

22 July 2020

ASX ANNOUNCEMENT

QUARTERLY ACTIVITY REPORT FOR THE PERIOD TO 30 JUNE 2020

Anteris Technologies Ltd (ASX:AVR) (**Anteris** or the **Company**) releases its Appendix 4C – Quarterly Cash Flow report and commentary for the period ended 30 June 2020 (Q2, 2020).

HIGHLIGHTS

- Four patients successfully implanted in First-In-Human (FIH) SAVR (surgical aortic valve replacement) trial
- DurAVR™ test results demonstrate best in class hemodynamics (normal mean gradients and Effective Orifice Area (EOA)) that match healthy valve function
- Multiple pre-clinical studies underway generating additional data and insights to support DurAVR™ 3D single-piece aortic valve development programme
- \$734,899 R&D tax refund received
- \$1.6M of revenue, chiefly due to manufactured product for LeMaitre Vascular Inc.
- \$2.0M in cash receipts for the quarter
- \$6.9M cash balance

COMMENTARY ON THE QUARTER

Anteris continued to generate positive data and insights from pre-clinical studies focussed on its DurAVR™ 3D single-piece aortic valve development.

In the FIH SAVR trial, the four patients successfully implanted to date demonstrated improved valve function and blood flow. Results from the study of 15 patients are expected between Q1, 2021 and Q3, 2021.

Anteris commenced an early TAVR animal study in the June 2020 quarter. This first feasibility study aims to confirm DurAVR™ valve deployment and anchoring as well as provide further insights into the valve's function and performance. The study is expected to finish by year end.

Anteris Technologies Ltd

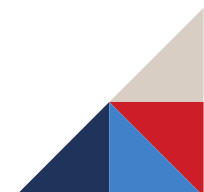
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In May 2020, Anteris initiated an anti-calcification comparison study against a currently marketed TAVR valve material to highlight the superiority of ADAPT[®] tissue in addressing calcification issues of commercial (bovine and porcine) AVR valves, a leading cause of valve deterioration. Study results will be available in Q4 2020 or Q1 2021.

These studies are important steps towards the next development phase for commercialization.

While the COVID-19 pandemic continues its global health and financial impacts, there were no major impacts to the business due to early implementation risk mitigation strategies. The situation continues to be closely monitored, including the Company's manufacturing contingency plan.

Total quarterly revenue was \$1.6M, mostly due to manufacturing for LeMaitre Vascular. To date, LeMaitre's purchase orders have not decreased. The Company continues to supply ADAPT[®] tissue to 4C Medical Technologies Inc.

In June 2020 Anteris received a \$734,899 Research and Development tax incentive refund as part of the Australian Government's R&D Tax Incentive Scheme for the year ended 31 December 2019. R&D is a significant part of our focus. These funds will assist building our development programs and product pipeline.

So far in 2020, the Company filed at least 18 patent applications in various countries worldwide for its 3D valve (DurAVR[™]) and its novel sterilized packaging system. This is essential to protect the Company's IP and strengthen discussions with potential partners.

Despite major conferences being cancelled or rescheduled as online events, Anteris continues to engage with potential strategic partners. The data and insights from clinical and pre-clinical trials are critical to these important discussions.

CASH RECEIPTS AND CASH FLOWS

The closing cash balance as at 30 June 2020 was \$6.9M, up \$3.9M from 31 March 2020, and included:

- Net operating cash outflows of \$3.2M, including staff costs of \$2.4M, administration and corporate costs of \$1.7M, product manufacturing and operating costs of \$0.6M and research and development investment of \$1.5M; partly offset by receipts from customers of \$2.0M and an Australian government R&D tax incentive receipt of \$0.7m
- Investing cash inflows of \$7.5M relating to the maturity of a term deposit*, and
- Financing cash outflow of \$0.1M, relating to lease payments.

**For statutory accounting purposes Anteris was required to disclose short-term deposits greater than three months as other receivables as opposed to cash.*

CORPORATE ACTIVITY

On 15 May 2020, Anteris held its 2020 Annual General Meeting. The meeting resulted in the approval and change of name for the company from 'Admedus Limited' to 'Anteris Technologies Ltd'. The ASX ticker changed from AHZ to AVR.

IN SUMMARY

"Our research and development programs are going from strength to strength with two key studies commencing this quarter. Also, three more patients were successfully implanted with our 3D



single-piece aortic valve in our first-in-human SAVR trial. The results from all three studies are providing very positive data and useful insights into our tissue science and valve design. This data is crucial to building our already strong body of data, helping us move further toward our regulatory initiatives and opening up our path to market. The recent test results for DurAVR™ have not only demonstrated best in class performance, but have also closely mimicked the function of healthy heart valves. If these results continue, we will have the best performing heart valve.” Wayne Paterson, Anteris CEO, said.

Yours faithfully,

Wayne Paterson
Chief Executive Officer

About Anteris Technologies Ltd (ASX: AVR)

Anteris Technologies Ltd. is a structural heart company focused on delivering clinically superior solutions that create life-changing outcomes for patients. Its ADAPT® tissue platform, a next generation technology with zero DNA and zero glutaraldehyde, is the only bio-scaffold to demonstrate zero calcification after 10 years of use in complex cardiac surgery. With these advantages, Anteris' best-in-class ADAPT® tissue combined with its valve design has the potential to solve the problems associated with current aortic valve replacement options which are durability and valve degradation.

Authorisation and Additional information

This announcement was authorised by Wayne Paterson, Chief Executive Officer.

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Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Anteris Technologies Ltd

ABN

35 088 221 078

Quarter ended ("current quarter")

30 June 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,036	3,780
1.2 Payments for		
(a) research and development	(1,472)	(2,215)
(b) product manufacturing and operating costs	(608)	(1,120)
(c) advertising and marketing	(77)	(365)
(d) leased assets	-	-
(e) staff costs	(2,358)	(6,985)
(f) administration and corporate costs	(1,686)	(3,228)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	75	95
1.5 Interest and other costs of finance paid	(58)	(112)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	785	785
1.8 Other (gain on derivative contract)	154	154
1.9 Net cash from / (used in) operating activities	(3,209)	(9,211)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(16)	(240)
(d) investments	-	(400)
(e) intellectual property	-	-



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (maturing term deposit)	7,509	7,509
2.6	Net cash from / (used in) investing activities	7,493	6,869

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(91)	(174)
3.10	Net cash from / (used in) financing activities	(91)	(174)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,952	8,968
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,209)	(9,211)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	7,493	6,869



Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(91)	(174)
4.5	Effect of movement in exchange rates on cash held	(249)	444
4.6	Cash and cash equivalents at end of period	6,896	6,896

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,785	2,843
5.2	Call deposits	111	109
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,896	2,952

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- Director fees and CEO remuneration
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

341

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments



7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	-	-
	-	-
	111	111
	111	111

7.5 **Unused financing facilities available at quarter end**

-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Unsecured ANZ financial guarantee \$88k at an interest rate of 0.87%, maturing 30 June 2021
 Unsecured ANZ financial guarantee \$23k at an interest rate of 0.25%, maturing 22 July 2020

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(3,209)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	6,896
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	6,896
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	2.15

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?


3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?



Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 22 July 2020

Authorised by: 

Wayne Paterson
Chief Executive Officer

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.