

CONSOLIDATED RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half year ended 31 December 2020 Nova Eye Medical Limited ACN 007 702 927

This results announcement and the half-year report attached to this announcement should be read in conjunction with the annual financial report for the year ended 30 June 2020.

Current reporting period: Half-year ended 31 December 2020

Previous corresponding reporting period: Half-year ended 31 December 2019

Consolidated Results

			\$A'000
Revenues from ordinary activities from continuing operations	Down 11%	To	6,644
Consolidated results			
(Loss) before interest, tax, depreciation and amortisation (EBITDA)	Down 72%	To	(814)
(Loss) for the period, before tax from continuing operations	Down 56%	to	(1,605)
(Loss) from ordinary activities after tax from continuing operations	Down 45%	to	(1,605)
Net (Loss) for the period attributable to members from continuing operations	Down 45%	to	(1,605)

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	NOT APPLICABLE	

OTHER INFORMATION

For the half-year ended 31 December 2020
Nova Eye Medical Limited ACN 007 702 927

Net Tangible Assets per Security	Half Year ended 31 December 2020	Half Year ended 31 December 2019
Net tangible asset backing per ordinary security (excludes value attributable to goodwill, other intangible assets, deferred tax asset, capitalised development expenditure and related deferred grant income)	\$0.18	\$0.26

Dividends

Date the dividend (distribution) is payable

N/A

Record date to determine entitlements to the dividend
(distribution)

N/A

If it is a final dividend, has it been declared?

N/A

Details of entities over which control has been gained or lost during the period

On 2 August 2020 Nova Eye Acquisition Limited was incorporated as a 100% owned subsidiary of Nova Eye Medical Limited. On the same day Nova Eye Acquisition Limited acquired the Molteno glaucoma surgical device business from the Molteno family and changed its name to Molteno Ophthalmic Limited.

Nova Eye Medical Limited

ACN 007 702 927

Report for the half-year ended 31 December 2020
(formerly Ellex Medical Lasers Limited)

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Directors' report

The directors of Nova Eye Medical Limited (the Company and the Group) submit herewith the financial report of Nova Eye Medical Limited and its subsidiaries (the Group) for the half-year ended 31 December 2020. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

The names of the directors of the Company during or since the end of the half-year are:

Name	
Mr V Previn	Chairman
Mr A Sundich	Non-Executive Director
Mr R Coupe	Independent Director
Mr M Southard	Executive Director
Mr M Mangano (resigned 31 August 2020)	Independent Director
Mr T Spurling (appointed 31 August 2020)	Executive Director

Mr Simon Gray was appointed Company Secretary on 30 June 2020. Ms Kimberley Menzies resigned as Company Secretary on 30 June 2020.

Principal Activities

The principal activities of the Company during the financial period were the manufacture, service and distribution of medical devices.

Review of Operations

For the six months ended 31 December 2020, Nova Eye Medical Limited (Nova Eye Medical) recorded a group loss after tax of \$1,605,000. This compares with a group loss of \$2,678,000 in the six months to 31 December 2019.

The operations of the business were impacted during the period by the global COVID-19 pandemic. The pandemic has reduced ophthalmic surgical volumes globally and has inhibited the ability of the Company's sales representatives to present the Company's products to customers. While this has limited sales opportunities, cost reduction initiatives have meant that overall there has been a material reduction in the operating loss incurred by the Company during the period compared with the prior corresponding period.

Dividend and Return of Capital

On 22 July 2020 the Company made a distribution to shareholders of the majority of funds received from the sale of the Ellex Lasers & Ultrasound business. This distribution comprised a total payment of \$61,030,484 made up of a return of capital \$41,644,330 and a dividend of \$19,386,154.

Ellex Lasers & Ultrasound (Discontinued operations)

On 30 June 2020 the Company sold the Ellex Lasers & Ultrasound business and as a result, the financial results for the half year ended 31 December 2020 do not include the results for that business. The results of that business for the half year ended 31 December 2019 are disclosed as discontinued operations in the statement of profit and loss and other comprehensive income for the comparative period.

