



BCAL Diagnostics Limited

ABN 51 142 051 223

Interim Report – 31 December 2020

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BCAL Diagnostics Limited
Director's Report
For the half year ended 31 December 2020

The directors present their report, together with the financial statements of BCAL Diagnostics Limited (referred to hereafter as the 'Company') for the half-year ended 31 December 2020.

Directors

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

Jayne Andrea Shaw
Ronald Anthony Phillips
Jonathan Alfred Trollip (appointed 23 December 2020)

Principal activities

During the financial half-year the principal continuing activities of the entity consisted of continuing research into the development of a novel blood screening test to improve the early diagnosis and monitoring of breast cancer including preparation for clinical trials.

Review of Operations

The loss for the half year ended 31 December 2020, after tax, amounted to \$244,687 (2019:loss \$496,836).

The Company has no trading revenue at present and the result reflects the research and development activities for the period.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial half year.

Significant events after balance sheet date

Subsequent to period end the Company issued 1,494,914 shares at \$2.95 per share in a placement raising \$4,409,996.

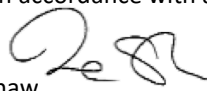
The Company converted from a private company to an unlisted public company on 5 February 2021.

Other than as outlined above, there are no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or state of affairs of the in future financial years.

Auditor's Independence

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 4.

Signed in accordance with a resolution of the directors.


Jayne Shaw
Executive Chair
25 March 2021

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF BCAL DIAGNOSTICS LIMITED
ABN 51 142 051 223**

In relation to the independent auditor's review for the half year ended 31 December 2020, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.



S M Whiddett
Partner

Pitcher Partners
Sydney

30 March 2021

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BCAL Diagnostics Limited
Statement of profit or loss and other comprehensive income
For the half year ended 31 December 2020

	Notes	Half-year ended 31 December 2020 \$	Half-year ended 31 December 2019 \$
Revenue from continuing operations			
Income	3	75,083	305
Expenses			
Research and development		(15,699)	(205,318)
Personnel costs		(153,027)	(133,140)
Superannuation		(13,708)	(12,424)
Marketing		-	(30,216)
Consulting fees		(8,192)	(54,854)
Legal fees		-	(9,398)
General and administration		(91,319)	(51,791)
Share based payments		(37,825)	-
Loss before income tax		(244,687)	(496,836)
Income tax		-	-
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		(244,687)	(496,836)
Loss is attributable to:			
Members of BCAL Diagnostics Limited		(244,687)	(496,836)
Earnings per share			
<i>From continuing operations</i>		Cents	Cents
- Basic loss per share		(5.5)	(11.8)
- Diluted loss per share		(5.5)	(11.8)

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

BCAL Diagnostics Limited
Statement of Financial Position
For the half year ended 31 December 2020

	Notes	31 December 2020 \$	30 June 2020 \$
ASSETS			
Current Assets			
Cash and cash equivalents		795,206	416,226
Tax receivables		81,525	403,329
Total Current Assets		876,731	819,555
Non-Current Assets			
Plant and equipment		-	-
Total Non-Current Assets		-	-
Total Assets		876,731	819,555
LIABILITIES			
Current Liabilities			
Trade and other payables		69,561	74,250
Provisions		15,117	6,385
Other payables	4	559,998	-
Total Current Liabilities		644,676	80,635
Non-Current Liabilities			
Convertible notes	5	-	300,003
Total Non-Current Liabilities		-	300,003
Total Liabilities		644,676	380,638
Net Assets		232,055	438,917
EQUITY			
Contributed equity	6	4,939,580	4,939,580
Reserves		179,869	142,044
Accumulated losses		(4,887,394)	(4,642,707)
Capital and reserves attributable to owners of BCAL Diagnostics Limited		232,055	438,917
Equity		232,055	438,917

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

BCAL Diagnostics Limited
Statement of Changes in Equity
For the half year ended 31 December 2020

	Contributed equity \$	Accumulated losses \$	Share based payment reserve \$	Total \$
2020				
At 1 July 2020	4,939,580	(4,642,707)	142,044	438,917
Total comprehensive Loss for the period	-	(244,687)	-	(244,687)
Share based payments	-	-	37,825	37,825
At 31 December 2020	4,939,580	(4,887,394)	179,869	232,055

