

# Appendix 4E

## Biotech Capital Limited ACN 091 979 172

### Preliminary final report Financial year ended 30 June 2016

The following information is given to the ASX under listing rule 4.3A:

#### 1. Reporting Period

Biotech Capital Limited A.C.N. 091 979 172 presents the following information for the year ended 30 June 2016 together with comparative results for the year ended 30 June 2015.

All amounts shown are in Australian dollars unless otherwise stated.

#### 2. Results for announcement to the market

	2016 \$	2015 \$	Increase/(Decrease) \$	% Change
2.1 Operating Revenue	71,184	11,350	59,834	527%
2.2 Loss after Tax attributable to equity holders	(870,780)	(507,019)	(363,761)	(72%)
2.3 Net Loss attributable to equity holders	(870,780)	(507,019)	(363,761)	(72%)
2.4 Dividends	N/A	N/A	N/A	N/A

The net loss attributable to equity holders increased by \$363,761, mainly due to the following transactions:

- An increase of \$700,000 to the impairment provision for the legacy minority investment in Sensear Pty Ltd, compared with an increase of \$300,000 in 2015. The provision reduced the carrying value of the investment to zero.
- An increase to the operating revenue as income earned on unclaimed dividends have been brought to account.

### 3. Income Statement

	2016 \$	2015 \$
<b>Revenue from continuing operations</b>	71,184	11,350
Directors fees	(90,053)	(83,011)
Other expenses from operations	(151,911)	(135,358)
Impairment provision on unlisted investments	(700,000)	(300,000)
	<u>(870,780)</u>	<u>(518,369)</u>
<b>Loss from continuing operations before related income tax benefit</b>	<u>(870,780)</u>	<u>(507,019)</u>
<b>Income tax benefit relating to continuing operations</b>	<u>-</u>	<u>-</u>
<b>Loss from continuing operations after related income tax benefit attributable to members of Biotech Capital Limited</b>	<u>(870,780)</u>	<u>(507,019)</u>
<b>Total comprehensive loss for the year</b>	<u>(870,780)</u>	<u>(507,019)</u>

### 4. Balance Sheet

	Notes	2016 \$	2015 \$
<b>Current Assets</b>			
Cash and cash equivalents		1,185,208	351,896
Trade and other receivables		-	2,084
<b>Total Current Assets</b>		<u>1,185,208</u>	<u>353,980</u>
<b>Non-Current Assets</b>			
Financial assets	1	<u>1,521,915</u>	700,000
<b>Total Non-Current Assets</b>		<u>1,521,915</u>	<u>700,000</u>
<b>Total Assets</b>		<u>2,707,123</u>	<u>1,053,980</u>
<b>Current Liabilities</b>			
Trade and other payables		18,185	17,965
Unpresented Dividends		199,803	-
<b>Total Current Liabilities</b>		<u>217,988</u>	<u>17,965</u>
<b>Total Liabilities</b>		<u>217,988</u>	<u>17,965</u>
<b>Net Assets</b>		<u>2,489,135</u>	<u>1,036,015</u>
<b>Equity</b>			
Issued Capital	2	41,934,083	39,615,960
Other reserves		5,777	-
Accumulated Losses		<u>(39,450,725)</u>	<u>(38,579,945)</u>
<b>Total Equity</b>		<u>2,489,135</u>	<u>1,036,015</u>

Note 1	Financial Assets	30 June 2016	30 June 2015
		\$	\$
	<b>Non- Current</b>		
	<b>Available for sale financial assets</b>		
	Net investment value in Sensear Pty Ltd	-	700,000
	Total available for sale financial assets	<u>-</u>	<u>700,000</u>
	The cost base for the investment in Sensear Pty Ltd. is \$3,116,761. In 2016 the net investment has been reduced to nil (2015: \$700,000) after an additional impairment provision of \$700,000 was recognised during this reporting period.		
		30 June 2016	30 June 2015
		\$	\$
	<b>Financial assets carried at fair value through profit or loss</b>		
	Biointelect Pty Ltd	1,421,815	-
	Bio101group Pty Ltd	100,100	-
	Total Financial assets carried at fair value through profit or loss	<u>1,521,915</u>	<u>-</u>
	Total Non-Current Financial Assets	<u><u>1,521,915</u></u>	<u><u>700,000</u></u>

Note 2	Issued Capital	2016	2016	2015	2015
		Shares	\$	Shares	\$
(a)	Ordinary Shares				
	Issued and fully paid – Opening Balance	85,737,224	39,615,960	74,554,108	39,338,817
	Share Placement 4 August 2014* Capital raising costs	-	-	11,183,116	279,578 (2,435)
	Share Placement 1 September 2015 Capital raising costs	12,860,583	1,028,858 (4,989)	-	-
	Share Placement 4 April 2016 - consideration for the acquisition of Biointelect Pty Ltd Capital raising costs	10,000,000	1,300,000 (5,735)	-	-
	Closing Balance	<u>108,597,807</u>	<u>41,934,083</u>	<u>85,737,224</u>	<u>39,615,960</u>

\* This placement included 10,000,000 shares issued to two directors.

