APPENDIX 4D

1.	**Name of Entity**	**CardieX Limited ACN 113 252 234**
	Half year ended	31 December 2023
	Reporting period	1 July 2023 to 31 December 2023
	Previous period	1 July 2022 to 31 December 2022

2. Results for announcement to the market

		31 December 2023 $	**31 December 2022 $**	**% Change Up (Down)**
2.1	Revenues from continuing operations	9,471,096	1,438,854	558%
2.2	Profit/(loss) from continuing operations after tax attributable to members	807,254	(8,671,899)	109%
2.3	Net loss attributable to members	807,254	(8,671,899)	109%
2.4	Proposed dividends	Nil	Nil	-
2.5	Record date for dividend entitlement	N/A	N/A	-

2.6 Revenues for the period increased by 558% on a year-on-year basis. The Group has reported a profit for the period, an increase of $9,863,483 compared loss recorded in the previous period. The increase in net profit is primarily attributable to revenue recorded upon the termination and subsequent settlement of a clinical trial.

		31 December 2023 Cents	**30 June 2023 Cents**	**% Change Up (Down)**
3.	Net tangible asset per security*	(0.42) cents	(0.96) cents	56%

* Right of Use Assets are included in the NTA calculations

4. The Group did not gain or lose control of an entity during the period.

5. There were no payments of dividends during the reporting period.

6. There is no dividend reinvestment plan in operation.

7. There are no associates or joint venture entities.

8. The Company is not a foreign entity.

9. The CardieX Limited half-year report for the half-year ended 31 December 2023 has been subject to review by our external auditors, BDO Audit Pty Ltd. A copy of the independent review report is included in the accompanying half-year report

The Company's half year report follows.

Yours sincerely,

Niall Cairns
Director
29 February 2024

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About CardieX

CARDIEX focuses on increasing longevity through medical technology advancements in vascular health. The Company's suite of products includes medical and home health devices and digital solutions for hypertension, cardiovascular disease, and other vascular health disorders - all based on the Company's market leading SphygmoCor® vascular biomarker technology. CARDIEX is listed on the Australian Stock Exchange ("CDX").

CARDIEX LIMITED
AND CONTROLLED ENTITIES

ABN 81 113 252 234

HALF YEAR REPORT
FOR THE 6 MONTHS ENDED 31 DECEMBER 2023

CORPORATE DIRECTORY

DIRECTORS
Mr. Niall Cairns
Mr. Craig Cooper
Mr. King Nelson

COMPANY SECRETARY
Ms. Louisa Ho

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS
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STOCK EXCHANGE LISTING
CardieX Limited's shares are listed on the Australian Securities Exchange (ASX code: CDX).

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LETTER FROM CRAIG COOPER – CHIEF EXECUTIVE OFFICER

My Fellow Shareholders,

The first half of FY24 was both challenging and successful for CardieX as we delivered record revenue for the period while also working towards securing the capital required to fund our next stage of growth.

At the beginning of the period, our focus was on completing a listing on Nasdaq in order to provide the capital necessary to drive the business towards profitability. Unfortunately, the US IPO markets proved to be very challenging in 2023, particularly for small cap companies and we made the difficult decision to withdraw our US F-1 registration statement towards the end of September. On a positive note, CardieX received and cleared all comments from the SEC and Nasdaq for a successful registration and Nasdaq IPO, and there were many learnings through the rigor of this process as well as important introductions to several US investor groups.

Following the withdrawal of our Nasdaq IPO, the Board made the decision to apply for a trading halt and subsequently a voluntary suspension in the trading of the Company's securities to allow time for alternative funding structures to be implemented.

In early November, the Company announced a funding and capital update comprising a Funding Commitment Agreement (FCA) signed with C2 Ventures Pty Ltd (C2V, owned by Chairman, Niall Cairns and myself), a Placement, and an Entitlement Offer, which taken together formed the 'Capital Raising Package'.

The FCA signed with C2V provided cornerstone support for the Capital Raising Package with a commitment of up to $7.5 million, which included a total of $1.5 in the Placement and Entitlement Offer, subsequently increased with a $1m underwriting commitment, and $6 million under a separate funding facility which is available to the Company until 31 December 2024.

In December we announced the completion of the Placement to raise $4 million and launched the Entitlement Offer to raise an additional $4 million on the same terms as the Placement. Subsequent to period end, the Company announced the completion of the Entitlement Offer and soon after recommenced trading on the ASX.

The Capital Raising Package provides the Company with significant funding of up to $14 million, which not only strongly capitalizes the business, but also provides the framework for our path to sustainable profitability.

While the withdrawal from the Nasdaq listing process was disappointing, the Company continued to make strong progress throughout the period with multiple business and go-to-market initiatives in advance of the release of our next generation of products powered by our market leading SphygmoCor® vascular biomarker technology.

With the necessary funding in place, the second half of FY24 and beyond presents a significant opportunity for CardieX as we introduce the Pulse device to our clinical markets, and also a world first arterial health wearable technology that we believe will redefine the management of vascular health disorders in multiple therapeutic markets.

I would like to take this opportunity to thank existing shareholders for their continuing support and also welcome new shareholders who have joined us at this exciting and pivotal time for the Company as we execute on our vision and strategic plan.

Craig Cooper

Craig Cooper
CEO & Managing Director
CardieX Limited

OVERVIEW OF OPERATIONS

CardieX is pleased to announce the following progress for the six-month period, including key updates on clinical trials within the ATCOR division and continued work within the CONNEQT division.

1. ***ATCOR UPDATE***

The ATCOR division reported record revenue for the half year of $9.47 million, representing growth of 558% over the previous corresponding period. The settlement of the Clinichain clinical trial payments along with growing sales of our XCEL and Oscar 2 devices to pharmaceutical companies, research institutions and specialist clinicians, drove the strong result.

Both US and Asia Pacific sales to research institutions have more than doubled compared to the same period in the prior year. Commensurate with this growth, the Company hired two new sales executives during the period with proven success in lead generation and sales marketing to drive further growth in the division.

The Company also implemented new data driven lead generation tools which has identified an additional strong funnel of leads and sales targets including:

- 4,000 providers of concierge, functional, and integrative primary care physicians;
- 2,500 researchers who have researched and/or published using our SphygmoCor technology;
- 500 specialist clinics across multiple sectors including cardiovascular health, maternal health, cognitive disease, and kidney health;
- 100 life insurance underwriters, and
- 100 pharma targets.

Clinical Trial Contracts

During the period, the Company announced the receipt of US$4.12 million (~A$6.25 million), being the full settlement of all remaining payments owed in relation to the Clinichain clinical trial.

The receipt of the Clinichain clinical trial payments provided a strong boost to revenues and cashflows during the period and the CardieX team continues to work hard to grow and convert existing clinical trial pipeline opportunities in order to continue the strong performance of the ATCOR division.

2. ***CONNEQT UPDATE***

CONNEQT Pulse Update

(a) Go-to-Market (GTM) Activities

During the half year, the Company continued to implement GTM strategies to ensure the successful launch of the FDA-cleared Pulse device in 2H FY24.

The Company actively marketed the device through various industry channels and association events. Business development initiatives have targeted the entire healthcare spectrum, spanning traditional cardiology practices to the research and risk management industries. Additionally, efforts were directed at industry standards bodies like the American Heart Association (AHA) to integrate our SphygmoCor® technology into AHA guidelines for the management of cardiovascular disease.

