



# CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS  
ENDED 30 SEPTEMBER 2021



**PACIFIC EDGE** LTD  
CANCER DIAGNOSTICS COMPANY

**Consolidated Interim Financial Statements**

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

	NOTES	UNAUDITED SEPT 2021 6 MONTHS (\$'000)	UNAUDITED SEPT 2020 6 MONTHS (\$'000)	AUDITED MARCH 2021 12 MONTHS (\$'000)
<b>REVENUE</b>				
Operating Revenue	4	5,378	3,326	7,701
<b>Total Operating Revenue</b>		<b>5,378</b>	<b>3,326</b>	<b>7,701</b>
Other Income	4	747	558	2,386
Interest Income		108	173	351
Foreign Exchange Gain		497	3	1
<b>Total Revenue and Other Income</b>		<b>6,730</b>	<b>4,060</b>	<b>10,439</b>
<b>OPERATING EXPENSES</b>				
Laboratory Operations		3,076	2,540	5,466
Research		2,572	2,339	4,584
Sales and Marketing		6,179	3,366	9,202
General and Administration		3,888	2,908	5,410
<b>Total Operating Expenses</b>	5	<b>15,715</b>	<b>11,153</b>	<b>24,662</b>
<b>NET (LOSS) BEFORE TAX</b>		<b>(8,985)</b>	<b>(7,093)</b>	<b>(14,223)</b>
Income Tax Expense		-	-	-
<b>(LOSS) FOR THE PERIOD AFTER TAX</b>		<b>(8,985)</b>	<b>(7,093)</b>	<b>(14,223)</b>
<i>Items that may be reclassified to profit or loss:</i>				
Translation of Foreign Operations		-	14	46
<b>TOTAL COMPREHENSIVE (LOSS) attributable to equity holders of the Company</b>		<b>(8,985)</b>	<b>(7,079)</b>	<b>(14,177)</b>
<b>Earnings per share for profit attributable to the equity holders of the Company during the period</b>				
Basic and Diluted Earnings per share		(0.012)	(0.010)	(0.020)

Note: These Financial Statements are to be read in conjunction with the Notes to the Financial Statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

	NOTES	SHARE CAPITAL (\$000)	ACCUMULATED LOSSES (\$000)	SHARE BASED PAYMENTS RESERVE (\$000)	FOREIGN CURRENCY TRANSLATION RESERVE (\$000)	TOTAL EQUITY (\$000)
<b>UNAUDITED 6 MONTHS TO 30 SEPT 2020</b>						
<b>Balance as at 31 March 2020</b>		<b>165,423</b>	<b>(156,242)</b>	<b>4,542</b>	<b>781</b>	<b>14,504</b>
(Loss) After Tax		-	(7,093)	-	-	(7,093)
Other Comprehensive Income		-	-	-	14	14
TOTAL COMPREHENSIVE (LOSS) attributable to equity holders of the Company		-	(7,093)	-	14	(7,079)
<i>Transactions with owners in their capacity as owners:</i>						
Issue of Share Capital	7	21,968	-	-	-	21,968
Share Based Payments - Employee Remuneration	7	284	-	-	-	284
Share Based Payments - Employee Share Options	7	348	404	38	-	790
<b>Balance as at 30 September 2020</b>		<b>188,023</b>	<b>(162,931)</b>	<b>4,580</b>	<b>795</b>	<b>30,467</b>
<b>AUDITED 12 MONTHS TO 31 MARCH 2021</b>						
<b>Balance as at 31 March 2020</b>		<b>165,423</b>	<b>(156,242)</b>	<b>4,542</b>	<b>781</b>	<b>14,504</b>
(Loss) After Tax		-	(14,223)	-	-	(14,223)
Other Comprehensive Income		-	-	-	46	46
TOTAL COMPREHENSIVE (LOSS) attributable to equity holders of the Company		-	(14,223)	-	46	(14,177)
<i>Transactions with owners in their capacity as owners:</i>						
Issue of Share Capital	7	21,962	-	-	-	21,962
Share Based Payments - Employee Remuneration	7	284	-	-	-	284
Share Based Payments - Employee Share Options	7	2,636	404	(504)	-	2,536
<b>Balance as at 31 March 2021</b>		<b>190,305</b>	<b>(170,061)</b>	<b>4,038</b>	<b>827</b>	<b>25,109</b>
<b>UNAUDITED 6 MONTHS TO 30 SEPT 2021</b>						
<b>Balance as at 31 March 2020</b>		<b>190,305</b>	<b>(170,061)</b>	<b>4,038</b>	<b>827</b>	<b>25,109</b>
(Loss) After Tax		-	(8,985)	-	-	(8,985)
Other Comprehensive Income		-	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) attributable to equity holders of the Company		-	(8,985)	-	-	(8,985)
<i>Transactions with owners in their capacity as owners:</i>						
Issue of Share Capital	7	76,045	-	-	-	76,045
Share Based Payments - Employee Remuneration	7	172	-	-	-	172
Share Based Payments - Employee Share Options	7	1,175	-	(121)	-	1,054
<b>Balance as at 30 September 2021</b>		<b>267,697</b>	<b>(179,046)</b>	<b>3,917</b>	<b>827</b>	<b>93,395</b>

