contract at any time without notice if serious misconduct has occurred. Where termination with cause occurs, the CEO is only entitled to that portion of remuneration, which is fixed, and only up to the date of termination.
- Mr Wuurman resigned from his position on 30 November 2021.

Equity-based compensation

Equity-based compensation in the form of shares and options over ordinary shares were outstanding during and for the year ended 30 June 2021. These entitlements were previously granted to certain key executives of the Group under the Employee Incentive Plan and/or as approved by shareholders at the annual general meeting on 19 November 2019. Ordinary shares and options on issue carried over from prior periods and were issued under the following conditions:

Name	Grant date	Number issued	Number Vested	Service and performance criteria
Dennis Eck	20/11/2020	465,437	-	Grant condition was previous service as a director without compensation. The accumulated director's fee was to be taken in shares in lieu of cash. The fair value of the shares at the date of grant was $50,000, equivalent to the accumulated unpaid director's fees. The condition of previous unpaid service as a director has been met.
Maria Halasz	20/11/2019	3,000,000	1,000,000	Vesting subject to key performance indicators assessed at 30 June 2020 (1,000,000) and 30 June 2022 (2,000,000) or before if conditions are met, including achieving growth, profitability of the Group, monetisation of certain assets and share price performance over 3 years. Subject to meeting vesting conditions the options are exercisable at $0.24 each on or before 20 November 2024 with a fair value per option at grant date of $0.12.
Koichiro Koike	30/07/2019	1,000,000	375,000	Vesting subject to key performance indicators assessed at balance date including achieving growth, profitability of Japan and the Group, monetisation of some of the consumer health assets, increased distribution and team based performance over 3 years. Subject to meeting vesting conditions the options are exercisable at $0.23 each on or before 30 July 2024 with a fair value per option at grant date of $0.12. Koichiro Koike retired as Managing Director from Advangen Japan on 31 March 2021 resulting in his remaining unvested options to be forfeited.
Brian McGee	30/07/2019	200,000	100,000	Vesting subject to key performance indicators assessed at balance date including profitability, effective team-based performance across the Group and increased distribution and sales. Subject to meeting vesting conditions the options are exercisable at $0.23 each on or before 30 July 2024 with a fair value of per option at grant date of $0.12 Brian McGee resigned as CEO of Advangen LLC on 28 February 2021 resulting in his remaining unvested options to be forfeited.
Bart Wuurman	30/07/2019	2,500,000	2,500,000	2,000,000 options vested on the condition of accepting a reduced cash compensation. 500,000 unvested with the vesting condition of securing dedicated funding for Lyramid. 2,000,000 options are exercisable at $0.23 each on or before 30 July 2024. Subject to meeting vesting condition 500,000 options are exercisable on or before 31 March 2025 at $0.27 each with a fair value per option at grant date of $0.15. Bart Wuurman resigned as CEO of Lyramid Limited on 30 November 2020.

Loans to directors and other members of key management personnel

There were no loans to directors or other members of key management personnel during or since the end of the financial year.

At its last Annual General Meeting on 30 November 2020 Cellmid Limited received 52.41% of 'yes' votes on its Remuneration Report for the financial year ending 30 June 2020. As more than 25% of the votes were cast against the FY 2020 Remuneration Report this represented a first strike for the purposes of Section 250U of the *Corporations Act 2001*. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

This concludes the remuneration report which has been audited.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the year ended 30 June 2021 has been received and can be found on page 64 of the financial report.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Dated this 19th day of August 2021

Director: . ...
Bruce Gordon

Corporate Governance

The Board is committed to achieving and demonstrating the highest standards of corporate governance. As such, Cellmid Limited and its Controlled Entities ('the Group') have adopted a corporate governance framework and practices to ensure they meet the interests of shareholders.

The Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations – 4th edition ('the ASX Principles') are applicable for financial years commencing on or after 1 January 2020, consequently for the Group's 30 June 2021 year end. As a result, the Group has chosen to publish its Corporate Governance Statement on its website rather than in this Annual Report.

The Corporate Governance Statement and governance policies and practices can be found in the corporate governance section of the Company's website at http://www.cellmid.com.au.

The Group's Corporate Governance Statement incorporates the disclosures required by the ASX Principles under the headings of the eight core principles. All of these practices, unless otherwise stated, were in place for the full reporting period.

Consolidated Statement of Financial Performance and Other Comprehensive Income For the Year Ended 30 June 2021

	Note	Consolidated 2021 $	2020 $
Revenue from continuing operations	3	5,816,351	7,344,607
Cost of goods sold	5	(2,112,683)	(2,496,102)
Gross profit		**3,703,668**	**4,848,505**
Other income	4	1,003,488	1,063,829
Selling and distribution expenses	5	(1,028,511)	(2,024,059)
Research and development expenses	5	(118,793)	(399,523)
Administrative and employment expenses	5	(4,864,231)	(5,403,324)
Impairment of financial assets	5	(3,877)	(163,835)
Impairment of plant and equipment	5	(636,975)	-
Other operating expenses	5	(1,695,057)	(1,479,581)
Operating profit / (loss) from continuing operations before finance and legal costs		**(3,640,288)**	**(3,557,988)**
Finance costs	5	(54,756)	(71,257)
Legal fees and claim	5	(64,841)	(637,777)
Loss before income tax expense from continuing operations		**(3,759,885)**	**(4,267,022)**
Income tax expense	6	(45,049)	(89,473)
Loss after income tax from continuing operations		**(3,804,934)**	**(4,356,495)**
Proceeds from the disposal of business	7	500,000	-
Net liabilities disposed with the sale of business	7	28,842	-
Loss from discontinued operations for the year after income tax expense	7	(110,540)	(550,801)
Profit / (loss) after income tax from discontinued operations	7	418,302	(550,801)
Loss after income tax for the year		**(3,386,632)**	**(4,907,296)**
Other comprehensive income / (loss), net of income tax			
Items that will be reclassified to profit or loss when specific conditions are met			
Exchange differences on translating foreign controlled entities		(323,895)	30,647
Total comprehensive income / (loss) for the year		**(3,710,527)**	**(4,876,649)**
Total comprehensive income / (loss) for the year attributable to:			
Continuing operations		(4,128,829)	(4,325,848)
Discontinued operations		418,302	(550,801)
Owners of Cellmid Limited		**(3,710,527)**	**(4,876,649)**
Earnings per share for profit / (loss) from continuing operations attributable to the owners of Cellmid Limited			
Basic earnings per share (cents)	10	(2.69)	(4.48)
Diluted earnings per share (cents)	10	(2.69)	(4.48)
Earnings per share for profit / (loss) from discontinued operations attributable to the owners of Cellmid Limited			
Basic earnings per share (cents)	10	0.30	(0.57)
Diluted earnings per share (cents)	10	0.30	(0.57)
Earnings per share for profit / (loss) attributable to the owners of Cellmid Limited			
Basic earnings per share (cents)	10	(2.40)	(5.04)
Diluted earnings per share (cents)	10	(2.40)	(5.04)

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

CELLMID LIMITED

ABN 69 111 304 119

Consolidated Statement of Financial Position
As at 30 June 2021

	Note	Consolidated 2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	11	6,727,764	6,970,967
Trade and other receivables	12	1,795,171	1,870,632
Inventories	13	2,549,759	2,609,359
Other assets	14	215,168	176,895
TOTAL CURRENT ASSETS		11,287,862	11,627,853
NON-CURRENT ASSETS			
Plant and equipment	15	86,112	764,031
Right of use assets	16	493,787	739,325
Intangibles	17	1,425,322	1,757,002
TOTAL NON-CURRENT ASSETS		2,005,221	3,260,358
TOTAL ASSETS		**13,293,083**	**14,888,211**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	18	1,063,683	2,770,047
Loans and borrowings	19	338,020	375,467
Lease liabilities	20	251,832	247,335
Provisions	21	261,666	248,716
TOTAL CURRENT LIABILITIES		1,915,201	3,641,565
NON-CURRENT LIABILITIES			
Loans and borrowings	19	601,396	876,252
Lease liabilities	20	242,594	462,411
Provisions	21	99,508	97,268
TOTAL NON-CURRENT LIABILITIES		943,498	1,435,931
TOTAL LIABILITIES		**2,858,699**	**5,077,496**
NET ASSETS		**10,434,384**	**9,810,715**
EQUITY			
Issued capital	22	60,280,064	56,064,284
Reserves	23	931,775	1,137,254
Accumulated losses		(50,777,455)	(47,390,823)
TOTAL EQUITY		**10,434,384**	**9,810,715**

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

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2021

	Note	Issued Capital $	Share Based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2020		**56,064,284**	**578,204**	**559,050**	**(47,390,823)**	**9,810,715**
Loss for the year after tax		-	-	-	(3,386,632)	**(3,386,632)**
Other comprehensive income / (loss)		**-**	**-**	(323,895)	-	**(323,895)**
Total comprehensive income / (loss) for the year		**-**	**-**	**(323,859)**	**(3,386,632)**	**(3,710,491)**
Transactions with equity holders						
Equity share-based compensation	23	43,750	118,416	**-**	**-**	**162,166**
Shares issued – net of transaction costs	22	4,172,030	-	**-**	**-**	**4,172,030**
Balance at 30 June 2021		**60,280,064**	**696,620**	**235,155**	**(50,777,455)**	**10,434,384**