The Company is also working on multiple new partnerships across unique healthcare segments including Heart Failure and Cardiology, Alzheimer's and Cognitive Health, Cash Pay and Concierge Physician, and Pregnancy and Maternal Health. All of these industry segments individually represent multi-million-dollar opportunities for the Company.

During the period, a demand generation leader was brought on to overhaul marketing efforts and focus on efficient demand-generation. Following this, the Company launched the first CRM campaign and multi-channel customer outreach through email, direct mail, phone and text. We also expanded our events schedule ahead of the impending launch of the Pulse.

(b) Product Development and Engineering

During the period, the Company successfully finalised a stable firmware and mobile platform for the Pulse and began the final stages of trial production readiness for manufacturing. First shipments of the Pulse are due to arrive in March 2024 and will provide initial product availability for key partners and the expansion of our sales pipeline with key market influencers.

CONNEQT Wearable Technology Update

The CONNEQT arterial health wearable technology continues to undergo further clinical validation of our patent-pending finger-based PPG solution. Results during the period have been extremely encouraging, consistently yielding reliable results when compared to a tonometer-based approach, which is the “gold standard” for arterial health assessments. These results will be forthcoming in a paper to be submitted for peer-review and publication in an upcoming scientific journal.

During the period, a prototype of the CONNEQT technology was validated on a further 21 participants, demonstrating clinical reliability. This is a major milestone in our scientific development and commercialisation efforts.

Appointment of Chief Clinical Officer

Subsequent to the period the Company also appointed Dr. Sanjeev Bhavnani as its "Chief Clinical Officer".

Dr. Bhavnani is a Senior Cardiologist and Principal Investigator for Digital Health & AI Clinical Trials at Scripps Health. He was a former FDA Senior Medical Officer to the Digital Health Center of Excellence as well as Chair of the "Roadmap for Innovation on Digital Health, Artificial Intelligence, and Precision Medicine" at the American College of Cardiology.

Dr. Bhavnani is a recognised innovator and thought leader in the application of digital health technologies, AI, & wearables across the healthcare and clinical trial ecosystem.

RADx® Grant Funding

CardieX was one of 10 companies selected for the National Institutes of Health’s (NIH) Rapid Acceleration of Diagnostics (RADx®) Tech for Maternal Health Challenge (The Challenge). At the end of the period, CardieX secured a total of US$415,000 in cash grants from this program.

As part of the final assessment for The Challenge, working prototypes of the CONNEQT Pulse and wearable technology were submitted to the NIH in November and they will conduct usability testing on these devices with results expected to be released in the USA Summer of 2024. Should the Company be successful in the final phase of this assessment, an additional cash prize of up to US$525,000 will be received.

Trademark Update

Subsequent to period end, the Company was advised that its “Conneqt®” word, “Cq®” (Conneqt) design mark, and the trademark “Track What Matters®” have all been officially registered with the USPTO (United States Patent and Trademark Office).

3. ***CORPORATE ACTIVITIES***

Funding Activities

During the half year, the Company announced the withdrawal of its registration statement on Form F-1 (F-1) that was previously filed with the U.S. Securities and Exchange Commission relating to the proposed initial public offering of American Depository Shares on the Nasdaq Capital Market.

Following the withdrawal of the F-1, the Company sought a voluntary suspension in trading of its securities on ASX to provide sufficient time to implement alternative funding and capital raising activities which are outlined below.

OVERVIEW OF OPERATIONS

(a) Funding Commitment Agreement with C2 Ventures

On 8 November, the Company announced it had entered into a Funding Commitment Agreement (FCA) with C2 Ventures (C2V), the entity associated with Directors Niall Cairns and Craig Cooper, for up to $7.5 million over the next year to support funding needs of the Company.

The FCA cornerstones a capital raising package to provide funds required to deliver significant growth and a path to profitability. The FCA includes C2V's participation for up to $1.5 million in the Placement and Entitlement Offer outlined below, with an additional $6 million being invested in 2024. The Placement, Entitlement Offer and shares issued to C2V are on the same pricing and terms.

(b) Placement and Entitlement Offer

On 19 December, CardieX announced that firm commitments to raise up to $4 million (before costs) through a Placement with institutional, family office, and sophisticated investors had been received. C2V committed $0.79 million in the Placement.

Concurrent with the Placement, the Company also launched an Entitlement Offer to existing eligible shareholders on a 1 for 2.87 non-renounceable entitlement basis to raise up to an additional $4 million on the same terms as the Placement. C2V subscribed for their full entitlement of $0.75 million in the Entitlement Offer. The Company lodged a prospectus with ASIC in respect of the Entitlement Offer, with a Supplementary Prospectus that included a $1m underwriting commitment from C2V lodged in January 2024 and it closed post-period end on 1 February 2024.

New Shares issued under the Placement and Entitlement Offer were issued at an offer price of $0.08 per new share. Participants in the Placement and Entitlement Offer were also issued 1 free attaching option exercisable at $0.20 each and expiring on 30 November 2025 for every 3 new Shares subscribed for and issued under the Placement and Entitlement Offer.

Subsequent to period end on 6 February 2024, the Company announced $4 million (before costs) had been successfully raised under the Entitlement Offer. As a result, total capital raised under the Placement and Entitlement Offer was $8 million (before costs).

(c) Extended Finance Facilities and Creditor Restructure

On 20 November, the Company announced the extension of two debt facilities with Mitchell Asset Management (MAM) and a restructure of the Company's largest creditor in order to improve balance sheet flexibility.

MAM R&D Facility

In conjunction with the finalization of the restructure of the Company's capital structure, MAM extended the maturity date of its R&D Facility with the Company by three months, to 31 March 2024. This provided the Company with ample time to finalize its R&D Tax Incentive registration and lodgment for the 2023 financial year, which is expected to exceed the value of this facility and provide for repayment of the principal in full.

MAM Working Capital Facility

In December 2022, the Company entered a short-term working capital facility for up to $880,000 with a maturity date of 30 October 2023. In conjunction with the finalization of the restructure of the Company's capital structure, MAM extended the maturity date of the working capital facility to 31 October 2024.

The extension of the MAM Working Capital Facility provides the opportunity for the Company to lodge its FY24 R&D Tax Incentive, which based on prior lodgment history, would allow the Company to repay all the MAM facilities within their maturity dates.

Subsequent to period end, the Company continued to work with its professional advisors to register and lodge its 2023 R&D Tax Incentive Registration to discharge the MAM R&D facility prior to 31 March 2024 and to ensure any excess is then applied to the MAM Working Capital facility to decrease funding costs and refresh the Company's access to credit lines and facilities.

OVERVIEW OF OPERATIONS

Creditor Restructure

Following the withdrawal of the Company's F-1 registration statement with the SEC, the Company worked with its US related creditors to seek reductions in amounts owed or otherwise a forbearance on payment terms given that the listing did not ultimately successfully proceed.

The primary creditor to the US listing process was the Company's legal counsel Wilson Sonsini Goodrich & Rosati, Professional Corporation (WSGR) who originally rendered fees of over US$2,230,000.

