

COMMENTARY ON HALF YEAR REPORT

Bio-Gene Technology Limited (ASX: BGT, “Bio-Gene” or “the Company”), an agtech development company enabling the next generation of novel insecticides, is pleased to present its financial results for the six months ended 31 December 2022 and an overview of operations for the period and up to date.

During the period the Company achieved several key milestones, including:

- Bio-Gene and STK Bio-Ag Technologies agreeing on binding terms relating to global Qcide™ collaboration
- Clarke Mosquito Control and Evergreen Garden Care development partnerships continuing to make good progress
- Advancement of other evaluation programs with new potential commercial partners
- Plant Breeder’s Rights applications made for Qcide IP
- Patents for Flavocide™ granted in key African (ARIPO) countries
- Regulatory authorities in key markets now engaged on registration pathways with potential for early submissions
- Manufacturing improvements for Flavocide and Qcide giving further assurance on commercial manufacturing viability

Operations:

Commercial Development

Earlier this month we announced a new partnership – with Israel-based STK Bio-Ag Technologies (“STK”). Founded 30 years ago, STK has operations and product registrations in more than 30 countries. STK applies advanced botanical science and bio-ag technology in the development and commercialisation of natural crop protection solutions for growers worldwide. Focused specifically on natural product development, STK has been evaluating our Qcide technology for over 12 months. The data produced from their studies gives STK the confidence to strengthen the collaboration with Bio-Gene and invest heavily in our technology. In return for non-exclusive access to our Qcide IP for the development of insecticides in the crop protection, aquaculture and professional turf and ornamental markets, STK will pay for the global registration of the Qcide Active Ingredient. This is a multi-million dollar investment covering registration enabling studies, registration fees and production facilities which has significant direct and flow-on benefits for Bio-Gene. Registering the Active Ingredient is an important step for any market application, and Bio-Gene can use this registration for collaborations not only in the markets covered by STK, but exclusively in other markets including public health, animal health and consumer products. Having this pathway to registration secured is of great benefit to commercial partners interested in developing products with Qcide.

STK will also develop additional production facilities for Qcide. This is very important for Bio-Gene, as we have always planned on the expansion of production facilities into other geographic areas to mitigate risk associated with production (loss or damage due to fire, flood, drought etc) and the logistics of managing global supply. This is an additional investment by STK and a further endorsement of STK’s confidence in our technology.

Together, we will also explore the opportunity of Bio-Gene becoming the agent for STK's products in Australia and New Zealand. We have a lot of expertise and connections within our team, and as STK products are complementary to our technology, this is a good fit to build on our technology platform and to offer the potential for early revenue streams.

To date, this is the most significant collaboration entered into between Bio-Gene and a commercial partner and paves the way for further commercial agreements in the future. Working together, Bio-Gene and STK can use their combined knowledge and expertise to leverage the opportunities for Qcide in a number of markets around the world.

The Company has continued to advance its projects with existing partners Evergreen Garden Care and Clarke Mosquito Control. Pleasingly, our relationship with both companies continues to grow, and we are seeing the value of their expertise in our respective collaborations. These programs have focused on adapting our active ingredient to the specific applications of interest of these companies and we have seen strong progress in the development of formulations suitable for commercial activities.

The Company is also working closely with other potential partners that are evaluating Bio-Gene's products under existing Material Transfer Agreements (MTAs) as well as progressing discussions with additional entities interested in testing the Company's products for a range of applications.

Regulatory Development

The collaboration with STK has a significant impact on our regulatory program. It is anticipated the positive financial impact for Bio-Gene directly relating to regulatory costs is many millions of dollars. The Company will work with STK directly on the Qcide registration program via a joint advisory committee, and the combined experience, resources and focus should allow for an accelerated registration process.

Bio-Gene can now focus its financial resources on registering our other product, Flavocide in our key markets, with the added potential benefit from a "read across" of data where applicable information developed for the Qcide registration dossier can be used to support Flavocide registration, based on the similarities of the molecules. Working with our partners Evergreen, Clarke, and now STK, we have engaged with the target regulatory authorities, and developed a strong understanding of the various regulatory strategies we will employ in different jurisdictions around the world.