	Contributed equity \$	Accumulated losses \$	Share based payment reserve \$	Total \$
2019				
At 1 July 2019	4,434,453	(3,946,347)	-	488,196
Total comprehensive Loss for the period	-	(496,836)	-	(496,836)
Share issue	505,037	-	-	505,037
At 31 December 2019	4,939,580	(4,443,183)	-	496,397

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

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BCAL Diagnostics Limited
Statement of Cash Flows
For the half year ended 31 December 2020

	Note	Half-year ended 31 December 2020 \$	Half-year ended 31 December 2019 \$
Cash flows from operating activities			
Payments to suppliers and employees		(281,021)	(524,604)
Research and development tax offset received		341,981	256,534
Government subsidy		57,942	-
Interest received		83	305
Net cash inflow/(outflow) from operating activities		118,985	(267,765)
Cash flow from investing activities			
Purchase of plant and equipment		-	-
Net cash outflow from investing activities		-	-
Cash flows from financing activities			
Proceeds from share issue	4	259,995	505,037
Net cash inflow from financing activities		259,995	505,037
Net increase in cash and cash equivalents		378,980	237,272
Cash and cash equivalents at the beginning of the period		416,226	276,644
Cash and cash equivalents at end of the half year		795,206	513,916

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

BCAL Diagnostics Limited
Notes to the Financial Statements
For the half year ended 31 December 2020

1 Summary of significant accounting policies

(a) Basis of preparation

These general purpose financial statements for the interim half year reporting period ended 31 December 2020 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134 *Interim Financial Reporting*, as appropriate for for-profit entities. Compliance with Australian Accounting Standards 134 ensures that the financial statements and notes comply with International Financial Reporting Standards IAS 34 'Interim Financial Reporting'.

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The interim financial report is intended to provide users with an update on the latest annual financial statements of BCAL Diagnostics Limited. As such, it does not contain the information that represents relatively insignificant changes occurring during the half-year. It is recommended that this financial report be read in conjunction with the annual financial statements for the year ended 30 June 2020 together with any public announcements made during the half year.

The accounting policies and methods of computation have been consistently followed in this interim financial report as were applied in the previous annual financial statements.

(b) Critical accounting estimates and judgements

There have been no significant changes to the critical accounting estimates and judgements applied and disclosed in the 30 June 2020 annual report.

(c) New and revised accounting requirements applicable to the current half- year reporting period.

There are no new accounting standards or interpretations applicable that would have a material impact on the accounts of the Company.

2 Segment information

BCAL Diagnostics Limited is an Australian company developing a novel blood screening test to improve the early diagnosis and monitoring of breast cancer that is safe, cost effective, accurate and available to all women regardless of age, race and geographic location.

3 Other Income

	Half year ended 31 December 2020	Half year ended 31 December 2019
	\$	\$
Research and development tax offset	75,000	-
Interest received	83	305
	75,083	305

BCAL Diagnostics Limited
Notes to the Financial Statements
For the half year ended 31 December 2020

4	Other payables	31 December	
		2020	30 June 2020
		\$	\$
	Other payables	559,998	-

Other payables comprise a subscription for a capital raise at \$2.95 per share. Of this amount \$259,995 was subscribed in cash with the balance to be subscribed for on conversion of convertible notes (see Note 5). The capital raise was completed and shares were issued in January 2021 (see Note 9).

5	Convertible notes	31 December 2020		30 June 2020	
		\$		\$	
	Convertible notes	-		300,003	

On 31 December 2020, 300,003 convertible notes are shown in Other Payables following subscription for 200,002 fully paid ordinary shares of \$1.50 each in the Company, which were issued post period end.

