



CONSOLIDATED FINANCIAL REPORT

26 February 2021

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir or Madam

RELEASE OF MYFIZIQ LIMITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2020

In accordance with the ASX Listing Rules, please find attached the following:

1. Appendix 4D half-year report;
2. Financial report for the half year ended 31 December 2020, including the Directors' Report.

This ASX announcement was approved and authorised for release by the Board of Directors.

Yours faithfully,
By Order of the Board

A handwritten signature in black ink, appearing to read 'S. Richards', with a horizontal line underneath.

Steven Richards
Company Secretary
MyFiziq Limited

MYFIZIQ LIMITED**Appendix 4D****Half-year report****for the half-year ended 31 December 2020**

Name of entity:	MYFIZIQ LIMITED
ACN:	602 111 115
Current Reporting Period	Half Year ended 31 December 2020
Previous Reporting period	Half Year ended 31 December 2019

Results for announcement to the market.**Item 1**

Operating Performance	6 months ending			
	31 Dec 2020	31 Dec 2019	Movement	Movement
	\$	\$	\$	%
Revenue from continuing activities	887,092	354,447	532,645	150.3%
Profit/(loss) from continuing activities after income tax	(5,471,570)	(2,944,924)	(2,526,646)	85.8%
Net profit/(loss) for the half year attributable to members	(5,471,570)	(2,944,924)	(2,526,646)	85.8%

Item 2

Dividends
It is not proposed to pay dividends.
There are no dividend or distribution reinvestment plans in operation and there has been no dividend or distribution payments during the financial half year ended 31 December 2020.

Item 3 – Brief Explanation

Revenue from continuing activities for the 6 months ending 31 December 2019 includes Licence Revenue of \$500,000 (2019: \$0) and Other Income of \$356,478 (2019: \$269,911).

The loss after income tax for the 6 months ended 31 December 2020 includes a share-based expenditure to employees, directors, and suppliers (non-cash) of \$3,214,843 (2019: \$1,433,257). The Company also provided for the impairment of assets of \$1,342,978 (2019: \$0). There were no material changes in other cost categories.

Item 4

Net Tangible Assets	6 months ending			
	31 Dec 2020	31 Dec 2019	Movement	Movement
	\$	\$	\$	%
Net tangible assets/(liabilities) per security	\$0.021	(\$0.004)	\$0.025	574%

Item 5

Control gained or lost over Entities during the period
Nil

Item 6

Controlled Entities and joint ventures	Ownership interest as at	
	31 December 2020	31 December 2019
	%	%
Parent Entity: MYFIZIQ LIMITED		
Joint venture entities: Joint venture entity: Body Composition Technologies Pte Limited Percentage holding in JV entity	50%	50%
Controlled entities: MyFiziq Inc. ¹ Percentage holding in controlled entity	100%	100%

¹ In January 2018, wholly owned subsidiary MyFiziq Inc. was incorporated in the United States of America in preparation for the commercialisation of the technology in the USA. During the reporting period there was no activity in this subsidiary.