During the period, the Company was able to negotiate the outstanding amount with WSGR down to US$1,500,000. In addition, WSGR also provided the Company with long dated repayment terms to enable CardieX to continue progressing its wider business and product development plans with reduced impact on its immediate funding and working capital requirements.

(d) Convertible Note Facility

On 30 June 2023, CardieX announced that a convertible note facility (the Note) had been established and the receipt of subscriptions totaling $2.175 million. This included subscriptions by directors Niall Cairns and Craig Cooper (through C2V).

A further $1.445 million was received by 30 September, including a further $0.5 million from C2V, increasing the total raised to $3.620 million. The Note offering was approved by the Company's shareholders at an Extraordinary General Meeting held on 28 August 2023.

Extraordinary General Meeting of Shareholders

Subsequent to period end, on 1 February 2024, CardieX held an Extraordinary General Meeting (EGM) seeking shareholder approval of 13 resolutions relating to the issue of shares and options in the Placement, related party participation in the Placement, issue of options to the 2023 Convertible Note investors (including related party participation) and refreshment of the Company's placement capacity, as per a Notice of Meeting released on the ASX on 4 January 2024. All of these resolutions were passed at the EGM enabling the Placement to be completed.

Re-Quotation of Shares on ASX

Following the announcement of the completion of the Placement, Entitlement Offer and FCA, which taken together, provides a funding package of up to $14 million, the suspension in trading of the Company's securities was lifted by ASX and resumed trading post period end on 26 February 2024.

Board & Operational Changes

A strategic review of operations was conducted during the period which resulted in a range of cost savings and efficiency measures being implemented.

Key initiatives included:

- Financial functions being wholly outsourced;
- Integration of the CONNEQT and ATCOR Medical businesses into one streamlined operating business;
- Restructuring of a number of operational roles and resources and implementation of a new sales team compensation plan with higher sales and performance quotas;
- Termination of one of the out-sourced Android software developers; and
- A realignment of compensation packages for certain executive team members based on comparable market rates in their place of residence.

As part of the operational changes, the Company also reviewed the current Board roles and the requirements moving forward. As a result, the Board announced the decision to seek two new independent directors, one Australian based and one US based. The Board has been seeking seasoned directors with experience in consumer and medical technologies and global healthcare expertise.

Commensurate with this strategy, the Company advised that Ms. Lesa Musatto tendered her resignation as an independent Non-executive Director of the Company with effect from 18 October 2023 and Mr. Jarrod White resigned as an Executive Director of the Company on 26 September 2023.

The Board thanks both Mr. White and Ms. Musatto for their support of the Company and wishes them well in future endeavours.

OVERVIEW OF OPERATIONS

Subsequent to period end, the Board announced the appointment of Mr Charlie Taylor (effective date 1 March 2024) as an Australian based independent Non-executive Director of the Company. Charlie is a recently retired Senior Partner of McKinsey with 30 years' experience in local and international advisory for both private and public sector healthcare organizations.

Charlie has diverse experience in advising growth and transformation across multiple industry sectors throughout his career, which will be of significant value to the Company as it enters the next growth stage of the business.

DIRECTORS' REPORT

The Directors present their report for the half-year ended 31 December 2023

Directors

The following persons held office as Directors of CardieX Limited at any time during or since the end of the reporting period, unless stated otherwise:

Mr. Niall Cairns – Executive Chairman and Director

Mr. Craig Cooper – Executive Director, Chief Executive Officer

Mr. King Nelson – Non-Executive Director

Mr. Jarrod White – Executive Director (resigned 26 September 2023)

Ms. Lesa Musatto – Non-Executive Director (resigned 18 October 2023)

Company Secretary

Ms. Louisa Ho

Review of Operations

The profit for the Group after income tax amounted to $807,254 (31 December 2022: loss of $8,671,899).

The Group generated total revenue and other income of $10,510,621, up 415% from $2,041,573 in the previous half-year period. This increase includes $7.67m in revenue relating to the cancelled Clinichain clinical trial, which was settled with the Group in December 2023.

Refer to the overview of operations on page 4 for a comprehensive update on operations during the period.

Principal Activities

During the period the principal continuing activities of the Group consisted of designing, manufacturing and marketing medical devices for use in cardiovascular health management, and the development of clinical and consumer digital health solutions.

Dividends

No dividends were paid or declared by the Group since the end of the previous financial year and the Directors do not recommend dividends be paid for the half year ended 31 December 2023.

Significant Changes in the State of Affairs

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

Likely Developments and Expected Results of Operations

As a result of the withdrawal of the Form-F1 registration statement in September 2023, CardieX has had to re-evaluate its capital strategy and its impact on the future operations of the Group. CardieX have undertaken several initiatives in order to streamline operations and reduce operating costs, including:

- Financial functions are now wholly outsourced and ensuring no related increases if a near term CFO appointment were to be made.
- Integration of the CONNEQT and ATCOR Medical businesses into one streamlined operation.
- Restructuring of a number of operating roles and resources to reduce employee benefits expenditure.

- Review and implementation of a new sales team compensation plan with higher sales and performance quotas.
- Reduction in outsourced product development expenditure.
- A realignment of compensation packages for certain executive team members based on comparable market rates.
- Review of sales and marketing costs for new product development and product launches.

CardieX will continue to identify and implement further areas for potential cost reduction and efficiencies as it seeks to rationalise its path to market for the Pulse and other products over the coming year.

Matters Subsequent to Period End

Subsequent to the balance date the Group announced the following material events:

- On 2 January 2024, CardieX announced that following the launch of its $4m Placement, and pro-rata Entitlement Offer of up to $4m, the Company was able to progress discussions with the ASX as to lifting the suspension in trading of the Company's shares, which was in place since 28 September 2023. The Company set out the requirements to reinstate trading in the announcement.
- On 18 January 2024, the Company released a supplementary prospectus for the Entitlement Offer, originally released on 29 December 2023, which included a $1m underwriting commitment from C2 Ventures.
- On 1 February 2024, the Company held an Extraordinary General Meeting. All resolutions were carried.
- On 6 February 2024, the Company announced that it had completed its non-renounceable pro-rata Entitlement Offer, raising $4m, of which $1m was underwritten. $0.9m of the underwriting was taken up by C2 Ventures Pty Ltd, a Company jointly owned by Chairman, Niall Cairns and CEO, Craig Cooper. The Placement of $4m was also completed. As a result, the following securities were issued:
    - 50,000,000 shares issued at a price of $0.08 to institutional, family office, and other sophisticated investors. under the Placement
    - 50,000,004 shares were issued at a price of $0.08 to shareholders upon take-up of the Entitlement Offer.
    - 45,250,000 shares were issued at a price of $0.08 to convertible noteholders, all of which had received conversion notices from the Company.
    - 51,416,851 options were issued at a price of $0.08 to investors in the Placement, shareholders who took up the Entitlement Offer, and convertible noteholders whose notes converted to shares.
    - A further 5,241,040 shares were also issued to suppliers and employees to settle liabilities of the Company. On 23 February 2024, the Company announced the appointment of Mr. Charlie Taylor as an independent Non-executive Director, effective 1 March 2024.
- On 23 February 2024, it was announced that the suspension of the securities of CardieX Limited would be lifted on commencement of trading on 26 February 2024.

No other significant subsequent event has arisen that significantly affects the operations of the Group.

