

Rules 4.1, 4.3

Appendix 4D

Half yearly report

Introduced 1/1/2003.

Name of Entity	Weebit Nano Limited
ACN	146 455 576
Financial Period Ended	31 DECEMBER 2021
Previous Corresponding Reporting Period	31 DECEMBER 2020

Results for Announcement to the Market

Results for Announcement to the Market

	\$	Percentage increase /(decrease) over previous corresponding period
Revenue from ordinary activities	Nil	-
Loss from ordinary activities after tax attributable to members	21,525,884	189.48%
Loss for the period attributable to members	21,525,884	189.48%
Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	-
Interim Dividend	Nil	-
Previous corresponding period	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:		
The company is a start up technology company with no sales and significant research and development costs.		

The half-yearly report it is to be read in conjunction with the most recent annual financial report.

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	NIL
Total dividend	NIL
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	29.710c	16.064c

*Comparative adjusted to reflect the 25:1 share consolidation effected during the previous Financial Year.

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	Not applicable
Date control gained	Not applicable
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	Not applicable
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	Not applicable

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	Not applicable
Date control lost	Not applicable
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	Not applicable
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	Not applicable

Details of Associates and Joint Venture Entities


Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
Not applicable	-	-	-	-

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	X
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	
If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification: Not applicable			
If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification: Not applicable			

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report

Signed By (Director/Company Secretary) 	
Print Name	Mark Licciardo
Date	24 February 2022

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2021

ACN 146 455 576



CONTENTS

CORPORATE INFORMATION	1
DIRECTORS' REPORT.....	2
AUDITOR'S INDEPENDENCE DECLARATION	4
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	5
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	6
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	7
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS.....	8
NOTES TO THE FINANCIAL STATEMENTS.....	9
DIRECTORS' DECLARATION.....	14
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS.....	15

CORPORATE INFORMATION

DIRECTORS:

David Perlmutter
Chairman

Jacob Hanoch
Managing Director and CEO

Fred Bart
Non-Executive Director

Atiq Raza
Non-Executive Director

Ashley Krongold
Non-Executive Director

Yoav Nissan-Cohen
Executive Director

COMPANY SECRETARY:

Mark Licciardo

REGISTERED & PRINCIPAL OFFICE:

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MELBOURNE VIC 3000
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MELBOURNE VIC 3000

WEBSITE:

www.weebit-nano.com

HOME STOCK EXCHANGE:

Australian Securities Exchange Limited
Level 40, Central Park
152-158 St Georges Terrace
PERTH WA 6000

ASX CODE:

WBT

SHARE REGISTRY:

Computershare Investor Services Pty Ltd
452 Johnston Street
ABBOTSFORD VIC 3067

AUDITORS:

Nexia Perth Audit Services Pty Ltd
Level 3
88 William Street
PERTH WA 6000

SOLICITORS - SYDNEY:

King & Wood Mallesons
Level 61 Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

BANKERS:

Westpac Banking Corporation
108 Stirling Highway
NEDLANDS WA 6009

DIRECTORS' REPORT

Your Directors have pleasure in submitting their report on Weebit Nano Limited ("the Company") and its subsidiaries ("the Group"), for the half year ended 31 December 2021. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names and details of Directors in office at any time during the period were:

David Perlmutter	Non-Executive Chairman
Jacob Hanoch	Managing Director and CEO
Yoav Nissan Cohen	Executive Director
Ashley Krongold	Non-Executive Director
Fred Bart	Non-Executive Director
Atiq Raza	Non-Executive Director

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

Significant Events During the Period

During the six months ended 31 December 2021 (H1 FY22), Weebit delivered substantial technical and commercial progress across multiple fronts and has positioned itself strongly to continue executing on its growth strategy and commercialising its ReRAM memory technology.

First commercial deal with US-based SkyWater; technology transfer underway

In September 2021, Weebit secured its first commercial deal with US-based semiconductor foundry SkyWater Technology Inc. The deal incorporates a technology transfer and qualification agreement, as well as a non-exclusive licensing agreement.

Successfully scaled down and demonstrated ReRAM at 28nm

Weebit and CEA-Leti successfully scaled its ReRAM technology down to 28nm on 300mm wafers, demonstrating very good endurance, data retention and other production-level parameters. As the 28nm geometry is widely used in a range of advanced embedded applications, this demonstration is a key step towards commercialisation of embedded Non-Volatile Memory (NVM) for AI, autonomous driving, 5G and advanced IoT.

