

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, presents its financial results for the six months ended 31 December 2023 and an overview of operations for the period.

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

- **Major review of Bio-Gene product opportunities to refine the Company’s development pipeline and confirms focus on priority product and market opportunities for Flavocide® and Qcide® across public health, consumer and crop protection applications**
- **Signed Development and Licence Agreement with STK Bio-Ag Technologies (STK) under which STK fully fund the active ingredient registration of Qcide**
- **Bio-Gene’s insecticidal active ingredients selected for participation in a US\$10 million research program funded by the US Centers for Disease Control and Prevention (CDC) for vector control targeting ticks as vectors of Lyme disease**
- **\$2.0 million capital raise comprising \$1.9 million via Placement and an additional \$144.5k via the Share Purchase Plan to produce Flavocide active constituent and to conduct key toxicology studies required to advance registration of Flavocide initially in Australia**
- **Bio-Gene commits to Flavocide manufacturing program with a large contract toll manufacturer to support regulatory programs and to meet future product demand**
- **Scale-up of Qcide production continues to keep pace with expected demand from commercial collaborations**
- **Professor Catherine Hill shares insights into how Bio-Gene’s novel insecticides will help solve global challenges relating to mosquitoes and ticks by overcoming insecticide resistance**
- **Board and Executive Changes:**
 - Mr Alex Ding appointed Chairman
 - Mr Tim Grogan appointed Managing Director and CEO
 - Mr Roger McPherson appointed interim Chief Financial Officer

Over the first half of FY24 Bio-Gene strengthened its focus on commercialising products to meet the global challenge of insecticide resistance. The Company consolidated commercial and research partnerships to progress registration of two active ingredients, Qcide® and Flavocide®, and undertook a strategic review to target its pipeline on products with the greatest commercial applications across public health vector control, crop protection and consumer use. Bio-Gene continued to build on existing commercial partnerships, and secured the resources of additional large companies and funding organisations to support the development of the Company’s commercially attractive botanically derived insecticides. Changes to the Board and Executive team were made during the half to help drive the increasing focus on commercialisation.

Targeted focus on product pipeline

During the period, Bio-Gene undertook a major strategic review to assess and rank over 50 potential product applications for Qcide and Flavocide. The Company assessed relative strengths and weaknesses of each application, key technical, commercial and market data and the required development processes to obtain regulatory approval through to product launch. Eight priority product and market uses were identified across public health, consumer applications and crop protection to develop an initial product pipeline comprising:

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- Public health: (1) outdoor space spray, (2) indoor space spray, (3) outdoor barrier surface spray, (4) indoor barrier surface spray
- Consumer applications: (5) indoor space spray, (6) outdoor barrier spray, (7) outdoor garden spray
- Crop protection: (8) grain protectant

Bio-Gene is currently working with commercial and potential commercial partners in most of these markets.

Commercial partnerships

STK: In July 2023, Bio-Gene signed a Development and License Agreement for Qcide with STK Bio-Ag Technologies that grants to STK a non-exclusive licence to develop Qcide in crop and some non-crop markets. As part of this agreement, Bio-Gene retains exclusive rights to the public health, animal health and consumer markets for Qcide globally. In addition, the Company retains non-exclusive rights to crop protection, turf and ornamentals markets, and can work with any collaborators in these market sectors should the Company wish to develop products incorporating Qcide.

The Company has since worked closely with STK's regulatory experts on the registration pathway for Qcide, and product testing and registration-related activities remain on-track. STK is currently undertaking an extensive testing program to develop a comprehensive data package to support registration of Qcide as an active ingredient in Australia, USA and other countries targeted for commercialisation for pest control in both crop and non-crop applications.

Clarke: Bio-Gene has expanded programs to develop formulations to optimise performance for mosquito control. This includes programs with specialist contract research organisations targeting the surface residual barrier spray application use pattern for mosquito control.

Evergreen: Bio-Gene's work with Evergreen Garden Care continues in Europe and Australia involving field testing of Bio-Gene products targeting home and garden pests. Potential new trials in Australia are being examined as part of the opportunity for consumer applications, in particular for Qcide.

Additional commercial opportunities: Bio-Gene continues to engage with significant global players to expand product opportunities for Bio-Gene's products. Over 2QFY24, these testing programs have progressed positively, expanding the potential pipeline for additional commercial development opportunities in both crop, non-crop and public health applications.