Rounding of Accounts

The Company has applied the relief available under ASIC legislative Instrument 2016/191 and accordingly, amounts in the financial statements and Directors' report have been rounded to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

DIRECTORS' REPORT

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors:

Niall Cairns

Executive Chairman

Sydney, 29 February 2024

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www.bdo.com.au

Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF CARDIEX LIMITED

As lead auditor for the review of CardieX Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of CardieX Limited and the entities it controlled during the period.

Tim Aman

Tim Aman
Director

BDO Audit Pty Ltd

Sydney, 29 February 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note		31 Dec 2023		31 Dec 2022
Revenue	2	$	9,471,096	$	1,438,854
Other income	3		1,049,525		602,719
Total revenue & other income			**10,520,621**		**2,041,573**
Cost of goods sold			(344,216)		(334,076)
Bad debts expense			(16,405)		-
Marketing and sales expense			(76,615)		(501,109)
Product development and regulatory expense			(1,312,564)		(2,032,941)
Occupancy expense			(141,344)		(133,662)
Employee benefits expense			(4,817,043)		(4,582,399)
Share based payments expense			21,936		(908,626)
Administration expense	4		(1,937,946)		(2,025,082)
Interest expense			(608,069)		(129,814)
Foreign exchange gain/(loss)			(74,495)		100,644
Fair value gain/(loss) on investments			(1,185,753)		(166,407)
Fair value gain/(loss) on financial assets and liabilities			779,147		-
Total expenses			**(9,713,367)**		**(10,713,472)**
Net profit/(loss) before income tax expense			**807,254**		**(8,671,899)**
Income tax expense			-		-
Net profit/(loss) for the period		**$**	**807,254**	**$**	**(8,671,899)**
Other comprehensive loss for the period, net of tax – Exchange differences on translation to the presentation currency			(157,000)		(30,207)
Total comprehensive income/(loss) for the period attributable to the members of CardieX Limited		**$**	**650,254**	**$**	**(8,702,106)**
Profit/(loss) per share attributable to the members of CardieX Limited.:					
Basic and diluted profit/(loss) per share (cents)	5	$	0.6	$	(7.2)
Diluted profit/(loss) per share (cents)	5	$	0.6	$	(7.2)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note		31 Dec 2023		30 Jun 2023
Assets					
Current assets					
Cash and cash equivalents		$	4,296,316	$	716,319
Trade and other receivables			502,355		2,239,241
Inventory			2,495,884		1,661,896
Financial assets	7		4,988,438		5,792,386
Other current assets	6		2,247,049		1,433,279
Total current assets			**14,530,042**		**11,843,121**
Non-current assets					
Property, plant and equipment			1,298,958		1,471,717
Intangible assets			625,480		633,048
Financial assets	7		369,714		510,167
Other non-current assets	6		42,180		78,636
Total non-current assets			**2,336,332**		**2,693,568**
Total assets		**$**	**16,866,374**	**$**	**14,536,689**
Liabilities					
Current liabilities					
Trade and other payables		$	7,430,872	$	7,459,729
Unearned revenue	8		355,128		3,041,633
Provisions			502,047		488,774
Financial liabilities	9		4,310,508		2,175,794
Lease liabilities			158,582		168,951
Borrowings	10		1,451,065		1,460,959
Total current liabilities		**$**	**14,208,202**	**$**	**14,795,840**
Non-current liabilities					
Provisions			9,477		6,158
Lease liabilities			413,513		483,096
Financial Liabilities	9		2,213,470		-
Total non-current liabilities			**2,636,460**		**489,254**
Total liabilities		**$**	**16,844,662**	**$**	**15,285,094**
Net assets / (liabilities)		**$**	**21,712**	**$**	**(748,405)**
Contributed equity	11	$	76,656,648	$	76,615,802
Reserves			3,023,147		6,389,306
Accumulated losses	12		(79,658,083)		(83,753,513)
Total equity		**$**	**21,712**	**$**	**(748,405)**

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

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

	Note	Contributed equity	Reserves	Accumulated losses	Total equity
Balance at 1 July 2022		**$ 67,552,468**	**$ 3,925,422**	**$ (64,866,577)**	**$ 6,611,313**
Loss after income tax expense for the period		-	-	(8,671,899)	(8,671,899)
Other comprehensive loss for the period, net of tax		-	(30,207)	-	(30,207)
Total comprehensive loss for the period		**$ -**	**$ (30,207)**	**$ (8,671,899)**	**$ (8,702,106)**
Transactions with owners in their capacity as owners:					
Capital placement	11	5,923,000	-	-	5,923,000
Shares issued in lieu of payments to employees	11	35,000	-	-	35,000
Costs of issuing share capital	11	(536,762)	-	-	(536,762)
Share based payments	11	35,714	1,177,612	-	1,213,326
Balance at 31 December 2022		**$ 73,009,420**	**$ 5,072,827**	**$ (73,538,476)**	**$ 4,543,771**
Balance at 1 July 2023		**76,615,802**	**$ 6,389,306**	**$ (83,753,513)**	**$ (748,405)**
Profit after income tax expense for the period		-	-	807,254	807,254
Other comprehensive loss for the period, net of tax		-	(157,000)	-	(157,000)
Total comprehensive income for the period		**$ -**	**$ (157,000)**	**$ 807,254**	**$ 650,254**
Transactions with owners in their capacity as owners:					
Shares issued in lieu of payments to suppliers	11	65,401	-	-	65,401
Costs of issuing share capital	11	(24,555)	-	-	(24,555)
Share based payments	11	-	(21,936)	-	(21,936)
Options issuable for convertible notes	11	-	100,953	-	100,953
Performance rights expired	11	-	(3,288,176)	3,288,176	-
Balance at 31 December 2023		**$ 76,656,648**	**$ 3,023,147**	**$ (79,658,083)**	**$ 21,712**

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note		31 Dec 2023		31 Dec 2022
Cash flows from operating activities					
Receipts from customers		$	8,532,218	$	3,076,963
Payments to suppliers and employees			(7,662,864)		(8,455,311)
Cash receipts from other income			544,841		165,778
Net cash from/(used in) operating activities		**$**	**1,414,195**	**$**	**(5,212,570)**
Cash flows used in investing activities					
Payments for property, plant and equipment			(7,705)		(24,142)
Payments for intangible assets			-		(22,573)
Net cash used in investing activities		**$**	**(7,705)**	**$**	**(46,715)**
Cash flows from financing activities					
Proceeds from shares issued	11		-		5,923,000
Share issue costs paid	11		(24,555)		(267,775)
Proceeds from issue of convertible debt	9		1,445,000		-
Proceeds from share applications	9		867,457		
Borrowings received, net of transaction costs	10		-		800,000
Borrowings repaid			-		(66,778)
Lease principal repayments			(115,305)		(103,060)
Net cash from financing activities		**$**	**2,172,597**	**$**	**6,285,387**
Net increase in cash and cash equivalents			**3,579,087**		**1,026,102**
Cash and cash equivalents at the beginning of the fiscal period			716,319		1,455,590
Effects of foreign currency exchange on cash and cash equivalents			910		557
Cash and cash equivalents at the end of the period	8	**$**	**4,296,316**	**$**	**2,482,249**

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

These condensed general purpose financial statements represent those of CardieX Limited ("CardieX") for the interim half year reporting period ended 31 December 2023 and its controlled entities (the "consolidated group" or "group") and have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The separate financial statements of the parent entity, CardieX Limited, have not been presented within this financial report pursuant to the Corporations Act 2001.