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

Consolidated Statement of Changes in Equity
For the Year Ended 30 June 2020

	Note	Issued Capital $	Share Based Payments Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total Equity $
Balance at 1 July 2019		**47,765,837**	**103,950**	**528,403**	**(42,540,913)**	**5,857,277**
Adjustment from the adoption of AASB 16		-	-	-	57,386	**57,386**
Adjusted balance at 1 July 2019		**47,765,837**	**103,950**	**528,403**	**(42,483,527)**	**5,914,663**
Loss for the year after tax		-	-	-	(4,907,296)	**(4,907,296)**
Other comprehensive income / (loss)		-	-	30,647	-	**30,647**
Total comprehensive income / (loss) for the year		**-**	**-**	**30,647**	**(4,907,296)**	**(4,876,649)**
Transactions with equity holders						
Equity share-based compensation	23	-	474,254	**-**	**-**	**474,254**
Shares issued – net of transaction costs	22	8,298,447	-	**-**	**-**	**8,298,447**
Balance at 30 June 2020		**56,064,284**	**578,204**	**559,050**	**(47,390,823)**	**9,810,715**

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

Consolidated Statement of Cash Flows
For the Year Ended 30 June 2021

	Note	Consolidated 2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		6,028,001	8,291,383
Payments to suppliers and employees		(11,071,400)	(13,188,985)
Interest received		20,484	19,753
Income taxes paid		(2,483)	(130,104)
Grant income and other benefits from government		911,248	994,848
Net cash used in operating activities	24	**(4,114,150)**	**(4,013,105)**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of plant and equipment		(22,468)	-
Proceeds from sale of business	7	500,000	-
Net cash provided by investing activities		**477,532**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		4,511,717	8,847,000
Share issue costs		(378,990)	(535,828)
Proceeds from borrowings		-	273,447
Repayment of borrowings		(373,510)	(300,253)
Repayment of leasing liabilities		(205,879)	(233,214)
Finance costs		(54,756)	(71,257)
Net cash provided by financing activities		**3,498,582**	**7,979,895**
Net (decrease) / increase in cash and cash equivalents held		(138,036)	3,966,790
Cash and cash equivalents at beginning of financial year		6,970,967	3,081,924
Effect of exchange rate changes		(105,167)	(77,747)
Cash and cash equivalents at end of financial year	11	**6,727,764**	**6,970,967**

Non-cash financing activities include ordinary shares issued in lieu of director fees to Dennis Eck to the value of $50,000 (2020: $50,000) and to a contractor for consulting services of $43,750 (2020: $nil).

Notes to the Financial Statements
For the Year Ended 30 June 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

Cellmid Limited is a public company, listed on the Australian Securities Exchange, limited by shares and incorporated and domiciled in Australia.

The financial statements cover Cellmid Limited as a Group, consisting of Cellmid Limited and the entities it controlled at the end of, or during the year.

The financial statements were authorised for issue by the Directors on 20th August 2021.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (“AASB”) and the *Corporations Act 2001*. Cellmid Limited is a for-profit entity for the purpose of preparing the financial statements.

These financial statements also comply with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for certain non-current assets and financial instruments that are measured at re-valued amounts or fair values. All amounts are presented in Australian dollars, unless otherwise noted.

New and amended standards and interpretations adopted by the Group

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001* that are mandatory for the current reporting period, with no material impact. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have any material impact if they had been applied.

Critical Accounting Estimates and Judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are further discussed below and in the relevant notes to the financial statements.

Cashflow Projections

Management estimates its cashflow projections by considering the conditions specific to the Group such as the growth in sales, including but not limited to the performance of existing and new distribution channels, as well as the wider economic and environmental conditions such as COVID-19. This is based on information available to management at that time and projections are revised on a rolling basis to ensure these are relevant and realistic.

Forward looking estimates on revenue have been calculated specific to each business unit and revenue channel in the Group, taking into account historical run rates and new business opportunities which are expected to realise in the near term. Similarly, expenses are estimated by provisioning for price and volume changes consistent with the forecasted revenue volumes as well as the costs (or savings thereon) associated with the implementation of new business strategies designed to drive the revenue growth as projected.

Cashflow projections require the use of assumptions on the timing of the payments of forward estimates. These take into account cash outlay required to achieve revenue targets such as investment in new staff, equipment and other resourcing needs. The actual performance of the business may be materially different to that projected due to factors which were not foreseeable or controllable by management at the time the original estimates were prepared.

Notes to the Financial Statements
For the Year Ended 30 June 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Uncertain Tax Positions

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law however significant judgement is required in determining the provision for income tax. Where the final tax outcome of these matters is different from the estimated amounts, such differences will impact the current and, where recognised, deferred tax provisions in the period in which such determination is made.

Coronavirus Pandemic (COVID-19)

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Group operates.

The Group is monitoring the economic environment in response to COVID-19 and is taking actions to limit its exposure to customers that are severely impacted. In 2021, demand in certain revenue channels has reduced – particularly wholesale pharmacy and retail salons. This reduction in volume however has been partly offset by growth in revenue from the online consumer business channel as more customers moved to complete their purchases online rather than in the traditional way in stores.

Allowance for Expected Credit Losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the COVID-19 pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in Note 12, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Impairment of non-financial assets

The Group assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

The provision for obsolete inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory recoverability and useful life.

R&D Tax Incentives

From 1 July 2011 the Australian Government has provided a tax incentive, in the form of a refundable tax offset of 43.5%, for eligible research and development expenditure. Management has assessed its research and development activities and expenditure to determine which are likely to be eligible under the scheme. For the year ended 30 June 2021 the Group has recorded an item in other income based on tax refund received in cash from the government.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes valuation method taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments do not have any impact on the carrying amounts of assets and liabilities within the subsequent annual reporting period but may impact expenses and equity.

Estimated impairment of intangibles

The Group tests whether intangible assets have suffered any impairment at each reporting date. The recoverable amount of intangible assets is assessed at its value in use. This calculation requires the use of assumptions on growth rates on estimated cashflows.

Leases

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

An incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Where the interest rate implicit in a lease cannot be readily determined this rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Each lease arrangement includes a make good provision reflecting the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises based on information available and assumptions made at balance date.

Employee benefits provision

As discussed, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through inflation have been taken into account.

Sale returns

In determining the level of provision required for certain key customers the Group has made judgements in respect of the expected performance of the products and actual sales made, pursuant to the relevant customer individual contract terms and conditions. The provision is based on estimates made from historical sales return data specific to each key customer and where relevant includes forward looking assumptions.

Comparatives

Certain comparative in the consolidated statement of financial performance and other comprehensive income and consolidated statement of financial position have been reclassified, where necessary, to be consistent with current year presentation.

Notes to the Financial Statements
For the Year Ended 30 June 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Parent Entity Information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is included in Note 31.

Going concern

Based on its current commitments, the Group has sufficient funds to meet its debts as and when they fall due. Accordingly, the Directors have determined that the going concern basis of accounting is appropriate in preparing the financial report. The assessment of going concern is based on cash flow projections. The preparation of these projections incorporate a number of assumptions and judgements, and the directors have concluded that the range of possible outcomes considered in arriving at this judgment does not give rise to a material uncertainty casting significant doubt on the Group's ability to continue as a going concern. In addition to the cash flow projections, the assessment of going concern is also supported by a recent successful capital raising of $4,172,030 and the ability to further draw down on the Group's external loan and borrowings arrangements. (refer also to *Critical Accounting Estimates and Judgements*).

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Cellmid Limited ("the Company") as at 30 June 2021 and the results of all subsidiaries for the year then ended. Cellmid Limited and its subsidiaries together are referred to in these financial statements as "the Group".

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

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

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

The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group is organised into two main operating segments:

The Group has operated primarily through its holding entity, Cellmid and two subsidiary companies, Advangen Pty Limited (consumer health product development and sales) and, until the date of its disposal, Lyramid Limited (midkine and midkine antibody research and development).

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (identified as the Chief Operating Decision Makers (CODM) in assessing performance and in determining the allocation of resources both from a product and geographic perspective. There is no aggregation of operating segments. The CODM primarily uses a measure of adjusted earnings before interest, tax, depreciation and amortisation ("Adjusted EBITDA" or "Operating Profit/ (Loss)") to assess the performance of operating segments. However, the CODM also receive information about segments revenue and assets on a monthly basis.

The principal products and services of each of these operating segments are as follows (further details on the business of each segment in included in the Directors' Report of this document):

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Operating Profit / Loss

Operating profit / loss excludes certain corporate expense categories such as finance costs, employee benefits (including equity-settled share-based payments), depreciation and amortisation. Historically given the inherent nature of these costs has meant it is not practical to allocate to any specific business segment since it relates to the Head Office (corporate function) whilst necessarily incurred to help derive revenue, thereby benefiting the Group indirectly.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Foreign currency transactions

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

Foreign operations

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each statement of financial performance and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income. The foreign currency translation reserve is recognised in profit or loss when the foreign operation or net investment is disposed.