R&D Projects

Centers for Disease Control and Prevention Program: In July 2023, Bio-Gene was selected to participate in a US\$10 million research program funded by the US Centers for Disease Control and Prevention (CDC) on vector-borne diseases using products specifically focused on tick-borne pathogens. The program involves prominent United States universities in this sector including University Wisconsin Madison, with partners at Minnesota, Illinois, Michigan, Iowa, and Indiana universities, including Purdue University who has a significant history and knowledge of Bio-Gene's technology.

To have Bio-Gene's technology selected for inclusion in a world leading study into new vector control technologies validates the potential of Bio-Gene products in this field. Public health is a prominent global issue, and with climate change impacting the habitable range of vectors such as ticks and current chemistry becoming less effective due to resistance, finding new products is more important than ever. As this program is funded with a significant investment from the CDC, it shows how critical the issue of tick control is and the threat to public health it represents.

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During the period, the Company worked with Purdue University to test Flavocide and Qcide for tick control. Initial efficacy studies have produced results that meet USEPA standards, enabling the program to move from the laboratory to field trials to further evaluate efficacy under outdoor conditions.

Flavocide manufacturing scale-up program: In September 2023, Bio-Gene signed an agreement with a large contract manufacturer in India for the custom scale-up of Flavocide synthesis. This followed a detailed review of the capabilities of several companies internationally. Bio-Gene has now engaged this company to validate and optimise the process developed by Bio-Gene and to scale-up this process to produce pilot scale batches of GLP (Good Laboratory Practices) standard Flavocide for use in key toxicology and other studies. These are required to support the registration application for Flavocide in Australia and other jurisdictions. This scale-up program also adds to Bio-Gene's future capacity to supply high quality technical grade Flavocide to commercial partners on a cost competitive basis.

Qcide production and tree improvement programs: During the period, Bio-Gene has continued to invest in scaling both tree and oil production. Bio-Gene has renewed an agreement with James Cook University to provide engineering input into developing scalable processes and is working with commercial operators to support tree and seed production programs. The Development and License Agreement with STK and arrangements with other commercial partners provide the commercial basis to expand Qcide area and production.

Professor Catherine Hill webinar

Professor Catherine Hill, Head of the Department of Entomology at Purdue University in the United States, participated in a webinar hosted by Bio-Gene where she shared insights on the global challenges relating to mosquitoes and ticks, the increasing resistance to current insecticides and the threat this poses to human health from diseases such as malaria and Lyme disease. Dr Hill highlighted the benefits of Bio-Gene's naturally derived insecticides with a novel mode of action to overcome insecticide resistance, and referenced the partnership between Bio-Gene and Purdue in evaluating Flavocide and Qcide against ticks as part of a national program funded by the US CDC targeting Lyme disease.

Intellectual property

During the period, Bio-Gene was granted three patents relating to the use of Flavocide, strengthening Bio-Gene's IP platform:

- Australia AU 2021232737 – Flavocide use against insects and arachnid pests when used in combination with another pesticide;
- New Zealand NZ 760403 – Flavocide use against resistant pests; and
- Japan JP 7374921 – Flavocide use against certain aphid species.

Bio-Gene remains committed to applying for patents and plant breeder's rights (for superior tree lines to support Qcide production) and building an extensive body of knowhow relating to the use, manufacture, registration and formulation of Flavocide and Qcide.

Financial update

For the six months to 31 December 2023, the Company produced a loss from ordinary activities before income tax of \$1.51 million, a 23.4% decrease over the previous corresponding period. The decreased loss is primarily due to the net effect of an increased R&D Incentive for FY23 and the timing of expenditure in relation to research and development programs as the Company focuses on advancing its programs for both Flavocide and Qcide, while managing and reducing its overheads. During the half the Company did not generate any further licencing revenue from its collaborations with Clarke and Evergreen.

To support registration of Flavocide, the Company used funds from a \$2.0 million capital raise (comprising \$1.9 million via Placement and an additional \$144.5k via the Share Purchase Plan) to conduct toxicology and other studies necessary to advance registration of Flavocide in Australia.

The Company's cash position at balance date was \$3.2 million. On 19 January 2024, the Company announced it had received the R&D Tax Incentive from the Australian government of \$504,187 which is not included in the December 2023 cash balance.