These condensed general purpose financial statements do not include all the notes of the type normally included in annual financial statements. These financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

GOING CONCERN

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

As disclosed in the financial statements, the Group incurred a profit after tax of $807,254 (31 December 2022: loss of $8,671,899), had a net asset position of $21,712 (30 June 2023: net liability position: $748,405) and had net cash inflows from operating activities of $1,414,195 for the half year ended 31 December 2023 (31 December 2022: outflows of $5,212,570).

Further, following the withdrawal of the registration statement for a US IPO the Board, with the support of the Group's senior executive team and advisors, have been focused on alternative solutions to its capital raising to support its corporate strategy and which will provide enough funding and capital runway to allow the Company to both progress its new product launch initiative and execution of its overall business plan. Subsequent to period end the Group were successful in raising $4m by way of a Placement to institutional, family office, and sophisticated investors, and a further $4m from an Entitlement Offer. In November 2023, the Group also entered into a Funding Commitment Agreement with C2 Ventures Pty Ltd, a Company jointly owned by Directors Niall Cairns and Craig Cooper to provide total capital of $7.5m, including participation in the Placement and Entitlement Offer in February 2024. The remaining drawdowns of this facility are in excess of $5m and are expected to be received throughout the balance of the 2024 calendar year. A summary of key terms of the Funding Commitment Agreement are below, which are detailed further in Note 16:

- The Facility Limit is reduced by amounts advanced to, loaned to, owed by or received by the Company from C2V and related parties, including under the proposed Placement and Entitlement Offer.
- CardieX may require C2V (or its nominee) to advance a loan under the loan facility at any time between the date of the Agreement and 31 December 2024 (or such later date as is agreed between the parties) by giving notice to the Lender.
- Some or all of the outstanding moneys may be repaid by the Company by issuing securities to the C2V, such as under the proposed Placement and Entitlement Offer.
- Interest will accrue on the principal outstanding at 10% per annum during the period commencing on the date of the FCA and ending on, if shareholder approval is not obtained to convert loans into equity, the day of the shareholders meeting; and otherwise, the Maturity Date.
- The Company may at any time prepay all or part of the outstanding moneys without premium or penalty.
- If, after 31 December 2025 there are any outstanding moneys, the Company must repay the outstanding moneys at the request of the Lender, on at least 30 days' notice.

As a result of these matters, there is a material uncertainty related to events or conditions that may cast significant doubt on whether the Group will continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities and commitments in the normal course of business and at the amount stated in the financial report.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

The Directors are of the opinion that there are reasonable grounds that the Group will be able to continue as a going concern, after consideration of the following factors:

- As discussed above, in February 2024, CardieX completed a capital raising and entitlements issue following the period end, raising a total of $8m (before costs).
- More than $5m in drawdowns are expected from the Funding Commitment Agreement entered into with C2 Ventures.
- CardieX continues to conduct a strategic review of its operations to reduce operating costs and streamline operations and has taken measures to reduce cash outgoings for employee benefits, as well as restructuring a number of employees' compensation plans with a structure weighted more towards shares than cash.

If the Directors are unsuccessful in achieving the above plan, or additional funds are required, alternative measures would be pursued which would include:

- Raising additional funds via either equity or debt. The Group has a successful track record of being able to raise both equity and debt financing; and
- Curtailing materially, if necessary, the Group's ongoing operating costs.

The Directors are of the opinion that the Group will be successful in managing the above matters and accordingly, they have prepared the financial report on a going concern basis. At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the consolidated financial report as at 31 December 2023.

Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

NOTE 2. REVENUE

Revenue consists of the following:

	31 Dec 2023	31 Dec 2022
Sale of goods revenue	$ 1,507,328	$ 924,458
Lease revenue	7,866,924[1]	301,233
Service revenue	72,529	157,310
Freight revenue	24,315	25,988
Royalty income	-	29,865
	$ 9,471,096	**$ 1,438,854**

1. Includes $7.67m in revenue relating to the cancelled Clinichain clinical trial. CardieX received full cash settlement of all contractual payments for the trial in December 2023, totalling $6.26m. Of the revenue recognised, $1.41m related to cash already received in the prior financial year and was a result of the reversal of unearned revenue.

NOTE 3. OTHER INCOME

Other income consists of the following:

	31 Dec 2023	31 Dec 2022
Research and development tax incentive scheme	$ 377,731	$ 302,091
Interest income	139,808	129,731
Miscellaneous other income	531,986	170,897
	$ 1,049,525	**$ 602,719**

NOTE 4. EXPENSES

Net loss before income tax expense includes the following specific expenses:

		31 Dec 2023		31 Dec 2022
Administration expense				
Professional fees associated with US listing	$	438,460	$	857,589
Other professional fees		1,062,485		895,491
Other administration expenses		437,001		272,002
	$	**1,937,946**	**$**	**2,025,082**

NOTE 5. PROFIT PER SHARE

The calculation of the basic and diluted profit/(loss) per share is based on the following information:

		31 Dec 2023		31 Dec 2022
Reconciliation of earnings used in calculating earnings per share				
Net profit/(loss) after tax	$	807,254	$	(8,671,899)

		No. of shares		No. of shares
Weighted average number of ordinary shares outstanding during the period used in calculating basic earnings per share		**143,642,056**		**120,490,202**
Weighted average number of ordinary shares outstanding during the period used in calculating diluted earnings per share		**188,892,056**		**120,490,202**
Basic profit/(loss) per share (cents)	**$**	**0.6**	**$**	**(7.2)**
Diluted profit/(loss) per share (cents)		**0.6**		**(7.2)**

NOTE 6. OTHER ASSETS

Other assets consisted of the following:

		31 Dec 2023		30 Jun 2023
Current				
Prepaid expenses	$	891,715		665,267
Contract assets		6,212		6,735
Research and development tax incentive receivable		1,112,100		734,369
Deposits		237,022		26,908
	$	**2,247,049**	**$**	**1,433,279**
Non-current				
Deposits		42,180		78,636
	$	**42,180**	**$**	**78,636**

NOTE 7. FINANCIAL ASSETS

Financial assets consisted of the following:

		31 Dec 2023		30 Jun 2023
Current				
inHealth Medical Services convertible note (a)	$	4,470,760	$	5,558,069
Derivative financial asset (b)		517,678		234,317
	$	**4,988,438**		**5,792,386**
Non-current				
inHealth Medical Services investment (a)		369,714		510,167
	$	**369,714**	**$**	**510,167**
Total financial assets	**$**	**5,358,152**	**$**	**6,302,553**

