

# Adherium Limited

ABN 24 605 352 510

## Appendix 4D

### Interim Consolidated Report for the six months ended 31 December 2022

1. Adherium Limited (“Adherium”, the “Company” or the “Group”) presents this financial report, including the interim financial statements, for the six months ended 31 December 2022.
2. **Results for announcement to the market**

	6 months ended 31 Dec 2022 \$'000	6 months ended 31 Dec 2021 \$'000	% Change
2.1 Operating revenue	1,220	197	519%
2.2 Loss after tax from ordinary activities	(5,828)	(5,059)	(15)%
2.3 Net loss from ordinary activities	(5,828)	(5,059)	(15)%
2.4 Dividends and franked amount per security	nil	nil	n/a
2.5 Dividend record date	n/a	n/a	n/a
2.6 Explanation of results:  Please refer to the Review of Operations in the Directors’ Report contained in the attached Interim Consolidated Report for the six months ended 31 December 2022.			

The information required by ASX listing rule 4.2A is contained in both this Appendix 4D and the attached interim consolidated report. The interim information should be read in conjunction with the most recent annual report.

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+ See chapter 19 for defined terms.

**3. Net Tangible Assets per Security**

	<u>Current period</u>	<u>Comparative period</u>
Net tangible assets per share	\$0.003	\$0.005

**4. Entities over which control has been gained or lost during the period:**

Not applicable.

**5. Details of dividends**

Not applicable.

**6. Details of dividend reinvestment plans**

Not applicable.

**7. Details of associates and joint venture entities**

None.

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<sup>†</sup> See chapter 19 for defined terms.



adherium

# INTERIM CONSOLIDATED REPORT

for the six months ended 31 December 2022



**Adherium Limited**

ABN 24 605 352 510



# Company Overview

Adherium is a provider of integrated digital health solutions and a worldwide leader in connected respiratory medical devices, with more than 180,000 sold globally. Adherium's Hailie® platform solution provides clinicians, healthcare providers and patients access to remotely monitor medication usage parameters and adherence, supporting reimbursement for qualifying patient management.

Adherium's Hailie® solution includes a suite of integration tools to enable the capture and sharing of health data via mobile and desktop apps, Software Development Kit (SDK) and Application Programming Interface (API) integration tools, and Adherium's own broad range of sensors connected to respiratory medications. Adherium's Hailie® solution is designed to provide visibility to healthcare providers of medication use history to better understand patterns in patient respiratory disease. These tools ultimately enable people who live with Asthma or COPD to more easily manage their condition with input from their physician.



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# Directors' Report

The Directors present their report on the consolidated entity (**the Group**), consisting of Adherium Limited (**the Company or Adherium**) and the entities it controlled at the end of, or during, the six months ended 31 December 2022, together with the independent auditor's report thereon.

## Directors

The Directors of the Company at any time during the period and until the date of this report are:

	Appointed	Resigned
Mr Lou Panaccio (Chairman)	25 February 2022	-
Mr George Baran	13 May 2021	-
Mr Jeremy Curnock Cook	17 April 2015 (incorporation)	-
Dr William Hunter	17 December 2015	-
Mr Bruce McHarrie	20 July 2015	-
Mr James Ward-Lilley	14 April 2020	30 November 2022

## Review of Operations

Throughout the six-month period to 31 December 2022 Adherium continued to execute on its strategy to focus on the US while leveraging market opportunities in the UK and Australia enabled by the A\$13.7 million placement and share purchase plan that were conducted in the period.

The Company continues its march toward revenue growth and saw its first sales and receipts from customers for remote patient monitoring services in the US. The Adherium team is driving to commercialise its portfolio of technologies based on the strong development program of its Hailie<sup>®</sup> sensors and software platform for both Asthma and Chronic Obstructive Pulmonary Disease (COPD) medication inhalers.