Acquisition of the Molteno Glaucoma Surgical Device Business

On 2 August 2020 the Company, through a newly incorporated subsidiary, acquired the business assets of Molteno Ophthalmic Limited, a company owned by the Molteno family, the founders of the business. The newly incorporated subsidiary subsequently changed its name to Molteno Ophthalmic Limited.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 4 of the half-year report.

Rounding of Amounts

The company is a company of the kind referred to in ASIC Instrument 2016/191. In accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306 (3) of the *Corporations Act 2001*.

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'V. Previn', is written over a faint, light-colored rectangular background.

Victor Previn
Chairman
Adelaide, 24 February 2021



Auditor's Independence Declaration

As lead auditor for the review of Nova Eye Medical Limited for the half-year ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Nova Eye Medical Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to be 'M. T. Lojszczyk', written in a cursive style.

M. T. Lojszczyk
Partner
PricewaterhouseCoopers

Adelaide
24 February 2021

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Consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2020

Consolidated Group		
	Half-year ended 31 Dec 2020 \$'000	Half-year ended 31 Dec 2019 \$'000
Note		
Revenue from continuing operations	6,644	7,427
Other income	891	37
Changes in inventories of finished goods and work in progress	305	294
Raw materials and consumables used	(2,411)	(2,020)
Employee benefits expense	(2,953)	(5,526)
Depreciation and amortisation expense	(754)	(719)
Facilities expense	(438)	(50)
Legal expenses	(230)	(79)
Advertising and marketing expense	(291)	(504)
Finance costs	(37)	(31)
Realised foreign exchange gain/(loss)	224	(17)
Travel expense	(110)	(577)
Consulting fees	(1,981)	(1,292)
Other expenses	(464)	(560)
(Loss) before tax from continuing operations	(1,605)	(3,617)
Income tax benefit/(expense)	-	687
(Loss) for the period from continuing operations	(1,605)	(2,930)
Profit after tax from discontinued operations	-	252
(Loss)/profit after tax for the period	(1,605)	(2,678)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations from continuing operations (tax: nil)	(961)	29
Exchange differences on translating foreign operations from discontinued operations (tax: nil)	-	(133)
Total comprehensive (loss)/income for the period	(2,566)	(2,782)
Earnings per share:		
Basic (cents per share)	(1.12)	(2.04)
Diluted (cents per share)	(1.12)	(2.04)
From profit attributable to the ordinary equity holders of the company:		
Basic (cents per share)	(1.12)	(1.86)
Diluted (cents per share)	(1.12)	(1.86)

Notes to the consolidated financial statements are included on pages 9 to 16.

Consolidated statement of financial position as at 31 December 2020

		Consolidated Group	
	Note	31 December 2020 \$'000	30 June 2020 \$'000
Current assets			
Cash and cash equivalents		29,476	95,649
Trade and other receivables		4,363	3,828
Inventories		3,239	2,934
Prepayments		210	494
Total current assets		37,288	102,905
Non-current assets			
Trade and other receivables		43	48
Property, plant and equipment		1,190	1,178
Lease right to use		1,850	1,734
Intangible assets		3,456	3,341
Capitalised development expenditure		7,795	7,536
Total non-current assets		14,334	13,837
Total assets		51,622	116,742
Current liabilities			
Trade and other payables		2,688	3,826
Borrowings & lease obligations	8	1,829	1,909
Provisions		19	472
Current tax liabilities		8,151	8,151
Total current liabilities		12,687	14,358
Non-current liabilities			
Borrowings & lease obligations	8	1,479	1,433
Provisions		50	50
Deferred tax liability		315	315
Total non-current liabilities		1,844	1,798
Total liabilities		14,531	16,156
Net assets		37,091	100,586
Equity			
Issued capital		36,678	78,311
Reserves		(3,230)	(2,359)
Accumulated profit / (losses)		3,643	24,634
Total equity		37,091	100,586

Notes to the consolidated financial statements are included on pages 9 to 16.