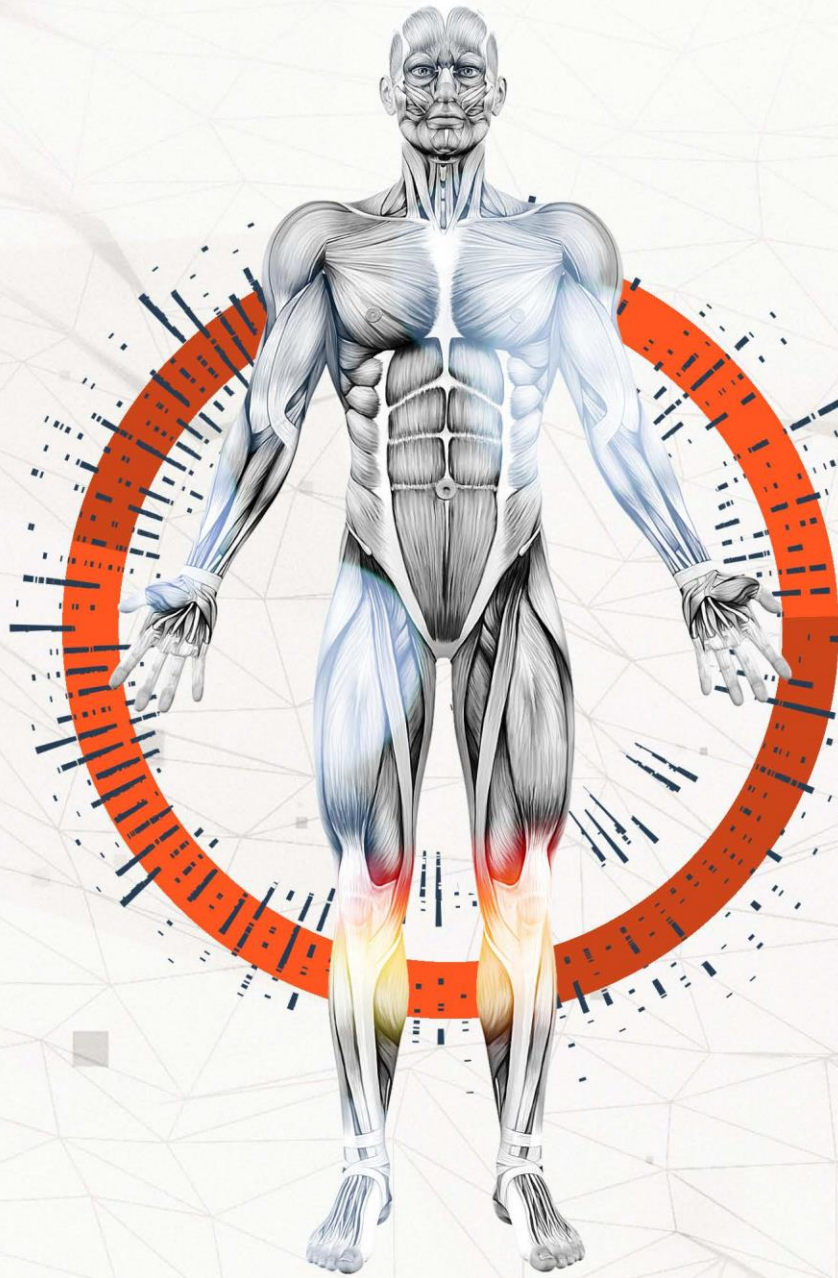
Item 7

Accounting Standards
The financial report has been prepared in accordance with Australian Equivalents to International Financial Reporting Standards.

Item 8

Auditor's review report
Our half-year report is based on the financial report of MYFIZIQ LIMITED for the half year ended 31 December 2020, which has been reviewed by PKF Perth. Refer to the 31 December 2020 half-year financial report for the independent auditor's review report provided to the members of MYFIZIQ LIMITED.

Appendix 4D Requirements	Reference
1. Reporting period and the previous corresponding period.	Refer to page 1 of this report.
2. Results for announcement to the market.	Refer to page 1 of this report "Results for announcement to the market" and Items 1, 2 and 3 of this report.
3. Net tangible assets per security.	Refer to Item 4 of this report.
4. Details of entities where control has been gained or lost during the period.	Refer to Item 5 of this report.
5. Details of individual and total dividends or distributions and dividend or distribution payments.	Refer to Item 2 of this report.
6. Details of dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in a dividend or distribution reinvestment plan.	Refer to Item 2 of this report.
7. Details of joint venture and associated entities.	Refer to Item 6 of this report.
8. For foreign entities, accounting standards used in compiling reports.	Not applicable.
9. If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification.	Refer to Item 8 of this report.



Advanced Human Imaging.

by **MYFIZIQ**

Financial Statements

FOR THE HALF YEAR ENDED 31 DECEMBER 2020

MYFIZIQ LIMITED ACN 602 111 115

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Directors' Report

The Directors present the financial statements of MyFiziq Limited for the half year ended 31 December 2020.

Directors

The following persons were directors of MyFiziq Limited during the whole of the half-year and up to the date of this report, unless otherwise stated:

Peter Wall	<i>Non-Executive Chairman – resigned 22 January 2021</i>
Vlado Bosanac	<i>Executive Director and CEO; Executive Chairman – appointed 22 January 2021</i>
Michael Melby	<i>Non-Executive Director</i>
Nicholas Prosser	<i>Non-Executive Director</i>
Dato Low Koon Poh	<i>Non-Executive Director – appointed 13 July 2020</i>

Company Secretary/Chief Financial Officer

Steven Richards

Review of Operations

Operating results and financial position

The net loss after income tax for the half year was \$5,471,570 (2019: \$2,944,924), which includes \$3,214,843 (2019: \$1,433,257) in respect of share-based payments to suppliers, directors and employees under the Company's incentive plans, as well \$1,342,978 in respect of a fair value adjustment of the Company's investments in various entities.

