



28 February 2018

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam

RELEASE OF MYFIZIQ LIMITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2017

In accordance with the ASX Listing Rules, I enclose the following for release:

1. Appendix 4D – half yearly report;
2. Half year financial report for the half year ended 31 December 2017 including the Directors' Report.

Yours faithfully
On behalf of the Board of MYFIZIQ LIMITED

A handwritten signature in black ink, appearing to read "Kevin Hart", with a long horizontal line extending to the right.

Kevin Hart
Company Secretary

MYFIZIQ LIMITED**Appendix 4D****Half-year report****for the half-year ended 31 December 2017**

Name of entity: **MYFIZIQ LIMITED**

ACN: **602 111 115**

Current Reporting Period **Half Year ended 31 December 2017**

Previous Reporting period **Half Year ended 31 December 2016**

Results for announcement to the market.**Item 1**

	6 months ending			
Operating Performance	31 Dec 2017 \$	31 Dec 2016 \$	Movement \$	Movement %
Revenue from continuing activities	1,713,806	69,161	1,644,645	2,378%
Profit/(loss) from continuing activities after income tax	(11,733,082)	(667,686)	(11,065,396)	1,657%
Net profit/(loss) for the half year attributable to members	(11,733,082)	(667,686)	(11,065,396)	1,657%

Item 2

Dividends
It is not proposed to pay dividends.
There are no dividend or distribution reinvestment plans in operation and there has been no dividend or distribution payments during the financial half year ended 31 December 2017.

Item 3 – Brief Explanation

Revenue from continuing activities for the 6 months ending 31 December 2017 included \$1,500,000 in licence fees and \$171,419 in joint venture revenues. These amounts were nil for the comparative period.

The loss after income tax for the 6 months ended 31 December 2017 includes a total share based payments expense of \$11,765,452.

Item 4

Net Tangible Assets	6 months ending			
	31 Dec 2017	31 Dec 2016	Movement	Movement
	\$	\$	\$	%
Net tangible assets per security	\$0.010	\$0.034	-\$0.024	-70%

Net tangible assets have decreased by \$1.8m mainly due to a reduction in cash of \$1.4m and an increase in trade and other payables of \$0.4m.

Item 5

Control gained or lost over Entities during the period
Nil

Item 6

Controlled Entities and joint ventures	Ownership interest as at	
	31 December 2017 %	31 December 2016 %
Parent Entity: MYFIZIQ LIMITED		
Joint venture entities: Joint venture entity: Body Composition Technologies Pte Limited Percentage holding in JV entity	50%	-

Item 7

Accounting Standards
The financial report has been prepared in accordance with Australian Equivalents to International Financial Reporting Standards.

Item 8

Auditor's review report
Our half-year report is based on the financial report of MYFIZIQ LIMITED for the half-year ended 31 December 2017, which has been reviewed by HLB Mann Judd. Refer to the 31 December 2017 half-year financial report for the independent auditor's review report provided to the members of MYFIZIQ LIMITED.

Appendix 4D Requirements	Reference
1. Reporting period and the previous corresponding period.	Refer to page 1 of this report.
2. Results for announcement to the market.	Refer to page 1 of this report "Results for announcement to the market" and Items 1, 2 and 3 of this report.
3. Net tangible assets per security.	Refer to Item 4 of this report.
4. Details of entities where control has been gained or lost during the period.	Refer to Item 5 of this report.
5. Details of individual and total dividends or distributions and dividend or distribution payments.	Refer to Item 2 of this report.
6. Details of dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in a dividend or distribution reinvestment plan.	Refer to Item 2 of this report.
7. Details of joint venture and associated entities.	Refer to Item 6 of this report.
8. For foreign entities, accounting standards used in compiling reports.	Not applicable.
9. If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification.	Refer to Item 8 of this report.



MYFIZIQ LIMITED

ACN 602 111 115

Financial Statements

**For The Half-Year Ended
31 December 2017**

Contents

	Page
-----	-----
Directors' Report	2-3
Auditor's Independence Declaration	4
Condensed Statement of Profit or Loss and Other Comprehensive Income	5
Condensed Statement of Financial Position	6
Condensed Statement of Changes in Equity	7
Condensed Statement of Cash Flows	8
Notes to the Condensed Financial Statements	9-17
Directors' Declaration	18
Independent Auditor's Review Report	19-20
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Directors' Report

The Directors present the financial statements of MyFiziq Limited for the half-year ended 31 December 2017.