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

Tim Grogan, the company's Chief Executive Officer, will host a presentation on the 1H FY24 results, followed by a Q&A session, for investors and analysts on **Tuesday, 5 March 2024, at 11:00am (AEDT)**

To register for this Webinar, please use the following link:

<https://us02web.zoom.us/j/81233346624>

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

-ENDS-

For further information, please contact:

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About Bio-Gene Technology Ltd

Bio-Gene is an Australian agtech development company enabling the next generation of novel insecticides to address the global problems of insecticide resistance and toxicity. Its unique technology is based on a naturally occurring class of chemicals proven to overcome resistance to control pests with minimal impact on human health and the environment.

Bio-Gene's technology provides multiple potential new solutions for insecticide manufacturers in applications across crop protection, grain storage, public health and consumer products. Bio-Gene's is developing and commercialising a broad portfolio of targeted insect control and pest management solutions.

Flavocide® and Qcide® are trademarks of Bio-Gene Technology Limited.

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 2023
Half year ended 31 December 2022

Results for announcement to the market

A\$'000

Revenues from ordinary activities	Up	89.4% to	170
Loss from ordinary activities after tax attributable to members	Down	23.4% to	(1,509)
Net loss for the period attributable to members	Down	23.4% to	(1,509)

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 2023	31 December 2022
Net tangible asset per security	0.017¢	0.023¢
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	

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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 2023 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 2023.

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. Alex Ding (Non-Executive Chairman) – appointed Chairman 1/8/23
Mr. Robert Klupacs (Non-Executive Chairman) – resigned 31/7/23
Mr Tim Grogan (Managing Director and CEO) appointed 28/8/23
Mr. Richard Jagger (Managing Director and CEO) – resigned 4/9/23
Mr. Peter May (Executive Director, Research and Development).
Mr. Andrew Guthrie (Non-Executive Director)
Mr Christopher Ramsey (Non-Executive Director)

2. Results

The Company reported a loss for the half-year of \$1,509,218 (2022: \$1,970,380). This loss is after fully expensing all research and development costs.

3. Review of Operations

Key achievements during the period include:

- Major review of Bio-Gene product opportunities refines development pipeline and confirms focus on priority product and market uses across public health, consumer applications and crop protection
- Signed Development and Licence Agreement with STK Bio-Ag Technologies (STK) under which STK fully fund the active ingredient registration of Qcide®
- Bio-Gene's insecticidal active ingredients selected for participation in a US\$10 million research program funded by the US Centers for Disease Control and Prevention (CDC) for vector control targeting ticks as vectors of Lyme disease
- \$2.0 million capital raise comprising \$1.9 million via Placement and an additional \$144.5k via the Share Purchase Plan to produce Flavocide® active constituent to conduct key toxicology studies required to advance registration of Flavocide initially in Australia
- Bio-Gene commits to Flavocide manufacturing program with large contract toll manufacturer to support regulatory programs and to meet future product demand
- Scale-up of Qcide® production continues to keep pace with expected demand from commercial collaborations
- Professor Catherine Hill shares insights into how Bio-Gene's novel insecticides will help solve global challenges relating to mosquitoes and ticks by overcoming insecticide resistance

Targeted focus on product pipeline

Eight priority product and market uses were identified across public health, consumer applications and crop protection to develop an initial product pipeline:

- Public health: (1) outdoor space spray, (2) indoor barrier spray, (3) outdoor barrier spray, (4) indoor space spray
- Consumer applications: (5) indoor space spray, (6) outdoor barrier spray, (7) outdoor garden spray
- Crop protection: (8) grain protectant

Bio-Gene is currently working with commercial and potential commercial partners in most of these markets.

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DIRECTORS' REPORT

Commercial Agreements

STK: In July 2023, Bio-Gene signed a Development and License Agreement with STK Bio-Ag Technologies formalising the existing binding term sheet. Under the agreement, Bio-Gene grants STK a world-wide non-exclusive license to develop Qcide technology for crop protection applications, as well as aquaculture, professional turf and ornamentals markets. STK funds all costs associated with securing the active ingredient registrations for Qcide, and Bio-Gene retains exclusive rights to the public health, animal health and consumer markets for Qcide globally, while retaining non-exclusive rights for the STK field of use markets. Importantly, Bio-Gene gains full access to Qcide registrations to support other commercial opportunities in all crop and non-crop applications.