Consolidated statement of changes in equity for the half-year ended 31 December 2020

	Note	Issued capital \$'000	Other reserve \$'000	Foreign currency reserve \$'000	Accumulated profits/ (losses) \$'000	Total \$'000
Balance at 1 July 2019		78,311	142	1,504	(11,161)	68,796
Issue of share capital		-	-	-	-	-
Employee share scheme		-	11	-	-	11
Total of transactions with owners		-	11	-	-	-
Profit / (Loss) for the period		-	-	-	(2,678)	(2,678)
Other comprehensive income		-	-	(104)	-	(104)
Total comprehensive income		-	-	(104)	(2,678)	(2,782)
Balance at 31 December 2019		78,311	153	1,400	(13,839)	66,025
Balance at 1 July 2020		78,311	-	(2,359)	24,634	100,586
Return of share capital		(41,644)	-	-	-	(41,644)
Payment of dividend		-	-	-	(19,386)	(19,386)
Employee share scheme		11	90	-	-	101
Transaction costs		-	-	-	-	-
Total of transactions with owners		(41,633)	90	-	(19,386)	(60,929)
Profit / (Loss) for the period		-	-	-	(1,605)	(1,605)
Other comprehensive income		-	-	(961)	-	(961)
Total comprehensive income		-	-	(961)	(1,605)	(2,566)
Balance at 31 December 2020		36,678	90	(3,320)	3,643	37,091

Notes to the consolidated financial statements are included on pages 9 to 16.

**Consolidated statement of cash flows
for the half-year ended 31 December 2020**

	Consolidated Group	
	Half-year ended 31 Dec 2020 \$'000	Half-year ended 31 Dec 2019 \$'000
Cash flows from operating activities		
Receipts from customers	6,122	41,909
Payments to suppliers and employees	(9,248)	(39,621)
Interest and other costs of finance paid	(37)	(185)
Income tax paid	-	(276)
Net cash provided by/(used in) operating activities	(3,163)	1,827
Cash flows from investing activities		
Interest received	155	30
Payment for plant and equipment	(166)	(159)
Proceeds from the sale of plant and equipment	-	-
Payment for intangible assets	(270)	(406)
Payment for capitalised development costs	(490)	(1,104)
Payment for purchase of business	(991)	-
Net cash (used in)/provided by investing activities	(1,762)	(1,639)
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	(3,160)
Repayment of mortgage	-	(600)
Payment of leases	(145)	(321)
Payment of dividend	(19,386)	-
Repayment of capital	(41,644)	-
Net cash (used in)/provided by financing activities	(61,175)	(4,081)
Net (decrease) in cash and cash equivalents	(66,100)	(3,893)
Cash and cash equivalents at the beginning of the period - 1 July 2020	95,649	15,183
Effects of exchange rate changes on the balance of cash held in foreign currencies	(73)	(31)
Cash and cash equivalents at the end of the period	29,476	11,259

Comparative cash flows for discontinued operations are disclosed in note 10.

Notes to the consolidated financial statements are included on pages 9 to 16.

Notes to the Consolidated financial statements for the half-year ended 31 December 2020

Note 1: Basis of preparation

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2020 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including *AASB 134: Interim Financial Reporting*. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Note 2: General information and basis of preparation

The condensed interim consolidated financial statements ('the interim financial statements') of the Group are for the six months ended 31 December 2020 and are presented in Australian Dollars, which is the functional currency of Nova Eye Medical Limited (the parent company). They do not include all of the information required in the annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 June 2020 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the Board of Directors on 24 February 2021.

Note 3: Changes in accounting policies

The accounting policies adopted are consistent with those of the last financial statements for the year ended 30 June 2020.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 4: Estimates

When preparing the interim financial statements, management undertakes a number of judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgments, estimates and assumptions applied in the interim financial statements, including the key source of estimate uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2020.