Directors

The following persons were directors of MyFiziq Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Peter Wall	<i>(Non-Executive Chairman)</i>
Vlado Bosanac	<i>(Executive Director and CEO)</i>
Katherine Iscoe	<i>(Executive Director)</i>
Cyril Donnelly	<i>(Non-Executive Director) – Resigned 31 July 2017</i>
Michael Melby	<i>(Non-Executive Director) – Appointed 27 October 2017</i>

Company Secretary

Kevin Hart

Review of Operations

The net loss after income tax for the half-year was \$11,733,082 (31 December 2016: \$667,686). This net loss included share based payments of \$11,765,452 (31 December 2016: \$2,642) in relation to options and performance rights issued to employees and suppliers.

At the end of the half-year the Company had \$1,356,292 (30 June 2017: \$1,159,789) in cash and at call deposits. Capitalised development costs relating to the MyFiziq app at the end of the half year were \$1,717,357 (30 June 2017: \$1,552,629).

During the period under review the company achieved key milestones in

- The signing of multiple commercial deals,
- Achieving first revenues,
- Delivering a new single user / front camera user experience
- The launch of a server-less, multi-tenancy backend infrastructure and
- The granting of a full Australian patent (Australia patent No: 2015358289).

All these achievements have been well received by the market resulting in the share price increasing by 1853% from \$0.065 as of 03/07/07 to \$1.205 as of 29/12/17.

Whilst initially announced in the previous period, the due diligence and company structure of the Body Composition Technologies ("BCT") joint venture with Gold Quay Capital Pte Ltd was completed, and initial research and prototype app development commenced. As a result, \$1,671,419 was received during the period from BCT in the form of licence payments and app development revenues.

MyFiziq also announced its first strategic partnership in North America with the signing of a binding term sheet with one of the world's leading fitness applications (app), Fitocracy. MyFiziq's technology will be integrated into Fitocracy's Fitness Community and Personal Coaching application. With an initial target of 500,000 Fitocracy users subscribing to the MyFiziq solution within the Fitocracy environment, potential revenue to MyFiziq, excluding future Fitocracy growth, is up to US\$9 million per annum (subject to this target being achieved).

Directors' Report

Review of Operations (continued)

During the period Mike Melby, Managing Partner of U.S. based venture capital firm, FITLAB LLC, and Executive Director of Fitocracy was also appointed to the MyFiziq Board as a non-executive director. In addition to the appointment, Brian Kirkbride, also Managing Partner of FITLAB, will act as a strategic advisor and will support Mr Melby in his directorship of MYQ.

Additionally, MyFiziq announced another first with its first strategic partnership in India with India-based Sports Business identity Ravi Krishnan, CEO of Stepathlon, to expand its global reach into the one billion plus Indian population. Through this partnership, MyFiziq will receive a US\$1 million licence fee for marketing rights in the Indian market, and a further US\$500,000 to expedite Android development (Subject to Mr Krishnan successfully completing financing for the Indian side of the business opportunity in 1st Quarter 2018). Under the partnership, MyFiziq technology will be initially integrated with Stepathlon's wellness platform that currently comprises 620+ partner companies and more than 349,000 employees. The parties then contemplate that MyFiziq will provide white-label solutions to multiple verticals in India, including the weight loss industry, gyms, online health & fitness, supplement companies and sporting organisations, all of which have grown dramatically over the last decade.

MyFiziq finished the period strengthening its presence further by announcing its 4th commercial transaction and second strategic partnership in North America with transformative human performance media and technology company, FitLab LLC, which will see MyFiziq integrated into the cutting edge mobile application (app) of its client, Mayweather Boxing + Fitness (Mayweather). The Mayweather app directed workouts will be based on the training system of Floyd Mayweather, the world champion boxer with an aggregate social media following of 41,000,000.

Significant Changes in State of Affairs

There were no significant changes in the state of affairs of the Company during the period.

Matters Subsequent to the End of the Financial Period

There has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years:

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 28th day of February 2018.