Note: These Financial Statements are to be read in conjunction with the Notes to the Financial Statements

## CONSOLIDATED BALANCE SHEET

AS AT 30 SEPTEMBER 2021

NOTES	UNAUDITED SEPT 2021 6 MONTHS (\$000)	UNAUDITED SEPT 2020 6 MONTHS (\$000)	AUDITED MARCH 2021 12 MONTHS (\$000)	
<b>CURRENT ASSETS</b>				
Cash and Cash Equivalents	80,081	6,283	4,129	
Short Term Deposits	11,505	23,000	19,000	
Receivables	2,978	1,656	2,866	
Inventory	956	791	790	
Other Assets	930	760	557	
<b>Total Current Assets</b>	<b>96,450</b>	<b>32,490</b>	<b>27,342</b>	
<b>NON-CURRENT ASSETS</b>				
Property, Plant and Equipment	908	664	688	
Right of Use Assets	2,381	3,652	2,977	
Intangible Assets	231	176	177	
<b>Total Non-Current Assets</b>	<b>3,520</b>	<b>4,492</b>	<b>3,842</b>	
<b>TOTAL ASSETS</b>	<b>99,970</b>	<b>36,982</b>	<b>31,184</b>	
<b>CURRENT LIABILITIES</b>				
Payables and Accruals	4,227	2,136	3,197	
Borrowings	-	803	-	
Lease Liabilities	1,033	1,264	1,098	
<b>Total Current Liabilities</b>	<b>5,260</b>	<b>4,203</b>	<b>4,295</b>	
<b>NON-CURRENT LIABILITIES</b>				
Lease Liabilities	1,315	2,312	1,780	
<b>Total Non-Current Liabilities</b>	<b>1,315</b>	<b>2,312</b>	<b>1,780</b>	
<b>TOTAL LIABILITIES</b>	<b>6,575</b>	<b>6,515</b>	<b>6,075</b>	
<b>NET ASSETS</b>	<b>93,395</b>	<b>30,467</b>	<b>25,109</b>	
Represented by:				
<b>EQUITY</b>				
Share Capital	7	267,697	188,023	190,305
Accumulated Losses		(179,046)	(162,931)	(170,061)
Share Based Payments Reserve		3,917	4,580	4,038
Foreign Translation Reserve		827	795	827
<b>TOTAL EQUITY</b>	<b>93,395</b>	<b>30,467</b>	<b>25,109</b>	
<b>FURTHER INFORMATION</b>				
Net Tangible Assets per share (\$)	15	0.118	0.042	0.034



Director

Dated 24th day of November 2021



Director

For and on behalf of the Board of Directors

Note: These Financial Statements are to be read in conjunction with the Notes to the Financial Statements

