

Appendix 4D

Half Year Report to the Australian Stock Exchange

Name of Entity	Biotech Capital Limited
ABN	45 091 979 172
Half Year Ended	31 December 2016
Previous Corresponding Reporting Period	31 December 2015

Results for Announcement to the Market

	31/12/2016 \$'000	31/12/2015 \$'000	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	6	61	(90.82%)
Profit / (loss) from ordinary activities after tax attributable to members	(201)	(80)	(152.78%)
Net profit / (loss) for the period attributable to members	(201)	(80)	(152.78%)

Dividends (distributions)	Amount per security	Franked amount per security
Dividend 31/12/16	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
<p>The company made an after tax loss during the half-year of \$201,227 (2015: \$79,607). The increased loss was due to a one off \$54,908 interest income on unclaimed dividends which was brought to account in 2015 and the increase in Directors fees and Fair Value expensing of options granted in 2016.</p>		

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	2.15 cents	1.96 cents

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	None
Date control gained	N/A
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	None
Date control lost	N/A
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	N/A

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
None	N/A	N/A	N/A	N/A
Aggregate Share of Net Profits	N/A	N/A	N/A	N/A

Foreign Entities Accounting Framework

For foreign entities provide details of which accounting standards have been adopted (e.g. International Accounting Standards)

N/A

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification: N/A			

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report
Signed by Company Secretary	
	
Print Name	Stuart Jones
Date	24 February 2017

BIOTECH CAPITAL LIMITED

ABN 45 091 979 172

HALF-YEAR FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2016

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BIOTECH CAPITAL LIMITED ABN 45 091 979 172

CORPORATE DIRECTORY

Principal and registered office in Australia	Biotech Capital Limited Suite 201 / 697 Burke Road Camberwell VIC 3124 T +61 3 9092 0470
Directors	Richard Treagus Peter Jones Bruce Hancox Jonathan Pilcher Jennifer Herz
Company Secretary	Stuart Jones
Bankers	Westpac Banking Corporation
Share Register	Link Market Services Tower 4, 727 Collins Street MELBOURNE VIC 3008 Locked Bag A14 SYDNEY SOUTH NSW 1235 T 1300 554 474 F (02) 92870303
Auditor	Deloitte Touche Tohmatsu 550 Bourke Street MELBOURNE VIC 3000
Internet Address	www.biotechcapital.com.au

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

HALF-YEAR FINANCIAL REPORT

DIRECTORS' REPORT

Your directors submit the financial report of the company for the half-year ended 31 December 2016.

Directors

Richard Treagus
Peter Jones
Bruce Hancox
Jonathan Pilcher
Jennifer Herz

Review of Operations

The following is a review of operations for the six-month period to 31 December 2016:

The company made a loss after tax during the half-year of \$201,227 (2015: \$79,607). The increased loss was due to interest income on unclaimed dividends brought to account in 2015 and fair value expensing of options issued in 2016. Cash balances at 31 December 2016 were approximately \$1 million.

The company maintained its investments in Biointelect Pty Ltd, Bio101group Pty Ltd and Sensear Pty Ltd., as well as actively seeking opportunities for new investments in biotechnology/ life science companies.

Biotech Capital formed a new subsidiary in November 2016 being BioImpact Pty Ltd. BioImpact invests in and holds intellectual property rights for pharmaceuticals and medical devices for the development and commercialisation in the Asia/Pacific region. Technologies and products are sourced from a range of global third parties.

Biotech Capital is a Pooled Development Fund, registered under the Pooled Development Funds Act 1992

Subsequent Events

Biotech Capital announced that it had completed a \$1.79m private placement capital raise on 14 February 2017. The placement was made to institutional, sophisticated and professional investors. The placement was for a total of 16,289,670 shares at 11c per share. As at the date of this report 13,100,742 of these shares have been issued and the remaining 3,188,928 are awaiting approval by shareholders at the next Annual General Meeting. On 14 February 2017, a Share Purchase Plan (SPP) was offered to all eligible shareholders giving them the opportunity to increase their shareholding. The SPP as at the date of this report remains open.

No other matters have arisen between the end of the half-year ended 31 December 2016 and the date of this report which in the opinion of the directors of the company, will affect significantly the operations of the entity, the results of those operations, or the state of the affairs of the entity, in subsequent financial years.

Auditor's Declaration of Independence

A copy of the auditor's declaration under section 307C in relation to the half year is attached.

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



Richard Treagus
Director

Dated this 24th of February 2017

24 February 2017

The Board of Directors
Biotech Capital Limited
Suite 201/ 697 Burke Road
Camberwell VIC 3124

Dear Board Members

Biotech Capital Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Biotech Capital Limited.