Vlado Bosanac
Executive Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of MyFiziq Limited for the half-year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

**Perth, Western Australia
28 February 2018**




**L Di Giallonardo
Partner**

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HLB Mann Judd (WA Partnership) is a member of  International, a world-wide organisation of accounting firms and business advisers

MyFiziq Limited
ACN 602 111 115

Condensed Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2017

	Note	31 December 2017 \$	31 December 2016 \$
Revenue			
Reimbursements from joint venture		171,419	-
Licence income		1,500,000	-
Other income	3	40,496	35,959
Interest income		1,891	33,202
Total Revenue		1,713,806	69,161
Expenses			
Employee expenses	3	(13,044,000)	(786,060)
Consulting and advisory		(208,018)	(159,831)
Corporate		(128,990)	(119,271)
Brand development and patent costs		(107,759)	(32,653)
Marketing and publicity		(56,697)	(123,841)
Telecommunications and IT		(47,405)	(47,932)
Occupancy costs		(58,842)	(63,506)
Financing costs		(1,301)	(1,488)
Share of loss of a joint venture	6	(680)	-
Depreciation & amortisation expenses		(10,116)	(6,288)
Administration and other expenses		(304,811)	(32,330)
Total expenses		(13,968,619)	(1,373,200)
Loss before income tax	3	(12,254,813)	(1,304,039)
Income tax benefit	3	521,731	636,353
Net loss for the period		(11,733,082)	(667,686)
Other comprehensive income		-	-
Total comprehensive loss for the period		(11,733,082)	(667,686)
Loss per share		cents	cents
Basic and diluted loss per share		(14.84)	(0.8)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

MyFiziq Limited
ACN 602 111 115

Condensed Statement of Financial Position
As At 31 December 2017

	Note	31 December 2017 \$	30 June 2017 \$
Current assets			
Cash and cash equivalents		1,356,292	1,159,789
Trade and other receivables		47,232	31,560
Prepayments		26,000	48,694
Inventories		4,833	14,445
Total current assets		1,434,357	1,254,488
Non-current assets			
Other financial assets		37,500	37,500
Property, plant and equipment		41,490	34,021
Intangible assets – application development costs		1,717,357	1,552,629
Total non-current assets		1,796,347	1,624,150
Total assets		3,230,704	2,878,638
Current liabilities			
Trade and other payables		593,570	299,523
Employee leave liabilities		122,180	96,531
Total current liabilities		715,750	396,054
Total liabilities		715,750	396,054
Net Assets		2,514,954	2,482,584
Equity			
Issued capital	4	7,212,356	7,212,356
Equity compensation reserve	5	11,922,608	157,156
Accumulated losses		(16,620,010)	(4,886,928)
Total Equity		2,514,954	2,482,584

The above statement of financial position should be read in conjunction with the accompanying notes.

MyFiziq Limited
ACN 602 111 115

Condensed Statement of Changes in Equity
For the half-year ended 31 December 2017

	Issued capital	Accumulated losses	Equity Compensation Reserve	Total
	\$	\$	\$	\$
At 1 July 2016	7,187,044	(2,697,319)	-	4,489,725
Total comprehensive loss for the period:				
Loss for the period	-	(667,686)	-	(667,686)
Other comprehensive income	-	-	-	-
	-	(667,686)	-	(667,686)
Share based payments:				
Suppliers	-	-	-	-
Employees	-	-	2,642	2,642
At 31 December 2016	7,187,044	(3,365,005)	2,642	3,824,681

	Issued capital	Accumulated losses	Equity Compensation Reserve	Total
	\$	\$	\$	\$
At 1 July 2017	7,212,356	(4,886,928)	157,156	2,482,584
Total comprehensive loss for the period:				
Loss for the period	-	(11,733,082)	-	(11,733,082)
Other comprehensive income	-	-	-	-
	-	(11,733,082)	-	(11,733,082)
Share based payments				
Suppliers	-	-	14,830	14,830
Employees	-	-	11,750,622	11,750,622
At 31 December 2017	7,212,356	(16,620,010)	11,922,608	2,514,954

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Statement of Cash Flows
For the half-year ended 31 December 2017