Revenue recognition

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

The Group's contracts with customers for the sale of goods generally include one performance obligation. For each contract with a customer, the Group:

- identifies the contract with a customer;
- identifies the performance obligations in the contract;
- determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and
- recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Sale returns or the right of return assets represents the right to recover inventory sold to customers and is based on an estimate of customers who may exercise their right to return the goods and claim a refund. Such rights are measured at the value at which the inventory was previously carried prior to sale, less expected recovery costs and any impairment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other income

Grants and other benefits received from the government are recognised in the consolidated statement of financial performance and other comprehensive income at the fair value of the cash received when there is reasonable assurance that the grant will be received and all conditions have been complied with. Government grants are research and development tax incentives and export market incentives. Research and development incentive represents a refundable tax offset that is available on eligible research and development expenditure incurred by the Group. Interest revenue is recognised as it accrues.

Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction, adjusted by changes attributable to temporary differences, unused tax losses and adjustments recognised for prior periods where applicable. Cellmid Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Discontinued operations

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss attributable to owners of Cellmid Limited, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares
- the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Cash and cash equivalents

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

Notes to the Financial Statements
For the Year Ended 30 June 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade receivables and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less expected credit losses (ECL). Collectability of receivables is reviewed on an ongoing basis and debts which are known to be uncollectible are written off. The Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Group has established a provision matrix that is based on its historical credit loss experience, and where necessary, adjusted for forward-looking factors specific to the debtors and the latest economic environment such as the impact of the COVID-19 pandemic. The actual credit losses in future years may be higher or lower.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Inventories are in the form of finished goods, work in progress and raw materials. These are measured at the lower of cost and net realisable value on “first in first out” flow basis at moving average cost. The cost of manufactured products includes direct materials and direct labour with any variable and fixed overheads expensed is a period cost. Costs of purchased inventory are determined after deducting rebates and realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to complete the sale.

Plant and equipment

Plant and equipment is measured at historical cost less accumulated depreciation and any accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the consolidated statement of financial performance and other comprehensive income during the financial period in which they are incurred.

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount

Depreciation

Depreciation is calculated on a straight-line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements. Depreciation of the cost of the Midkine protein asset has historically been calculated on a ug (or mg) basis as the protein is consumed through research activities and/or production of Midkine Elisa kits.

The depreciation rates used to write off the net cost of each class of assets over their expected useful life are:

Class of asset	Depreciation Rate
Furniture and fittings	20%
Computer hardware and office equipment	6.7% – 40.0%
Computer software	20.0% – 40.0%
Midkine proteins	Based on usage

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation charges for its plant and equipment. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to the Financial Statements
For the Year Ended 30 June 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period

Patents and trademarks

Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 30 years. The valuation of these assets is further reduced by any impairment losses.

Research and development

Research expenditure and development expenditure that do not meet the criteria below are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Impairment of intangible assets.

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment includes the consideration of external and internal sources of information. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. The recoverable amounts of the asset is determined based on reviewing the status of the research and development program, progress on its patent applications and projected cash flow calculations. These calculations require the use of assumptions, including estimating timing of cash flows, product development and availability of resources to exploit the assets.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring (make good) the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trade and other payables

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

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation, as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability, a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees up to the end of the reporting period. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Short term obligations

Liability for wages and salaries, annual leave and long service leave that are expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date. These are measured at the amounts expected to be paid when the liabilities are settled and includes statutory on costs and where entitled non-monetary benefits.

Other long-term employee benefit obligations

Liability for annual leave and long service leave not expected to be settled within 12 months from the reporting date is recognised in the provision for employee benefits as a non current liability. This is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account and include relevant on costs.

Retirement benefit obligations

Contributions for retirement benefit obligations are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available. Contributions are paid into the fund nominated by the employee.

Share-based payments

Share -based compensation benefits are provided to employees and directors via an employee option plan and the executive incentive scheme.

The fair value of options granted is recognised as a benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted including:

- any market performance conditions (e.g. the entity's share price)
- the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted.

The fair value at grant date is determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Upon the exercise of options, the balance of the share-based payments reserve relating to those options is transferred to share capital and the proceeds received, net of any directly attributable transaction costs, and are allocated to share capital.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Where any Group company purchases the company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Group as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Group.

Notes to the Financial Statements
For the Year Ended 30 June 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

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

Rounding of amounts

The Group is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest whole dollar

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Notes to the Financial Statements
For the Year Ended 30 June 2021

2. SEGMENT INFORMATION

2021	Cellmid, Lyramid Australia $	Advangen Australia $	Consumer Health Advangen USA $	Advangen Japan $	Advangen Total $	Group Total $
Total revenue and other income	**778,203**	**1,242,123**	**451,307**	**4,348,206**	**6,041,636**	**6,819,839**
Cost of goods sold	(234,810)	(257,608)	(91,078)	(1,529,187)	(1,877,873)	(2,112,683)
Selling and distribution expenses	(91,556)	(531,669)	(163,636)	(241,635)	(936,940)	(1,028,496)
Research and development expenses	(53,837)	(20,429)	-	(89,059)	(109,488)	(163,325)
Administrative expenses	(822,400)	(1,056,957)	(370,727)	(1,820,137)	(3,247,821)	(4,070,221)
Impairment of plant and equipment	(636,975)	-	-	-	-	(636,975)
Gain on disposal of subsidiary	528,842	-	-	-	-	528,842
Other operating expenses	(264,838)	(285,299)	(396,324)	(278,763)	(960,386)	(1,225,224)
Segment operating profit/(loss)	**(797,371)**	**(909,839)**	**(570,458)**	**389,425**	**(1,090,872)**	**(1,888,243)**
Corporate costs and unallocated items						
Consultancy expense						(94,731)
Subscription expense						(53,096)
Occupancy expense						(20,050)
Share-based payment compensation						(107,716)
Directors' remuneration						(225,340)
Employee benefits expense						(445,122)
Depreciation and amortisation						(452,529)
Finance costs						(54,756)
Profit / (loss) before income tax expense						**(3,341,583)**
Income tax expense						(45,049)
Profit / (loss) after income tax expense						**(3,386,632)**
Total assets	**6,648,461**	**1,149,899**	**371,982**	**5,122,741**	**6,644,622**	**13,293,083**
Total liabilities	**917,401**	**492,660**	**28,322**	**1,420,316**	**1,941,298**	**2,858,699**
Total Intercompany	**19,740,343**	**(15,330,923)**	**(3,174,530)**	**(1,234,890)**	**(19,740,343)**	**-**

Notes to the Financial Statements
For the Year Ended 30 June 2021

2. SEGMENT INFORMATION (CONTINUED)

	Cellmid	Consumer Health				Group
2020	**Lyramid Australia**	**Advangen Australia**	**Advangen USA**	**Advangen Japan**	**Advangen Total**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Total revenue and other income	**1,110,515**	**1,198,490**	**625,873**	**5,612,837**	**7,437,200**	**8,547,715**
Cost of goods sold	(357,554)	(213,311)	(266,508)	(1,696,473)	(2,176,292)	(2,533,846)
Selling and distribution expenses	(183,609)	(761,109)	(266,542)	(812,799)	(1,840,450)	(2,024,059)
Research and development expenses	(439,949)	(286,692)	-	(122,378)	(409,070)	(849,019)
Administrative expenses	(788,495)	(868,545)	(722,834)	(1,971,351)	(3,562,730)	(4,351,225)
Other operating expenses	(251,551)	(247,931)	(43,511)	(498,043)	(789,485)	(1,041,036)
Segment operating profit/(loss)	**(910,643)**	**(1,179,098)**	**(673,522)**	**511,793**	**(1,340,827)**	**(2,251,470)**
Corporate costs and unallocated items						
Consultancy expense						(166,445)
Subscription expense						(58,639)
Occupancy expense						(32,669)
Share-based compensation						(411,554)
Directors' remuneration						(257,102)
Employee benefits expense						(412,254)
Depreciation and amortisation						(518,656)
Finance costs						(71,257)
Legal fees and claim						(637,777)
Profit / (Loss) before income tax expense						**(4,817,823)**
Income tax expense						(89,473)
Profit / (Loss) after income tax expense						**(4,907,296)**
Total assets	**6,617,970**	**1,497,189**	**385,936**	**6,387,116**	**8,270,241**	**14,888,211**
Total liabilities	**672,648**	**1,743,667**	**62,870**	**2,598,311**	**4,404,848**	**5,077,496**
Total intercompany	**18,913,680**	**(13,556,285)**	**(2,821,212)**	**(2,536,183)**	**(18,913,680)**	**-**

The Group has numerous customers to whom it provides both products and services. A single external customer in the Advangen segment however accounts for $2,381,273 of external revenue (2020: $3,432,354).

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

	2021 $	2020 $
From continuing operations		
Sale of goods transferred at a point in time	5,816,351	7,282,658
Royalties and diagnostic income recognised at a point in time	-	61,949
Total revenue from contracts with customers	**5,816,351**	**7,344,607**

The disaggregation of revenue from contracts with customers is as follows:
Major product lines

	2021 $	2020 $
- Heritage hair loss brands including Jo-Ju® and Lexilis®	4,437,313	5,541,807
- evolis® Pharmacy range	347,252	512,682
- Evolis® Professional range	1,031,786	1,228,169
- Diagnostics	-	61,949
Total revenue from contracts with customers	**5,816,351**	**7,344,607**

4. OTHER INCOME

	2021 $	2020 $
Other income:		
- Interest income	23,271	19,753
- Other income (1)	334,469	203,788
- Research and development grant	645,748	840,288
Total other income	**1,003,488**	**1,063,829**

(1) Other income received in the year included Government assistance in the form of Job Keeper and Cash Flow Boost - $165,500 (2020: $127,000) and Export Market Development Grant - $100,000 (2020: $nil).