(a) inHealth Medical Services investment & convertible note

- On 31 January 2019, the Company exercised in full its option under the agreement to purchase US$3,000,000 of inHealth Medical Services "Tranche 2" (T2) Convertible Note (the "inHealth Note") securities.
- Both the debt and derivative components of the inHealth Note are measured as a single instrument at FVTPL as there is an embedded conversion feature. It is measured at FVTPL as a single instrument to significantly reduce any measurement or recognition inconsistencies that would arise from other methods.
- By 31 December 2019, the Company had paid the full US$3,000,000 to inHealth under the Agreement for the T2 Notes.
- In July 2020, the Company and inHealth had signed an agreement to restructure the partnership. Key changes were reducing the outstanding convertible note to US$2,500,000 by repayment of US$500,000, extending the maturity date to 1 July 2021, and exchanging the option to move to 50.5% for the issuance of 1% of the fully diluted equity of inHealth.
- In July 2021 it was agreed to further extend the maturity date of the convertible note to 31 December 2021, and further agreed between the parties to forgive accrued interest up until 30 June 2020 totaling A$338,373 in return for a further 1% of fully diluted equity of inHealth to CardieX.
- In March 2022, the inHealth Note was extended to November 2023, incorporating all interest for the period 1 July 2021 to 28 February 2022 to the principal value of the inHealth Note totalling US$2,875,317. Following the end of this term, the Note maturity was further extended to 31 May 2024.
- As at 31 December 2023, the face value of the inHealth Note was US$2,875,317 and US$317,696 in interest had accrued.
- As at 31 December 2023, the total convertible note asset was fair valued by an external expert at US$3.21m (30 June 2023: US$3.69m). The external valuers use a Monte Carlo simulation to fair value the assets, and additional revenue multiple analysis to further support the equity value of InHealth used in the calculations.
- As at 31 December 2023, the Company holds 7.64% equity in inHealth Medical Services, Inc, currently valued at A$370k (30 June 2023: A$510k), based on an equity value of US$3.31m.
- The CardieX Board has commenced discussions with inHealth regarding its options upon the revised maturity on 31 May 2024, and is not likely to enter into any further extensions of the maturity date. It is currently expected that the Convertible Notes will be converted into equity, with a potential full or partial repayment of outstanding interest.

(b) Convertible notes issued

- In June 2023, the Company established a Converting Note Facility, of which by 31 December 2023 $3,620,000 had been received in Convertible Note subscriptions.
- These Converting Subscriptions are convertible at the discretion of the Company and is a put option of the Company that gives rise to a derivative financial asset.

NOTE 8. UNEARNED REVENUE

Unearned revenue consisted of the following:

		31 Dec 2023		30 Jun 2023
Advances received from clinical trial contracts	$	138,569	$	2,908,455
Unearned revenue from sales of goods		-		16,410
Unearned revenue from customer service contracts		216,559		116,768
	$	**355,128**	**$**	**3,041,633**

NOTE 9. FINANCIAL LIABILITIES

Financial liabilities consisted of the following:

		31 Dec 2023		30 Jun 2023
Current				
Convertible note liabilities				
Host contract debt liability (a)	$	3,443,051	$	1,680,008
Derivative financial liability (a)		-		495,786
Share applications (c)		867,457		-
	$	**4,310,508**	**$**	**2,175,794**
Non-current				
Promissory note (b)		2,213,470		-
	$	**2,213,470**	**$**	**-**
Total financial liabilities	**$**	**6,523,978**	**$**	**2,175,794**

(a) Convertible note liabilities

In June 2023, the Company established a Convertible Note Facility, of which by 31 December 2023 $1,500,000 had been received in Convertible Note subscriptions and $2,120,000 received in Converting Note subscriptions. Key terms of the Convertible Note Facility are:

- 10% interest rate paid quarterly.
- Conversion (subject to shareholder approval):
  - Convertible Notes convert at the holder's option.
  - Converting Notes convert at the Company's option, at the next capital raising (Australia or another jurisdiction) of A$5,000,000 or more.
- Conversion Pricing:
  - The higher of the Floor Price (being the lower of $0.30 and the price of any capital raising prior to conversion); and
  - A 20% discount to the 20-day VWAP at conversion.
- Option coverage (subject to shareholder approval):
  - Convertible Notes: 1 option (exercise price of $0.45) for every $2 invested.
  - Converting Notes: 2 options (exercise price of $0.45) for every $1 invested.
- Maturity date:
  - Convertible Notes: 15 July 2024 (unless the holder elects to extend maturity on the same terms as the Converting Notes.
  - Converting Notes: 15 July 2025.The holder may also elect to redeem these Notes at any time after 15 January 2025.

The Convertible Note and Converting Note subscriptions have been classed as current liabilities as the Group completed the capital raising in February 2024, which met the conversion terms as listed above.

(b) Promissory note

On 7 November 2023, CardieX entered into a Promissory Note with Wilson Sonsini Goodrich & Rosati, Professional Corporation for a principal sum of US$1,500,000. This amount reflects the balance owing of US legal fees in relation to the US listing, post a credit received of US$731,950. The Promissory Note attracts an interest rate of 5.5% and is repayable on the earliest of:

a. 20 April 2025;
b. the closing of debt financing or equity financing of CardieX after 1 January 2024, the gross proceeds of which equal or exceeds US$6,000,000;
c. the closing of a change of control transaction;
d. the Company becomes cash flow positive and is in a position to make payment of the outstanding invoices;
e. upon the occurrence of an event of default.

(c) Share applications

At 31 December 2023, CardieX had received $867,457 in share subscriptions from institutional, family office, and sophisticated investors as part of its $4m Placement, which was completed in February 2024.

NOTE 10. BORROWINGS

Borrowings includes the following liabilities carried at amortised cost:

		31 Dec 2023		30 Jun 2023
R&D loan facility	$	571,065	$	580,959
Working capital loan facility		880,000		880,000
	$	**1,451,065**	**$**	**1,460,959**

R&D Loan facility

On 24 March 2022, the Company entered into a new term loan facility of $1,294,125, secured against future R&D refunds to be received by the Company and its wholly owned subsidiary AtCor Medical Pty Ltd. The facility is a prepayment of forecasted R&D tax incentive claim for the years ended 30 June 2022, and an initial termination date of 31 October 2022, since extended to 31 March 2024. Currently the facility attracts interest at 1.33% per calendar month (16%pa). A general security is held over the Company. $724,923 was repaid in April 2023 from the 2022 R&D refund, and the balance of the facility can be:

- Paid out in cash with no interest or fees payable under the current facility terms following the month end of the FY2023 R&D payout; or
- Secured against the Company's FY2023 R&D refund and paid on or before the end of the extended facility term.

Working capital loan facility

In December 2022, wholly owned subsidiary Atcor Medical Pty Ltd entered into a short-term working capital loan facility for up to $880,000, to support product and development expansion initiatives. The facility attracts an interest rate of 1.33% per calendar month (16%p.a). The expiry of the facility was initially 30 October 2023, and subsequently extended to 31 October 2024. A general security is held over the Company. As at 31 December 2023 the facility was fully drawn, with $80,000 withheld for prepaid interest and establishment fees.