For the six-months to 31 December 2022, Adherium made significant progress and achieved milestones on key commercialisation, regulatory and research and development programs, notably:

- Announced platform partnership with CareCentra Inc. integrating Adherium's Hailie<sup>®</sup> platform, including US Food and Drug Administration (FDA) cleared digital sensors capturing physiological data and technique parameters into their Artificial Intelligence (AI) Driven Behaviour Shaping platform, MyMoBeMap<sup>TM</sup> creating a truly transformative disease management suite.
- Signed partnership agreement with Perigon Health 360 ("Perigon") to integrate and deploy the Hailie<sup>®</sup> platform for remote patient monitoring with US physician practices.
- Signed agreement with Dulcian Health ("Dulcian") to integrate and deploy the Hailie<sup>®</sup> platform enabling US medical groups to remotely monitor patients in the US and enabling Medicare reimbursement.
- Progressed UK partner and NHS working group to lead UK commercial programs.
- Received FDA 510(k) clearance for GlaxoSmithKline (GSK) Ellipta<sup>®</sup> inhaler users to connect with its next generation Hailie<sup>®</sup> sensor.
- Received FDA 510(k) clearance of the new next generation Hailie<sup>®</sup> sensor with physiological parameters for GSK's Ventolin<sup>®</sup>, Advair<sup>®</sup>, and Flovent<sup>®</sup> pressurised metered dose inhalers (pMDI). Submitted 510(k) clearance to market application to the FDA connecting Teva ProAir<sup>®</sup> and Teva Albuterol Sulphate HFA<sup>®</sup> pMDIs with its new, next-generation Hailie<sup>®</sup> sensor with physiological parameters.
- Announced a two-part clinical study at Washington University School of Medicine in St. Louis, US.
- Exhibited at the American College of Allergy, Asthma, and Immunology (ACAAI) 2022 Annual Scientific Meeting building additional partnership programs with health system providers and Asthma medical groups that serve large groups of US Asthma patients. Presented at Reach Markets Meet the CEO and Australian Microcap Investment Conference.
- Received \$1.3 million for the 2022 financial year Australian R&D incentive program.
- Appointed Daniel Kaplon as CFO, based in Melbourne, Australia.

The commercial strategy is focused on generating and transmitting patient data enabling doctors to improve patients' quality of life and address the high unmet need of patients with severe and 'difficult-to-treat' Asthma and COPD. The goal is to improve patient management and clinical outcomes and to reduce the frequency of exacerbations and the number of emergency visits and hospital admissions, which represent a very high cost burden to healthcare systems worldwide. There is an estimated preventable healthcare cost of US\$34 billion in the US alone.

Pathways to demonstrate the commercial execution include new distribution partnerships. In the U.S. our new partnership with Perigon Health 360 and their proprietary Medesto platform consolidates remote monitoring services into one portal enabling healthcare providers to pursue reimbursement for respiratory and chronic care management

services. In addition, in the US, Dulcian Health is a leader in Chronic Care Management (CCM) for physician practices, focusing on developing software that adds functionality to electronic health record (EHR) systems. As another new partner, Dulcian's software is being integrated with the Hailie® platform to accurately capture all clinical staff time spent performing non-face-to-face care activities, billable under U.S. Medicare codes for care management services.

Adherium's Hailie® sensor technology and cloud-based data platform have been shown in more than 100 peer-reviewed clinical publications to improve quality of life and reduce acute respiratory attacks by transforming the way in which patients with chronic respiratory conditions follow their prescribed inhaled medication dosage and even use their inhalers.

Accordingly, Adherium's commercial strategy is focused initially on the United States and the United Kingdom leveraging technology to reduce the frequency and severity of exacerbations and the number of Asthma/COPD related emergency room admissions, which represent a very high-cost burden to healthcare systems worldwide and may even incur provider and insurance penalties due to poor performance. Sub-optimally managed Asthma and COPD results in an estimated US\$34 billion of preventable healthcare costs in the US every year. The Company's US FDA 510(k) clearances currently cover 91% of the top 20 US branded medications by sales volume.

The Company's current product portfolio includes Hailie® sensors for a diverse range of inhalers and medications, including AstraZeneca's Symbicort® Turbuhaler® and pMDI, GSK's Ventolin®, Advair®/Seretide® (Diskus® and HFA) and Flovent®/Flixotide®, and Teva's ProAir® HFA. The investment in the product portfolio development through to the close of CY 2022 enabled Adherium to add additional sensors supporting physiological parameters which includes GSK's Ellipta® and pMDI, and expected in early 2023, Teva's ProAir® and Albuterol Sulphate HFA.