5. MATERIAL PROFIT OR LOSS ITEMS

The Group has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group.

Loss before income tax includes the following specific expenses:

	2021 $	2020 $
From continuing operations		
Cost of goods sold	(2,112,683)	(2,496,102)
Advertising and marketing expenses	(875,302)	(1,486,911)
Travel expenses	(72,560)	(342,569)
Consultancy expenses	(733,746)	(632,771)
Employee benefits expense	(3,403,381)	(3,652,511)
Legal fees and claim	(64,841)	(637,777)
Impairment of financial assets – trade receivables	(3,877)	(163,835)
Impairment of plant and equipment	(636,975)	-
Depreciation and amortisation expense	(452,529)	(518,656)
Share based compensation expense	(107,716)	(411,554)
Net foreign exchange losses	(266,389)	(34,690)

6. INCOME TAX

(a) The major components of income tax expense comprise:

	2021 $	2020 $
Income tax expense	(45,049)	(89,473)

(b) Numerical reconciliation of income tax expense to accounting loss:

	2021	2020
Loss for the year before income tax expense from continuing operations	(3,759,885)	(4,267,022)
Profit / (loss) for the year before income tax expense from discontinued operations	418,302	(550,801)
	(3,341,583)	(4,817,823)
Prima facie tax benefit on loss from ordinary activities before income tax at 26.0% (2020: 27.50%)	(868,812)	(1,324,901)
Add / (less) tax effect of:		
- Adjustment for tax-rate differences in foreign jurisdictions	38,104	49,477
- Share based payments	28,006	113,177
- Research and development expenditure	352,821	574,603
- Asset impairment	49,684	-
- Sundry items	(41,143)	5,914
- Tax losses not brought to account	396,291	492,257
Income tax expense	(45,049)	(89,473)
- current tax	(45,049)	(89,473)
- deferred tax	-	-
Income tax expense	(45,049)	(89,473)

The Group operates across three main tax jurisdictions being Australia, Japan and USA each with different corporate income tax rates.

(c) Unused tax losses

Movements in unused tax losses	**Australia** **$**	**Japan** **$**	**USA** **$**	**Total** **$**
Carried forward unused tax losses at the beginning of the financial year	28,389,454	862,355	2,643,440	31,895,249
Prior period differences between tax calculation and income tax return	702,453	-	613,268	1,315,721
Actual carried forward unused tax losses at the beginning of the financial year	29,091,907	862,355	3,256,708	33,210,970
Current unused / (used) tax losses for which no deferred tax asset has been recognised	3,157,594	(45,877)	177,954	3,289,671
Carried forward unused tax losses at the end of the financial year	32,249,501	816,478	3,434,662	36,500,641
Notional tax rate	26.00%	30.86%	21.00%	-
Potential future tax benefit	**8,384,870**	**251,965**	**721,279**	**9,358,114**

No income tax benefit was recognised. This income tax benefit arising from tax losses will only be realised if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the Group to benefit from the deductions for the losses to be realised;

6. **INCOME TAX (CONTINUED)**

ii. the Group continues to comply with the conditions for deductibility imposed by tax legislation; maintains the continuity of ownership test and has carried on the same business since the tax loss was incurred; and

iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

The Group has adopted the small business tax rate for the Australian entities, being 26.0% (2020: 27.5%). The Group meets the small business eligibility criteria set by the Australian Taxation Office being aggregated turnover below $50 million and 80% or less of assessable income is passive income. The Group has no capital tax losses available.

7. DISCONTINUED OPERATIONS

Description

On 1 January 2021 the Group sold Lyramid Limited (a company incorporated in Australia), a subsidiary of Cellmid Limited, for consideration of $500,000 resulting in a gain on disposal before income tax of $528,842.

The divestment of Lyramid is expected to deliver a number of tangible benefits to Cellmid shareholders. The Group will be able to solely focus on its consumer health business to execute on its growth and profitability objectives. It will retain the right to participate in the potential upside from the assets through royalties without the need to dedicate further shareholder funds to the commercialisation programs. Overall, significant annual cost savings will be realised by reducing research personnel and relinquishing the financial responsibility for patent filing and maintenance, amongst other costs related maintaining to Lyramid.

Financial performance information	**2021 $**	**2020 $**
Sale of goods	-	36,287
Other revenue	-	102,991
Total revenue	-	139,278
Cost of sales	-	37,744
Employee benefits expense	64,009	183,399
Research and development expenses	44,532	449,496
Other expenses	1,999	19,440
Total expenses	110,540	690,079
Loss before income tax expense	110,540	550,801
Income tax expense	-	-
Loss after income tax expense	110,540	550,801
Gain on disposal before income tax	528,842	-
Income tax expense	-	-
Gain on disposal after income tax expense	528,842	-
Gain/(loss) after income tax expense from discontinued operations	418,302	(550,801)

7. DISCONTINUED OPERATIONS (continued)

Cash flow information	**2021 $**	**2020 $**
Net cash (used in) / provided by operating activities	(99,365)	102,151
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Net (decrease) / increase in cash and cash equivalents from discontinued operations	(99,365)	102,151

Carrying amounts of assets and liabilities disposed	**2021 $**	**2020 $**
Cash and cash equivalents	2,787	-
Trade and other receivables	-	-
Inventories	32,560	-
Other current assets	-	-
Plant and equipment	44,521	-
Other non-current assets	2	-
Total assets	79,870	-
Trade and other payables	79,693	-
Provisions	29,019	-
Total liabilities	108,712	-
Net assets / (liabilities)	(28,842)	-

Details of the disposal	**2021 $**	**2020 $**
Total sale consideration	500,000	-
Carrying amount of net (assets) / liabilities disposed	28,842	
Gain on disposal before income tax	528,842	-
Gain on disposal after income tax	528,842	-

8. KEY MANAGEMENT PERSONNEL DISCLOSURES ("KMP")

Directors and key management personnel compensation

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel for the year ended 30 June 2021.

The total of remuneration paid to the Directors and KMP of the Company and the Group during the year are as follows:

	2021 **$**	**2020** **$**
Short-term employment benefits	1,095,310	1,460,827
Long-term benefits	(11,784)	10,211
Post-employment benefits	246,386	57,427
Share-based payments	111,291	459,087
	1,441,203	**1,987,552**

9. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by Pitcher Partners Sydney (2020: Grant Thornton Sydney), the auditor of the parent entity, and its related practices:

	2021 **$**	**2020** **$**
Audit or review of the Group Cellmid Limited		
- Australia	73,000	103,500
- Japan (network firms)	14,000	13,000
	87,000	116,500

10. EARNINGS PER SHARE

Continuing operations

	2021	2020
	$	$
Basic and diluted earnings per share (in cents)	(2.69)	(4.48)
Reconciliation of earnings to profit or loss from continuing operations		
Loss for the year attributable to the owners of Cellmid Limited	(3,804,934)	(4,356,495)

Discontinued operations

	2021	2020
Basic and diluted earnings per share (in cents)	0.30	(0.57)
Reconciliation of earnings to profit or loss from discontinued operations		
Gain/(loss) for the year attributable to the owners of Cellmid Limited	418,302	(550,801)

	No.	No.
Weighted average number of ordinary shares used in calculating basic and dilutive earnings per share	141,198,970	97,350,774

Details relating to options are set out in Note 30.

11. CASH AND CASH EQUIVALENTS

	2021	2020
	$	$
Cash on hand and at bank	1,689,414	6,836,677
Cash on deposit	5,038,350	134,290
	6,727,764	6,970,967

The effective interest rate on short term bank deposits at 30 June 2021 was 0.76% (2020: 0.75%). These deposits were all at call.

12. TRADE AND OTHER RECEIVABLES

	2021 $	2020 $
Current		
Trade receivables	1,726,676	2,051,246
Less: Allowance for expected credit losses	(54,888)	(220,875)
Other receivables	123,383	40,261
	1,795,171	1,870,632

Impairment of receivables

The Group has recognised a net loss of $3,877 (2020: $163,835) in the consolidated statement of financial performance in respect of impairment of receivables for the year ended 30 June 2021.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

2021	Expected Credit Loss Rate (%)	Carrying Amount ($)	Allowance for expected credit losses ($)
Not due	0%	1,570,664	-
More than 30 days past due	1%	95,720	964
More than 60 days past due	20%	4,471	894
More than 90 days past due	95%	55,821	53,030
		1,726,676	54,888

12. TRADE AND OTHER RECEIVABLES (CONTINUED)

2020	**Expected Credit Loss Rate (%)**	**Carrying Amount ($)**	**Allowance for expected credit losses ($)**
Not due	0%	1,734,626	-
More than 30 days past due	1%	79,995	800
More than 60 days past due	20%	6,291	1,258
More than 90 days past due	95%	230,334	218,817
		2,051,246	220,875

Movements in the allowance for expected credit losses are as follows:

	2021	**2020**
	$	**$**
Opening balance	220,875	86,075
Provisions recognised during the year	3,877	163,835
Receivables written off during the year	(150,466)	(33,964)
Foreign exchange movements	(19,398)	4,929
Closing balance	**54,888**	**220,875**

Effective interest rates and credit risk

The Group has numerous customers to whom it provides both products and services. A single external customer (QVC) in the Advangen segment accounts for $2,381,273 of external revenue (2020: $3,432,354). At balance date amounts owing from QVC accounted for 86% of total trade receivables (2020: 63%).