Before share-based payments and provision for impairment, the Company's adjusted net loss after income tax for the financial year is \$913,749 which represents a 39.5% (or \$597,918) improvement over FY19 (\$1,511,667), calculated as follows:

Table 1. Impact of share-based payments and provision for impairment on total comprehensive loss for the period

	Half Year Ended 31 December 2020 \$	Half Year Ended 31 December 2019 \$
Total comprehensive loss for the year	5,471,570	2,944,924
Share-based payments (non-cash) adjusted for:		
Directors and employees remuneration	2,596,282	887,114
Corporate advisory services	92,520	546,143
Investor relations	526,041	-
	3,214,843	1,433,257
Provision for impairment (non-cash) adjusted for:		
Fair value adjustment of investments in various entities	1,342,978	-
Total comprehensive loss for the year before share-based payments and provision for impairment	913,749	1,511,667

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Company Overview

Vlado Bosanac, Executive Chairman / Chief Executive Officer:

The Company has executed fifteen binding agreements with channel partners across multiple business verticals, and has experienced strong revenue and bottom line (refer Table 1 above) performance for the six (6) months ended 31 December 2020. We grew year-on-year cash at bank courtesy of the successful capital raise and a 150% increase in revenue. The company maintained a healthy cash position during the period under review which in turn has paved the way for a few strategic investments, including an increased stake in BCT from 50% to 54.5% (upon conversion and on a fully diluted basis), and an initial 15.19% equity stake in Triage Technologies once fully invested across the intended shares and cash tranches.

Additionally, we have been able to invest in the marketing and expansion initiatives of our partner, Bearn, LLC. We continue to expand our product portfolio with the development of the new *CompleteScan* platform. These initiatives will be an added cornerstone to our revenue growth moving forward as we execute further terms sheets with new partners and activate the releases of current partners.

The foreshadowed listing on the NASDAQ will bring the Company greater investor interest and will assist MyFiziq with advancing relationships with its US-domiciled partners. The Company will be providing further updates to shareholders on our NASDAQ initiative as developments unfold.

Our share price (ASX:MYQ) has grown sixfold from \$0.28 on 1 July 2020, to a closing price of \$1.75 on 24 February 2021, which represents a 525% increase in value.

BUSINESS HIGHLIGHTS AT A GLANCE

<p style="text-align: center;">\$5M</p> <p style="text-align: center;">CAPITAL RAISED</p> <p>\$5 million placement completed on 19 October 2020.</p>	<p style="text-align: center;">150%</p> <p style="text-align: center;">REVENUE UP</p> <p>Revenue increases from \$354k in 2019 to \$887k in the current period.</p>	<p style="text-align: center;">34%</p> <p style="text-align: center;">INCREASE IN CASH FLOW</p> <p>Net cash flows used in operations \$598,611 or 34% better than last year.</p>
<p style="text-align: center;">1</p> <p style="text-align: center;">COMPLETESCAN SOLUTION</p> <p>Our <i>CompleteScan</i> solution covers body, face and skin all on a single platform.</p>	<p style="text-align: center;">2</p> <p style="text-align: center;">STRATEGIC INVESTMENTS</p> <p>Strategic equity stakes taken in both BCT and Triage Technologies.</p>	<p style="text-align: center;">3</p> <p style="text-align: center;">'LIVE' PARTNERS</p> <p>Strategic equity stakes taken in both BCT and Triage Technologies.</p>

Half Year Highlights:

i. \$5m capital raised.

The Company completed a \$5 million placement with institutional and sophisticated investors in October 2020 and the Company had \$4.7 million cash at bank at 31 December 2020.

With the current partner rollouts underway and the Company growing revenue, MyFiziq is now in a position where it is unlikely to need additional capital outside of any strategic investment opportunities

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currently being considered and the proposed NASDAQ listing. The Company has sufficient capital to facilitate the expansion of its research and development team and to expedite the go-to-market timelines of current announced partners.

ii. Revenue up 150%.