Research and development costs in the period were \$2,630,000 (2021: \$2,987,000). The research and development spend is consistent with the Company's shifting of its development goals to utilising internal software and device engineering teams and reaching milestones on the Product Development Roadmap.

Other income in the period of \$516,000 (2021: \$1,627,000) represents the Company's half year accrued claim for research and development tax incentive reimbursement together with adjustments for actual amounts received for prior periods, whereas the 2021 amount represents the full year claim.

Administrative expenses were \$2,348,000 compared with \$2,921,000 in the previous period, the difference largely due the reduction in share, option and SARs compensation expense of \$718,000. Listing and registry costs were \$110,000 higher attributable to the placement and share purchase plan activities.

Cash at 31 December 2022 was \$12,836,000, a net increase of \$7,553,000 since 30 June 2022 (2021: \$10,651,000). The Company remains focused on evolving the Hailie® sensors and software platform, and continues to actively engage with existing partners while exploring potential partnerships.

## Events subsequent to balance date

There are no events occurring after the balance sheet date which require disclosure or adjustment in the financial statements.

## Rounding of amounts

The Company has applied the relief available to it under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191. Accordingly, amounts in the Directors' Report and financial report have been rounded off to the nearest \$1,000.

## Auditor's independence declaration

The Auditor's independence declaration is set out on page 4 and forms part of the Directors' Report for the six months ended 31 December 2022.

Signed in accordance with a resolution of the Board of Directors.



**Lou Panaccio**  
Non-Executive Chairman

Dated this 27<sup>th</sup> day of February 2023

# Auditor's Independence Declaration



## Auditor's Independence Declaration

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

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

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

A handwritten signature in black ink that reads 'Alison Tait Milner'.

Alison Tait Milner  
Partner  
PricewaterhouseCoopers

Melbourne  
27 February 2023

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# Interim Financial Report

Consolidated Statement of Profit  
or Loss and Other Comprehensive Income

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Consolidated Statement of Financial Position

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Consolidated Statement of Changes in Equity

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Consolidated Statement of Cash Flows

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Notes to the Consolidated Financial Statements

# Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six-month period ended 31 December 2022

	Notes	Six months 31 Dec 2022 \$000	Six months 31 Dec 2021 \$000
<b>Continuing Operations</b>			
Sales	3	1,220	197
Cost of sales		(263)	(113)
<b>Gross profit</b>		957	84
Other income - R&D tax credit	4	516	1,627
Manufacturing support		(450)	(500)
Research and development costs		(2,630)	(2,987)
Sales and marketing costs		(1,960)	(374)
Administrative expenses		(2,348)	(2,921)
<b>Operating loss</b>		(5,915)	(5,071)
Finance income (cost) - net		87	12
<b>Loss before income tax</b>		(5,828)	(5,059)
Income tax expense		-	-
<b>Loss for the period attributable to equity holders</b>		(5,828)	(5,059)
<b>Other comprehensive income</b>			
Items that may be reclassified subsequently to profit or loss when certain conditions are met: Foreign exchange differences on translation of foreign operation		8	55
<b>Other comprehensive income for the period, net of tax</b>		8	55
<b>Total comprehensive loss for the period</b>		(5,820)	(5,004)
<b>Total comprehensive loss attributable to:</b>			
Equity holders of Adherium Limited		(5,820)	(5,004)
<b>Basic and diluted loss per share</b>	5	(0.2) cents	(0.2) cents

The accompanying notes form part of the financial statements.

# Consolidated Statement of Financial Position as at 31 December 2022

	Notes	31 Dec 2022 \$000	30 June 2022 \$000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		12,836	5,283
Trade and other receivables		612	1,593
Inventories		1,111	1,071
Prepayments		551	272
<b>Total current assets</b>		15,110	8,219
<b>Non-current assets</b>			
Property, plant and equipment	6	193	227
Intangible assets		1	1
Right-to-use assets		66	86
<b>Total assets</b>		15,370	8,533
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		1,658	1,697
Income received in advance		650	1,214
Lease liabilities		22	42
<b>Total current liabilities</b>		2,330	2,953
<b>Non-Current liabilities</b>			
Lease liabilities		45	43
<b>Total liabilities</b>		2,375	2,996
<b>EQUITY</b>			
Share capital	7	123,533	110,523
Accumulated deficit		(89,257)	(83,429)
Other reserves		(21,281)	(21,557)
<b>Total equity</b>		12,995	5,537
<b>Total liabilities &amp; equity</b>		15,370	8,533

The accompanying notes form part of the financial statements.