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

NOTES	UNAUDITED SEPT 2021 6 MONTHS (\$000)	UNAUDITED SEPT 2020 6 MONTHS (\$000)	AUDITED MARCH 2021 12 MONTHS (\$000)	
<b>CASH FLOWS TO OPERATING ACTIVITIES</b>				
Cash was provided from:				
Receipts from Customers	5,370	2,553	6,747	
Receipts from Grant Providers	469	277	1,059	
Interest Received	242	183	271	
	6,081	3,013	8,077	
Cash was disbursed to:				
Payments to Suppliers and Employees	14,683	10,739	21,643	
Net GST cash outflow (inflow)	14	(47)	4	
	14,697	10,692	21,647	
<b>Net Cash Flows (To) Operating Activities</b>	<b>8</b>	<b>(8,616)</b>	<b>(13,570)</b>	
<b>NET CASH FLOWS FROM / (TO) INVESTING ACTIVITIES</b>				
Cash was provided from:				
Proceeds from Short Term Deposits	17,000	13,029	23,081	
	17,000	13,029	23,081	
Cash was disbursed to:				
Purchase of Short Term Deposits	9,505	23,000	29,052	
Capital Expenditure on Plant and Equipment	298	140	270	
Capital Expenditure on Intangible Assets	108	42	108	
	9,911	23,182	29,430	
<b>Net Cash Flows From / (To) Investing Activities</b>	<b>7,089</b>	<b>(10,153)</b>	<b>(6,349)</b>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Cash was received from:				
Proceeds from Borrowings	-	803	-	
Ordinary Shares Issued	7	80,000	22,204	22,000
Exercising of Share Options		657	-	1,500
	80,657	23,007	23,500	
Cash was disbursed to:				
Repayment of Leases	575	654	1,250	
Issue Expenses	7	3,099	32	38
	3,674	686	1,288	
<b>Net Cash Flows From Financing Activities</b>	<b>76,983</b>	<b>22,321</b>	<b>22,212</b>	
<b>Net Increase (Decrease) in Cash Held</b>	<b>75,456</b>	<b>4,489</b>	<b>2,293</b>	
Add Opening Cash Brought Forward	4,129	1,755	1,755	
Effect of exchange rate changes on net cash	496	39	81	
<b>Ending Cash Carried Forward</b>	<b>80,081</b>	<b>6,283</b>	<b>4,129</b>	

Note: These Financial Statements are to be read in conjunction with the Notes to the Financial Statements

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

### 1. SUMMARY OF ACCOUNTING POLICIES

The unaudited consolidated interim financial statements (“Interim Financial Statements”) presented are those of Pacific Edge Limited (“Company”) and its subsidiaries (“Group”). The Company is registered and domiciled in New Zealand for the purpose of developing and commercialising new diagnostic and prognostic tools for the early detection and management of cancers. Pacific Edge Diagnostics New Zealand Limited and Pacific Edge Diagnostics USA Limited manage and operate the laboratories used for the detection of bladder cancer. Pacific Edge (Australia) Pty Limited’s purpose is to research and develop the Cxbladder products and other prognostic tools. Pacific Edge Diagnostics Singapore Pte Limited’s purpose is sales and marketing of bladder cancer products and assisting with research and development. Pacific Edge Analytical Services Limited is a dormant entity.

The Company is a for profit entity, registered in New Zealand under the Companies Act 1993 and is a reporting entity for the purposes of the Financial Markets Conduct Act 2013. The Company is dual listed, with its primary listing of ordinary shares quoted in New Zealand on the NZX Main Board, and a secondary listing in Australia as a Foreign Exempt Entity on the ASX.

#### a) Basis of Preparation of Financial Statements

The Interim Financial Statements for the six months ended 30 September 2021 have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (GAAP) and the Financial Markets Conduct Act 2013. They comply with the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and other guidance as issued by the External Reporting Board, as appropriate for profit entities, and with International Financial Reporting Standards.

The Interim Financial Statements have been prepared in accordance with NZ IAS 34 - Interim Financial Reporting. In complying with NZ IAS 34, these consolidated Interim Financial Statements also comply with IAS 34 - Interim Financial Reporting and should be read in conjunction with the Company’s 2021 Annual Report. The Interim Financial Statements for the six months ended 30 September 2021 are unaudited. Comparative balances for 30 September 2020 are unaudited, whilst the comparative balances for 31 March 2021 are audited.