With three “live” partners and a further twelve (12) binding agreements serving as a catalyst for growth, the Company increased revenue from \$354k to \$887k during the period under review, an increase of \$533k over the quarter, or 150%.

Next Quarter Planned Activity:

The following Apps are expected to be launched in this quarter and next quarter:

- Truconnect (The Original Fit Factory Ltd)
- Jayex Healthcare
- McGregor FAST
- Nexus-Vita

iii. 34% increase in cash flow (operations).

Net cash used in operating activities reduces from \$1,769,945 to \$1,171,334, which is a \$598,611 or 34% improvement on last year. Driving the improved cash flow is an increase in revenue generated during the period of 150%, supported by an improvement in the Company’s collection of fees outstanding and a stable cost base. The Company had \$4.7 million cash at bank at the reporting date, which is four (4) times the net cash used in operating activities for the six (6) months ended 31 December 2020.

iv. CompleteScan solution.

The Company signed an agreement with Triage Technologies (“Triage”) in December 2020. Triage has developed the world’s most advanced dermatological AI system, which can accurately identify skin conditions from a photo in a matter of seconds. The Triage technology is complementary to the Company’s current *CompleteScan* SAAS offering, with the Company now working towards the development of a new multi-scan solution, comprising of BodyScan, FaceScan and DermaScan offered on a single platform:

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SOLUTION

CompleteScan.

A multi-scan solution comprising of BodyScan, FaceScan, and DermaScan – unlocking a multitude of biometric markers and risks.

CompleteScan by
MYFIZIQ

+ Fitness + mHealth + Life/Health Insurance

Your Body, Unlocked

- **Combined Data:** With multiple scans, data can be collected and be used to unlock new data layers
- **Full spectrum care:** Covering cardiovascular, dermatology and chronic disease identification and prevention.
- **Flexible:** Each scan can be implemented separately for powerful lead generation, and new funnels of data collection
- **Extend:** Connect results to 3rd parties

PLATFORMS

BodyScan

Body circumference, body composition, health indicators, health risks.

FaceScan

Unlock vital signs, health indicators, health risks.

DermaScan

Skin disease detection for over 500 skin conditions.

v. Strategic investments.

During the period under review the Company’s joint venture partner, Body Composition Technologies Pte Ltd (“BCT”), undertook a \$1.92m capital raising by way of convertible note. MyFiziq participated in the raising by making an investment to the amount of \$671k, which will allow the Company to take a majority stake in BCT upon conversion.

Although BCT has not yet started generating revenue, taking a majority stake provides the Company with a strategic advantage in that it will result in the consolidation of additional revenue in the future (not guaranteed).

As mentioned earlier, the Company signed an agreement with Canadian based Triage Technologies Inc. (“Triage”) in December 2020. The Agreement will see MyFiziq take a strategic equity stake in Triage and licence use of the Triage AI health assistant technology for integration into the Company’s *CompleteScan* SaaS offering. Under the terms of the agreement, MyFiziq will invest a total of up to USD\$6 million into Triage, being USD\$3 million in cash and USD\$3 million in equity (MyFiziq ordinary shares). The USD\$3 million cash investment will be made in equal instalments over a fourteen (14) month period, with the first USD\$500k (AUD\$672k) payment concluded prior to 31 December 2020.

vi. Three ‘live’ partners.

Three (3) partners now have their mobile applications ‘live’ with the MyFiziq technology embedded. This includes the Biomorphik App which was launched on the Apple App and Google Play stores on 5 January 2021. The initial Biomorphik App release is for both Android and iOS users in Australia, with South East Asia to follow by the end of Q1, 2021.

In line with the initial release, Biomorphik has commenced a comprehensive B2C marketing strategy, to draw users to the new platform with the first stage allowing people to monitor their bodies closely and pre-empt issues before they become prohibitive to the user’s health.

In terms of our other ‘live’ partners, in January 2021 the Company entered a USD\$500k joint marketing and expansion funding agreement with Bearn LLC (“Bearn”). Under the terms of the agreement, Bearn

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will use the funds for marketing and to expand their current platform so that it can facilitate an increase in anticipated volume. Bearn will be targeting 1,000,000 monthly users, in accordance with the announcement to ASX on 22 January 2021.

The Evolt Active App (“Evolt”), which launched last year, is performing in accordance with early-stage expectations. We are expecting Evolt to commence with its marketing activities over the upcoming quarter.