# Consolidated Statement of Changes in Equity for the six-month period ended 31 December 2022

Six months to 31 December 2022	Share Capital \$000	Accumulated Deficit \$000	Share-based Compensation Reserve \$000	Foreign Currency Translation Reserve \$000	Merger Reserve \$000	Total Equity \$000
<b>Equity as at 1 July 2022</b>	110,523	(83,429)	5,315	663	(27,535)	5,537
Loss for the period	-	(5,828)	-	-	-	(5,828)
Other comprehensive income (loss)	-	-	-	8	-	8
Total comprehensive loss	-	(5,828)	-	8	-	(5,820)
<i>Transactions with owners:</i>						
Shares and options issued in placements	13,730	-	-	-	-	13,730
Share and option issue costs	(743)	-	-	-	-	(743)
Share, option and SARs grants for services	23	-	268	-	-	291
<b>Equity as at 31 December 2022</b>	<b>123,533</b>	<b>(89,257)</b>	<b>5,583</b>	<b>671</b>	<b>(27,535)</b>	<b>12,995</b>

Six months to 31 December 2021	Share Capital \$000	Accumulated Deficit \$000	Share-based Compensation Reserve \$000	Foreign Currency Translation Reserve \$000	Merger Reserve \$000	Total Equity \$000
<b>Equity as at 1 July 2021</b>	110,172	(73,385)	4,170	613	(27,535)	14,035
Loss for the period	-	(5,059)	-	-	-	(5,059)
Other comprehensive income (loss)	-	-	-	55	-	55
Total comprehensive loss	-	(5,059)	-	55	-	(5,004)
<i>Transactions with owners:</i>						
Share, option and SARs grants for services	251	-	847	-	-	1,098
<b>Equity as at 31 December 2021</b>	<b>110,423</b>	<b>(78,444)</b>	<b>5,017</b>	<b>668</b>	<b>(27,535)</b>	<b>10,129</b>

The accompanying notes form part of the financial statements.

# Consolidated Statement of Cash Flows for the six-month period ended 31 December 2022

Notes	Six months 31 Dec 2022 \$000	Six months 31 Dec 2021 \$000
<b>Cash flows from operating activities:</b>		
Receipts from customers	872	104
Research and development tax incentive receipt	1,287	1,997
Interest received	90	13
Interest paid	(3)	(1)
Payments to employees	(3,558)	(3,113)
Payments to suppliers	(4,081)	(3,446)
<b>Net cash used in operating activities</b>	<b>(5,393)</b>	<b>(4,446)</b>
<b>Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(33)	(89)
<b>Net cash used in investing activities</b>	<b>(33)</b>	<b>(89)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issue of shares and options	13,730	-
Payment of capital raising costs	(743)	-
<b>Net cash provided from financing activities</b>	<b>12,987</b>	<b>-</b>
Net increase (decrease) in cash	7,561	(4,535)
Cash at the beginning of the period	5,283	15,178
Effect of exchange rate changes on cash balances	(8)	8
<b>Cash at the end of the period</b>	<b>12,836</b>	<b>10,651</b>

The accompanying notes form part of the financial statements.

# Notes to the financial statements for the six-month period ended 31 December 2022

## 1. General Information

Adherium Limited (the Company, Group or Adherium) is an Australian Securities Exchange listed company that develops, manufactures and supplies digital health technologies which address sub-optimal medication use and improve health outcomes in chronic disease.

### *Basis of Presentation*

This general purpose consolidated condensed financial report for the six months ended 31 December 2022 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The interim financial report has been prepared on a going concern basis, as the Group has the intention to continue its business for the foreseeable future.