Further strengthened balance sheet

Weebit Nano completed a successful \$35.2 million Placement and Entitlement Offer during H1 FY22, welcoming four Israel-based institutional investment and pension funds to the register. An additional \$8 million was received through the exercising of options as of 31 December 2021 and in January 2022 another \$8.5 million was raised via the exercise of listed options.

First silicon demo wafers received

During the period, Weebit received the first manufactured silicon wafers integrating its embedded ReRAM module inside complete subsystem demonstration chips. These demo chips are an important commercialisation milestone, supporting the adoption of Weebit's technology by enabling potential customers to run applications and test Weebit's technology ahead of commercial orders and volume production. The demo wafers were sliced into chips and packaged, and are now being tested, characterised and qualified.

Expanded strategic partnership with CEA-Leti

In August 2021, Weebit licensed additional IP from CEA-Leti under a new strategic agreement. The integration of CEA-Leti's IP has improved Weebit's array-level endurance by an order of magnitude and increased data retention 2 times compared to previous results under the same conditions. These improvements enable Weebit to address new high-volume markets such as automotive and smart cards that require high-temperature reliability up to 175°C and high-temperature compatibility for wafer level packaging.

DIRECTORS' REPORT

Significant Events During the Period

Filed for six new patents, protecting intellectual property

Weebit Nano continues to build its intellectual property portfolio, filing six new patents during H1 FY22. Four of these were joint patents with CEA-Leti and relate to different selector-based memory structures and their programming schemes. The other two patents outlined innovations in developing smart algorithms and optimising ReRAM cells for power consumption and reducing time to complete a memory write transaction.

Review of Operations

The net loss attributable to members of the Company for the half year ended 31 December 2021 amounted to \$21,525,884 (2020: \$7,435,980). The increase in net loss compared to the prior period is mainly due to an increase in research and development costs due to an accelerated development process.

Subsequent Events

Demonstrated its first crossbar ReRAM arrays

Post reporting-period, Weebit and CEA-Leti achieved a key technical milestone for the discrete (stand-alone) market, demonstrating its first operational Kilobit (Kb) crossbar arrays that combine Weebit's ReRAM technology with a selector. Weebit's crossbar arrays were developed using 1S1R (one selector one resistor) architecture, which have potential applications in storage class memory, persistent memory, as a NOR flash replacement, as well as machine learning in-memory computations and neuromorphic computing.

Gabriel Molas appointed Chief Scientist

In January 2022, Weebit Nano appointed ReRAM and non-volatile memory (NVM) expert Gabriel Molas as Chief Scientist. Mr Molas is leading the Company's applied research efforts, focused on continuous ReRAM optimisations and ongoing leadership on all technical parameters. He brings more than 17 years NVM experience to Weebit, gained at CEA-Leti where he led numerous ReRAM research projects including work with Weebit's ReRAM.

After period end the following shares were issued and options were exercised:

- 563,160 ordinary fully paid shares at an issue price of \$2.84 per share
- 18,869,828 listed options at an exercise price of \$0.45 per option
- 36,725 unlisted options at an exercise price of \$0.2312 per option

Auditor's Independence Declaration

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* for the half year ended 31 December 2021 has been received and can be found on page 4.

Auditor

Nexia Perth Audit Services Pty Ltd continues in office in accordance with section 327 of the *Corporation Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to Section 306(3) of the *Corporations Act 2001*.

David Perlmutter

Chairman

Hod Hasharon, Israel

23 February 2022



Lead auditor's independence declaration under section 307C of the *Corporations Act 2001*

To the directors of Weebit Nano Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2021 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.



Nexia Perth Audit Services Pty Ltd



M. Janse Van Nieuwenhuizen
Director

Perth
23 February 2022

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2021

	Note	Consolidated 31 December 2021 \$	Consolidated 31 December 2020 \$ <i>Restated</i>
Research and Development expenses (net)		(16,358,542)	(4,887,565)
Sales and Marketing expenses		(1,039,618)	(458,661)
General and Administrative expenses		(4,121,824)	(2,096,140)
Loss from operations for the period		(21,519,984)	(7,442,366)
Finance income (expenses)		(5,900)	6,386
Loss before tax for the period		(21,525,884)	(7,435,980)
Income tax expense		-	-
Net loss for the period		(21,525,884)	(7,435,980)
Other comprehensive income			
Foreign currency translation differences for foreign operations		(348,463)	197,188
Total comprehensive loss for the period		(21,874,347)	(7,238,792)
Basic and diluted loss per share			
- cents per share		(16.5)	(7.2)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 31 December 2021