Manufacturing Development

Our Program Manager, Dr James Wade, presented an extensive update on progress with the manufacturing processes for Flavocide and Qcide. In the 14 December webinar (which is available on our website for viewing), James explained how the collaborations with key research organisations have delivered on important steps in our Flavocide manufacturing improvement program, that will not only deliver cost savings but create significant Intellectual Property which creates an advantage to Bio-Gene in global production of our molecules.

Flavocide™

Through the efforts of our extensive network of local and international research collaborators Bio-Gene has continued to achieve significant improvements to the overall manufacturing process that are now fully documented in the Standard Operating Procedures (SOP) for commercial scale manufacture of Flavocide. This has resulted in the following:

- Provision of a pathway to produce commercially viable quantities of product;
- Streamlining of the process, making it easier for a toll manufacturer to adapt/implement;
- Improved safety of the process;
- Improved overall cost of manufacture; and
- Creation of important data on product specification for regulatory submissions.

These improvements are extremely positive, as ultimately, they enable us to confirm a pathway and strategy which facilitates our ability to produce commercially viable quantities of product to our desired specifications and quality. These collaborations have significantly improved the confidence in the Cost of Goods reduction program, which in turn creates additional market opportunities for our molecules from a competitor-cost perspective.

With our process chemical manufacturing consultant, James also recently visited India to undertake audits of a number of manufacturing facilities. India is now recognised as a global centre of excellence for the manufacture of pesticides and is within the top 10 of insecticide producing countries in the world. India-based manufacturers are considered as being exceptionally cost effective, having excellent facilities and with the ability to make products to the highest quality. The audits undertaken confirmed facilities to be world class and Bio-Gene has now shortlisted potential commercial manufacturers. We are now working through the final steps of our selection process to nominate a preferred toll manufacturer. We anticipate that the selected company will bring further expertise and experience to inform additional improvements to the production process and associated cost reduction targets.

Qcide™

In November, we conducted our latest harvest of Qcide oil. To date, Bio-Gene has been able to achieve incremental and significant improvements in oil yield, while ensuring the oil remains within its target specification. Bio-Gene will continue to refine its processes, with the overall aim to scale up the production process to meet market demand. A tree improvement program has also been undertaken to select superior tree lines based on oil and tasmanone content and establish these in tissue culture to enable commercial production of seedlings, which will enable expansion of plantation areas to satisfy futures demand for Qcide oil.

Future plans are to continue to collaborate with James Cook University and other service organisations to expand production through scale-up of production facilities and associated processes aimed at high oil extraction rates and optimised operational efficiency.

Additional future work is also planned to undertake a GLP 5 batch analysis process on Qcide oil using oil produced under standardised extraction conditions. This is a key regulatory requirement to confirm the consistency of the process, and ultimately the specification of the Qcide oil that is derived from the biomass.

Intellectual Property

During the period, Bio-Gene submitted applications for “plant breeder’s rights” for several of our unique tree lines, which will aim to provide exclusive commercial rights for our Qcide oil producing trees. The rights are essentially a form of intellectual property (IP), like patents, trademarks and designs. These improved tree lines have unique properties including plant morphology and oil chemical profile, and reflect the important attributes required for maximising production of Qcide oil in the field.

In December, the Company received news of the granting of two patents from the African Regional Intellectual Property Organisation (ARIPO) Patent Office. The patent applications focused on Flavocide for

control of resistant pests and use in combination with other chemistries. The claims for the first patent relate to the control of resistant insect pests infesting an agricultural environment, and in particular grain storage pests. The second patent addresses the use of Flavocide in combination with other key insecticidal chemistry and has relevance to mosquito control which is particularly important for Africa. These patents will expire in 2038. Examination of additional patent applications is continuing by other patent offices in many countries around the world. The granting of these two patents adds to those already granted over the past 18 months in Australia and the USA.

Communications

We continue to build on our social media interactions with regular communications on company activities and global issues relevant to our business development activities. These and on-going updates can be found on our social media pages:

- LinkedIn: - <https://au.linkedin.com/company/bio-genetechnology>
- Twitter: - <https://twitter.com/biogenetechltd>

The Company will continue to focus on investor briefings and industry presentations over the course of the year.