5. Statement of Cash Flows

	2016 \$	2015 \$
<b>Cash Flows from Operating Activities</b>		
Interest received	15,889	11,350
Other Income and Interest on unclaimed dividend account	55,294	-
Payments to suppliers and directors	(233,883)	(220,879)
<b>Net cash used in operating activities</b>	<u>(162,700)</u>	<u>(209,529)</u>
<b>Cash Flows from Investing Activities</b>		
Transfer from Unclaimed Dividend account	199,803	-
Payments for Investments	(221,915)	-
<b>Net cash used in investing activities</b>	<u>(22,112)</u>	<u>-</u>
<b>Cash Flows from Financing Activities</b>		
Share placement (net of capital raising costs)	1,018,124	277,143
<b>Net cash provided by financing activities</b>	<u>1,018,124</u>	<u>277,143</u>
<b>Net increase in cash and cash equivalents held</b>	<b>833,312</b>	<b>67,614</b>
Cash and cash equivalents at the beginning of the financial year	351,896	284,282
<b>Cash and cash equivalents at the end of the Financial Year</b>	<u><u>1,185,208</u></u>	<u><u>351,896</u></u>

**Reconciliation of Operating (Loss) after Income Tax to the Net Cash Flow from Operating Activities**

	30 June 2016 \$	30 June 2015 \$
Operating (loss) after income tax	(870,780)	(507,019)
<i>Adjustment for:</i>		
Provision for Impairment Loss on Unlisted Investments	700,000	300,000
Unpresented Dividends	(199,803)	-
Issued Options fair value expense	5,777	-
(Decrease) / Increase in trade and other payables	202,106	(2,510)
<b>Net cash outflow from operating activities</b>	<u>(162,700)</u>	<u>(209,529)</u>

## 6. Statement of Changes in Equity

	Issued capital \$	Accumulated losses \$	Other reserves \$	Total \$
<b>At 1 July 2014</b>	<b>39,338,817</b>	<b>(38,072,926)</b>	-	<b>1,265,891</b>
Loss for the year	-	(507,019)	-	(507,019)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) for the year	-	(507,019)	-	(507,019)
Transaction with owners in their capacity as owners: Share placement (net of capital raising costs)	277,143	-	-	277,143
<b>At 30 June 2015</b>	<b>39,615,960</b>	<b>(38,579,945)</b>	-	<b>1,036,015</b>
<b>At 1 July 2015</b>	<b>39,615,960</b>	<b>(38,579,945)</b>	-	<b>1,036,015</b>
Loss for the year	-	(870,780)	-	(870,780)
Other comprehensive income	-	-	-	-
Total comprehensive (loss) for the year	-	(870,780)	-	(870,780)
Transaction with owners in their capacity as owners: Share placement (net of capital raising costs)	2,318,123	-	-	2,318,123
Share Options	-	-	5,777	5,777
<b>At 30 June 2016</b>	<b>41,934,083</b>	<b>(39,450,725)</b>	<b>5,777</b>	<b>2,489,135</b>

## 7. Dividends

No dividends were paid in the financial year. The directors do not recommend the payment of any dividends with respect to the financial year.

## 8. Dividend or Distribution Reinvestment Plan

Not applicable.

## 9. Net Tangible Assets per Security

	30 June 2016 \$	30 June 2015 \$
Net tangible assets per security	\$0.02	\$0.02

## 10. Changes in Control Over Entities

During the last three months, Biotech Capital acquired 100% of the share capital in Biointelect Pty Ltd and Bio101group Pty Ltd

**11. Associates and Joint Venture Entities**

Not applicable.

**12. Significant Information**

None

**13. Accounting Standards**

The Financial Statements have been prepared in accordance with and comply with generally accepted accounting practice in Australia, International Financial Reporting Standards, and other applicable Financial Reporting Standards as appropriate for profit-oriented entities in Australia.

**14. Commentary on the Results**

An increase of \$700,000 to the impairment provision for the legacy minority investment in Sensear Pty Ltd, compared with an increase of \$300,000 in 2015. The provision reduced the carrying value of the investment to zero.

During the year, Biotech Capital has invested in two investee companies to provide a range of professional services to high-growth biotech, medtech and pharmaceutical companies.

Biotech Capital is committed to supporting the business objectives of Biointelect and Bio101 in order that they grow their respective service offerings, client base, revenues and ultimately their profitability. Biotech Capital also continues to seek and carefully evaluate additional investment opportunities in the life sciences sector, more specifically, technologies and companies that in the Board's view will benefit from greater access to management expertise and development capital.

**15. Audit Status**

This report is based upon financial statements for the year ended 30 June 2016 which are in the process of being audited.