Since signing the agreement, the Company has worked closely with STK's regulatory experts on the registration pathway for Qcide, and product testing and registration-related activities remain on-track. STK is undertaking an extensive testing program to develop a comprehensive data package to support registration of Qcide as an active ingredient in Australia, USA and other countries targeted for commercialisation for pest control in both crop and non-crop applications.

Clarke: Bio-Gene has expanded programs to develop formulations to optimise performance for mosquito control. This includes programs with specialist contract research organisations targeting the surface residual barrier spray application use pattern for mosquito control.

Evergreen: Bio-Gene's work with Evergreen Garden Care continues in Europe and Australia involving field testing of Bio-Gene products targeting home and garden pests. Potential new trials in Australia are being examined as part of the opportunity for consumer applications for both Flavocide and Qcide.

Additional commercial opportunities: Bio-Gene continues to engage significant global players to expand additional product opportunities for Bio-Gene's products. Over 2QFY24, these testing programs have progressed, positively expanding the potential pipeline for additional commercial development opportunities in both crop, non-crop and public health applications.

Intellectual Property

During the period, Bio-Gene was granted three patents relating to the use of Flavocide, strengthening Bio-Gene's IP platform:

- Australia AU 2021232737 – Flavocide use against insects and arachnid pests when used in combination with another pesticide;
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- Japan JP 7374921 – Flavocide use against certain aphid species.

R&D Projects

Centers for Disease Control and Prevention Program: In July 2023, Bio-Gene was selected to participate in a US\$10 million research program funded by the US Centers for Disease Control and Prevention on vector-borne diseases using our products specifically focused on tick-borne pathogens. During the period, work commenced on a program targeting the tick vector of Lyme disease, a significant health challenge in the USA. Initial efficacy studies have produced results that meet USEPA standards, enabling the program to move from the laboratory to-field trials to further evaluate residual efficacy under outdoor conditions.

Flavocide scale-up program: In September 2023, Bio-Gene signed an agreement with a large contract manufacturer in India for the custom scale-up synthesis of Flavocide following a detailed review of the capabilities of several companies internationally. Bio-Gene has since engaged this company to validate and optimise the process developed by Bio-Gene and to scale-up this process to produce pilot scale batches of GLP (Good Laboratory Practices) standard Flavocide for use in key toxicology and other studies. These are required to support the registration application for Flavocide in Australia and other jurisdictions. This scale-up program also adds to Bio-Gene's future capacity to supply high quality technical grade Flavocide to commercial partners on a cost competitive basis.

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DIRECTORS' REPORT

evaluating Flavocide and Qcide against ticks as part of a national program funded by the US Centre for Disease Control targeting Lyme disease.

4. Financial and Treasury Activities

The financial results of the Company for the six months ended 31 December 2023 are summarised as follows:

- The Company produced a loss from ordinary activities before income tax and after income tax of \$1,509,218 (2022: \$1,970,380). 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 \$1,533,839 (2022: \$1,991,321).
- Revenues generated for the period of \$122,507 (2022: \$89,625) were from the R&D Tax Incentive and interest income.
- The Company's cash at balance date was \$3,226,960 (30 June 2023: \$2,990,527).

5. Events Subsequent to 31 December 2023

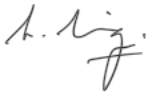
On 19 January 2024 the Company received its FY2023 R&D Incentive of \$504,187.

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 26 February 2024.



Alex Ding

Chairman

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BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

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 2023 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.

MVAB Assurance

MVAB Assurance
Chartered Accountants



SAM CLARINGBOLD
Partner

Signed at Melbourne this 26th day of February 2024

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 2023

		Half-Year	
		31 December 2023	31 December 2022
	Note	\$	\$
Revenues from continuing operations	2(a)	18,755	-
Other income	2(b)	150,963	89,625
Research & Development		(717,065)	(1,221,659)
Commercialisation Expenses		(170,656)	(147,782)
Management and Employment Expenses		(104,388)	(85,348)
Directors Expenses		(107,382)	(151,966)
Professional Services		(63,422)	(38,313)
Intellectual Property		(190,244)	(134,657)
Depreciation & Amortisation	3	(22,156)	(22,837)
Other Expenses		(303,623)	(257,443)
Loss from continuing operations before tax		(1,509,218)	(1,970,380)
Income tax (expense)		-	-
Loss for the half-year from continuing operations after income tax		(1,509,218)	(1,970,380)
Other comprehensive income (loss) for the period, net of tax		-	-
Total comprehensive loss for the half-year attributable to members of the Company		(1,509,218)	(1,970,380)
Earnings (loss) per share:			
Basic loss per share		(0.84¢)	(1.17¢)
Diluted loss per share		(0.84¢)	(1.17¢)