Financial Performance:

For the six months to 31 December 2022, the Company produced a loss from ordinary activities before income tax of \$1.97 million, a 37.1% increase over the previous corresponding period. The increased loss is due to the net effect of an increase in expenditure on research and development as the Company focuses on advancing its development programs for both Flavocide and Qcide, while managing and reducing its overheads. During the half the Company did not generate any further revenue from its collaborations with Clarke and Evergreen. Milestone payments from these companies are expected to be received in the current half of FY23.

The Company's cash position at balance date was \$4.3 million. On 20 January 2023, the Company announced it had received the R&D Tax Incentive from the Australian government of \$446,000 which is not included in the December 2022 cash balance.

Further highlights and full financial results are contained in the attached Appendix 4D.

Approved for release by the Board of Directors of the Company.

-ENDS-

For further information, please contact:

Bio-Gene Technology Limited:

Richard Jagger
Chief Executive Officer
P: 03 9068 1062
E: bgt.info@bio-gene.com.au

Roger McPherson
CFO & Company Secretary
P: 03 9068 1062
E: bgt.info@bio-gene.com.au

About Bio-Gene Technology Limited

Bio-Gene is an Australian agtech company enabling the next generation of novel insecticides. Bio-Gene's novel platform technology is based on a naturally occurring class of chemicals known as beta-triketones.

Beta-triketone compounds have demonstrated insecticidal activity (e.g., kill or knock down insects) via a novel mode of action in testing performed to date. This platform may provide multiple potential new solutions for insecticide manufacturers in applications across crop protection and storage, public health, animal health and consumer products. The Company's aim is to develop and commercialise a broad portfolio of targeted insect control and management solutions.

APPENDIX 4D

BIO-GENE TECHNOLOGY LIMITED

ABN 32 071 735 950

HALF YEAR REPORT

Current reporting period
Previous corresponding period

Half year ended 31 December 2022
Half year ended 31 December 2021

Results for announcement to the market

A\$'000

Revenues from ordinary activities	Down	78.2% to	90
Loss from ordinary activities after tax attributable to members	Up	37.1% to	(1,970)
Net loss for the period attributable to members	Up	37.1% to	(1,970)

Explanation		
Dividends (distributions)	Amount per security	Franked amount per security
Interim dividend	NIL	NIL
Previous corresponding period	NIL	NIL
Record date for determining entitlements to the dividend	N/A	
	31 December 2022	31 December 2021
Net tangible asset per security	0.023¢	0.034¢
Control gained over entities having material effect		
N/A		
Loss of control of entities having material effect		
N/A		
Details of aggregate share of profit (loss) of associated and joint venture entities		
N/A		
This report is based on:		
accounts which have been subject to review		

BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

APPENDIX 4D – HALF YEAR REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

<u>Contents</u>	<u>Page</u>
Directors' report	7
Auditor's independence declaration	10
Statement of profit or loss and other comprehensive income	11
Statement of financial position	12
Statement of changes in equity	13
Statement of cash flows	14
Notes to the financial statements	15
Directors' declaration	18
Independent auditor's review report to the members	19

This half year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by Bio-Gene Technology Limited during the half year reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the Australian Securities Exchange.

DIRECTORS' REPORT

The Board of Directors of Bio-Gene Technology Limited ("Bio-Gene" or the "Company") has resolved to submit the following report together with the financial statements of the Company for the half year ended 31 December 2022.

1. Directors

The names of the Directors of the Company in office at any time during or since the end of the half year are:

Mr. Robert Klupacs (Non-Executive Chairman)
Mr. Richard Jagger (Managing Director and CEO)
Mr. Peter May (Executive Director, Research and Development).
Dr. Peter Beetham (Non-Executive Director)
Mr. James Joughin (Non-Executive Director)
Mr. Andrew Guthrie (Non-Executive Director)

2. Results

The Company reported a loss for the half-year of \$1,970,380 (2021: \$1,437,191). This loss is after fully expensing all research and development costs.