As of December 31, 2022, the Group had net cash of \$12,836,000 (2021: \$10,651,000), recorded a loss before tax of \$5,828,000 (2021: \$5,059,000) and operating cash outflows of \$5,393,000 (2021: \$4,446,000) for the six months then ended.

The Directors have approved cash flow forecasts. These forecasts indicate that in order for the Group to meet its operating requirements for the 12 months from the date of authorisation of these financial statements, the Group must raise additional capital or obtain alternative funding. The cash flow forecast indicates this additional funding would be required by the end of calendar year 2023.

The Directors considered the achievability of the assumptions underlying the forecast, and as with any forecast, there are uncertainties within the assumptions required to meet the Group's expectations. Whether the Group can raise additional capital or obtain alternative funding until the Group is supported by cash flows from operations represents a material uncertainty that casts significant doubt over the Group's ability to continue as a going concern and therefore whether it will be able to realise its assets and discharge its liabilities in the normal course of business. Despite this uncertainty, the Directors are of the view that the Company will be successful in raising additional capital or alternative funding and accordingly have adopted the going concern basis for the preparation of this financial report.

This interim report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and operating, financing and investing activities of the consolidated entity as the full financial report. This interim financial report should be read in conjunction with the annual report of Adherium Limited for the year ended 30 June 2022 and considered together with any public announcements made by Adherium Limited in accordance with the continuous disclosure obligations of the *ASX Listing Rules*.

This interim financial report has been prepared using the same accounting policies as used in the annual financial statements of Adherium Limited for the year ended 30 June 2022 unless otherwise stated.

### *New accounting standards adopted during the period*

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

## 2. Segment information

The chief operating decision maker is the Chief Executive Officer, who reviews financial information for the Group as a whole. The information reviewed is prepared in the same format as included in the financial statements. The Company has therefore determined that one reportable segment exists for the Company's Hailie<sup>®</sup> respiratory monitoring business.

## 3. Revenue

Revenue in the six months to 31 December 2022 comprised \$979,000 for device sales, monitoring and data services (December 2021: \$33,000) and \$241,000 for new product design and engineering services (December 2021: \$164,000).

#### 4. Research & development (R&D) tax credit

The Group is eligible to participate in the Research and Development (R&D) Tax Incentive Offset scheme to potentially obtain a tax rebate or credits equivalent to the entitlements under the scheme operating at the time. These are only recognised when it is probable that it is available to be offset against income tax payable. For the six months to 31 December 2022 \$516,000 (December 2021: \$1,627,000) was recognised in relation to claims for the current financial period and adjustments relating to actual amounts received for prior periods.

#### 5. Earnings per share

Basic loss per share is based upon the weighted average number of outstanding ordinary shares. For all periods presented, the Company's potentially dilutive ordinary share equivalents (being options over ordinary shares) have an anti-dilutive effect on loss per share and, therefore, have not been included in determining the total weighted average number of ordinary shares outstanding for the purpose of calculating diluted loss per share.

	Six months 31 Dec 2022 \$000	Six months 31 Dec 2021 \$000
Profit (loss) after income tax attributable to equity holders	(5,828)	(5,059)
Weighted average shares outstanding (basic)	3,186,770,834	2,133,142,892
Weighted average shares outstanding (diluted)	3,186,770,834	2,133,142,892
Basic and diluted loss per share	(0.2) cents	(0.2) cents

#### 6. Property, plant and equipment

During the period, the Group acquired assets with a cost of \$21,000 (2021: \$51,000) for computer equipment, \$6,000 for research and development equipment (2021: \$34,000), \$5,000 for manufacturing tooling (2021: \$4,000), and \$1,000 in furniture & fittings (2021: \$nil).