	Note	Consolidated 31 December 2021 \$	Consolidated 30 June 2021 \$
ASSETS			
Current assets			
Cash and cash equivalents		47,701,819	21,726,173
Trade and other Receivables		2,312,457	294,416
Total current assets		50,014,276	22,020,589
Non-current assets			
Plant and equipment		166,812	67,889
Right of use assets		451,002	70,109
Long term deposit		17,579	50,950
Total non-current assets		635,393	188,948
TOTAL ASSETS		50,649,669	22,209,537
LIABILITIES			
Current liabilities			
Trade and other payables		3,220,046	993,835
Unallocated Shares	2(c)	1,623,896	-
Lease liability – current		171,433	29,532
Total current liabilities		5,015,375	1,023,367
Non-current liabilities			
Lease liability – non current		310,708	19,615
Total non-current liabilities		310,708	19,615
TOTAL LIABILITIES		5,326,083	1,042,982
NET ASSETS		45,323,586	21,166,555
EQUITY			
Issued capital	2	100,456,774	60,061,746
Reserves		17,180,044	11,892,157
Accumulated losses		(72,313,232)	(50,787,348)
TOTAL EQUITY		45,323,586	21,166,555

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

Condensed Consolidated Statement of Changes in Equity

For the half year ended 31 December 2021

	Note	Issued Capital	Foreign currency translation differences for foreign operations	Option Reserve	Accumulated Losses	Total Equity
		\$	\$	\$	\$	\$
2021 CONSOLIDATED						
Total equity at 1 July 2021		60,061,746	(699,401)	12,591,558	(50,787,348)	21,166,555
Net loss for the period		-	-	-	(21,525,884)	(21,525,884)
Other comprehensive income		-	(348,463)	-	-	(348,463)
Total comprehensive income / (loss) for the period		-	(348,463)	-	(21,525,884)	(21,874,347)
Transactions with equity holders:						
Contributions of capital	2	33,542,490	-	-	-	33,542,490
Capital raising costs	2	(1,176,651)	-	-	-	(1,176,651)
Exercise of options	2	8,029,189	-	-	-	8,029,189
Share-based payments	5	-	-	5,636,350	-	5,636,350
Total equity at 31 December 2021		100,456,774	(1,047,864)	18,227,908	(72,313,232)	45,343,586
2020 CONSOLIDATED						
Total equity at 1 July 2020		36,133,657	(875,708)	7,639,009	(39,554,446)	3,342,512
Net loss for the period (<i>restated</i>)	1	-	-	-	(7,435,980)	(7,435,980)
Other comprehensive income (<i>restated</i>)	1	-	197,188	-	-	197,188
Total comprehensive income / (loss) for the period (restated)		-	197,188	-	(7,435,980)	(7,238,792)
Transactions with equity holders:						
Contributions of capital		21,888,241	-	-	-	21,888,241
Capital raising costs		(2,425,803)	-	-	-	(2,425,803)
Exercise of options		1,165,310	-	-	-	1,165,310
Share-based payments	5	-	-	1,989,888	-	1,989,888
Total equity at 31 December 2020		56,761,405	(678,520)	9,628,897	(46,990,426)	18,721,356

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

Condensed Consolidated Statement of Cash Flows

For the half year ended 31 December 2021

	Note	Consolidated 31 December 2021 \$	Consolidated 31 December 2020 \$
<i>Cash flows from operating activities</i>			
Payments to suppliers and employees		(14,246,634)	(6,738,823)
Interest paid		(6,828)	(68)
Net cash used in operating activities		(14,253,462)	(6,738,891)
<i>Cash flows from investing activities</i>			
Payments for fixed assets		(109,493)	(3,119)
Investments in deposits and restricted cash		33,371	604
Net cash used in investing activities		(76,122)	(2,515)
<i>Cash flows from financing activities</i>			
Proceeds from the issue of shares	2	33,542,490	21,888,241
Capital raising costs	2	(1,176,651)	(1,517,803)
Proceeds from exercise of options	2	8,029,189	1,165,311
Repayment of lease liabilities		(89,798)	(53,904)
Net cash provided by financing activities		40,305,230	21,481,844
Net increase in cash and cash equivalents		25,975,646	14,740,440
Cash and cash equivalents at the beginning of the period		21,726,173	4,115,275
Cash and cash equivalents at the end of the period		47,701,819	18,855,714

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

NOTE 1 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Weebit Nano Limited (the “Company”) is a company domiciled in Australia. The consolidated interim financial report of the Group as at and for the half year ended 31 December 2021 comprises the Company and its subsidiaries – Weebit Nano Israel and Weebit Nano France, together referred to as the Group.