3. Review of Operations

Key achievements during the period include:

- Bio-Gene and STK Bio-ag Technologies agree on binding terms relating to global Qcide™ collaboration
- Clarke and Evergreen development partnerships continue to make good progress
- Advancement of other commercial programs with new potential commercial partners
- Plant Breeder's Rights applications made for Qcide IP
- Patents for Flavocide™ granted in key African (ARIPO) countries
- Regulatory authorities in key markets now engaged on registration pathways with potential for early submissions
- Manufacturing improvements leading to assurance on commercial manufacturing viability

Commercial Agreements

In January 2023, the Company announced a new partnership – with Israel-based STK. Focused specifically on natural product development, STK has been evaluating Qcide for over 12 months. The data produced from their studies gives STK the confidence to strengthen the collaboration with Bio-Gene and invest heavily in our technology. In return for non-exclusive access to our Qcide IP for the development of insecticides in the crop protection, aquaculture and professional turf and ornamental markets, STK will pay for the global registration of the Qcide Active Ingredient. This is a multimillion-dollar investment in registration enabling studies and registration fees that has significant benefits to Bio-Gene. Registering the Active Ingredient is an important step for any market application, and Bio-Gene can use this registration for collaborations in other markets of interest to our potential partners including in public health and consumer products.

The Company has continued to advance its projects with existing partners Evergreen Garden Care and Clarke Mosquito Control. Pleasingly, our relationship with both companies continues to grow, and we are seeing the value of their expertise in our respective collaborations.

The Company is also working closely with other potential partners which are evaluating Bio-Gene's products under Material Transfer Agreements (MTAs) as well as having discussions with additional entities interested in testing the Company's products for different applications. The Company plans to announce further results of testing programs under a number of these MTAs towards the end of this financial year.

Intellectual Property

During the period, Bio-Gene submitted applications for "plant breeders rights" for several of our unique tree lines, which will aim to provide exclusive commercial rights for our Qcide oil producing trees. The rights are essentially a form of intellectual property (IP), like patents, trademarks and designs. These improved tree lines have unique properties including plant morphology and oil chemical profile, and reflect the important attributes required for maximising production of Qcide oil in the field.

In December, the Company received news of the granting of two patents from the African Regional Intellectual Property Organisation (ARIPO) Patent Office. The patent applications focused on Flavocide for control of resistant pests, and use in combination with other chemistries. The claims for the first patent relate to the control of resistant insect pests infesting an agricultural environment, and in particular grain storage pests. The second patent addresses the use of Flavocide in combination with other key insecticidal chemistry and has relevance to mosquito control which is particularly important for Africa. These patents will expire in 2038. Examination of additional patent applications is continuing by other patent offices in many countries around the world. The granting of these two patents adds to those already granted over the past 18 months in Australia and the USA.

DIRECTORS' REPORT

Regulatory Development

A very important part of commercialising our technology is obtaining regulatory approvals in various geographies. This process requires some finesse, as different markets and different jurisdictions require a different regulatory package. Our aim has been to clearly identify and prioritise the data requirements for our target segments and continue the process of data generation. In some cases, this requires detailed protocols and bespoke testing, and we are fortunate to have regulatory experts as well as to be working with our partners at Evergreen, Clarke and STK to assist in developing and implementing strategy to optimise use of resources and minimise time to product approvals.

The collaboration with STK has a significant impact on our regulatory program. While the Company will work with STK directly on the Qcide registration program via a joint advisory committee, we will focus our financial resources on registering Flavocide in our key markets.

Manufacturing

During the period the Company has continued to focus on its manufacturing improvement programs for both Flavocide and Qcide.

Flavocide™

Through the efforts of our extensive network of local and international research collaborators Bio-Gene has continued to achieve significant improvements to the overall manufacturing process that are now fully documented in the Standard Operating Procedures (SOP) for manufacture of Flavocide. This has resulted in the following:

- Provision of a pathway to produce commercially viable quantities of product
- Streamlining of the process, making it easier for a toll manufacturer to adapt/implement
- Improved safety of the process
- Improved overall cost of manufacture
- Creation of important data on product specification for regulatory submissions

These improvements are extremely positive, as ultimately they enable us to confirm a pathway and strategy which facilitates our ability to produce commercially viable quantities of product to our desired specifications and quality.