The Group has no other significant concentration of credit risk with respect to any other single counterparty or Group of counterparties other than those receivables specifically provided for and mentioned within Note 27. The class of assets described as 'trade and other receivables' is the main source of credit risk related to the Group.

There is no interest rate risk for the balances of trade and other receivables. There is no material credit risk associated with other receivables.

13. INVENTORIES

	2021 $	2020 $
Consumer Health - raw materials at cost	731,164	657,432
Consumer Health - finished goods at cost	1,818,595	1,685,144
Diagnostics - finished goods at cost	-	32,560
Diagnostics - finished goods at fair value less cost to sell	-	234,223
	2,549,759	**2,609,359**

Provisioning of inventories to net realisable value amounted to $588,319 (2019: $287,113). These were recognised as an expense (net) during the year ended 30 June 2021 and included in the cost of sales in the consolidated statement of financial performance and other comprehensive income.

14. OTHER ASSETS

	2021 $	2020 $
Prepayments	**215,168**	**176,895**

15. PLANT AND EQUIPMENT

	2021 $	2020 $
At cost	559,515	1,588,003
Accumulated depreciation / amortisation	(473,403)	(823,972)
	86,112	**764,031**

15. PLANT AND EQUIPMENT (CONTINUED)

Movements in carrying amounts of plant and equipment - 2021	Computer Software	Computer Hardware and Office Equip	Furniture and Fittings	Midkine	Total
At cost	107,266	346,440	105,809	-	559,515
Accumulated depreciation	(54,650)	(330,037)	(88,716)	-	(473,403)
Net book value	**52,616**	**16,403**	**17,093**	**-**	**86,112**
Balance at 1 July 2020	-	114,707	12,453	636,871	**764,031**
Opening balance reclassification	66,236	(81,066)	5,575	-	**(9,255)**
Additions	2,610	6,521	13,337	-	**22,468**
Depreciation	(17,897)	(20,245)	(13,174)	104	**(51,212)**
Impairment of assets (1)	-	-	-	(636,975)	**(636,975)**
Foreign exchange movements	1,667	(3,514)	(1,098)	-	**(2,945)**
Balance at 30 June 2021	**52,616**	**16,403**	**17,093**	**-**	**86,112**

(1) Depreciation of the cost of the midkine protein asset has historically been calculated on a milligram (or mg) basis as and when the protein was consumed through research activities and/or production of the MKELISA kits. With the disposal of Lyramid the midkine diagnostic business segment of the Group was discontinued and the valuation of this asset was assessed for recoverability. Based on this assessment, management concluded that the protein would not form part of the continuing operations and the recoverability of this asset in the future was significantly remote. On this basis the asset was considered impaired and consequently the remaining carrying value was fully written down. This was recorded in the reporting period as an impairment expense.

15. PLANT AND EQUIPMENT (CONTINUED)

Movements in carrying amounts of plant and equipment - 2020	**Computers and Office Equip**	**Furniture and Fittings**	**Midkine**	**Total**
At cost	534,765	53,238	1,000,000	1,588,003
Accumulated depreciation	(420,058)	(40,785)	(363,129)	(823,972)
Net book value	**114,707**	**12,453**	**636,871**	**764,031**
Balance at 1 July 2019	**133,000**	**16,739**	**650,504**	**800,243**
Additions	-	-	-	-
Depreciation / amortisation	(75,670)	(7,181)	(13,633)	(96,484)
Foreign exchange movements	57,377	2,895	-	60,272
Balance at 30 June 2020	**114,707**	**12,453**	**636,871**	**764,031**

16. RIGHT-OF-USE-ASSETS

	2021 $	2020 $
Non-current assets		
Right-of-use assets	1,037,148	1,021,001
Less: accumulated depreciation	(543,361)	(281,676)
	493,787	**739,325**

Written down values at the beginning and end of the financial year are set out below:

	2021 $	2020 $
Opening balance	739,325	-
Adoption of AASB 16 on 1 July 2019	-	1,021,001
Lease additions	42,293	-
Depreciation expense	(276,263)	(281,676)
Foreign exchange movements	(11,568)	-
Closing balance	**493,787**	**739,325**

17. INTANGIBLES

	2021 $	2020 $
Patents and trademarks		
At cost	2,369,648	2,683,554
Accumulated amortisation	(944,325)	(926,552)
	1,425,322	**1,757,002**

Movements in carrying amounts of patents and trademarks

	2021 $	2020 $
Balance at beginning of the year	1,757,002	1,758,264
Amortisation	(125,064)	(140,497)
Foreign exchange movements	(206,616)	139,235
Balance at end of the year	**1,425,322**	**1,757,002**

Intangible assets have finite useful lives. The Group has determined the useful life of the intangible assets at 20 years. The remaining useful life is 12 years.

18. TRADE AND OTHER PAYABLES

	2021 $	2020 $
Trade payables	682,190	839,727
Other payables	381,493	1,930,320
	1,063,683	**2,770,047**

19. LOANS AND BORROWINGS

	2021 $	2020 $
Current	338,020	375,467
Non-current	601,396	876,252
	939,416	**1,251,719**

Advangen Japan loan facilities are with Keiyo Bank Ltd. These liabilities are denominated in Japanese Yen at fixed interest rate ranging between 1.20% - 1.50% The loans are secured by a fixed charge over the assets of Advangen Inc. and are repayable by 2028. Amounts payable within 12 months have been included within current liabilities.

2021	Loan Amount - Principal JPY	Loan Amount - Outstanding AUD	Loan Interest Rate (%)	Loan Maturity	Loan Conditions
Advangen Inc	9,000,000	$108,342	1.20%	Revolving	Short term with no specific expiry *
Advangen Inc	37,000,000	$300,807	1.20%	March-2028	Repayable monthly in arrears, fixed rate.
Advangen Inc	50,000,000	$322,559	1.50%	March-2025	Repayable monthly in arrears, fixed rate.
Evolis Japan Inc	20,000,000	$156,579	1.20%	Sept-2024	Repayable monthly in arrears, fixed rate.
Cellmid Limited	-	$51,129	4.29%	May-2022	Insurance premium funding loan
		$939,416			

* working capital finance with redraw facility up to JPY 30.0M (2020: JPY 30.0M).

2020	Loan Amount - Principal JPY	Loan Amount - Outstanding AUD	Loan Interest Rate (%)	Loan Maturity	Loan Conditions
Advangen Inc	9,000,000	$121,720	1.20%	Revolving	Short term with no specific expiry
Advangen Inc	37,000,000	$387,936	1.20%	March-2028	Repayable monthly in arrears, fixed rate.
Advangen Inc	50,000,000	$458,953	1.50%	March-2025	Repayable monthly in arrears, fixed rate.
Advangen Inc	10,000,000	$11,022	2.10%	Nov-2020	Repayable monthly in arrears, fixed rate.
Evolis Japan Inc	20,000,000	$229,958	1.20%	Sept-2024	Repayable monthly in arrears, fixed rate.
Cellmid Limited	-	$42,129	5.39%	May-2022	Insurance premium funding loan
		$1,251,719			

20. LEASE LIABILITIES

	2021 $	2020 $
Current	251,832	247,335
Non-current	242,594	462,411
	494,426	**709,746**
Interest expense related to lease liabilities	**33,156**	**40,259**

The Group has leases for office premises in Australia and Japan. Each lease is accounted for on the consolidated statement of financial position as a right-of-use asset and a lease liability. A lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a termination fee.

In accordance with individual lease contracts, the Group must maintain these properties in a good state of repair and return the properties in their original condition at the end of the lease. Furthermore, the Group must insure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at balance date were as follows:

	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	3-4 years	Total
30 June 2021					
Lease payments	275,747	241,139	18,590	-	535,476
Finance charges	(23,915)	(13,869)	(3,266)	-	(41,050)
Net present values	**251,832**	**227,270**	**15,324**	**-**	**494,426**

	Minimum lease payments due				
	Within 1 year	1-2 years	2-3 years	3-4 years	Total
30 June 2020					
Lease payments	280,566	261,255	223,082	18,590	783,493
Finance charges	(33,231)	(23,516)	(13,734)	(3,266)	(73,747)
Net present values	**247,335**	**237,739**	**209,348**	**15,324**	**709,746**

21. PROVISIONS

	2021 $	2020 $
Current		
Employee entitlements	**261,666**	**248,716**
Non-current		
Employee entitlements	15,266	12,347
Make-good provision	84,242	84,921
	99,508	**97,268**

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The amount is presented as current, since the Group does not have an unconditional right to defer settlement.