Statement of Compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in a full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by Weebit Nano Ltd during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

This consolidated interim financial report was approved by the Board of Directors on 23 February 2022.

Basis of Preparation

The consolidated interim financial report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

Financial Position

The consolidated interim financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group reported a net loss for the period of \$21,525,884 (2020: \$7,435,980) and a cash outflow from operating activities of \$14,253,462 (2020: \$6,738,891). The Group had a net working capital surplus of \$44,998,901 (June 2021: \$20,997,222) including cash of \$47,701,819 at 31 December 2021 (June 2021: \$21,726,173). The loss mainly reflects the research and development activities of the Group.

Significant Accounting Judgements and Key Estimates

The preparation of interim financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half year report, the significant judgements made by management in applying the Group’s and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2021.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the activities and geographic regions in which the consolidated entity operates. Other than as addressed in specific

Notes to the Financial Statements

notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Reclassification of Comparatives

In order to ensure consistency with the results reported at 30 June 2021, losses from movements in foreign exchange of \$1,931,328 have been reclassified from finance costs to other comprehensive income in the comparative period ending 31 December 2020. The reclassification can be seen in the Consolidated Statement of Profit and Loss and Other Comprehensive Income and the Consolidated Statement of Changes in Equity. There is no impact on the Consolidated Statement of Financial Position.

	31 December 2020 previously reported \$	Adjustment \$	31 December 2020 restated \$
Net loss for the period	(9,367,308)	1,931,328	(7,435,980)
Other comprehensive income	2,128,516	(1,931,328)	197,188
Total comprehensive income	(7,238,792)	-	(7,238,792)

NOTE 2 – ISSUED CAPITAL

CONSOLIDATED AND PARENT ENTITY

	December 2021 No.	December 2021 \$	June 2021 No.	June 2021 \$
(a) Issued and Paid Up Capital				
Fully paid ordinary shares	152,554,051	100,456,774	122,702,514	60,061,746
(b) Movements in fully paid shares on issue				
Balance at the start of the period	122,702,514	60,061,746	80,388,947	36,133,657
Shares issued in the period:				
Capital Raising (i)	11,810,736	33,542,490	33,420,749	21,888,241
Options and performance rights converted to shares				
Capital Raisings Costs	-	(1,176,651)	-	(2,485,382)
Listed options exercised (i)	17,104,278	7,696,925	7,770,655	3,496,795
Unlisted options and performance rights exercised	936,521	332,264	1,122,163	1,028,435
Balance at end of period	152,554,051	100,456,774	122,702,514	60,061,746

- (i) During the period, the Company raised a total amount of \$33,542,490 by means of private placements and an entitlement offer. 11,810,736 shares were issued at \$2.84 per share. In addition, 17,104,278 listed options were exercised to shares for \$0.45 per option.

(c) Payment received for shares issued post period end

\$1,623,896 was received in December 2021 for the issue of 563,160 shares. The shares were not issued until January 2022 (refer to Note 6) therefore the amount has been included as a liability at 31 December 2021.

Notes to the Financial Statements

NOTE 3 – RELATED PARTY TRANSACTIONS

Refer to Note 6 for share options and performance rights granted to directors and key management personnel.

NOTE 4 – SEGMENT REPORTING

As at 31 December 2021 the Group only had one operating segment namely memory and semiconductor technology development.

Notes to the Financial Statements

NOTE 5 – SHARE BASED PAYMENTS

Share-based payment transactions

The Company has completed the following share-based payment transactions:

	Options 31 December 2021 \$	Options 31 December 2020 \$
Expense of options granted in previous periods (i.e. expensed over the vesting period)	2,874,608	401,361
1,050,000 options granted to Chairman	240,975	-
1,260,000 options granted to CEO	289,169	-
360,000 options granted to directors	70,612	-
100,000 options granted to advisors	22,435	-
2,539,163 options granted to employees	2,133,932	-
12,000 performance rights granted to an employee	4,619	-
3,175,354 options granted to employees	-	398,354
650,000 options granted to directors	-	79,587
500,000 options granted to Chairman	-	72,352
900,000 options granted to CEO	-	130,234
Capital Raising Costs (recognised directly in equity)	-	908,000
	5,636,350	1,989,888