Bio-Gene's Program Manager, Dr James Wade, and our manufacturing consultant, Neil Anderson, recently visited India to undertake audits of a number of manufacturing facilities for potential commercial production of Flavocide. India is now recognised as a global centre of excellence for the manufacture of pesticides and is within the top 10 of Insecticide producing countries in the world. India-based manufacturers are considered as being exceptionally cost effective, having excellent facilities and with the ability to make products to the highest quality. The audits undertaken confirmed facilities to be world class and Bio-Gene has shortlisted potential commercial manufacturers. We are now working through the final steps of our selection process to nominate a preferred toll manufacturer. We anticipate that the selected company will bring further expertise and experience to inform additional improvements to the production process and associated costs.

Qcide™

In November, we conducted our latest harvest of Qcide oil. To date, Bio-Gene has been able to achieve incremental and significant improvements in oil yield, while ensuring the oil remains within its target specification. Bio-Gene will continue to refine its processes, with the overall aim to scale up the production process to meet market demand. A tree improvement program has also been ongoing to select superior tree lines based on oil and tasmanone content and establish these in tissue culture to enable commercial production of seedlings, which will enable expansion of plantation areas to satisfy expected market demand for Qcide oil. Future plans are to continue to collaborate with James Cook University and other service organisations to expand production through scale-up of production facilities and associated processes aimed at high oil extraction rates and optimised operational efficiency.

Additional work is also planned to undertake a GLP 5 batch analysis process on Qcide oil using oil produced under standardised extraction conditions. This is a key regulatory requirement to confirm the consistency of the process, and ultimately the specification of the Qcide oil that is derived from the biomass.

Company Communications

During the period, Richard Jagger, CEO visited with potential investors in Singapore, Melbourne, and Sydney.

A review of the past 12 months and a look forward to expectations for the next year was presented by the CEO at the AGM.

Dr James Wade, Bio-Gene's Program Manager, presented an extensive update on progress with the manufacturing processes for Flavocide and Qcide in an online webinar in December.

Sarah Driessens, Bio-Gene's Global Regulatory Affairs Manager, gave a virtual presentation to the Biocides Europe 2022 conference held in Vienna Austria in November. Sarah's presentation was titled "Strategy for bringing a new active substance to market in different regions under different regulations", and was an excellent opportunity to showcase Bio-Gene's products.

The Company continues to build on its social media interactions with regular communications on company activities and global issues relevant to Bio-Gene's business development activities. These and on-going updates can be found on Bio-Gene's social media pages:

- LinkedIn: - <https://au.linkedin.com/company/bio-genetechnology>
- Twitter: - <https://twitter.com/biogenetechltd>

DIRECTORS' REPORT

The Company will continue to focus on investor briefings and industry presentations over the course of the year.

4. Financial and Treasury Activities

The financial results of the Company for the six months ended 31 December 2022 are summarised as follows:

- The Company produced a loss from ordinary activities before income tax and after income tax of \$1,970,380 (2021: \$1,437,191). Research and development costs have been expensed in the period in which they were incurred. Before interest income, tax, depreciation and amortisation the net loss for the period was \$1,991,321 (2021: \$1,434,875).
- Revenues generated for the period of \$89,625 (2021: \$410,353) were from the R&D Tax Incentive and interest income.
- The Company's cash at balance date was \$4,256,250 (30 June 2022: \$6,341,881).

5. Events Subsequent to 31 December 2022

On 19 January 2023 the Company announced that it had agreed terms on a global collaboration to develop, register and commercialise Qcide™ for crop protection applications with STK Bio-AG Technologies (STK). Under the agreement, STK will be responsible for the registration of the active ingredient which it is anticipated will provide a positive financial impact for Bio-Gene directly relating to regulatory costs is many millions of dollars.

No other subsequent event to the date of this report has a material impact on this financial report or on the financial forecasts of the Group.

6. Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* accompanies this report.

Signed in accordance with a resolution of the Board of Directors dated 23 February 2023.



Robert Klupacs
Chairman

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BIO-GENE TECHNOLOGY LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2022 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.