#### 7. Share Capital

	Ordinary Shares	\$000
Share capital as at 1 July 2021	2,125,733,111	110,172
Shares issued in employee share plans	68,490,750	-
Cancellation of shares issued in employee share plans	(7,399,372)	-
Shares issued for services	21,426,603	351
Share capital as at 30 June 2022	2,208,251,092	110,523
Shares issued in employee share plans	19,444,444	-
Shares issued in placements	2,746,000,000	13,730
Shares issued for services	5,742,740	23
Share issue costs	-	(743)
Share capital as at 31 December 2022	4,979,438,276	123,533

## 8. Related party transactions

The nature of related party transactions the Group enters into is disclosed in the annual report for the year ended 30 June 2022. In the period to 31 December 2022 key management personnel and their associates subscribed for securities in the Company as follows (2021: nil):

	Number of Securities	\$000
Shares issued in placement	700,000,000	3,500
Options issued in placement	350,000,000	-

There have been no other new significant related party transactions during the interim period to 31 December 2022.

## 9. Contingencies and commitments

The Company had the following commitments to purchase property, plant or equipment at 31 December 2022, but not recognised in the financial statements:

	31 Dec 2022 \$000	30 Jun 2022 \$000
Manufacturing tooling	1	-
	1	-

The following aggregate future non-cancellable minimum lease payments for premises have been committed to by the Company, but not recognised in the financial statements.

	31 Dec 2022 \$000	30 Jun 2022 \$000
Not later than one year	117	54
Later than one year and not later than five years	8	-
Later than five years	-	-
	125	54

## 10. Events occurring after the balance sheet date

There are no events occurring after the balance sheet date which require disclosure or adjustment in the financial statements.



# Directors Declaration

In the opinion of the Directors of Adherium Limited:

- (a) The financial statements and notes set out on pages 6 to 12 are in accordance with the Corporations Act 2001, including:
  - (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the financial period ended on that date; and
  - (ii) Complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
- (b) There are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



**Lou Panaccio**  
Non-Executive Chairman

Dated this 27<sup>th</sup> day of February 2023

# Independent Auditor's Review Report



## Independent auditor's review report to the members of Adherium Limited

### Report on the half-year financial report

#### **Conclusion**

We have reviewed the half-year financial report of Adherium Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of changes in equity, consolidated statement of cash flows and consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, significant accounting policies and explanatory notes and the directors' declaration.

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

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

#### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year 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 & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

#### **Material uncertainty relating to going concern**

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a loss before tax of \$5,828,000 and operating cash outflows of \$5,393,000 for the half-year ended 31 December 2022 and is dependent on raising additional capital or alternative funding by the end of calendar year 2023 to meet its operating forecasts.

These conditions, along with other matters set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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# Independent Auditor's Review Report



## ***Responsibilities of the directors 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 gives a true and fair view and is free from material misstatement whether due to fraud or error.

## ***Auditor's responsibilities for the review of the half-year financial report***

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

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

A handwritten signature in black ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in black ink that reads 'Alison Tait Milner'.

Alison Tait Milner  
Partner

Melbourne  
27 February 2023



# Corporate Information

**ASX code: ADR**

## Directors

Mr Lou Panaccio (Chair)  
Mr George Baran  
Mr Jeremy Curnock Cook  
Dr William Hunter  
Mr Bruce McHarrie

## Joint Company Secretaries

Mr Rob Turnbull  
Mr Mark Licciardo

## Registered Office

Collins Square, Tower 4  
Level 18, 727 Collins St  
Melbourne VIC 3000, Australia  
+61 3 86575540

## NZ Office (Principal Administrative Office)

Level 2, 63 Albert Street  
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+64 9 307 2771

## AU Office

Level 19, 485 La Trobe Street,  
Melbourne VIC 3000, Australia

## Website

[www.adherium.com](http://www.adherium.com)  
[www.hailie.com](http://www.hailie.com)

## Share Registry

Computershare Investor Services Pty Ltd  
Yarra Falls, 452 Johnston Street  
Abbotsford, Victoria 3067, Australia

## Solicitors

K&L Gates  
Level 25 South Tower  
525 Collins Street  
Melbourne VIC 3000, Australia

## Auditors

PricewaterhouseCoopers  
One International Towers, Watermans Quay,  
Barangaroo NSW 2000, Australia

## Shareholder Enquiries 1300 850 505 (+61 3 9415 4000)

Shareholders requiring clarification of holdings, or requesting changes of name or address should contact Computershare Investor Services directly on the above number. Shareholders wishing to create an online account with Computershare should visit <https://www.investorcentre.com>