During the half year ended 31 December 2021 the Company issued the following unlisted options and performance rights:

Date of Grant	Grantee	Number of options	Exercise price \$	Vesting Conditions	Expiry date	Underlying share price \$	Share price volatility	Risk free interest rate	Fair Value \$
29/09/2021	Employees	612,000	2.68	*	29/09/2031	2.63	90.24%	1.03%	1.96
29/09/2021	Advisor	50,000	2.68	*	29/09/2031	2.63	90.24%	1.5%	2.25
29/09/2021	Employee	50,000	2.68	*	29/09/2031	2.63	90.22%	1.47%	2.75
29/09/2021	Employees	12,000	Nil	**	29/09/2031	2.63			2.63
26/10/2021	Employee	100,000	2.68	*	26/10/2031	3.49	90.22%	1.47%	2.75
26/10/2021	Chairman	250,000	0.82	*	17/09/2030	3.49	88.9%	1.81%	3.24
26/10/2021	CEO	300,000	0.82	*	17/09/2030	3.49	88.9%	1.81%	3.24
04/02/2021	Employee	1,727,163	2.82	***	04/02/2031	2.79	91.4%	1.71%	2.13
16/11/2021	Directors	360,000	2.68	*	16/11/2031	3.19	89.80%	1.84%	2.77
16/11/2021	Chairman	800,000****	2.68	*	16/11/2031	3.19	89.80%	1.84%	2.77
16/11/2021	CEO	960,000****	2.68	*	16/11/2031	3.19	89.80%	1.84%	2.77
01/12/2021	Employee	50,000	3.04	*	01/12/2031	2.96	89.58%	1.48%	2.21
01/12/2021	Advisor	50,000	3.04	*	01/12/2031	2.96	89.58%	1.73%	2.53

*25% shall vest upon the completion of the first 12-month period following the grant and then 6.25% shall vest every 3 months thereafter.

**Performance rights- 25% shall vest each year, with the first tranche lock up for 12 months.

*** 25% shall on 1.1.2022 and then 6.25% shall vest every 3 months thereafter.

**** Out of which 320,000 options for CEO and 266,000 options for Chairman are conditional upon milestone achievement.

Notes to the Financial Statements

NOTE 6 – SUBSEQUENT EVENTS

Demonstrated its first crossbar ReRAM arrays

Post reporting-period, Weebit and CEA-Leti achieved a key technical milestone for the discrete (stand-alone) market, demonstrating its first operational Kilobit (Kb) crossbar arrays that combine Weebit's ReRAM technology with a selector. Weebit's crossbar arrays were developed using 1S1R (one selector one resistor) architecture, which have potential applications in storage class memory, persistent memory, as a NOR flash replacement, as well as machine learning in-memory computations and neuromorphic computing.

Gabriel Molas appointed Chief Scientist

In January 2022, Weebit Nano appointed ReRAM and non-volatile memory (NVM) expert Gabriel Molas as Chief Scientist. Mr Molas is leading the Company's applied research efforts, focused on continuous ReRAM optimisations and ongoing leadership on all technical parameters. He brings more than 17 years NVM experience to Weebit, gained at CEA-Leti where he led numerous ReRAM research projects including work with Weebit's ReRAM.

After period end the following shares were issued and options were exercised:

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- 36,725 unlisted options at an exercise price of \$0.2312 per option

Directors' Declaration

In the opinion of the directors:

The condensed interim financial statements and notes thereto are in accordance with the Corporations Act 2001 including:

- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half year period then ended.

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.

On behalf of the Board

Jacob Hanoch
Director
Israel



23 February 2022

Independent Auditor's Review Report to the members of Weebit Nano Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying interim financial report of Weebit Nano Limited (the Company) and its controlled entities (the Group), which comprises the condensed consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of accounting policies, other explanatory notes, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the interim period.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the interim financial report of Weebit Nano Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' Responsibility for the Interim Financial Report

The directors of the Group are responsible for the preparation of the interim 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 are necessary to enable the preparation of the interim 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 interim 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* (ASRE 2410), in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to believe that the 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 2021 and its performance for the period ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Nexia Perth

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As the auditor of Weebit Nano Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report. A review of an interim 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.

Independence

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 Weebit Nano Limited, would be in the same terms if given to the directors as at the time of this auditor's report.



Nexia Perth Audit Services Pty Ltd



M. Janse Van Nieuwenhuizen
Director

Perth
23 February 2022