JTP Assurance

JTP ASSURANCE
Chartered Accountants

W. Tarrant

WAYNE TARRANT
Partner

Signed at Melbourne this 23rd day of February 2023

BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

		Half-Year	
		31 December 2022	31 December 2021
	Note	\$	\$
Revenues from continuing operations	2(a)	-	349,049
Other income	2(b)	89,625	61,304
Research & Development		(1,221,659)	(778,181)
Commercialisation Expenses		(147,782)	(170,269)
Management and Employment Expenses		(85,348)	(113,397)
Directors Expenses		(151,966)	(149,960)
Professional Services		(38,313)	(268,231)
Intellectual Property		(134,657)	(88,215)
Depreciation & Amortisation	3	(22,837)	(21,127)
Other Expenses		(257,443)	(258,164)
Loss from continuing operations before tax		(1,970,380)	(1,437,191)
Income tax (expense)		-	-
Loss for the half-year from continuing operations after income tax		(1,970,380)	(1,437,191)
Other comprehensive income (loss) for the period, net of tax		-	-
Total comprehensive loss for the half-year attributable to members of the Company		(1,970,380)	(1,437,191)
Earnings (loss) per share:			
Basic loss per share		(1.17¢)	(1.01¢)
Diluted loss per share		(1.17¢)	(1.01¢)

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

BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

		31 December 2022	30 June 2022
	Note	\$	\$
Current assets			
Cash and cash equivalents	4	4,256,250	6,341,881
Trade and other receivables		491,334	438,167
Other assets		232,880	223,044
Total current assets		4,980,464	7,003,092
Non-current assets			
Property, plant and equipment		18,627	22,993
Intangible assets	5	258,599	277,070
Total non-current assets		277,226	300,063
Total assets		5,257,690	7,303,155
Current liabilities			
Trade and other payables		665,653	520,980
Employee Benefits		148,093	413,247
Financial liabilities		75,000	75,000
Total current liabilities		888,746	1,009,227
Non-current liabilities			
Employee Benefits		46,522	25,455
Financial liabilities		-	-
Total non-current liabilities		46,522	25,455
Total liabilities		935,268	1,034,682
Net assets		4,322,422	6,268,473
Equity			
Contributed equity	6	19,545,553	19,545,553
Reserves	7	1,083,785	1,221,795
Accumulated losses	8	(16,306,916)	(14,498,875)
Total equity		4,322,422	6,268,473

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

BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Contributed equity	Share option reserve	Share loan plan reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
2022					
At 1 July 2022	19,545,553	289,663	932,132	(14,498,875)	6,268,473
Loss for the period	-	-	-	(1,970,380)	(1,970,380)
Other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	(1,970,380)	(1,970,380)
<i>Transactions with owners in their capacity as owners:</i>					
Issued capital	-	-	-	-	-
Transaction costs related to shares issued	-	-	-	-	-
Re-allocation of value of equity which vested during the period	-	-	-	-	-
Re-allocation of value of equity cancelled during the period	-	-	(162,339)	162,339	-
Cost of share based payment	-	-	24,329	-	24,329
At 31 December 2022	19,545,553	289,663	794,122	(16,306,916)	4,322,422
2021					
	\$	\$	\$	\$	\$
At 1 July 2021	15,062,071	57,681	805,648	(11,679,222)	4,246,178
Loss for the period	-	-	-	(1,437,191)	(1,437,191)
Other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	(1,437,191)	(1,437,191)
<i>Transactions with owners in their capacity as owners:</i>					
Issued capital	3,047,750	-	-	-	3,047,750
Transaction costs related to shares issued	(165,101)	-	-	-	(165,101)
Re-allocation of value of equity which vested during the period	-	-	-	-	-
Re-allocation of value of equity cancelled during the period	-	-	(94,540)	94,540	-
Cost of share based payment	-	231,982	144,725	-	376,707
At 31 December 2021	17,944,720	289,663	855,833	(13,021,873)	6,068,343