	31 December 2017 \$	31 December 2016 \$
Cash flows from operating activities		
Receipts from customers	1,824,312	-
Other income	7,461	36,601
Research & Development tax incentive	521,731	579,996
Interest received	2,356	41,608
Interest and other costs of finance paid	(1,301)	(1,488)
Payments to suppliers and employees	(1,911,701)	(1,254,027)
Payments for patents	(58,507)	(16,708)
Net cash flows from/(used in) operating activities	384,351	(614,018)
Cash flows from investing activities		
Payments for security deposits	-	5,400
Payments for property, plant and equipment	(22,062)	(14,658)
Payments for application development costs	(165,786)	(319,835)
Net cash flows used in investing activities	(187,848)	(329,093)
Cash flows from financing activities	-	-
Net cash flows from financing activities	-	-
Net increase / (decrease) in cash assets	196,503	(943,111)
Cash at the beginning of the financial period	1,159,789	3,674,697
Cash at the end of the financial period	1,356,292	2,731,586

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 1 Statement of Significant Accounting Policies

Statement of compliance

These general purpose financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. Compliance with AASB 134 ensures that the financial statements comply with IAS 34 Interim Financial Reporting.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements 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 statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2017 and any public announcements made by MyFiziq Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Basis of preparation

The half-year financial statements have been prepared on a historical cost basis. Cost is based on the fair values of consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars.

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

Accounting policies and methods of computation

The same accounting policies and methods of computation have generally been followed in these half-year financial statements as compared with the most recent annual financial statements. The following accounting policy was applicable and adopted for the first time in the half year financial statements:

Interests in equity-accounted investees

The Company's interest in equity-accounted investees comprise an interest in a joint venture. A joint venture is an arrangement in which the Company has joint control, whereby the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in the joint venture are accounted for using the equity method. The interest is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Company's share of the profit or loss of equity-accounted investees, until the date on which joint control ceases.

Going concern

The 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.

Significant accounting judgements and key estimates

The preparation of financial reports requires management to make judgments, 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. The same judgments, estimates and assumptions were used in preparing the half year financial report as those used in preparing the financial report for the year ended 30 June 2017.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 1 Statement of Significant Accounting Policies (continued)

Accounting policies and methods of computation (continued)

Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2017

In the half year ended 31 December 2017, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half year reporting periods beginning on or after 1 July 2017.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Company accounting policies.

Standards and Interpretations in issue not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the half-year ended 31 December 2017. Those which may have a significant impact to the Company are set out below. The Company does not plan to adopt these standards early.

AASB 15 Revenue from Contracts with Customers

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised, including in respect of multiple element arrangements. It replaces existing revenue recognition guidance, AASB 111 Construction Contracts, AASB 118 Revenue and AASB 1004 Contributions. AASB 15 is effective from annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

The core principle of AASB 15 is that it requires identification of discrete performance obligations within a transaction and associated transaction price allocation to these obligations. Revenue is recognised upon satisfaction of these performance obligations, which occur when control of goods or services is transferred, rather than on transfer of risks and rewards. Revenue received for a contract that includes a variable amount is subject to revised conditions for recognition, whereby it must be highly probable that no significant reversal of the variable component may occur when the uncertainties around its measurement are removed.

The Company has commenced the process of evaluating the impact of the new standard on existing revenue streams and will first apply AASB 15 in the financial year beginning 1 July 2018.

AASB 16 Leases

AASB 16 replaces the current AASB 17 Leases standard. AASB 16 removes the classification of leases as either operating leases or finance leases- for the lessee - effectively treating all leases as finance leases. Most leases (including the lease of business premises which the Company occupies) will be capitalised on the balance sheet by recognising a 'right-of-use' asset and a lease liability for the present value obligation. This will result in an increase in the recognised assets and liabilities in the statement of financial position as well as a change in expense recognition, with interest and depreciation replacing operating lease expense.

The impact on the Company will predominantly be based on the Company's lease obligations on its office premises.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 2 Segment information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Company's sole activity is mobile application and technology development wholly within Australia, therefore it has aggregated all operating segments into the one reportable segment being technological development.

The reportable segment is represented by the primary statements forming these financial statements.