Significant Changes in State of Affairs

Other than the transactions listed above, there were no significant changes in the state of affairs of the Company during the period.

Matters Subsequent to the End of the Financial Period

- On 22 January 2021 Mr Peter Wall resigned as Non-executive Chairman on the Company and Mr Vlado Bosanac was appointed as Executive Chairman.
- The Company intends to seek shareholder approval at the general meeting set for the 5th March 2021 to change the Company name to Advanced Human Imaging Limited.
- On 18 February 2021, the Company signed a binding term sheet (“Agreement”) with China-based, Tinjoy Biotech Limited (“Tinjoy”). Under the terms of the Agreement, MyFiziq and Tinjoy have agreed to a revenue sharing arrangement, where the revenue will be shared on a 70% MyFiziq and 30% Tinjoy split. MyFiziq also has an option to invest in Tinjoy’s Winscan Platform and will contribute US\$200,000 towards Tinjoy’s call centre training and marketing costs. MyFiziq expects to start generating licence revenue and other fees from the commercial arrangement in the future (which cannot be forecast at this time).

No other matter or circumstance has arisen since 31 December 2020 that has significantly affected, or may significantly affect the Company’s operations, the results of those operations, or the Company’s state of affairs in subsequent financial years.

The impact of the Coronavirus (‘COVID-19’) pandemic is ongoing for the entity up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Auditor’s Independence Declaration

A copy of the Auditor’s Independence Declaration as required under Section 307C of the Corporations Act is set out on the following page.

This report is made in accordance with a resolution of the Directors.

DATED at Perth this 26th day of February 2021.



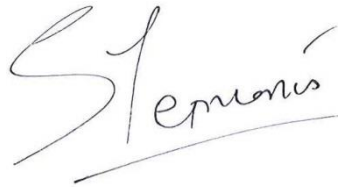
Vlado Bosanac
Executive Chairman and Chief Executive Officer

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MYFIZIQ LIMITED**

In relation to our review of the financial report of MyFiziq Limited for the half year ended 31 December 2020, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.



PKF PERTH



SIMON FERMANIS
PARTNER

26 FEBRUARY 2021
WEST PERTH
WESTERN AUSTRALIA

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Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2020

	Note	31 December 2020 \$	31 December 2019 \$
Revenue			
Subscription Revenue		30,387	84,525
Licence Revenue		500,000	-
Other Income			
Other income	3	356,478	269,911
Interest income		227	11
Total Revenue		887,092	354,447
Expenses			
Employee expenses	3	(4,248,045)	(2,421,219)
Consulting and advisory		(166,973)	(78,815)
Corporate		(209,381)	(190,812)
Brand development and patent costs		(87,566)	(103,764)
Marketing and publicity		(682,876)	(621,712)
Telecommunications and IT		(91,031)	(67,371)
Occupancy costs		(12,509)	(53,011)
Financing costs	3	(137,767)	(39,726)
Amortisation and depreciation expenses		(143,746)	(101,827)
Impairment of assets		(1,342,978)	-
Administration and other expenses	3	(20,202)	(287,332)
Total expenses		(7,143,074)	(3,965,589)
Loss before income tax	3	(6,255,982)	(3,611,142)
Income tax benefit	3	784,412	666,218
Net loss for the period		(5,471,570)	(2,944,924)
Other comprehensive income			-
Total comprehensive loss for the period		(5,471,570)	(2,944,924)
Loss per share		cents	cents
Basic and diluted loss per share		(4.64)	(2.92)

The above 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 2020

	Note	31 December 2020 \$	30 June 2020 \$
Current assets			
Cash and cash equivalents		4,755,563	627,304
Trade and other receivables		87,809	294,122
Prepayments		589,755	294,568
Inventories		-	4,734
Total current assets		5,433,127	1,220,728
Non-current assets			
Other financial assets		37,500	37,500
Right-of-use asset		140,793	175,992
Property, plant and equipment		60,882	78,295
Loans to related entities	4	-	68,500
Investments	5	-	-
Development asset at cost		1,327,689	1,373,492
Total non-current assets		1,566,864	1,733,779
Total assets		6,999,991	2,954,507
Current liabilities			
Trade and other payables		439,392	785,939
Employee leave liabilities		358,435	312,463
Interest bearing borrowings	6	2,021,596	865,000
Lease liabilities		77,042	68,144
Total current liabilities		2,896,465	2,031,546
Non-current liabilities			
Interest bearing borrowings		-	322,331
Lease liabilities		97,769	138,124
Total non-current liabilities		97,769	460,455
Total liabilities		2,994,234	2,492,001
Net Assets		4,005,757	462,506
Equity			
Issued capital	7	32,991,281	24,355,213
Reserves		4,953,783	4,576,829
Accumulated losses		(33,939,307)	(28,469,536)
Total Equity		4,005,757	462,506