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

BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

		Half Year	
		31 December	31 December
		2022	2021
	Note	\$	\$
Operating activities			
Receipts from customers		-	369,049
Payments to suppliers and employees inclusive of GST		(2,129,237)	(1,450,038)
Interest received		43,606	18,953
Interest paid		-	-
COVID Stimulus		-	-
R&D tax incentive		-	-
Net cash used in operating activities		(2,085,631)	(1,062,036)
Investing activities			
Payments for property, plant and equipment		-	-
Payments for intangible assets		-	-
Net cash used in investing activities		-	-
Financing activities			
Proceeds from issue of shares		-	3,047,750
Funds received in advance for issue of shares		-	111,200
Payment for share issue expenses		-	(139,551)
Repayments of financial (and lease) liabilities		-	(75,000)
Net cash provided by financing activities		-	2,944,399
			-
Net increase in cash and cash equivalents		(2,085,631)	1,882,363
Cash and cash equivalent at 1 July		6,341,881	3,933,195
Cash and cash equivalents at 31 December	4	4,256,250	5,815,558

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

Note 1: Basis of preparation

The financial report of Bio-Gene Technology Limited for the half year ended 31 December 2022 was authorised for issue in accordance with a resolution of the Directors on 23 February 2023. Bio-Gene Technology Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The principal activity of the Company during the financial year was developing insecticides/pesticides.

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 '*Interim Financial Reporting*'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 '*Interim Financial Reporting*'. The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report, together with any public announcements made by Bio-Gene Technology Limited.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those of the previous financial year and corresponding interim reporting period except as noted below.

Note 2: Revenue and other income

(a) Revenue from continuing operations

Licence and option fees

Research collaboration receipts

	Half year 31 December 2022 \$	31 December 2021 \$
	-	349,049
	-	-
	-	349,049

(b) Other income

Interest revenue

R&D tax incentive

Other income

	43,779	18,811
	45,846	34,050
	-	8,443
	89,625	61,304

Note 3: Expenses

Employee salary and benefit expenses:

Salary and employee benefit expenses

Defined contribution superannuation expenses

Share based payments

	Half year 31 December 2022 \$	31 December 2021 \$
	478,955	463,113
	60,073	45,487
	24,329	110,266

Depreciation, amortisation and impairment of non-current assets:

Depreciation – plant and equipment

Amortisation and impairment – intellectual property

	4,366	2,656
	18,471	18,471

Operating expenses:

Foreign currency exchange losses

	-	-
--	---	---

Note 4: Cash and cash equivalents

Cash at bank

Deposit at call

	31 December 2022 \$	30 June 2022 \$
	16,690	35,805
	4,239,560	6,306,076
	4,256,250	6,341,881

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

Note 5: Intangible assets

	31 December 2022	30 June 2022
	\$	\$
Intellectual property establishment and acquisitions at cost	557,818	557,818
Less: Accumulated amortisation	(299,219)	(280,748)
	<u>258,599</u>	<u>277,070</u>

Note 6: Contributed equity

The Company does not have authorised capital nor par value in respect of its issued shares.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in equal proportion to the number of shares held. At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(a) Movements in contributed equity during the period were as follows:

	31 December 2022	
	No.	\$
Opening balance 1 July 2022	179,056,519	19,545,553
Shares cancelled pursuant to the Loan Share Plan (LSP)	(1,150,524)	(162,339)
Share plan loans	-	162,339
Closing balance 31 December 2022	<u>177,905,995</u>	<u>19,545,553</u>

	30 June 2022	
	No.	\$
Opening balance 1 July 2021	153,633,357	15,062,071
Shares issued at 17 cents pursuant to Share Placement	18,937,118	3,219,310
Shares issued at 20 cents pursuant to Share Placement	7,500,000	1,500,000
Shares cancelled pursuant to the Loan Share Plan (LSP)	(1,013,956)	(94,540)
Share plan loans	-	94,540
Transaction costs arising on issue of shares	-	(235,828)
Closing balance 30 June 2022	<u>179,056,519</u>	<u>19,545,553</u>

(b) Movements in share options over ordinary shares during the year were as follows:

	31 December 2022	30 June 2022
	No.	No.
Balance at beginning of the year	5,000,000	5,000,000
Granted during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Issued during the period	-	-
Lapsed during the year	-	-
Balance at end of the year	<u>5,000,000</u>	<u>5,000,000</u>