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 2023

	Note	31 December 2023 \$	30 June 2023 \$
Current assets			
Cash and cash equivalents	4	3,226,960	2,990,527
Trade and other receivables		557,780	445,550
Other assets		273,532	144,389
Total current assets		4,058,272	3,580,466
Non-current assets			
Property, plant and equipment		12,754	14,639
Intangible assets	5	221,657	240,128
Total non-current assets		234,411	254,767
Total assets		4,292,683	3,835,233
Current liabilities			
Trade and other payables		454,934	311,960
Employee Benefits		117,959	261,913
Total current liabilities		572,893	573,873
Non-current liabilities			
Employee Benefits		28,687	40,011
Total non-current liabilities		28,687	40,011
Total liabilities		601,580	613,884
Net assets		3,691,103	3,221,349
Equity			
Contributed equity	6	21,524,525	19,545,553
Reserves	7	1,001,752	1,108,114
Accumulated losses	8	(18,835,174)	(17,432,318)
Total equity		3,691,103	3,221,349

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

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BIO-GENE TECHNOLOGY LIMITED
ABN 32 071 735 950

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Contributed equity	Share option reserve	Share loan plan reserve	Accumulated losses	Total
2022	\$	\$	\$	\$	\$
At 1 July 2023	19,545,553	289,663	818,451	(17,432,318)	3,221,349
Loss for the period	-	-	-	(1,509,218)	(1,509,218)
Other comprehensive income	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	(1,509,218)	(1,509,218)
<i>Transactions with owners in their capacity as owners:</i>					
Issued capital	2,034,131	-	-	-	2,034,131
Transaction costs related to shares issued	(55,159)	-	-	-	(55,159)
Re-allocation of value of equity which vested during the period	-	-	-	-	-
Re-allocation of value of equity cancelled during the period	-	-	(106,362)	106,362	-
Cost of share based payment	-	-	-	-	-
At 31 December 2023	21,524,525	289,663	712,089	(18,835,174)	3,691,103
2021	\$	\$	\$	\$	\$
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

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 2023

	Note	Half Year 31 December 2023 \$	31 December 2022 \$
Operating activities			
Receipts from customers		21,557	-
Payments to suppliers and employees inclusive of GST		(1,811,317)	(2,129,237)
Interest received		44,819	43,606
Interest paid		-	-
COVID Stimulus		-	-
R&D tax incentive		-	-
Net cash used in operating activities		(1,744,941)	(2,085,631)
Investing activities			
Payments for property, plant and equipment		(1,800)	-
Repayment of security deposit		4,200	-
Net cash used in investing activities		2,400	-
Financing activities			
Proceeds from issue of shares		2,034,133	-
Funds received in advance for issue of shares		-	-
Payment for share issue expenses		(55,159)	-
Repayments of financial (and lease) liabilities		-	-
Net cash provided by financing activities		1,978,974	-
Net increase in cash and cash equivalents		236,433	(2,085,631)
Cash and cash equivalent at 1 July		2,990,527	6,341,881
Cash and cash equivalents at 31 December	4	3,226,960	4,256,250

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Note 1: Basis of preparation

The financial report of Bio-Gene Technology Limited for the half year ended 31 December 2023 was authorised for issue in accordance with a resolution of the Directors on 26 February 2024. 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.

Going concern

During the half year ended 31 December 2023 the Company incurred an operating loss of \$1,509,218 (2022: \$1,970,380) and a negative cash outflow from operating activities of \$1,744,941 (2022: \$2,085,631).

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The ability of the Company to continue as a going concern is dependent on securing additional funding through new or existing investors to fund its operational and marketing activities. These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe that the Company will continue as going concern. In the current half the Company raised \$2.034 million. As a result, the financial statements have been prepared on a going concern basis. However, should the future fundraising be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of assets and liabilities that might be necessary should the Company not continue as going concern.