NOTE 11. ISSUED CAPITAL

(a) Ordinary shares

	31 Dec 2023			30 Jun 2023		
	Shares (No)		$	Shares (No)		$
Ordinary shares	143,683,524	$	76,656,648	143,465,521	$	76,615,802
	143,683,524	**$**	**76,656,648**	**143,465,521**	**$**	**76,615,802**

Movements in ordinary shares:

	Shares (No)	$
Balance as at 1 July 2022	110,003,700	67,552,468
Ordinary shares issued on equity capital raise	27,734,710	8,320,412
Ordinary shares issued as a result of a share purchase plan	5,310,061	1,593,000
Shares issued in lieu of payments to suppliers	299,052	89,715
Shares issued in lieu of payments to employees	117,998	35,000
Cost of raising capital	-	(974,793)
Balance as at 30 June 2023	**143,465,521**	**76,615,802**
Shares issued in lieu of payments to suppliers	218,003	65,401
Cost of raising capital	-	(24,555)
Balance as at 31 December 2023	**143,683,524**	**76,656,648**

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders 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.

NOTE 11. ISSUED CAPITAL *(CONTINUED)*

(b) Performance rights on issue

	31 Dec 2023		30 Jun 2023	
	No of Rights	$	No of Rights	$
At the beginning of reporting period	22,800,000	3,660,806	16,050,000	1,994,260
Issued under Performance Rights Plan	-	-	6,750,000	-
Rights expired during the period	(16,050,000)	(3,288,176)	-	-
Rights vesting expense during the period	-	(69,788)	-	1,666,546
Closing balance at reporting date	**6,750,000**	**302,842**	**22,800,000**	**3,660,806**

Details of performance rights relating to Directors that were issued with shareholder approval on 16 December 2022 under the Company's Performance Rights and Options Plan are as follows:

Number of performance rights	Vesting conditions	Issue Date	Expiry Date
2,250,000	Vest upon the Company successfully achieving a Secondary Listing on a US exchange	16/12/2022	30/11/2027
2,250,000	Vest upon the Company achieving an audited $10 million in Revenue from third parties in any financial year prior to the expiry date	16/12/2022	30/11/2027
2,250,000	Vest upon the Company achieving an audited $20 million in Revenue from third parties in any financial year prior to the expiry date	16/12/2022	30/11/2027

(c) Options on issue

	31 Dec 2023		30 Jun 2023	
	No of Options	$	No of Options	$
At the beginning of reporting period	24,866,499	2,210,913	6,580,000	1,294,880
Free attaching options (1 for 3) as attaching to placement	-	-	4,811,122	-
Free attaching options (1 for 2) as attaching to placement	-	-	6,740,689	-
Options issued to brokers and consultants	-	-	2,909,688	438,884
Options issued to Directors	-	-	1,000,000	-
Options issue to employees	-	-	2,825,000	-
Convertible note options issued	4,990,000	100,953	-	75,996
Options vesting expense	-	47,852	-	401,153
Expired and lapsed options	(4,811,122)	-	-	-
Closing balance at reporting date	**25,045,377**	**2,359,718**	**24,866,499**	**2,210,913**

NOTE 12. ACCUMULATED LOSSES

	31 Dec 2023	30 Jun 2023
Opening balance	$ (83,753,513)	$ (64,866,577)
Profit/(loss) for the period	807,254	(18,886,936)
Transfer of expired options from share-based payments reserve	3,288,176	-
	$ (79,658,083)	**$ (83,753,513)**

NOTE 13. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the balance date the Group announced the following material events:

- On 2 January 2024, CardieX announced that following the launch of its $4m Placement, and pro-rata Entitlement Offer of up to $4m, the Company was able to progress discussions with the ASX as to lifting the suspension in trading of the Company's shares, which was in place since 28 September 2023. The Company set out the requirements to reinstate trading in the announcement.
- On 18 January 2024, the Company released a supplementary prospectus for the Entitlement Offer, originally released on 29 December 2023, which included a $1m underwriting commitment from C2 Ventures.
- On 1 February 2024, the Company held an Extraordinary General Meeting. All resolutions were carried.
- On 6 February 2024, the Company announced that it had completed its non-renounceable pro-rata Entitlement Offer, raising $4m, of which $1m was underwritten. $0.9m of the underwriting was taken up by C2 Ventures Pty Ltd, a Company jointly owned by Chairman, Niall Cairns and CEO, Craig Cooper. The Placement of $4m was also completed. As a result, the following securities were issued:
    - 50,000,000 shares issued at a price of $0.08 to institutional, family office, and other sophisticated investors. under the Placement
    - 50,000,004 shares were issued at a price of $0.08 to shareholders upon take-up of the Entitlement Offer.
    - 45,250,000 shares were issued at a price of $0.08 to convertible noteholders, all of which had received conversion notices from the Company.
    - 51,416,851 options were issued at a price of $0.08 to investors in the Placement, shareholders who took up the Entitlement Offer, and convertible noteholders whose notes converted to shares.
    - A further 5,241,040 shares were also issued to suppliers and employees to settle liabilities of the Company.

      On 23 February 2024, the Company announced the appointment of Mr. Charlie Taylor as an independent Non-executive Director, effective 1 March 2024.
- On 23 February 2024, it was announced that the suspension of the securities of CardieX Limited would be lifted on commencement of trading on 26 February 2024.

No other significant subsequent event has arisen that significantly affects the operations of the Group.

NOTE 14. OPERATING SEGMENTS

In the half year 2024 financial period, the Group operated in one operating segment and has identified only one reportable segment being sales of cardiovascular devices and services to hospitals, clinics, research institutions and pharmaceutical companies.

Geographically, the Group prepares information based on the location of its customers, being:

- Americas (includes global pharmaceutical trials business)
- Europe (includes Middle East and Africa)
- Asia Pacific (includes Asia & Australia/NZ)

Geographical information:

31 December 2023	Americas	Europe	Asia Pacific	Inter-segment eliminations/ unallocated	Consolidated
	$	$	$	$	$
Sales to external customers	9,162,444	187,140	121,512	-	9,471,096
Intersegment sales	-	-	-	-	-
Total sales revenue	9,162,444	187,140	121,512	-	9,471,096
Other income	541,101	-	508,424	-	1,049,525
Total segment revenue/income	9,703,545	187,140	629,936	-	10,520,621
Segment profit before income tax	**3,859,210**	**51,293**	**(3,979,376)**	**876,127**	**807,254**
Income tax expense					-
Profit for the period					**807,254**
Segment assets	16,718,474	-	82,257,200	(82,109,300)	16,866,374
Segment liabilities	43,398,456	-	70,955,382	(97,509,176)	16,844,662

NOTE 14. OPERATING SEGMENTS *(CONTINUED)*

31 December 2022	**Americas**	**Europe**	**Asia Pacific**	**Inter-segment eliminations/ unallocated**	**Consolidated**
	$	**$**	**$**	**$**	**$**
Sales to external customers	1,128,599	186,036	124,219	-	1,438,854
Intersegment sales	-	-	4,105,022	(4,105,022)	-
Total sales revenue	1,128,599	186,036	4,229,241	(4,105,022)	1,438,854
Other income	-	-	602,719	-	602,719
Total segment revenue/income	1,128,599	186,036	4,831,960	(4,105,022)	2,041,573
Segment loss before income tax	**(5,322,159)**	**142,107**	**(594,083)**	**(2,897,764)**	**(8,671,899)**
Income tax expense					-
Loss for the period					**(8,671,899)**
Segment assets	16,537,928	-	78,471,271	(80,821,739)	14,187,460
Segment liabilities	46,212,260	-	59,070,820	(95,639,391)	9,643,689

Inter-segment transfers

Segment revenues, expenses and results include transfers between segments. The group transfer inventory and finished goods between its group companies. Such transfers are priced on an "arm's-length" basis and are eliminated on consolidation.