Terms of options issued

	Options Issued	Exercise Price	Value \$ ³	Expiry
Options issued – 6 May 2021	2,500,000	25 cents	94,715	6/5/24
Options issued – 1 December 2021	2,500,000	25 cents	194,948	1/12/24

- Share options granted carry no rights to dividends and no voting rights.
- The valuations of options issued are determined by using an industry standard option pricing model taking into account the terms and conditions upon which the instruments were issued.
- The Options were issued for equity and advisory services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

Note 7: Reserves

	31 December 2022 \$	30 June 2022 \$
Share options reserve	(a) 289,663	289,663
Share loan plan reserve	(b) 794,122	932,132
	<u>1,083,785</u>	<u>1,221,795</u>

	31 December 2022 \$	30 June 2022 \$
(a) Share options reserve		
Opening balance 1 July	289,663	57,681
Value of Options issued during the period	-	231,982
Re-allocation of value of options which expired during the period	-	-
Closing balance	<u>289,663</u>	<u>289,663</u>
(b) Share loan plan reserve		
Opening balance 1 July	932,132	805,648
Value of shares issued under the Loan Share Plan (recognised over vesting period)	24,329	221,024
Re-allocation of value of shares issued under the LSP which were cancelled during the period	(162,339)	(94,540)
Closing balance	<u>794,122</u>	<u>932,132</u>

Note 8: Movement in accumulated losses

	31 December 2022 \$	30 June 2022 \$
Opening balance 1 July	(14,498,875)	(11,679,222)
Re-allocation of value of shares issued under the LSP which were cancelled during the period	162,339	94,540
Net loss for the period	(1,970,380)	(2,914,193)
Closing balance	<u>(16,306,916)</u>	<u>(14,498,875)</u>

Note 9: Operating segments

A segment is a component of the Company that engages in business activities to provide products or services within a particular economic environment. The Company operates in one business segment, being the conduct of research and development activities in the agricultural sector. The Board of Directors assess the operating performance of the Company based on management reports that are prepared on this basis.

Note 10: Commitments and contingencies

There are no commitments and contingencies required to be reported.

Note 11: Events subsequent to reporting date

On 19 January 2023 the Company announced that it had agreed terms on a global collaboration to develop, register and commercialise Qcide™ for crop protection applications with STK Bio-AG Technologies (STK). Under the agreement, STK will be responsible for the registration of the active ingredient which it is anticipated will provide a positive financial impact for Bio-Gene directly relating to regulatory costs is many millions of dollars.

No other subsequent event to the date of this report has a material impact on this financial report or on the financial forecasts of the Group.

DIRECTORS' DECLARATION

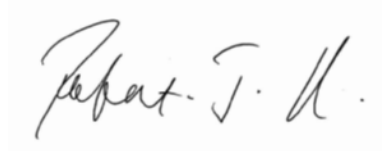
In the Directors' opinion:

the attached financial statements and notes thereto comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporate Regulations 2001 and other mandatory professional reporting requirements;

- a) the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- 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.

Signed in accordance with a resolution of directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Robert J. Klupacs', is written over a light blue rectangular background.

Robert Klupacs
Chairman

Dated this 23rd day of February 2023

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BIO-GENE TECHNOLOGY LTD
ABN 32 071 735 950**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Bio-Gene Technology Ltd, which comprises the consolidated condensed statement of financial position as at 31 December 2022, the consolidated condensed statement of profit or loss, the consolidated condensed statement of comprehensive income, the consolidated condensed statement of changes in equity and the consolidated 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.

Directors' Responsibility for the Half-year Financial Report

The directors of Bio-Gene Technology Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 Bio-Gene Technology Ltd's financial position as at 31 December 2022 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 Bio-Gene Technology Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Conclusion

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 Bio-Gene Technology Ltd is not in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of Bio-Gene Technology Ltd 's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

JTP Assurance

JTP ASSURANCE
Chartered Accountants

W. Tarrant

WAYNE TARRANT
Partner

Signed at Melbourne this 23rd day of February 2023