22. ISSUED CAPITAL

(a) Ordinary shares

	Issue price $	2021 No.	2020 No.	2021 $	2020 $
At the beginning of the year		**125,246,866**	**84,009,475**	**56,064,284**	**47,765,837**
Shares issue costs	-	-	-	(389,689)	(598,553)
Shares buyback and cancellation	-	-	(400,000)	-	-
Shares issued – October 2019	0.20	-	4,400,000	-	880,000
Shares issued – November 2019	0.20	-	8,320,000	-	1,664,000
Shares issued – November 2019	-	-	50,000	-	-
Shares issued – November 2019	0.23	-	217,391	-	50,000
Shares issued – April 2020	0.22	-	22,727,273	-	5,000,000
Shares issued – May 2020	0.22	-	1,377,272	-	303,000
Shares issued – June 2020	0.22	-	4,545,455	-	1,000,000
Shares issued – December 2020	0.11	465,437	-	50,000	-
Shares issued – January 2021	0.11	1,500,000	-	43,750	-
Shares issued – April 2021	0.07	60,218,257	-	4,511,719	-
At the end of the year		**187,430,560**	**125,246,866**	**60,280,064**	**56,064,284**

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a count at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote. The Company does not have a limited amount of authorised capital and the fully paid ordinary shares have no par value.

In January 2021, 1,500,000 shares were issued in lieu of consulting fees. Under AASB 2 share based payments the expense in relation to this benefit is recognised over the period of the service. For information relating to the Cellmid Limited and controlled entities employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 30 Share-based payments.

22. ISSUED CAPITAL (CONTINUED)

For information relating to share options issued to key management personnel during the financial year, refer to the remuneration report.

	2021 No.	2020 No.
At the beginning of the year	**10,954,400**	**1,350,000**
Options lapsed – November 2016	-	(100,000)
Options issued – July 2019	-	4,250,000
Options issued – November 2019	-	3,200,000
Options issued – February 2020	-	454,400
Options issued – June 2020	-	1,800,000
Options lapsed – April 2021	32,367,268	-
Options lapsed – June 2021	(1,265,000)	-
At the end of the year	**42,056,668**	**10,954,400**

(b) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

The Group looks to raise capital when an opportunity to invest in a business or company is seen as value adding relative to the current parent entity's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

23. RESERVES

	2021 $	2020 $
Share-based payments reserve		
Balance at the beginning of the year	578,204	103,950
Share-based payments	118,416	474,254
Balance at the end of the year	**696,620**	**578,204**
Foreign currency translation reserve*		
Balance at the beginning of the year	559,050	528,403
Foreign exchange movements	(323,895)	30,647
Balance at the end of the year	**235,155**	**559,050**
Total reserves	**931,775**	**1,137,254**

*Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income - foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed.

24. CASH FLOW INFORMATION

	2021 $	2020 $
Reconciliation of loss after income tax to net cash used in operating activities		
Loss after income tax for the year	(3,386,632)	(4,907,296)
Adjustments for:		
- depreciation and amortisation	452,529	518,656
- impairment of plant and equipment	636,975	-
- gain on sale of subsidiary	(528,842)	-
- share based payments	157,716	461,554
- bad and doubtful debts	12,113	163,835
- interest expense	54,756	71,257
- foreign exchange movements	(208,077)	(39,323)
Changes in operating assets and liabilities		
- decrease in trade and other receivables	146,471	321,500
- decrease / (increase) in prepayments	(38,273)	(59,517)
- (increase) in inventories	(274,160)	(990,951)
- (decrease) / increase in trade and other payables	(168,559)	424
- (decrease) / increase in provisions	(970,167)	446,756
Net cash used in operating activities	**(4,114,150)**	**(4,013,105)**

Changes in liabilities arising from financing activities

Consolidated	Loans & Borrowings	Lease liability	Total
Balance at 1 July 2019	**1,286,659**	**-**	**1,286,659**
Adoption of leases (AASB 16)	-	1,021,001	1,021,001
Net cash used in financing activities	(57,804)	(273,473)	(331,277)
Movements in foreign exchange	22,863	(37,782)	(14,919)
Balance at 30 June 2020	**1,251,718**	**709,746**	**1,961,464**
Net cash used in financing activities	(395,110)	(239,034)	(634,144)
Acquisition of leases	-	38,788	38,788
Movements in foreign exchange	82,808	(15,074)	67,734
Balance at 30 June 2021	**939,416**	**494,426**	**1,433,842**

25. EVENTS AFTER THE REPORTING PERIOD

The Group received payment from its record QVC sales of $1,374,483 in July 2021 further boosting its cash reserves immediately after the closing of the financial year.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and is likely to continue during FY2022. It is not practicable to estimate the potential future impact, positive or negative, after the reporting date. The situation is dynamic, rapidly emerging and is dependent on potential future measures imposed by the Australian Government and other countries, such as lock-down measures, maintaining social distancing requirements, quarantine, ongoing travel restrictions and any economic stimulus that may be provided.

26. RELATED PARTY TRANSACTIONS

The Group's related parties are as follows:

Parent entity

Cellmid Limited is the ultimate parent entity.

Subsidiaries

For details of disclosures relating to subsidiaries, refer to Note 28. Transactions and balances between subsidiaries and the Company have been eliminated on consolidation of the Group.

Key management personnel

For details of disclosures relating to key management personnel, refer to Note 8: “Key Management Personnel Disclosures”.

Transactions with related parties

The remuneration for Ms Halasz is structured to reflect the management costs incurred by each wholly owned subsidiary of the Group. Direct Capital Group Pty Ltd, a management consulting company related to Ms Halasz, was engaged and paid (excluding GST) $208,532 (2020: $208,533) for management and consulting services rendered to the Group throughout the year. No amount was outstanding to Direct Capital Group as at 30 June 2021 (2020: $Nil).

27. FINANCIAL RISK MANAGEMENT

The Group’s activities expose it to a number of financial risks as described below. The Group’s overall risk management program seeks to minimise potential adverse effects on the financial performance of the Group. To date, the Group has not had the need to utilise derivative financial instruments such as foreign exchange contracts or interest rate swaps to manage any risk exposures identified.

The fair value of financial assets and liabilities equate to the carrying value.

(a) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables.

Credit risk is managed on a Group basis. For banks and financial institutions, only independently rated parties with a minimum rating of ‘AA-’ are accepted.

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board.

Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. Other than QVC Japan there are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or region.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

to the carrying value and classification of those financial assets (net of any provisions) as presented in the consolidated statement of financial position.

Trade and other receivables that are neither past due nor impaired are considered to be generally of high credit quality.

Trade receivables and contract assets

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are primarily based on the payment profile for recent historic sales and the respective credit losses occurring during the corresponding period. The loss rates are also adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amounts outstanding. The Group has identified specific industry trends and general economic performance for those countries in which the customers are domiciled to be the most relevant factors when estimating credit loss rates.

The historical rates reflect the type of customers for which balances remain outstanding (e.g. wholesalers), their specific circumstances and the current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The Group has also considered the recent impact of COVID-19, gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and according adjusts historical loss rates for expected changes in these factors.

On that basis, the loss allowance at balance date was determined as follows for trade receivables:

30 June 2021	**Not overdue**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Expected credit loss rate	0%	1%	20%	95%	
Gross carrying amount – trade receivables	1,570,664	95,720	4,471	55,821	**1,726,676**
Loss allowance	-	(964)	(894)	(53,030)	**(54,888)**

30 June 2020	**Not overdue**	**More than 30 days past due**	**More than 60 days past due**	**More than 90 days past due**	**Total**
Expected credit loss rate	0%	1%	20%	95%	
Gross carrying amount – trade receivables	1,734,626	79,995	6,291	230,334	**2,051,246**
Loss allowance	-	(800)	(1,258)	(218,817)	**(220,875)**

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 90 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk

The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financing activities;
- managing credit risk related to financial assets; and
- only investing surplus cash with major financial institutions.

The Group is not exposed to any material liquidity risk.

Financial liabilities consist of two items, trade and other payables for which the contractual maturity dates are within 6 months of the reporting date and loans and borrowings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The Group holds loans and borrowings with overseas banks which are subject to variable interest rates (refer Note 19 "Loans and Borrowings"). At reporting date have contractual maturity (including interest payments where applicable) dates are as follows:

2021	Current (within 12 mths) $	Non-Current (1-5 yrs) $
Trade and other payables	1,063,683	-
Loans and borrowings	338,020	601,396
	1,401,703	601,396
2020		
Trade and other payables	2,770,047	-
Loans and borrowings	375,467	876,252
	3,145,514	**876,252**

(c) Market risk

Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the functional currency of the Group, being Australian dollars.

The maximum exposure to foreign exchange risk is the fluctuation in exchange rates on the USD and JPY denominated bank accounts and also the profit and net assets of the Japanese and US subsidiary, Advangen Inc and Advangen LLC.

The Group has performed a sensitivity analysis relating to its exposure to foreign currency risk at the end of the financial year.