Note 3 Revenue and Expenses

	31 December 2017 \$	31 December 2016 \$
Loss for the period includes the following specific income and expenses:		
Other income:		
Rental income	22,957	29,537
Consulting income	17,539	6,422
	40,496	35,959
Supplier share based payment ¹	14,830	-
Employee expenses:		
Salaries and wages	599,780	289,448
Director salary and consulting	240,000	247,627
Defined contribution superannuation	79,620	56,383
Consultant expenses	-	79,972
Annual leave expenses	25,649	45,714
Recruitment expenses	22,977	27,922
Share based remuneration expenses ¹	11,750,622	2,642
Payroll tax	320,000	21,000
Other employment expenses	5,352	15,352
	13,044,000	786,060
Income tax benefit:		
R&D tax concession ²	521,731	636,353

¹ The fair value of equity settled transactions with employees and suppliers is apportioned over the period from grant date to vesting date. See Note 5 for details of transactions vesting within the six months ended 31 December 2017.

² The 2017 half-year research and development tax concession relates to amounts received or receivable for the R&D tax incentive claim submitted by the Company for the financial year ended 30 June 2017.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 4 Issued capital

	31 December 2017	30 June 2017	31 December 2017	30 June 2017
Issued capital – Shares	#	#	\$	\$
<i>Share capital</i>				
- Issued ordinary shares	79,038,555	79,038,555	7,212,056	7,212,056
- Issued performance shares	30,000,000	30,000,000	300	300
	109,038,555	109,038,555	7,212,356	7,212,356
<i>Share movements during the period – ordinary shares</i>				
At the beginning of the period	79,038,555	78,500,000	7,212,056	7,186,744
Share issue – Sensape GmbH	-	538,555	-	25,312
	79,038,555	79,038,555	7,212,056	7,212,056
<i>Share movements during the period – performance shares</i>				
At the beginning of the period	30,000,000	30,000,000	300	300
	30,000,000	30,000,000	300	300

Note 5 Share Based Payments

(i) Options

The Company adopted an Incentive Option Plan following Shareholder approval in October 2016. Options over unissued share are issued at the discretion of the Board.

a) Options issued, exercised and lapsed during the reporting period

During the reporting period an expense for the following options was recorded:

Date granted	Number of options granted	Exercise price (cents)	Vesting date	Expiry date	Fair value at grant date
29 Feb 2016	500,000	25	29 Nov 2017	31 Dec 2018	\$14,830

During the reporting period the following options vested:

Date granted	Number of options Vested	Exercise price (cents)	Vesting date	Expiry date
21 Dec 2016	1,000,000	20	30 Sept 2017	30 Sept 2020
21 Dec 2016	1,750,000	10	31 Dec 2017	31 Dec 2020
29 Feb 2016	500,000	25	29 Nov 2017	31 Dec 2018
Total	3,250,000			

No options were cancelled or exercised during the reporting period.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 5 Share Based Payments (continued)

b) Options on issue at balance date

The number of options outstanding over unissued ordinary shares at 31 December 2017 is 9,500,000 as follows:

Date granted	Number of options granted	Exercise price (cents)	Vesting date	Expiry date
21 Dec 2016	1,000,000	20	30 Sept 2017	30 Sept 2020
21 Dec 2016	1,750,000	10	31 Dec 2017	31 Dec 2020
21 Dec 2016	1,000,000	30	30 Sept 2018	30 Sept 2021
21 Dec 2016	500,000	10	26 Oct 2018	31 Dec 2020
21 Dec 2016	1,250,000	10	31 Dec 2018	31 Dec 2021
21 Dec 2016	1,000,000	40	30 Sept 2019	30 Sept 2022
21 Dec 2016	500,000	10	26 Oct 2019	30 Dec 2021
21 Dec 2016	1,000,000	50	30 Sept 2020	30 Sept 2023
21 Dec 2016	1,000,000	60	30 Sept 2021	30 Sept 2024
29 Feb 2016	500,000	25	29 Nov 2017	31 Dec 2018
Total	9,500,000			

c) Subsequent to balance date

Subsequent to the balance date and to the date of signing this report, no options have been granted, exercised or cancelled.

d) Basis and assumptions used in the valuation of options

The options issued during the current reporting period were valued using the Black-Scholes option valuation methodology, as follows:

Date granted	Number of options granted	Exercise price (cents)	Expiry date	Risk free interest rate used	Volatility applied	Value per Option (cents)
29 Feb 2016	500,000	25	31 Dec 2018	1.73%	118%	2.97

Historical volatility has been used as the basis for determining expected share price volatility, as it is assumed that this is an indicator of future share price performance, which may not eventuate. A discount of 30% in respect of a lack of marketability has been applied to the Black-Scholes option valuation to reflect the non-negotiability and non-transferability of the unlisted options granted.

e) Purpose of Equity Compensation Reserve

This reserve is used to record the value of equity benefits provided to employees (including directors) and suppliers for services rendered.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 5 Share Based Payments (continued)

(ii) Performance Rights

The Company adopted an Incentive Performance Rights Plan following Shareholder approval in February 2017.

a) Performance rights granted, vested and lapsed during the year

During the reporting period the following performance rights were granted:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
15 Nov 2017	1,750,000	31 Dec 2020	\$0.205	Subject to various performance criteria
15 Nov 2017	1,000,000	31 Mar 2018	\$0.205	Subject to various performance criteria
29 Nov 2017	6,000,000	30 Nov 2019	\$0.720 ¹	Subject to various performance criteria
Total	8,750,000			

¹ Performance rights issued to the Chairman, Mr Peter Wall, were approved at the Company's 2017 Annual General Meeting. The performance criteria were set out in the Notice of AGM.

During the reporting period the following performance rights vested but were not converted to ordinary shares:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
03 Mar 2017	2,000,000	03 Mar 2018	\$0.720 ¹	Subject to various performance criteria
03 Mar 2017	2,000,000	03 Mar 2019	\$0.720 ¹	Subject to various performance criteria
03 Mar 2017	2,000,000	03 Mar 2020	\$0.720 ¹	Subject to various performance criteria
03 Mar 2017	2,000,000	03 Mar 2021	\$0.720 ¹	Subject to various performance criteria
03 Mar 2017	2,000,000	03 Mar 2022	\$0.720 ¹	Subject to various performance criteria
15 Nov 2017	750,000	31 Dec 2020	\$0.205	Subject to various performance criteria
29 Nov 2017	6,000,000	30 Nov 2019	\$0.720	Subject to various performance criteria
Total	16,750,000			

¹ Performance rights granted to the CEO Mr Vlado Bosanac on 3 March 2017 and initially valued at \$0.046 per right at grant date, were revalued at 29 November 2017 due to a change in the terms of the performance based criteria as approved by shareholders at the Company's 2017 Annual General Meeting. The revised performance criteria were set out in the Notice of AGM.

During the reporting period the following performance rights lapsed:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
03 Mar 2017	1,000,000	30 Sep 2017	\$0.046	Subject to various performance criteria
03 Mar 2017	500,000	30 Nov 2017	\$0.046	Subject to various performance criteria
Total	1,500,000			

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 5 Share Based Payments (continued)

b) Performance rights on issue at balance date

The number of performance rights outstanding over unissued ordinary shares at 31 December 2017 is 19,750,000 as follows:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
03 Mar 2017	2,000,000	03 Mar 2018	\$0.720 ¹	Vested
03 Mar 2017	2,000,000	03 Mar 2019	\$0.720 ¹	Vested
03 Mar 2017	2,000,000	03 Mar 2020	\$0.720 ¹	Vested
03 Mar 2017	2,000,000	03 Mar 2021	\$0.720 ¹	Vested
03 Mar 2017	2,000,000	03 Mar 2022	\$0.720 ¹	Vested
03 Mar 2017	500,000	31 Jan 2018	\$0.046	Subject to various performance criteria
03 Mar 2017	500,000	31 Jul 2018	\$0.046	Subject to various performance criteria
15 Nov 2017	1,000,000	31 Dec 2020	\$0.205	Subject to various performance criteria
15 Nov 2017	750,000	31 Dec 2020	\$0.205	Vested
15 Nov 2017	1,000,000	31 Mar 2018	\$0.205	Subject to various performance criteria
29 Nov 2017	6,000,000	30 Nov 2019	\$0.720	Vested
Total	19,750,000			