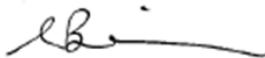
As lead audit partner for the review of the half-year financial statements of Biotech Capital Limited for the period ended 31 December 2016, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Chris Biermann
Partner
Chartered Accountants

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

CONDENSED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	31 December 2016	31 December 2015
	\$	\$
Revenue from continuing operations (Note 2)	5,597	60,946
Expenses from continuing operations		
Accounting & Company Secretarial fees	(23,882)	(15,400)
Non-Executive Director fees	(32,686)	(44,277)
Executive Director fees	(30,000)	-
Listing fees	(28,611)	(25,288)
Options Fair Value expense	(34,065)	-
Other expenses	(57,580)	(55,588)
Total expenses from continuing operations	<u>(206,824)</u>	<u>(140,553)</u>
Loss from continuing operations before income tax expense	<u>(201,227)</u>	<u>(79,607)</u>
Income tax benefit (expense) relating to continuing operations	-	-
Net Loss for the period from continuing operations after income tax	<u>(201,227)</u>	<u>(79,607)</u>
Other comprehensive income	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u>(201,227)</u>	<u>(79,607)</u>
Basic loss per share (cents per share)	(0.19)	(0.08)
Diluted loss per share (cents per share)	(0.19)	(0.08)

The accompanying notes form part of this financial report.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	31 December 2016	30 June 2016
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	1,006,333	1,185,208
Trade and other receivables	8,023	-
TOTAL CURRENT ASSETS	<u>1,014,356</u>	<u>1,185,208</u>
NON CURRENT ASSETS		
Financial assets (Note 3)	1,522,015	1,521,915
Loan to BioImpact Pty Ltd	6,732	-
TOTAL NON CURRENT ASSETS	<u>1,528,747</u>	<u>1,521,915</u>
TOTAL ASSETS	<u>2,543,103</u>	<u>2,707,123</u>
CURRENT LIABILITIES		
Trade and other payables	21,327	18,185
Provision for unclaimed dividends	199,803	199,803
TOTAL CURRENT LIABILITIES	<u>221,130</u>	<u>217,988</u>
TOTAL LIABILITIES	<u>221,130</u>	<u>217,988</u>
NET ASSETS	<u>2,321,973</u>	<u>2,489,135</u>
EQUITY		
Issued Capital (Note 4)	41,934,083	41,934,083
Other Reserves	39,842	5,777
Accumulated Losses	(39,651,952)	(39,450,725)
TOTAL EQUITY	<u>2,321,973</u>	<u>2,489,135</u>

The accompanying notes form part of this financial report

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	31 December 2016	31 December 2015
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	5,597	60,946
Payments to suppliers and employees	(177,640)	(144,178)
Net cash (outflow) from operating activities	(172,043)	(83,232)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for investments	(100)	-
Loan to BiolImpact Pty Ltd	(6,732)	-
Net cash (outflow) from investing activities	(6,832)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from share placement	-	1,028,846
Share placement costs	-	(4,988)
Unclaimed monies from prior dividends paid	-	200,302
Net cash inflow from financing activities	-	1,224,160
Net (decrease)/increase in cash and cash equivalents held	(178,875)	1,140,928
Cash and cash equivalents at beginning of the half-year	1,185,208	351,896
Cash and cash equivalents at end of half-year	1,006,333	1,492,824

The accompanying notes form part of this financial report

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Issued Capital	Retained Earnings (Accumulated Losses)	Other Reserves	Total
	\$	\$	\$	\$
At 1 July 2015	39,615,960	(38,579,945)	-	1,036,015
Loss for the period	-	(79,607)	-	(79,607)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(79,607)	-	(79,607)
Share placement net of capital raising costs	1,023,858	-	-	1,023,858
At 31 December 2015	40,639,818	(38,659,552)	-	1,980,266
At 1 July 2016	41,934,083	(39,450,725)	5,777	2,489,135
Loss for the period	-	(201,227)	-	(201,227)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	-	(201,227)	-	(201,227)
Amortisation of unlisted share options	-	-	34,065	34,065
At 31 December 2016	41,934,083	(39,651,952)	39,842	2,321,973

The accompanying notes form part of this financial report

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 31 DECEMBER 2016**

Note 1: Significant Accounting Policies

Basis of Preparation

The financial report of Biotech Capital Limited for the half-year ended 31 December 2016 was authorised for issue in accordance with a resolution of the directors on 24 February 2017. Biotech Capital Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The half-year financial report does not include all notes of the type normally included within the full financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standards AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any announcements made by Biotech Capital Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2016 annual report, except for the adoption of amending standards mandatory for annual periods beginning on or after 1 July 2016, as noted below.