The above 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 2020

	Issued capital \$	Accumulated losses \$	Equity compensation reserve \$	Convertible note reserve \$	Total \$
At 1 July 2019	13,782,565	(23,163,558)	9,902,156	27,633	548,796
Net loss for the period	-	(2,944,924)	-	-	(2,944,924)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	(2,944,924)	-	-	(2,944,924)
Performance Rights exercised	4,615,875	-	(4,615,875)	-	-
Options exercised	206,494	-	(110,368)	-	96,126
Options expired	-	73,497	(73,497)	-	-
Shares issued	2,000,000	-	-	-	2,000,000
Share issue costs	(123,000)	-	-	-	(123,000)
Performance shares expired	(300)	-	-	-	(300)
Share-based payments	924,000	-	463,432	-	1,387,432
At 31 December 2019	21,405,634	(26,034,985)	5,565,848	27,633	964,130

	Issued capital \$	Accumulated losses \$	Equity compensation reserve \$	Convertible note reserve \$	Total \$
At 1 July 2020	24,355,213	(28,469,536)	4,576,829	--	462,506
Net loss for the period	-	(5,471,570)	-	-	(5,471,570)
Other comprehensive income	-	-	-	-	-
Total comprehensive loss for the period	-	(5,471,570)	-	-	(5,471,570)
Performance Rights exercised	701,000	-	(701,000)	-	-
Options exercised	1,328,542	-	(342,542)	-	986,000
Options expired	-	1,799	(1,799)	-	-
Option exercise proceeds	-	-	175,000	-	175,000
Shares issued	5,000,000	-	-	-	5,000,000
Share issue costs	(1,085,474)	-	-	-	(1,085,474)
Performance shares expired	-	-	-	-	-
Share-based payments					
Suppliers	562,000	-	781,013	-	1,343,013
Employees/Directors	2,130,000	-	466,282	-	2,596,282
At 31 December 2020	32,991,281	(33,939,307)	4,953,783	-	4,005,757

The above 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 2020

	31 December 2020 \$	31 December 2019 \$
Cash flows from operating activities		
Receipts from customers	32,390	71,110
Other income	1,149,876	9,464
Research & Development tax incentive	784,412	666,218
Interest received	227	11
Interest and other costs of finance paid	(54,112)	(2,477)
Payments to suppliers and employees	(3,084,127)	(2,514,271)
Net cash flows used in operating activities	(1,171,334)	(1,769,945)
Cash flows from investing activities		
Payments for property, plant and equipment	(5,266)	(25,168)
Proceeds from loans to related parties	68,500	132,000
Payments for investment in entities	(1,342,978)	-
Payments for application development costs	(42,458)	(79,350)
Net cash (outflow)/ inflows from investing activities	(1,322,202)	27,482
Cash flows from financing activities		
Proceeds from issue of shares	5,977,495	2,050,000
Proceeds from borrowings	1,821,810	-
Proceeds from exercise of options	175,000	-
Payments for Share issue costs	(396,975)	(123,000)
Repayment of borrowings	(865,000)	(71,008)
Repayment of lease liabilities	(31,457)	-
Net cash inflows from financing activities	6,680,873	1,855,992
Net increase in cash assets	4,187,337	113,529
Cash at the beginning of the financial period	627,304	573,977
Cash at the end of the financial year	4,815,776	687,506
Unrealised foreign currency losses	(60,389)	-
Cash at the end of the financial period	4,755,563	687,506

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

Notes to the Consolidated Financial Statements For the half year ended 31 December 2020

Note 1 Statement of Significant Accounting Policies

a) Statement of compliance

These general purpose financial statements for the half-year reporting period ended 31 December 2020 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001. Compliance with AASB 134 ensures that the financial statements comply with IAS 34 Interim Financial Reporting.