Impairment of non-financial assets

The Group tests whether non-financial assets (including capitalised development expenditure, intangible assets and property, plant and equipment), have suffered any impairment on an annual basis or on a specific triggering event.

As at 30 June 2020, the recoverable amount of the cash generating units (CGU's) for Glaucoma Surgical Devices was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

As at 30 June 2020, the recoverable value of the 2RT® CGU was determined by assessing the fair value less cost of disposal (FVLCD) of the underlying assets, the 2RT® intellectual property ("IP").

Impact of possible changes in key assumptions

The consolidated Group's review of change in key assumptions does not result in any impairment for the CGU's.

Note 5: Commitments

There is no commitment for the purchase of property, plant and equipment at 31 December 2020. There are no other changes to the commitments disclosed at 30 June 2020.

Note 6: Contingencies

There are no contingencies as of the date of this report.

Note 7: Events occurring after the interim period

No matters or circumstances have arisen since the end of the half year which significantly affected or could significantly affect the operations, of the Group, the results of the operations or the state of affairs of the Group in the future financial years.

Note 8: Borrowings & lease obligations

Borrowings include lease liabilities arising from the operating lease arrangements across the group and Paycheck Protection Program loan for the US subsidiary.

Note 9: Other income

	Half-Year ended 31 Dec 2020 \$'000	Half-year ended 31 Dec 2019 \$'000
Other income	736	-
Interest income	155	37
	891	37

Other income includes finalisation of the sale of Ellex Lasers & Ultrasounds business.

Note 10: Discontinued Operations

Accounting Policy

The comparatives in these financial statements show results related to the Ellex Lasers & Ultrasound business sold on 30 June 2020 as discontinued operations.

Financial Performance and cash flow information

The financial information below reflects the discontinued operations for the period ending 31 December 2020 and the prior corresponding period.

	Half-year ended 31 Dec 2020 \$'000	Half-year ended 31 Dec 2019 \$'000
Revenue from discontinued operations	-	34,364
Other income	-	401
Changes in inventories of finished goods and work in progress	-	(1,154)
Raw materials and consumables used	-	(15,061)
Employee benefits expense	-	(10,234)
Depreciation and amortisation expense	-	(1,984)
Facilities expense	-	(675)
Legal expenses	-	(390)
Impairment expense	-	-
Advertising and marketing expense	-	(910)
Congress expenses	-	(232)
Finance costs	-	(156)
Product development raw materials and consumables used	-	(738)
Realised foreign exchange gain	-	171
Travel expense	-	(1,034)
Consulting fees	-	(654)
Other expenses	-	(1,030)
Profit before tax from discontinued operations	-	684
Income tax (expense)	-	(432)
Profit for the period from discontinued operations	-	252
Other Comprehensive income from discontinued operations	-	(133)
Net cash inflow/ (outflow) from operating activities	-	5,086
Net cash inflow/ (outflow) from investing activities	-	(587)
Net cash inflow/ (outflow) from financing activities	-	(3,813)
Net cash inflow/ (outflow) from discontinued operations	-	686
Basic earnings per share from discontinued operations	-	0.18
Diluted earnings per share from discontinued operations	-	0.18

Note 11: Acquisition of Molteno business

On 2 August 2020 the Company, through a newly incorporated subsidiary, acquired the business assets of a company owned by the Molteno family, the founders of that business for a total consideration of NZD\$1,062,000

(AUD\$991,000). The newly incorporated subsidiary subsequently changed its name to Molteno Ophthalmic Limited. The details of assets acquired were as follows:

	2 August 2020 \$'000
Current assets:	
Accounts receivable	34
Inventory	405
Plant and equipment	14
Medical device manufacturing facility, Dunedin, New Zealand	182
Intangibles - Brand	356
Total consideration for assets acquired	991

For the 6 months ended 31 December 2020 the Group recognised \$284,932 of revenue for Molteno products.