¹ Performance rights granted to the CEO Mr Vlado Bosanac on 3 March 2017 and initially valued at \$0.046 per right at grant date, were revalued at 29 November 2017 due to a change in the terms of the performance based criteria as approved by shareholders at the Company's 2017 Annual General Meeting. The revised performance criteria were set out in the Notice of AGM.

c) Subsequent to balance date

Subsequent to the balance date and to the date of signing this report, no performance rights have been granted or vested. On 31 January 2018, 500,000 performance rights expired.

d) Basis and assumptions used in the valuation of performance rights

Of the 8,750,000 performance rights that were issued during the reporting period, 2,750,000 have been valued using the Black-Scholes option pricing model (with inputs as shown in the table below) and included in the financial statements over the periods that they vest. The remaining 6,000,000 vested in the reporting period and were valued at the share price on date of grant, this being \$0.72 on 29 November 2017.

Black-Scholes option pricing model inputs:

	2017	2016
Share price	\$0.205	-
Exercise price	Nil	-
Expected future volatility	118%	-
Risk free rate *	1.79% – 1.93%	-

* The risk free rate is based on the yields of Commonwealth bonds using two and three year bonds, based on the period which most closely corresponds to the respective lives of the performance rights.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 6 Interest in a Joint Venture

The Company has a 50% interest in Body Composition Technologies Pte Limited (BCT), a company incorporated in Singapore for the purpose of developing the MyFiziq platform for commercialisation within the medical or insurance sector. The Company's interest in BCT is accounted for using the equity method. Under the equity method, the Company's investment in a joint venture is initially recorded at cost, and subsequently the carrying value of the investment is increased or decreased to recognise the Company's share of the joint venture profit or loss.

During the reporting period, 680 shares in BCT were issued to the Company at a value of A\$1.00 per share.

The following tables illustrate the summarised financial information of the Company's investment in BCT.

	31 December 2017	30 June 2017
	\$	\$
Current assets	952,646	-
Non-current assets	1,503,194	-
Current liabilities	(33,393)	-
Non-current liabilities	-	-
Equity	2,422,447	-
Company's carrying amount of the investment	-	-
Revenue	-	-
Expenses	261,787	-
Loss for the half year	261,787	-
Company's share of the loss ⁽ⁱ⁾	130,894	-
Carrying value of the BCT investment		
Investment brought to account at cost	680	-
Share of the joint venture's loss ⁽ⁱ⁾	(680)	-
Closing carrying value of the investment	-	-

- (i) Of the Company's share of the loss of BCT for the half-year, only \$680 has been brought to account as the initial investment in BCT was only \$680.

Note 7 Dividends

No dividends were paid or proposed during the period.

The Company has no franking credits available as at 31 December 2017.

Note 8 Contingencies

There have been no material changes in contingent assets or liabilities since the signing of the audited 30 June 2017 financial statements.

Notes to the Condensed Financial Statements
For the half-year ended 31 December 2017

Note 9 Events Occurring after the Balance Date

There has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years:

Note 10 Commitments

There have been no material changes in operational or capital commitments since the signing of the audited 30 June 2017 financial statements.

Note 11 Financial instruments

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The fair values of financial assets and liabilities approximate their carrying values at balance date.

Directors' Declaration

The Directors of MyFiziq Limited ("the Company") declare that:

- (a) the attached half-year financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standard AASB134 – *Interim Financial Reporting*, and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the financial position as at 31 December 2017 and of the performance for the half-year ended on that date of the Company.
- (b) 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(5) of the Corporations Act 2001.

Signed at Perth this 28th day of February 2018.



Vlado Bosanac
Executive Director

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of MyFiziq Limited

Report on the Condensed Half-Year Financial Report*Conclusion*

We have reviewed the accompanying half-year financial report of MyFiziq Limited ("the company"), which comprises the condensed statement of financial position as at 31 December 2017, the condensed statement of comprehensive income, the condensed statement of changes in equity and the condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, 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 half-year financial report of MyFiziq 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 2017 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*.

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 gives a true and fair view and 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 31 December 2017 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 the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714

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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.

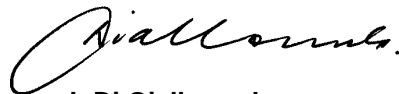
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
28 February 2018



L Di Giallonardo
Partner