The Interim Financial Statements are prepared on the basis of historical cost, except where otherwise identified. The presentational currency used in the preparation of the financial statements is New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

#### b) Accounting Policies and Accounting Estimates

All significant accounting policies have been applied on a basis consistent with those used in the audited financial statements of Pacific Edge Limited for the year ended 31 March 2021.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

The Interim Financial Statements were authorised by the Board of Directors on 24th November 2021. The Annual Financial Statements for the year ended 31 March 2021 were authorised by the Board of Directors on 26th May 2021.

#### c) Audit

The Interim Financial Statements have not been audited. The comparative full year financial results for the year ended 31 March 2021 have been audited.

#### d) Basis of Consolidation

The following entities and the basis of their inclusion for consolidation in these Interim Financial Statements are as follows:

Name of Subsidiary	Place of Incorporation (or registration) and Operation	Principal Activity	Ownership Interests & Voting Rights	
			30 Sept 2021 (%)	30 Sept 2020 (%)
Pacific Edge Diagnostics New Zealand Limited	New Zealand	Commercial Laboratory Operation	100	100
Pacific Edge (Australia) Pty Limited	Australia	Biotechnology Research & Development	100	100
Pacific Edge Diagnostics USA Limited	USA	Commercial Laboratory Operation	100	100
Pacific Edge Diagnostics Singapore Pte Limited	Singapore	Commercial Sales and Research & Development	100	100
Pacific Edge Analytical Services Limited	New Zealand	Dormant Company	100	100

### 2. INVESTMENT AND ADVANCES IN SUBSIDIARIES

The consolidated Interim Financial Statements incorporate the assets and liabilities and results of Pacific Edge Diagnostics New Zealand Limited, Pacific Edge (Australia) Pty Limited, Pacific Edge Diagnostics USA Limited, Pacific Edge Diagnostics Singapore Pte Limited and Pacific Edge Analytical Services Limited, all of which are 100% owned by the Company.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

## 3. DIVIDENDS

The Company does not propose to pay dividends to shareholders similar to previous years. This policy continues.

## 4. REVENUE AND OTHER INCOME

	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
<b>Cxbladder Sales</b>			
- US	4,982	2,906	6,888
- Rest of World	396	420	813
<b>Total Operating Revenue</b>	<b>5,378</b>	<b>3,326</b>	<b>7,701</b>
<b>Other Income</b>			
Grant Revenue	295	-	322
Research Rebate	452	255	952
Covid-19 Support	-	303	1,112
<b>Total Other Income</b>	<b>747</b>	<b>558</b>	<b>2,386</b>

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

## 5. OPERATING EXPENSES

The note below highlights total expenses shown within total operating expenses. These items are then split across functions laboratory, research, sales and marketing and general and administration as reported in the annual report.

Notes	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
<b>Operating Expenses</b>			
Amortisation	54	44	109
Auditors Remuneration*			
- Group year end financial statements	80	68	155
- Half year review of financial statements	27	29	29
- Foreign statutory financial statements	12	6	23
<b>Total Auditors Remuneration</b>	<b>119</b>	<b>103</b>	<b>207</b>
Consultants and Contractors	400	355	874
Depreciation	127	106	188
Depreciation on Right of Use Assets	526	569	1,073
Directors Fees	186	151	278
Employee Benefits	6,770	4,376	11,228
Employee Share Scheme Expenses	172	284	284
Employee Share Options	397	585	1,036
Interest on Lease Liabilities	69	37	104
NZX / ASX / Registry Fees	806	64	122
Rental and Lease Expense	28	19	34
Other Operating Expenses	6,061	4,460	9,125
<b>Total Operating Expenses</b>	<b>15,715</b>	<b>11,153</b>	<b>24,662</b>

\*In addition to the Auditors Remuneration in the Operating Expenses, NZ\$42,000 was paid to PWC Australia for the review of the proforma financials related to the ASX Listing and Capital Raise and has been included in Issue Expenses within Share Capital.