Note 12: Operating Segments

The Group has two business segments, 2RT and Glaucoma surgical devices. Prior to the half year ended 31 December 2020 the Glaucoma surgical devices segment was named "iTrack". The Glaucoma surgical devices segment includes operating results of both the iTrack and Molteno surgical devices. The Molteno surgical device business was acquired August 2 2020.

(i) Segment performance

	2RT \$'000	Glaucoma surgical devices \$'000	Total \$'000
Six months ended 31 December 2020			
Revenue from continuing operations			
External sales	221	6,423	6,644
Total segment revenue from continuing operations	221	6,423	6,644
Segment EBITDA	(285)	(298)	(583)
Depreciation and amortisation	(79)	(675)	(754)
Segment results	(364)	(973)	(1,337)
<i>Reconciliation of segment result to group net profit before tax</i>			
Unallocated items:			
• Corporate costs, quality and service charges			(1,346)
• Finance costs			(37)
• Interest and other revenue			1,115
Net (loss) before tax from continuing operations			(1,605)

Note 12: Operating Segments (Cont)

Six months ended 31 December 2019

Revenue from continuing operations

External sales

Total segment revenue from continuing operations

Segment EBITDA

Depreciation and amortisation

Segment results

Reconciliation of segment result to group net profit before tax

Unallocated items:

- Corporate costs, quality and service charges
- Finance costs
- Interest and other revenue

Net (loss) before tax from continuing operations

2RT \$'000	Glaucoma surgical devices \$'000	Total \$'000
811	6,616	7,427
811	6,616	7,427
(245)	(1,696)	(1,941)
(65)	(654)	(719)
(310)	(2,350)	(2,660)
		(963)
		(31)
		37
		(3,617)

(ii) Segment assets

31 December 2020

Segment assets - opening

Segment asset changes for the period:

- Net movement in segment assets

Total segment assets

Discontinued operations

Reconciliation of segment assets to group assets

Unallocated assets:

- Deferred tax assets and current tax asset
- Other unallocated assets

Total group assets

2RT \$'000	Glaucoma surgical devices \$'000	Total \$'000
5,341	12,371	17,712
2,415	534	2,949
7,756	12,905	20,661
		-
		-
		30,961
		51,622

Note 12: Operating Segments (Cont)

30 June 2020

Segment assets – opening

Segment asset changes for the period:

- Net movement in segment assets

Total segment assets

Reconciliation of segment assets to group assets

Unallocated assets:

- Deferred tax assets and current tax asset
- Other unallocated assets

Total group assets

2RT \$'000	Glaucoma surgical devices \$'000	Total \$'000
6,694	14,745	21,439
(1,353)	(2,374)	(3,727)
5,341	12,371	17,712
		-
		99,030
		116,742

(ii) Segment liabilities

31 December 2020

Segment liabilities – opening

Segment liabilities changes for the period:

- Net movement in segment liabilities

Total segment liabilities

Discontinued operations

Reconciliation of segment liabilities to group liabilities

Unallocated liabilities:

- Current tax payable
- Deferred tax liability
- Other unallocated liabilities

Total group liabilities

2RT \$'000	Glaucoma surgical devices \$'000	Total \$'000
1,539	4,084	5,623
(1,190)	(96)	(1,286)
349	3,988	4,337
		-
		8,151
		315
		1,728
		14,531

Note 12: Operating Segments (Cont)

	2RT \$'000	Glaucoma surgical devices \$'000	Total \$'000
30 June 2020			
Segment liabilities – opening	670	3,138	3,808
Segment liabilities changes for the period:			
• Net movement in segment liabilities	869	946	1,815
Total segment liabilities	1,539	4,084	5,623
<i>Reconciliation of segment liabilities to group liabilities</i>			
Unallocated liabilities:			
• Current tax payable			8,151
• Deferred tax liability			315
• Other unallocated liabilities			2,067
Total group liabilities			16,156