Segment revenue

$7.67m of the revenue generated in the 6 months to 31 December 2023 related to the cancelled Clinichain clinical trial. There was no significant concentration of revenue attributable to one customer in 6 months to 31 December 2023 (31 December 2022).

Disaggregation of revenue

31 December 2023	**Americas**	**Europe**	**Asia Pacific**	**Consolidated**
	$	$	$	$
Sale of goods	1,212,471	184,975	109,882	1,507,328
Lease revenue	7,866,924	-	-	7,866,924
Service revenue	63,506	-	9,023	72,529
Freight revenue	19,543	2,165	2,607	24,315
Royalty income	-	-	-	-
Total sales revenue	9,162,444	187,140	121,512	9,471,096
Other income	541,101	-	508,424	1,049,525
Total revenue/income	9,703,545	187,140	629,936	10,520,621

31 December 2022	**Americas**	**Europe**	**Asia Pacific**	**Consolidated**
	$	$	$	$
Sale of goods	650,749	180,805	92,904	924,458
Lease revenue	301,233	-	-	301,233
Service revenue	155,990	570	750	157,310
Freight revenue	20,627	4,661	700	25,988
Royalty income	-	-	29,865	29,865
Total sales revenue	1,128,599	186,036	124,219	1,438,854
Other income	-	-	602,719	602,719
Total revenue/income	1,128,599	186,036	726,938	2,041,573

NOTE 15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group has no other material contingent liabilities or contingent assets as at 31 December 2023 (30 June 2023: $Nil).

NOTE 16. RELATED PARTY TRANSACTIONS

Convertible notes

In June 2023, the Company established a Convertible Note Facility, of which by 31 December 2023 $3,620,000 had been received in subscriptions, including the following related party subscriptions:

- $500,000 from C2 Ventures (C2V), a Company jointly owned by Chairman, Niall Cairns and CEO, Craig Cooper, subscribed; and
- $100,000 from Carnethy Evergreen Pty Ltd, a Company owned by Chairman, Niall Cairns

Key terms of the Convertible Note Facility are:

- 10% p.a interest rate.
- Conversion:
  - Convertible at the Company's option, at the next capital raising (Australia or another jurisdiction) of A$5,000,000 or more.
- Conversion Pricing:
  - $0.08
- Option coverage:
  - 1 option (exercise price of $0.20) for every share received upon conversion.
- Maturity date:
  - 15 July 2025.The holder may also elect to redeem these Notes at any time after 15 January 2025.

All Convertible Notes were converted to shares on 6 February 2024, subsequent to the end of the period, and all options were issued.

Funding Commitment Agreement

On 3 November 2023, CardieX entered into a Funding Commitment Agreement (FCA) with C2V to provide up to $7.5 million to support the funding needs of the Company. Any participation by C2V in the Placement and/or Entitlement Offer will be included as part of the funds committed under the FCA. The funding agreement provides that C2 Ventures will provide total capital of A$7,500,000.

C2V (or its nominee/s) will make available a loan facility of up to $7,500,000 (Facility Limit), as follows:

Period	**Facility Limit (cumulative amount)**
Between the date of the agreement and 31 December 2023	$1,500,000
Between 1 January 2024 and 31 March 2024	$3,000,000
Between 1 April 2024 and 30 June 2024	$4,500,000
Between 1 July 2024 and 31 December 2024	$7,500,000

At 31 December 2023, $750,000 had been contributed to the Group by C2V.

Key terms of the Funding Commitment Agreement are:

- The Facility Limit is reduced by amounts advanced to, loaned to, owed by or received by the Company from C2V and related parties, including under the proposed Placement and Entitlement Offer.
- CardieX may require C2V (or its nominee) to advance a loan under the loan facility at any time between the date of the Agreement and 31 December 2024 (or such later date as is agreed between the parties) by giving notice to the Lender. If such shareholder approval is not obtained under the Shareholder Approval of Conversion clause the C2V may terminate its obligation to provide further loans under the loan facility.
- Subject to all necessary board, shareholder and regulatory approvals, some or all of the outstanding moneys may be repaid by the Company by issuing securities to the C2V, such as under the proposed Placement and Entitlement Offer.

NOTE 16. RELATED PARTY TRANSACTIONS *(CONTINUED)*

- The Company has agreed to convene a shareholder meeting to seek approval, to the extent possible, for the conversion to equity of all loans under the loan facility, up to the maximum Facility Limit. Shareholder approval is intended to be sought at a general meeting to be convened shortly:
- Interest will accrue on the principal outstanding at 10% per annum during the period commencing on the date of the FCA and ending on, if shareholder approval is not obtained to convert loans into equity, the day of the shareholders meeting; and otherwise, the Maturity Date. If shareholder approval is not obtained, 15% per annum during the period commencing on and from the day after the shareholder meeting and ending on the Maturity Date. The Company may elect whether to pay interest in cash. If interest is not paid in cash, it will automatically be capitalised.
- The Company may at any time prepay all or part of the outstanding moneys without premium or penalty.
- If, after 31 December 2025 there are any outstanding moneys, the Company must repay the outstanding moneys at the request of the Lender, on at least 30 days' notice. The Lender may only request repayment, or seek to enforce recovery of outstanding moneys, to the extent that the payment can be paid or satisfied from the available assets of the Company following payable of the Company's other liabilities.
- It is an event of default if the Company fails to pay or repay any amount due under the agreement when due, or an event of insolvency occurs in respect of the Company. If an event of default occurs and is subsisting, the Lender may terminate its obligation to provide further loans under the loan facility and/or declare outstanding moneys due and payable.

NOTE 17. CONTROLLED ENTITIES

The consolidated financial statements include the financial statements of CardieX Limited. and the following subsidiaries:

Name	Country of incorporation	Beneficial interest (%)*	
		31 Dec 2023	30 Jun 2023
AtCor Medical Pty Limited	Australia	100	100
AtCor Medical Inc	USA	100	100
CardieX (Shanghai) Medical Technology Co., Ltd.	China	100	100
Conneqt Inc	USA	100	100

**Percentage of voting power is in proportion to ownership.*

NOTE 18. CAPITAL COMMITMENTS

There were no other commitments as at 31 December 2023.

NOTE 19. COMPANY DETAILS

The registered office of the Company is:

CardieX Limited

Suite 301, Level 1

55 Lime Street

Sydney NSW 2000

The principal place of business is:

CardieX Limited

Suite 301, Level 3

55 Lime Street

Sydney NSW 2000

DIRECTORS' DECLARATION

The Directors of the Company declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in Note 1 to the financial statements;
(c) in the directors' opinion, the attached financial statements and notes as set out on pages 13 to 27 comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
(d) the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date.

Signed in accordance with a resolution of the directors made pursuant to s303 (5) (a) of the Corporations Act 2001.

On behalf of the Directors:

Niall Cairns
Executive Chairman
Sydney, 29 February 2024

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Fax: +61 2 9240 9821
www.bdo.com.au

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Sydney NSW 2000
Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of CardieX Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of CardieX Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial 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*.

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 the 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that 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 Group'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.

BDO Audit Pty Ltd

BDO

Tim Aman
Director

Sydney, 29 February 2024