## Employee Share Scheme

Employee Share Scheme Expenses are a non-cash expense. These relate to shares issued to employees in lieu of cash bonuses.

## Employee Share Options

Employee Share Options are a non-cash expense. Refer to Note 8 of the Annual Report for details of the accounting policy for Employee Share Schemes.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

### Other Operating Expenses

The major categories of expenditure which make up operating expenses, but are not disclosed separately above: Laboratory costs, Information Technology costs, Compliance and Regulatory costs and Investor Relations costs.

### 6. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer who makes strategic decisions.

There are two operating segments at balance date:

- 1. Commercial:** The sales, marketing, laboratory and support operations to run the commercial businesses worldwide.
- 2. Research:** The research and development of diagnostic and prognostic products for human cancer.

The reportable operating segment Commercial derives its revenue primarily from sales of Cxbladder tests and the reportable operating segment Research derives its revenue primarily from grant income. The Chief Executive Officer assesses the performance of the operating segments based on net (loss) for the period.

Segment income, expenses and profitability are presented on a gross basis excluding inter-segment eliminations to best represent the performance of each segment operating as independent business units. The segment information provided to the Chief Executive Officer for the reportable segment described above, for the six months ended 30 September 2021, is shown on the following page.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

Unaudited 6 Months to 30 September 2021	Commercial (\$'000)	Research (\$'000)	Less: Eliminations (\$'000)	Total (\$'000)
<b>Income</b>				
Operating Revenue - External	5,378	-	-	5,378
- Internal	-	-	-	-
Other Income	239	1,034	(526)	747
Interest Income	1	107	-	108
Foreign Exchange Gain	-	497	-	497
<b>Total Income</b>	<b>5,618</b>	<b>1,638</b>	<b>(526)</b>	<b>6,730</b>
<b>Expenses</b>				
Expenses	9,137	6,396	(526)	15,007
Depreciation & Amortisation	481	227	-	708
<b>Total Operating Expenses</b>	<b>9,618</b>	<b>6,623</b>	<b>(526)</b>	<b>15,715</b>
<b>Loss Before Tax</b>	<b>(4,000)</b>	<b>(4,985)</b>	<b>-</b>	<b>(8,985)</b>
Income Tax Expense	-	-	-	-
<b>Loss After Tax</b>	<b>(4,000)</b>	<b>(4,985)</b>	<b>-</b>	<b>(8,985)</b>
<b>Net Cash Flow to Operating Activities</b>	<b>(3,393)</b>	<b>(5,223)</b>	<b>-</b>	<b>(8,616)</b>

Audited 12 Months to 31 March 2021	Commercial (\$'000)	Research (\$'000)	Less: Eliminations (\$'000)	Total (\$'000)
<b>Income</b>				
Operating Revenue - External	7,701	-	-	7,701
- Internal	-	-	-	-
Other Income	1,224	2,130	(968)	2,386
Interest Income	1	350	-	351
Foreign Exchange Gain	3	(2)	-	1
<b>Total Income</b>	<b>8,929</b>	<b>2,478</b>	<b>(968)</b>	<b>10,439</b>
<b>Expenses</b>				
Expenses	14,529	9,730	(968)	23,291
Depreciation & Amortisation	934	437	-	1,371
<b>Total Operating Expenses</b>	<b>15,463</b>	<b>10,167</b>	<b>(968)</b>	<b>24,662</b>
<b>Loss Before Tax</b>	<b>(6,534)</b>	<b>(7,689)</b>	<b>-</b>	<b>(14,223)</b>
Income Tax Expense	-	-	-	-
<b>Loss After Tax</b>	<b>(6,534)</b>	<b>(7,689)</b>	<b>-</b>	<b>(14,223)</b>
<b>Net Cash Flow to Operating Activities</b>	<b>(6,438)</b>	<b>(7,132)</b>	<b>-</b>	<b>(13,570)</b>