These half-year financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as complete an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual financial statements for the year ended 30 June 2020 and any public announcements made by MyFiziq Limited during the half-year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

b) Basis of preparation

The half-year financial statements have been prepared on a historical cost basis except for derivative financial instruments which have been measured at fair value. Cost is based on the fair values of consideration given in exchange for assets. Cost is based on the fair values of consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars. For the purpose of preparing the half-year financial statements, the half year has been treated as a discrete reporting period.

Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the half year ended 31 December 2020, the Company incurred an operating loss of \$5,471,570 which included significant non-cash items, such as a provision for impairment and share-based payments, of approximately \$4.5 million. Notwithstanding the fact that the Company incurred an operating loss and a net cash outflow from operating activities amounting to \$1,171,334, the Directors are of the opinion that the Company is a going concern for the following reasons:

- MyFiziq is transitioning to “growth” phase and commercialising operations, courtesy of the fifteen binding term sheets that it has executed with partners across its four business verticals. Each partner is expected to launch the MyFiziq technology (which becomes embedded in the partner’s app) over the next 12 months and this is anticipated to generate revenue and potentially bring the Company to breakeven point.
- The Company had \$4.7 million cash at bank at the reporting date, which is four (4) times the net cash outflow from operating activities (\$1,171,334) for the six (6) months ended 31 December 2020.
- In October 2020, the Company signed an agreement with Nexus-Vita. Under the terms of the agreement, Nexus-Vita will pay MyFiziq a minimum guaranteed revenue of USD\$3,588,000 in the first year of launch, which more than covers the \$1,171,334 net cash outflow from operations referred to above. The parties expect to commence integration work in March 2021 with a view to a market-ready integration being finalised by 8 May 2021 (refer to the ASX announcements on 6 October 2020 and 9 February 2021).

The Company’s ability to continue as a going concern and meet future working capital requirements is dependent on the above points being realised. Should the Company not be successful in generating the required cash flows, there is a material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern.

Notes to the Consolidated Financial Statements For the half year ended 31 December 2020

Note 1 Statement of Significant Accounting Policies (continued)

c) New or amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group for the reporting period ended 31 December 2020.

d) Accounting policies and methods of computation

The same accounting policies and methods of computation have generally been followed in these half-year financial statements as compared with the most recent annual financial statements, except for the policies stated below.

Investments and Other Financial Assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification.

Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

- (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or
- (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

e) Significant accounting judgements and key estimates

The preparation of financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. The same judgments, estimates and assumptions were used in preparing the half year financial report as those used in preparing the financial report for the year ended 30 June 2020, except for the provision for impairment of investments and convertible loans (refer notes 4 and 5).

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

Note 2 Segment information

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources.

Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Company's sole activity is mobile application and technology development wholly within Australia, therefore it has aggregated all operating segments into the one reportable segment being technological development. It is the Company's intention to list the Company on the NASDAQ in the United States of America. Once this occurs, the Company will review its operating segments.

The reportable segment is represented by the primary statements forming these financial statements.

Note 3 Revenue and Expenses

	31 December 2020 \$	31 December 2019 \$
Loss for the period includes the following specific income and expenses:		
Other income:		
Dr Katherine consultancy income	9,267	7,449
Grant income	37,500	-
Joint venture income	309,711	-
Other income	-	1,155
	356,478	8,604
Marketing and publicity expenses:		
Suppliers share based payment ¹	618,561	546,143
Employee expenses:		
Salaries and wages (net of JobKeeper)	1,087,981	1,138,623
Executive director salary	148,333	135,000
Defined contribution superannuation	132,786	119,301
Annual leave expenses	45,972	42,317
Recruitment expenses	38,079	1,382
Share based remuneration expenses ¹	2,596,282	887,114
Employment taxes and insurances	195,971	95,182
Other employment expenses	2,641	2,300
	4,248,045	2,421,219

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

Note 3 Revenue and Expenses (continued)

	31 December 2020 \$	31 December 2019 \$
Loss for the period includes the following specific income and expenses:		
Administration and other expenses:		
Travel and accommodation	1,896	164,943
Insurance	44,344	38,564
Realised foreign exchange loss	56,355	-
Unrealised foreign exchange gain	(210,824)	-
Other expenses	128,431	83,825
	20,202	287,332
Income tax benefit:		
R&D tax concession ²	784,412	666,218

¹ The fair value of equity settled transactions with employees and suppliers is apportioned over the period from grant date to vesting date. See Note 8 for details of transactions vesting within the six months ended 31 December 2020.