6	(a)	Share capital	31 December 2020		31 December 2020		30 June 2020		30 June 2020	
			No Shares	\$	No Shares	\$	No Shares	\$	No Shares	\$
		Ordinary Shares Fully Paid	4,423,173	4,939,580	4,423,173	4,939,580	4,423,173	4,939,580	4,423,173	4,939,580

(b)	Movements in ordinary share capital	31 December 2020		30 June 2020	
		Number of Shares	Issue price	Number of Shares	Issue price
	Closing balance 30 June 2019	4,086,481		4,086,481	
	Share issue	336,692	1.50	336,692	505,037
	Closing balance 30 June 2020	4,423,173		4,423,173	4,939,580
	Closing balance 31 December 2020	4,423,173		4,423,173	4,939,580

(c)	Options	As at the date of the financial statements, the following options over unissued ordinary shares were on issue:			
		No of options	Issue date	Date of expiry	Conversion price (\$)
	Employee options	132,695	20/11/2019	20/11/2029	\$1.50
	Employee options	88,463	30/01/2020	30/01/2029	\$1.50
	Director options	199,044	23/11/2020	23/11/2023	\$1.50
	Consultant options	22,116	23/11/2020	23/11/2023	\$1.50
	Total	442,318			

BCAL Diagnostics Limited
Notes to the Financial Statements
For the half year ended 31 December 2020

6 Contributed equity (continued)
(c) Options (continued)

	31 December 2020	31 December 2019
	No.	No.
Options		
Balance at beginning of half year	221,158	-
Granted during the half year	221,160	-
Balance at end of half year	442,318	-

The weighted average exercise price of options on issue is \$1.50.

The unlisted options issued during the half year were valued using the Black-Scholes model. The options outstanding as at 31 December 2020 were determined on the date of grant using the following assumptions:

	Series 1	Series 2	Series 3
Grant date	20/11/2019	30/01/2020	23/11/2020
Exercise price (\$)	1.50	1.50	1.50
Expected volatility (%)	56.2	55.5	75.8
Risk-free interest rate (%)	0.8	0.71	.14
Expected life (years)	5	5	3
Share price at this date (\$)	1.50	1.50	1.50
Fair value per option (\$)	0.7211	0.7118	0.7343
Number of options	132,695	88,463	221,160

The vesting of options is subject to employee service periods. Of the options outlined above, 176,926 have vested with a further 22,116 vesting on 1 November 2020, 22,116 vesting on 1 November 2021, and 221,160 vesting on the Company achieving a listing of its shares on the Australian Securities Exchange.

The Company recognised expenses of \$37,825 in relation to share based payments for the half year (2019: Nil).

7 Commitments

There were no commitments as at 31 December 2020.

8 Contingencies

In the opinion of the directors, the Company did not have any contingencies at 31 December 2020.

9 Events subsequent to balance date

Subsequent to period end the Company issued 1,494,914 shares at \$2.95 per share in a placement raising \$4,409,996 including subscription monies totaling \$259,995 received before 31 December 2021. In addition 200,002 shares for \$300,003 were issued on conversion of convertible notes. The amount received before 31 December 2020 and the amount converted in respect of convertible notes are shown in Other Payables at 31 December 2021. The Company converted from a private company to an unlisted public company on 5 February 2021.

Other than as outlined above, there are no matters or circumstances that have arisen since the end of the financial period that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or state of affairs of the Company in future financial years.

10 Dividends

There were no dividends paid, recommended or declared during the current or previous reporting period.

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. In the directors opinion, the financial statements and notes thereto, as set out on pages 5 to 11, are 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 2020 and performance for the half year ended on that date; and
 - (b) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory requirements; and
2. In the directors' opinion 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 made in accordance with a resolution of the Board of Directors.



Jayne Shaw
Executive Chair

25 March 2021

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BCAL DIAGNOSTICS LIMITED
REPORT ON THE HALF-YEAR FINANCIAL REPORT
ABN 51 142 051 223****Conclusion**

We have reviewed the half-year financial report of BCAL Diagnostics Limited ("the Company") which comprises the statement of financial position as at 31 December 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, 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 accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2020 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*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the 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.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BCAL DIAGNOSTICS LIMITED
REPORT ON THE HALF-YEAR FINANCIAL REPORT
ABN 51 142 051 223**



Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 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*.

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.

A handwritten signature in black ink, appearing to read 'S M Whiddett'.

S M Whiddett
Partner

A handwritten signature in black ink, appearing to read 'Pitcher Partners'.

Pitcher Partners
Sydney

30 March 2021

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