Note 2: Revenue and other income

(a) Revenue from continuing operations

Licence and option fees
Other Revenue

Half year	
31 December 2023	31 December 2022
\$	\$
-	-
18,755	-
18,755	-

(b) Other income

Interest revenue
R&D tax incentive
Other income

46,776	43,779
104,187	45,846
-	-
150,963	89,625

Note 3: Expenses

Employee salary and benefit expenses:

Salary and employee benefit expenses
Defined contribution superannuation expenses
Share based payments

Half year	
31 December 2023	31 December 2022
\$	\$
526,617	478,955
53,882	60,073
-	24,329

Depreciation, amortisation and impairment of non-current assets:

Depreciation – plant and equipment
Amortisation and impairment – intellectual property

3,684	4,366
18,471	18,471

Operating expenses:

Foreign currency exchange losses

-	-
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

Note 4: Cash and cash equivalents	31 December 2023	30 June 2023
	\$	\$
Cash at bank	26,179	44,552
Deposit at call	1,700,781	2,945,975
Term deposits	1,500,000	-
	<u>3,226,960</u>	<u>2,990,527</u>

Note 5: Intangible assets	31 December 2023	30 June 2023
	\$	\$
Intellectual property establishment and acquisitions at cost	557,818	557,818
Less: Accumulated amortisation	(336,161)	(317,690)
	<u>221,657</u>	<u>240,128</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 2023	
	No.	\$
Opening balance 1 July 2023	177,905,995	19,545,553
Shares issued at 8.4 cents pursuant to Share Placement	22,495,627	1,889,633
Shares issued at 8.4 cents pursuant to Share Purchase Plan	1,720,218	144,498
Shares cancelled pursuant to the Loan Share Plan (LSP)	(760,270)	(106,362)
Share plan loans	-	106,362
Transaction costs arising on issue of shares	-	(55,159)
Closing balance 31 December 2023	<u>201,361,570</u>	<u>21,524,525</u>
	30 June 2023	
	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 30 June 2023	<u>177,905,995</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	-	-
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 2023

Note 7: Reserves

	31 December 2023 \$	30 June 2023 \$
Share options reserve	(a) 289,663	289,663
Share loan plan reserve	(b) 712,089	818,451
	<u>1,001,752</u>	<u>1,108,114</u>

	31 December 2023 \$	30 June 2023 \$
(a) Share options reserve		
Opening balance 1 July	289,663	289,663
Value of Options issued during the period	-	-
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	818,451	932,132
Value of shares issued under the Loan Share Plan (recognised over vesting period)	-	48,658
Re-allocation of value of shares issued under the LSP which were cancelled during the period	(106,362)	(162,339)
Closing balance	<u>712,089</u>	<u>818,451</u>

Note 8: Movement in accumulated losses

	31 December 2023 \$	30 June 2023 \$
Opening balance 1 July	(17,432,318)	(14,498,875)
Re-allocation of value of shares issued under the LSP which were cancelled during the period	106,362	162,339
Net loss for the period	(1,509,218)	(3,095,782)
Closing balance	<u>(18,835,174)</u>	<u>(17,432,318)</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 received its FY2023 R&D Incentive of \$504,187.

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 2023 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



Alex Ding
Chairman

Dated this 26th day of February 2024

For personal use only

BIO-GENE TECHNOLOGY LTD
ABN 32 071 735 950

REPORT ON THE HALF-YEAR REPORT TO THE MEMBERS OF BIO-GENE TECHNOLOGY LTD

Conclusion

We have reviewed the half-year financial report of Bio-Gene Technology Ltd, which comprises the statement of financial position as at 31 December 2023, the statement of profit and loss and other 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 Bio-Gene Technology does not comply with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Bio-Gene Technology Ltd's financial position as at 31 December 2023 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.

Material Uncertainty Related to Going Concern

We draw your attention to Note 1: Basis of Preparation (Going Concern) in the half-year financial report which indicates that during the half year ended 31 December 2023 the Company incurred an operating loss of \$1,509,218 and a negative cash outflow from operating activities of \$1,744,941.

As stated in Note 1, this event or condition, along with other matters as set forth in Note 1, indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusions is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the 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 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 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 2023 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. Accordingly, we do not express an audit opinion.



MVAB ASSURANCE
Chartered Accountants

Signed at Melbourne this 26th day of February 2024



SAM CLARINGBOLD
Partner