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

Unaudited 6 Months to 30 September 2020	Commercial (\$'000)	Research (\$'000)	Less: Eliminations (\$'000)	Total (\$'000)
<b>Income</b>				
Operating Revenue - External	3,326	-	-	3,326
- Internal	-	-	-	-
Other Income	151	806	(399)	558
Interest Income	-	173	-	173
Foreign Exchange Gain	2	1	-	3
<b>Total Income</b>	<b>3,479</b>	<b>980</b>	<b>(399)</b>	<b>4,060</b>
<b>Expenses</b>				
Expenses	5,866	4,967	(399)	10,434
Depreciation & Amortisation	503	216	-	719
<b>Total Operating Expenses</b>	<b>6,369</b>	<b>5,183</b>	<b>(399)</b>	<b>11,153</b>
<b>Loss Before Tax</b>	<b>(2,890)</b>	<b>(4,203)</b>	<b>-</b>	<b>(7,093)</b>
Income Tax Expense	-	-	-	-
<b>Loss After Tax</b>	<b>(2,890)</b>	<b>(4,203)</b>	<b>-</b>	<b>(7,093)</b>
<b>Net Cash Flow to Operating Activities</b>	<b>(4,053)</b>	<b>(3,626)</b>	<b>-</b>	<b>(7,679)</b>

## Eliminations

These are the intercompany transactions between the subsidiaries and the Parent. These are eliminated on consolidation of Group results.

## Total Laboratory Throughput

Unaudited	Commercial (#tests)	Research (#tests)	Total (#tests)
Six months ended 30 September 2021	9,192	1,944	11,136
Twelve months ended 31 March 2021	12,976	2,838	15,814
Six months ended 30 September 2020	5,591	1,273	6,864

Laboratory Throughput is a key metric for the Group: Laboratory Throughput provides evidence of the usage of Cxbladder products globally and the rates of adoption between different customer segments. Total Laboratory Throughput includes commercial tests, which are invoiced to customers, and research tests which are not considered to be billable as these tests relate to user programs or other non-chargeable activities.

Commercial test numbers are also a key metric for the Group: Commercial Tests are those tests for which the Company is actively seeking reimbursement and cash receipts, and tests performed at no charge in order to gain new customers.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

## Segment Assets and Liabilities Information

Unaudited 6 Months to 30 September 2021	Commercial (\$'000)	Research (\$'000)	Total (\$'000)
Total Assets	5,529	94,441	99,970
Total Liabilities	4,073	2,502	6,575
<b>Audited 12 Months to 31 March 2021</b>			
Total Assets	5,477	25,707	31,184
Total Liabilities	4,529	1,546	6,075
<b>As at 30 September 2020</b>			
Total Assets	5,805	31,177	36,982
Total Liabilities	4,895	1,620	6,515

## Additions to non-current assets for the period include

	Commercial (\$'000)	Research (\$'000)	Total (\$'000)
Property, Plant & Equipment	200	145	345
Right of Use Assets	-	-	-
Intangible Assets	61	47	108
<b>Total Additions to Non-Current Assets</b>	<b>261</b>	<b>192</b>	<b>453</b>

The amounts provided to the Chief Executive Officer with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operation of the segment and the physical location of the asset.

There are no unallocated assets or liabilities.



## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

## Geographic Split of Revenue and Non-Current Assets

The Group generates most of the operating revenue from Commercial tests from the US and New Zealand, and also receives other revenue from the US, Australia, Singapore and New Zealand. Rest of World consists of Revenue from Australia and Singapore.

	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
<b>Operating and Other Revenue</b>			
US	4,982	2,906	7,677
New Zealand	915	585	2,133
Rest of World	228	394	277
<b>Total Operating and Other Revenue</b>	<b>6,125</b>	<b>3,884</b>	<b>10,087</b>

The US accounted for 53% of non-current assets (September 2020: 60% and March 2021: 57%). Non-current assets located in New Zealand accounted for 47% of the Group's total (September 2020: 39% and March 2021: 42%) with Rest of World consisting of non-current assets in Australia and Singapore, holding 0% of the Group's total (September 2020: 1% and March 2021: 1%).