The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk. At the end of the financial year, the effect on loss and equity as a result of changes in the foreign exchange rate with all other variables remaining constant would be as follows:

	Loss $	Equity $
Year ended 30 June 2021		
+/- 5% in foreign exchange rates	+/-12,948	+/-18,167
Year ended 30 June 2020		
+/- 5% in foreign exchange rates	+/-50,265	+/-12,595

27. FINANCIAL RISK MANAGEMENT (CONTINUED)

Interest rate risk

The Group's main interest rate risk arises from loans from banks and other financial institutions.

The Group has performed a sensitivity analysis relating to its exposure to interest rate risk at the end of the financial year. The sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk. At the end of the financial year, the effect on loss and equity as a result of changes in the interest rate with all other variables remaining constant would be as follows:

	Loss $	Equity $
Year ended 30 June 2021		
+/- 1% in interest rates	+/-9,394	+/-9,394
Year ended 30 June 2020		
+/- 1% in interest rates	+/-12,517	+/-12,517

28. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly owned subsidiaries in accordance with the accounting policy described in Note 1:

Name	Country of Incorporation	Percentage Owned (%) 2021	Percentage Owned (%) 2020
Subsidiaries of Cellmid Limited:			
Advangen Pty Ltd	Australia	100	100
Kinera Pty Ltd	Australia	100	100
Lyramid Limited	Australia	-	100
Subsidiaries of Advangen Limited:			
Advangen International Pty Ltd	Australia	100	100
Advangen LLC	USA	100	100
Advangen Incorporated	Japan	100	100
Evolis Japan Incorporated	Japan	100	100

On 28 June 2016, Cellmid Limited entered into a Deed of Cross Guarantee to support the liabilities and obligations of four of its wholly owned subsidiaries, Advangen Limited, Kinera Limited, Lyramid Limited and Advangen International Pty Ltd (wholly owned subsidiaries). By entering into the deed, the wholly owned unlisted public entities have been relieved from the requirement to prepare a financial report and directors' report under ASIC Corporations (wholly owned companies) Instrument 2016/785 under ASIC class order CO98/1418 and former ASC class orders CO91/996, CO92/770, C93/1370, CO94/1862 and CO95/1530.

On 23 March 2020, a Revocation Deed was signed and submitted to ASIC by Cellmid Limited in relation to the Deed of Cross Guarantee. Consequently, on 23 September 2020, this Revocation Deed released Cellmid Limited from all liabilities and obligations arising or accruing after the official date of execution in relation to its wholly owned subsidiaries listed above.

29. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The amounts recorded in legal fees and claim and trade and other payables include amounts in relation to the concluded legal dispute that has been underway since 2016 in the NSW Supreme Court between a wholly owned subsidiary Advangen International Pty Ltd and Ikon Communications (Ikon). In August 2020 a cost assessment was completed by the Supreme Court and total costs of $1,406,982 were fully provided for as at 30 June 2020.

In the current reporting period all matters associated with this dispute were settled in full with no further outstanding obligations between both parties as at 30 June 2021

Guarantees

The Group has given bank guarantees as at 30 June 2021 of $136,247 (2020: $134,290) relating to the lease of commercial office space. For information about guarantees given by entities within the Group, including information on the parent entity refer to note 28 and note 31, respectively.

30. SHARE-BASED PAYMENTS

The Cellmid Limited and Controlled Entities Employee Incentive Plan is designed as an incentive for eligible employees of the Group. Under the Plan, participants are granted options which only vest if certain conditions are met.

A summary of the Company options granted under the Plan and those issued to external vendors to settle liabilities for services rendered throughout the year is summarised as follows:

2021

Expiry Date	Weighted average exercise price	Balance at start of the year	Granted*	Exercised	Expired	Balance at end of the year	Vested at end of year
July 2020	0.60	50,000	-	-	(50,000)	-	-
September 2021	0.80	1,000,000	-	-	-	1,000,000	1,000,000
October 2021	0.80	200,000	-	-	-	200,000	200,000
May 2022	0.30	1,000,000	-	-	-	1,000,000	1,000,000
February 2023	0.50	254,400	-	-	-	254,400	254,400
April 2023	0.18	-	32,367,268	-	-	32,367,268	32,367,268
July 2024	0.23	4,250,000	-	-	(1,115,000)	3,135,000	885,000
November 2024	0.24	3,200,000	-	-	(100,000)	3,100,000	1,000,000
February 2025	0.20	200,000	-	-	-	200,000	-
March 2025	0.27	500,000	-	-	-	500,000	-
March 2025	0.23	300,000	-	-	-	300,000	-
		10,954,400	32,367,268	**-**	**(1,265,000)**	**42,056,668**	**36,706,668**

Options issued in connection with Rights Issue placement which was completed in April 2021.

The weighted average exercise price of options outstanding at the end of the financial year was $0.21 (2020: $0.31). The weighted average remaining contractual life of the options outstanding at the end of the financial year was 2.0 years (2020: 3.7 years).

30. SHARE-BASED PAYMENTS (CONTINUED)

2020

Expiry Date	Weighted average exercise price	Balance at start of the year	Granted	Exercised	Expired	Balance at end of the year	Vested at end of year
July 2020	0.60	50,000	-	-	-	50,000	50,000
September 2019	0.60	100,000	-	-	(100,000)	-	100,000
September 2021	0.80	1,000,000	-	-	-	1,000,000	1,000,000
October 2021	0.80	200,000	-	-	-	200,000	200,000
May 2022	0.30	-	1,000,000	-	-	1,000,000	1,000,000
February 2023	0.50	-	254,400	-	-	254,400	254,400
July 2024	0.23	-	4,250,000	-	-	4,250,000	2,000,000
November 2024	0.24	-	3,200,000	-	-	3,200,000	-
February 2025	0.20	-	200,000	-	-	200,000	-
March 2025	0.27	-	500,000	-	-	500,000	-
March 2025	0.23	-	300,000	-	-	300,000	
		1,350,000	**9,704,400**	**-**	**(100,000)**	**10,954,400**	**4,604,400**

The weighted average exercise price of options outstanding at the end of the financial year was \$0.31 (2019: \$0.78). The weighted average remaining contractual life of the options outstanding at the end of the financial year was 3.7 years (2019: 0.33 years).

31. PARENT ENTITY INFORMATION

The following information has been extracted from the books and records of the parent, Cellmid Limited, and has been prepared on the same basis as the consolidated financial statements. Investments in subsidiaries and intercompany loans are accounted for at cost in the financial statements of the parent entity.

	2021 $	2020 $
Statement of Financial Position		
ASSETS		
Current assets	6,229,287	5,840,717
Non-current assets	1,326,469	5,641,418
Total Assets	**7,555,756**	**11,482,135**
LIABILITIES		
Current liabilities	649,901	740,510
Non-current liabilities	267,500	446,691
Total Liabilities	**917,401**	**1,187,201**
NET ASSETS	**6,638,355**	**10,294,934**
EQUITY		
Issued capital	60,280,064	56,064,284
Accumulated losses	(54,338,329)	(46,347,554)
Share based payments reserve	696,620	578,204
Total Equity	**6,638,355**	**10,294,934**
Statement of Financial Performance and Other Comprehensive Income		
Loss of the parent entity	7,990,775	4,397,352
Total comprehensive income	**7,990,775**	**4,397,352**

Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 21 to 62, are in accordance with the *Corporations Act 2001* and:

   i. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and

   ii. give a true and fair view of the financial position as at 30 June 2021 and of the performance for the year ended on that date of the consolidated Group;

2. in the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and

3. the Directors have been given the declarations required by s 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 295 (5) of the *Corporations Act 2001*.

Dated this 19th day of August 2021

Director: .. ..
Bruce Gordon

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

Auditor's Independence Declaration
To the Directors of Cellmid Limited
ABN 69 111 304 119

I declare to the best of my knowledge and belief, during the year ended 30 June 2021 there have been no contraventions of:

(i) the auditor's independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(ii) APES 110 *Code of Ethics for Professional Accountants (including independence Standards)*.

This declaration is in respect of Cellmid Limited and the entities it controlled during the year.

SWallace

S S WALLACE
Partner

PITCHER PARTNERS
Sydney

19 August 2021

Level 16, Tower 2 Darling Park
201 Sussex Street
Sydney NSW 2000

Postal Address
GPO Box 1615
Sydney NSW 2001

p. +61 2 9221 2099
e. sydneypartners@pitcher.com.au

CELLMID LIMITED
ABN 69 111 304 119

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CELLMID LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Cellmid Limited (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of financial performance and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We 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 report.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	**How our audit addressed the key audit matter**
Critical Accounting Estimates and Judgements – Cashflow Projections *Refer to Note 1 in the Notes to the Financial Statements*	
The critical accounting estimates and judgements of the Group includes assumptions and estimates of cashflow projections. The assumptions and estimates made by Management in the cashflow projections for the Group include but are not limited to, considering conditions specific to the Group including estimated growth in sales of existing and new distribution channels, the timing of cashflows estimating expenses by provisioning for price and volume changes consistent with the forecasted revenues volumes as well as the costs (or savings thereon) associated with the implementation of new business strategies designed to drive revenue growth as projected. For this reason we consider Critical Accounting Estimates and Judgements, - Cashflow Projections, to be a Key Audit Matter.	Our procedures included, amongst others: • Understanding and evaluating the design and implementation of Management's controls over the critical accounting assumptions and estimates; • Reviewing and challenging the key assumptions and estimates used in the cashflow projections approved by the Directors; • Checking the mathematical accuracy of the cashflow projections; • Applying sensitivities to Management's cash flow projections to consider the reasonableness of key assumptions and estimates; and • Assessing the adequacy of related financial statement disclosures.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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

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

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CELLMID LIMITED

Responsibilities of the Directors' for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CELLMID LIMITED

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 18 of the directors' report for the year ended 30 June 2021. In our opinion, the Remuneration Report of Cellmid Limited, for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

SWallace

S S WALLACE
Partner

Pitcher Partners

PITCHER PARTNERS
Sydney

19 August 2021

Additional Information for Listed Entities

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 16 August 2021.