The half-year financial report has been prepared on a historical cost basis, except for financial assets that have been measured at fair value.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

New or Revised Standards and Interpretations that are effective in the current reporting period

In the half-year ended 31 December 2016, the Company has reviewed all of the new and revised standards and interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2016. The company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period. It has been determined by the Company that there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and, therefore no change is necessary to the Company's accounting policies.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 31 DECEMBER 2016**

Adoption of new and revised Accounting Standards

Amendments to AASBs and the new Interpretation that are mandatorily effective for the current reporting period

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

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

- AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle
- AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101

Impact of the application of AASB 2015-1 Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle

The Company has applied these amendments for the first time in the current year. The Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle include a number of amendments to various Accounting Standards, which are summarised below:

- The amendments to AASB 119 *Employee Benefits* clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high quality corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead
- The amendments to AASB 134 *Interim Financial Reporting* make provision for disclosures required by the Standard to be given either in the interim financial statements or incorporated by cross-reference from the interim financial statements to some other statement that is available to users of the financial statements on the same terms as the interim financial statements and at the same time.

The application of these amendments has had no effect on the Company's financial statements.

Impact of the application of AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101

The Company has applied these amendments for the first time in the current year. The amendments clarify that an entity need not provide a specific disclosure required by an AASB if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information for disclosure purposes. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in AASB is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity's financial position and financial performance.

In addition, the amendments clarify that an entity's share of the other comprehensive income of associates and joint ventures accounted for using the equity method should be presented separately from those arising from the Group, and should be separated into the share of items that, in accordance with other Accounting Standards:

- (a) Will not be reclassified subsequently to profit or loss
- (b) Will be reclassified subsequently to profit or loss when specific conditions are met.

As regards the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes.

The application of these amendments has not had a material presentation impact on the financial performance or financial position of the Company.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 31 DECEMBER 2016

Note 2: Revenue from continuing operations

	31 December 2016	31 December 2015
	\$	\$
Revenue from continuing operations		
Interest on unclaimed dividends	-	54,908
Other Interest income	5,597	6,038
Total revenue from continuing operations	5,597	60,946

Note 3: Financial Assets

	31 December 2016	30 June 2016
	\$	\$
Non- Current		
Financial assets carried at fair value through profit or loss		
<i>Unlisted investments:</i>		
Biointelect Pty Ltd	1,421,815	1,421,815
Bio101group Pty Ltd	100,100	100,100
Biolmpact Pty Ltd	100	-
Sensear Pty Ltd	-	-
Total Non- Current Financial Assets	1,522,015	1,521,915

Unlisted investments

The fair value of unlisted investments is determined by director's valuations, which is based on their experience in the industry. The directors have used assumptions, such as impacts on estimated cash flows, project updates and other market data available in determining their valuation of unlisted investments.

Impairment Loss on Unlisted Investments

An allowance for impairment loss is recognised when there is objective evidence that unlisted investments are impaired. Based on the best estimate of information available, the Board has not recorded an impairment loss for the period.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR
ENDED 31 DECEMBER 2016**

Note 4: Issued Capital

	31 December 2016	30 June 2016
	\$	\$
Movement		
Opening balance – 108,597,807 shares	41,934,083	40,639,818
4 April 2016 – placement of 10,000,000 shares at 0.13 per share	-	1,300,000
Less share placement costs	-	(5,735)
Closing balance – 108,597,807 shares	<u>41,934,083</u>	<u>41,934,083</u>

Note 5: Contingent Liabilities

There are no contingent liabilities of the company.

Note 6: Subsequent Events

Biotech Capital announced that it had completed a \$1.79m private placement capital raise on 14 February 2017. The placement was made to institutional, sophisticated and professional investors. The placement was for a total of 16,289,670 shares at 11c per share. As at the date of this report 13,100,742 of these shares have been issued and the remaining 3,188,928 are awaiting approval by shareholders at the next Annual General Meeting. On 14 February 2017, a Share Purchase Plan (SPP) was offered to all eligible shareholders giving them the opportunity to increase their shareholding. The SPP as at the date of this report remains open.

No other matters have arisen between the end of the half-year ended 31 December 2016 and the date of this report which in the opinion of the directors of the company, will affect significantly the operations of the entity, the results of those operations, or the state of the affairs of the entity, in subsequent financial years.

Note 7: Operating Segments Information

Operating segments have been identified on the basis of internal reports of the company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The chief operating decision maker has been identified as the Board of Directors. On a regular basis, the board receives financial information on a company basis similar to the financial statements presented in the financial report, to manage and allocate their resources.

The company has a single operating segment being investment in the biotechnology/ life science sectors.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

DIRECTORS' DECLARATION

In the opinion of the directors:

1. The financial statements and notes of the entity, are in accordance with the Corporations Act 2001 and:
 - a) Comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - b) give a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date.
2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(s) of the Corporations Act 2001.



Richard Treagus
Director

Dated this 24th of February 2017

Independent Auditor's Review Report to the Members of Biotech Capital Limited

We have reviewed the accompanying half-year financial report of Biotech Capital Limited, which comprises the condensed statement of financial position as at 31 December 2016, and the condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 7 to 16.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Biotech Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Biotech Capital Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

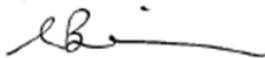
Conclusion

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



DELOITTE TOUCHE TOHMATSU



Chris Biermann

Partner

Chartered Accountants

Melbourne, 24 February 2017