	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
<b>Non-Current Assets</b>			
US	1,866	2,702	2,201
New Zealand	1,649	1,736	1,618
Rest of World	5	54	23
<b>Total Non-Current Assets</b>	<b>3,520</b>	<b>4,492</b>	<b>3,842</b>

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

## 7. SHARE CAPITAL

	Sept 2021 Shares 6 Months Shares (000)	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
<b>Opening Balance</b>	<b>727,779</b>	<b>190,305</b>	<b>165,423</b>	<b>165,423</b>
Issue of Ordinary Shares - Placement <sup>1</sup>	59,259	80,000	22,000	22,000
Issue of Ordinary Shares - Exercise of Share Options <sup>2</sup>	1,308	1,175	348	2,636
Issue of Ordinary Shares - Employee Remuneration <sup>3</sup>	123	172	284	284
Less: Issue Expenses	-	(3,955)	(32)	(38)
<b>Movement</b>	<b>60,690</b>	<b>77,392</b>	<b>22,600</b>	<b>24,882</b>
<b>Closing Balance</b>	<b>788,469</b>	<b>267,697</b>	<b>188,023</b>	<b>190,305</b>

<sup>1</sup> During the period 59,259,259 shares were issued under placements at \$1.35 per share. (September 2020 and March 2021: 33,846,154 at \$0.65)

<sup>2</sup> During the period 1,307,501 share options were exercised at an average price of \$0.50 per share (Six months to September 2020: 619,999 at an average price of \$0.33: Twelve months to March 2021: 3,635,835 at an average price of \$0.41)

<sup>3</sup> During the period 123,086 shares were issued as part of employees remuneration in lieu of cash payments at an average price of \$1.40 per share. (Six months to September 2020 and Twelve months to March 2021: 645,182 at \$0.44)

There are 788,469,244 (September 2020: 724,763,562 and March 2021: 727,779,398) ordinary shares on issue.

All fully paid shares in the Company have equal voting rights and equal rights to dividends. All Ordinary Shares are fully paid and have no par value.

On the 23rd September 2021, the Group announced a capital raise to accelerate growth, consisting of a Placement via an institutional bookbuild, which was to be followed by a Retail Offer.

The Placement via the institutional bookbuild was successfully completed with settlement occurring on the 29th and 30th September 2021. The Placement raised \$80m of capital at an issue price of \$1.35. The Cash and Cash Equivalents and Short Term Deposits in the Balance Sheet as at 30 September 2021 incorporates the proceeds of the Placement.

The Retail Offer was opened on the 28th September 2021, and closed on the 13th October 2021. The Group raised a further \$23.487m capital via the Retail Offer, with 17,389,099 shares allotted at \$1.35 on the 20th October 2021. The proceeds of the Retail Offer have not been included in the Balance Sheet as at 30 September 2021, and have been included as a note in 12. Subsequent Events.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

### 8. RECONCILIATION OF CASH USED FROM OPERATING ACTIVITIES WITH OPERATING NET LOSS

	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
Net Loss for the Period	(8,985)	(7,093)	(14,223)
<b>Add Non Cash Items:</b>			
Depreciation	127	106	189
Loss on disposal of Property, Plant and Equipment	-	-	13
Amortisation	54	44	110
Employee Share Options	397	585	1,035
Employee bonuses paid in shares in lieu of cash	172	284	284
Depreciation on right of use assets	526	569	1,073
Interest on finance leases shown in lease repayments	69	37	103
<b>Total Non Cash Items</b>	<b>1,345</b>	<b>1,625</b>	<b>2,807</b>
<b>Add Movements in Other Working Capital items:</b>			
(Increase) in Receivables and Other Assets	(484)	(1,081)	(2,088)
(Increase) / Decrease in Inventory	(166)	6	6
Increase/(Decrease) in Payables and Accruals	172	(1,133)	(71)
Effect of exchange rates on net cash	(498)	(3)	(1)
<b>Total Movement in Other Working Capital</b>	<b>(976)</b>	<b>(2,211)</b>	<b>(2,154)</b>
<b>Net Cash Flows to Operating Activities</b>	<b>(8,616)</b>	<b>(7,679)</b>	<b>(13,570)</b>

### 9. CONTINGENT LIABILITIES

There were no known contingent liabilities at 30 September 2021 (March 2021: Nil and September 2020: Nil). The Company and Group have not granted any securities in respect of liabilities payable by any other party whatsoever.