20 LARGEST SHAREHOLDERS

Fully paid shares:

Shareholders	Balance	Percent
MR DENNIS KEITH ECK	18,147,625	9.68%
P & M MAGUIRE SUPER PTY LTD (P & M MAGUIRE S/F A/C)	8,800,000	4.70%
MOORE FAMILY NOMINEE PTY LTD (MOORE FAMILY SUPER FUND A/C)	8,425,020	4.50%
MARIA HALASZ	4,637,639	2.47%
IQ GLOBAL ASSET PARTNERS PTY LTD (IQ S/F A/C)	4,462,376	2.38%
UBS NOMINEES PTY LTD	3,663,378	1.95%
MR ANTONY STEPHEN ILES	3,000,000	1.60%
MS JANET HEATHER CAMERON	2,958,618	1.58%
LTL CAPITAL PTY LTD	2,583,333	1.38%
JASGO NOMINEES PTY LTD (JASGO FAMILY A/C)	2,331,578	1.24%
SEISTEND (SUPER) PTY LTD (DW KING SUPER FUND A/C)	2,121,000	1.13%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	2,100,000	1.12%
MR PETER HOWELLS	2,035,000	1.09%
MR GREGORY GLENN WORTH (WORTH S/F A/C)	2,000,000	1.07%
CITICORP NOMINEES PTY LIMITED	1,938,564	1.03%
EVANEU (NOMINEES) PTY LTD & RICNEU (NOMINEES) PTY LTD (THE EVAN RICKY NEUMANN A/C)	1,905,618	1.02%
MRS REBECCA SHALALA	1,859,029	0.99%
MR GERALD WILLIAM SIMMS	1,750,000	0.93%
MRS MARGARET ANN RYAN & MR MICHEAL RODNEY RYAN	1,550,000	0.83%
MR JON DAVID WOOD	1,500,000	0.80%
Top 20	77,768,778	41.49%
Issued Share Capital	187,430,560	100.00%

SUBSTANTIAL HOLDERS

Mr Dennis Keith Eck is an individual substantial shareholder of Cellmid Limited shares who holds 18,147,625 shares or 9.68% of the voting rights.

Additional Information for Listed Entities

HOLDING ANALYSIS – FULLY PAID ORDINARY SHARES

Holdings Ranges	Holders	Total units	%
1 – 1,000	81	24,028	0.01%
1,001 – 5,000	760	2,334,055	1.25%
5,001 – 10,000	369	2,977,818	1.59%
10,001 – 100,0000	800	28,654,046	15.29%
100,001 or greater	270	153,440,613	81.87%
Totals	2,280	187,430,560	100.00%

UNMARKETABLE PARCELS OF SHARES

The number of shareholders with less than a marketable parcel of shares is 1,090, with a total 4,136,401 shares, amounting to 2.21% of issued capital.

20 LARGEST LISTED OPTION HOLDERS

Listed options:

Optionholders	**Balance**	**Percent**
MR DENNIS KEITH ECK	2,592,518	8.01%
MR BILAL AHMAD	2,500,000	7.72%
MOORE FAMILY NOMINEE PTY LTD (MOORE FAMILY SUPER FUND A/C)	2,000,000	6.18%
MR WAFA MUHAMMAD IQBAL	1,550,000	4.79%
IQ GLOBAL ASSET PARTNERS PTY LTD (IQ S/F A/C)	1,475,107	4.56%
CITICORP NOMINEES PTY LTD	878,591	2.71%
MARIA HALASZ	713,819	2.21%
ROOKHARP CAPITAL PTY LIMITED	666,665	2.06%
SENO MANAGEMENT PTY LTD (SENO SUPER FUND A/C)	600,000	1.85%
TRINITY DIRECT PTY LTD	576,344	1.78%
TROCA ENTERPRISES PTY LTD (COULSON SUPER FUND A/C)	570,000	1.76%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	560,000	1.73%
MR JOEL DAVID WEBB	500,000	1.54%
GETMEOUTOFHERE PTY LTD (SINKING SHIP SUPER FUND A/C)	500,000	1.54%
MR MICHAEL SOUCIK & MRS HEATHER SOUCIK (HMS SUPERANNUATION FUND A/C)	473,216	1.46%
MR JEREMY DAVID RUBEN & MRS VANESSA RUBEN (JVR S/F A/C)	470,000	1.45%
THREEBEE INVESTMENT GROUP PTY LTD	460,000	1.42%
PROF WILLIAM JAMES VAGG	450,000	1.39%
P & M MAGUIRE SUPER PTY LTD (P & M MAGUIRE S/F A/C)	400,000	1.24%
MR MOBEEN IQBAL	400,000	1.24%
MR GERALD WILLIAM SIMMS	400,000	1.24%
THE SPEC INVESTOR PTY LTD	370,000	1.14%
LTL CAPITAL PTY LTD	366,666	1.13%
Top 20	19,472,926	60.16%
Total Issued Capital	32,367,268	100.00%

Additional Information for Listed Entities

HOLDING ANALYSIS – LISTED OPTIONS

Holdings Ranges	Holders	Total units	%
1 – 1,000	51	27,573	0.09%
1,001 – 5,000	87	253,559	0.78%
5,001 – 10,000	40	311,157	0.96%
10,001 – 100,0000	156	6,748,949	20.85%
100,001 or greater	55	25,026,030	77.32%
Totals	389	32,367,268	100.00%

NUMBER OF HOLDERS AND VOTING RIGHTS IN EACH CLASS OF SECURITIES

Class of Security	**No of Holders**	**Voting Rights**
Ordinary Shares	2,280	Yes
Listed Options	389	No
Unlisted Options	12	No

Subject to the ASX Listing Rules, the Company's Constitution and any special rights or restrictions attached to a share, at a meeting of shareholders:

- On a show of hands, each shareholder present (in person, by proxy, attorney or representative) has one vote; and
- On a poll, each shareholder present (in person, by proxy, attorney or representative) has;
  - One vote for each fully paid share they hold; and
  - A fraction of a vote for each partly paid share they hold.

CLASSES OF UNQUOTED SECURITIES

Class of Security	**No of Holders**	**Total Units**
Unlisted Options	12	9,869,400

HOLDING ANALYSIS UNQUOTED SECURITIES

Holdings Ranges	Holders	Total units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,0000	3	260,000	2.68%
100,001 – 99,999,999	9	9,429,400	97.32%
Totals	**12**	**9,689,400**	**100.00%**

Additional Information for Listed Entities

SUBSTANTIAL HOLDERS OF UNQUOTED SECURITIES

Substantial individual holders of unlisted options as at 16 August 2021 were:

- Direct Capital Group Pty Ltd (34.52%)
- Bluewave Biotechnology (28.77%)

CLASSES OF RESTRICTED SECURITIES

Class of Security / Restriction	End Date	Total Units
Ordinary Shares – Voluntary Escrow	15 Dec 2021	465,437
Ordinary Shares – Voluntary Escrow	17 Jan 2022	1,500,000

GENERAL

Cellmid is not currently conducting an on-market buy-back.

Corporate Directory

Company Details

The registered office of the company is:
Suite 204, Level 2
55 Clarence Street
Sydney NSW 2000

The principal places of business are:

Cellmid Limited
Suite 204, Level 2
55 Clarence Street
Sydney NSW 2000

Kinera Limited
Suite 204, Level 2
55 Clarence Street
Sydney NSW 2000

Advangen International Pty Limited
Suite 204, Level 2
55 Clarence Street
Sydney NSW 2000

Advangen LLC
1601 Elm Street, Floor 33
Dallas
Texas 75201

Advangen Incorporated / Evolis Japan Incorporated
Chiba Industry Advancement Centre
Tokatsu Techno Plaza
5-4-6 Kashiwanoha
Kashiwa
Chiba 277-0082 Japan

Board of Directors

Non-Executive Chairman	Mr Bruce Gordon
Managing Director and Chief Executive Officer	Ms Maria Halasz
Non-Executive Directors	Dr Martin Cross Mr Dennis Eck Ms Sarah-Thompson Eck
Company Secretary	Mr Lee Tamplin

Auditors, Solicitors and Patent Attorney

Auditors	Pitcher Partners Level 16, Tower 2 Darling Park 201 Sussex Street Sydney NSW 2000
Solicitors	Piper Alderman Governor Macquarie Tower 1 Farrer Place Sydney NSW 2000, Australia
Patent Attorney	FB Rice & Co Level 23, 44 Market Street Sydney NSW 2000 Australia

Share Registry

Share Registry	Automic Pty Limited Level 5, 126 Phillip Street Sydney NSW 2000, Australia