Note 13: Share-based payments – performance rights and options

Options

	31 December 2020	
	Average exercise price per share option	Number of options
As at 1 July	-	-
Granted during the year	\$0.50	897,500
Exercised during the year	-	-
Forfeited during the year	-	-
As at 31 December	\$0.50	897,500
Vested and exercisable at 31 December	-	-

Fair value of options granted

The assessed fair value at grant date of options granted during the period ended 31 December 2020 was \$0.124. The fair value at grant date is determined using Black-Scholes Model. The model inputs for options granted during the period ended 31 December 2020 included:

- (a) Options are granted for no consideration and vest at specified dates, commencing 8 December 2020. Vested options are exercisable for a period of 36 months after vesting.
- (b) Exercise price: \$0.50
- (c) Grant date: 8th of December
- (d) Expiry date: 36 months from the vesting date
- (e) Share price at grant date: \$0.34
- (f) Expected price volatility of the company's shares: 15%
- (g) Risk-free rate: 3%

Performance rights

	31 December 2020	
	Average exercise price per performance right	Number of performance rights
As at 1 July	-	-
Granted during the year	\$0.00	170,000
Exercised during the year	\$0.00	(85,000)
Forfeited during the year	-	-
As at 31 December	\$0.00	85,000

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period as part of employee benefit expense were \$101,026 (2019: \$11,000).

Note 14: Related parties

In addition to the related parties disclosed at 30 June 2020, during the period Mr Tom Spurling was appointed as a director of the Company. During the financial period ended 31 December 2020 consulting fees of \$125,417 were charged to the Company for services rendered by Mr Spurling. These fees were charged on an arm's length basis.

Directors' declaration

The directors declare that:

- (a) The financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards, *Corporations Act 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date.
- (b) 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.

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

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'V. Previn', is written over a light blue horizontal line.

Victor Previn
Chairman

Adelaide, 24 February 2021



Independent auditor's review report to the members of Nova Eye Medical Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Nova Eye Medical Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of changes in equity, consolidated statement of cash flows and consolidated statement of profit or loss and other comprehensive income for the half-year ended on that date, significant accounting policies and explanatory notes 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 Nova Eye Medical Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2020 and of its performance for the half-year ended on that date
2. 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* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

Responsibility of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Independent auditor's review report to the members of Nova Eye Medical Limited (continued)

Auditor's responsibility for the review of the half-year 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 2020 and of 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.

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in cursive script, likely belonging to M. T. Lojszczyk.

M. T. Lojszczyk
Partner

Adelaide
24 February 2021

Corporate directory

Directors

Mr Victor Previn	BE (Chairman)
Mr Alex Sundich	BEC, MComm, ACA, FFINSIA (Non-Executive Director)
Mr Rahmon Coupe	BEng (Hons) (Independent Director)
Mr Mike Southard	B.S., SEP (Executive Director)
Mr Tom Spurling	BEC, Chartered Accountant (CAANZ)

Company Secretary

Mr Simon Gray	Chartered Accountant (CAANZ), BEc
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Registered Office

Nova Eye Medical Limited
ABN 15 007 702 927
107 Rundle St
KENT TOWN, South Australia, 5067
Telephone: +61 8 8362 0193
Email: info@nova-eye.com

Auditors

PricewaterhouseCoopers
Level 11, Franklin Street
ADELAIDE, South Australia, 5000

Share Registry

Computershare Investor Services Limited
Level 5, 115 Grenfell Street
Adelaide, South Australia, 5000

GPO Box 1903
Adelaide, South Australia, 5001

Enquiries within Australia: 1300 556 161
Enquiries outside Australia: +61 3 9415 4000
Website: www.computershare.com

Websites:

www.nova-eye.com

Stock Exchange

The company Nova Eye Medical Limited is listed on the Australian Securities Exchange (ASX).
The ASX Code is: EYE-Ordinary Shares.