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

### 10. UNRECOGNISED REVENUE

Approximately 40% of Cxbladder tests performed by the Group in the US up to 30th June 2020 relate to patients covered by the Centers for Medicare and Medicaid Services (CMS). The Group invoiced CMS for test performed for all patients with CMS coverage, however no revenue from these tests has been recognised.

On 3rd July 2020 the Company received a positive coverage decision from CMS, which results in the Company receiving reimbursement for all Cxbladder Monitor and Detect tests performed after 1 July 2020 for patients covered by the (CMS) across the US that are deemed medically necessary. Reimbursement for these tests is at the already determined national CMS price for Cxbladder of US\$760 per test.

The Company has commenced discussions with Novitas Solutions Inc who administer the health insurance for the Centers for Medicare & Medicaid CMS seeking reimbursement for tests performed prior to 30 June 2020 for patients covered by the CMS.

Tests performed prior to 30 June 2020 for CMS total 22,634.

No revenue has been recognised for these tests as they do not meet the definition of revenue as per IFRS 15 - Revenue from Contracts with Customers, as there is no certainty of any reimbursement on any of these tests performed prior to 30 June 2020, and there is no ability to reliably estimate the level of consideration that would be received if agreement can be reached with Novitas Solutions Inc over these previously performed tests.

### 11. CAPITAL COMMITMENTS

There are no capital commitments at 30 September 2021 (September 2020: Nil and March 2021: Nil).

### 12. SUBSEQUENT EVENTS

The Retail Offer of the capital raise detailed in Note 7. Share Capital was opened on the 28th September 2021, and closed on the 13th October 2021. The Group raised a further \$23.487m capital via the Retail Offer, with 17,389,099 shares allotted at \$1.35 on the 20th October 2021. Proceeds of the Retail Offer have not been included in the Balance Sheet as at 30 September 2021.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

**13. THE IMPACT OF COVID-19**

Covid-19 continues to have an impact on the throughput, revenue and expenses of the Group.

In the markets the Group operates in, measures have been employed by Governments in an attempt to limit the spread of the virus. This has restricted the ability for people to visit clinics and have tests performed for the occurrence of bladder cancer. This resulted in reduced throughput quantities for the group for the twelve months ended 31 March 2021. While throughput quantities have increased in six months to 30 September 2021 (up 62% on the prior corresponding six months ended 30 September 2020, and up 24% on the previous six months ended 31 March 2021) the markets we operate in are still feeling the effects of Covid-19, which is impacting the rate at which the Group can grow.

Offsetting the reduced access to urologists has been the increased adoption of the unique in-home sampling system which allows patients to perform tests at home, with the results provided to their urologist.

**14. RELATED PARTIES**

Details of all related party relationships have been disclosed in the annual report for the year ended 31 March 2021. No significant new transactions with Directors or Key Management Personnel occurred that would be considered a related party.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

**15. NET TANGIBLE ASSETS****Accounting Policy**

Net Tangible Assets per share is a non-GAAP measure that is required to be disclosed by the NZX Listing Rules. The calculation of the Group's Net Tangible Assets per share and its reconciliation to the consolidated balance sheet is presented below.

	Unaudited Sept 2021 6 Months (\$000)	Unaudited Sept 2020 6 Months (\$000)	Audited March 2021 12 Months (\$000)
Total Assets	99,970	36,982	31,184
Less Intangible Assets	231	176	177
Less Total Liabilities	6,575	6,515	6,075
<b>Net Tangible Assets</b>	<b>93,164</b>	<b>30,291</b>	<b>24,932</b>
Number of Shares Issued (000's)	788,469	724,764	727,779
<b>Net Tangible Assets per share</b>	<b>\$0.118</b>	<b>\$0.042</b>	<b>\$0.034</b>



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