² The 2020 half-year research and development tax concession relates to amounts received for the R&D tax incentive claim submitted by the Company for the financial year ended 30 June 2020.

Note 4 Loans to related entities

a) Unsecured loan

During the 2019 financial year, the Company entered into a loan agreement with Body Composition Technologies Australia Pty Ltd, a wholly owned subsidiary of Body Composition Technologies Pte Ltd (BCT), a Singaporean company in which MYQ has a 50% interest. The loan is unsecured and must be fully repaid by 30 June 2021 or within 30 days of BCT receiving cash from capital raise activities. The remaining loan balance of \$68,500 was repaid in the current reporting period.

b) Convertible note

During the reporting period, the Company entered into a convertible note subscription agreement with BCT. Under the terms of the agreement, the Company issued A\$670,833 unsecured convertible notes to BCT. The notes earn interest at 2.5% per annum, have a term of 2 years and can be converted into shares in BCT at a conversion price of approximately A\$5,833 per share. Any amounts not converted at maturity date must be repaid to the Company in cash. Upon conversion, MyFiziq will take a majority stake of 54.5% in BCT (on a fully diluted basis).

The recoverable amount of the convertible note asset is reviewed at each reporting date. At 31 December 2020, the Company created a provision for impairment against the investment in accordance with AASB 13 ('Fair Value Measurement'). The provision for impairment considers the uncertainty related to a fair valuation of a privately owned entity (BCT). When a more accurate determination of recoverable value can be made, the Company will re-assess whether a provision for impairment is required.

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

Note 4 Loans to related entities (continued)

	31 December 2020 \$	30 June 2020 \$
Convertible note receivable	670,833	-
Less: Provision for impairment	(670,833)	-
	-	-

Note 5 Investments

During the reporting period, the Company entered into an agreement with Canadian based Triage Technologies Inc (Triage) that will see the Company invest a total of up to US\$6 million for an equity stake in Triage. The investment will comprise US\$3 million in cash and US\$3 million in MyFiziq ordinary shares. At 31 December the Company had made cash payments of approximately US\$672,000 to Triage and recognises this as an investment on the Statement of Financial Position.

The recoverable amount of the Company's investments is reviewed at each reporting date. As Triage is an unlisted entity, the determination of recoverable value is highly subject to various estimates and assumptions. As an accurate assessment of recoverable value is not available at the reporting date, the Company has elected to create a provision for impairment against the investment, as shown below. When a more accurate determination of recoverable value can be made, the Company will re-assess whether a provision for impairment is required.

	31 December 2020 \$	30 June 2020 \$
Investment in Triage Technologies Inc	672,145	-
Less: Provision for impairment	(672,145)	-
	-	-

Note 6 Interest bearing borrowings

	Interest Rate %	Maturity	31 December 2020 \$	30 June 2020 \$
Current				
Convertible notes-2018 Facility ¹	8%	30 June 2020	-	75,000
Convertible notes – ACAM ²			1,526,607	-
Convertible notes – 2021 Facility ³			494,989	-
Total convertible notes			2,021,596	75,000
R&D tax prepayment loan ⁴			-	600,000
Other loans ⁶			-	190,000
			2,021,596	865,000
Non-current				
Convertible notes-ACAM ²			-	322,331

Notes to the Consolidated Financial Statements For the half year ended 31 December 2020

Note 6 Interest bearing borrowings (continued)

¹ Convertible Note facility entered into with a number of professional investors who are not related parties of the Company. The notes attract interest at 8% per annum. The investors may elect to redeem the outstanding principal amount of the notes in cash on the Maturity Date, rather than convert to shares. At 30 June 2020, a total of \$825,000 principal and accrued interest were converted to shares at a price of 30 cents per share. The balance of the notes at 30 June 2020 was repaid in cash in the current reporting period.

² The Company entered into a funding agreement for US\$1,500,000 with Asia Cornerstone Asset Management (ACAM) by way of an unsecured convertible note which attracts interest at 10% per annum. The funds received will enable the Company to seek a dual listing of the Company's securities on the NASDAQ Capital Market and for general working capital purposes. The funding will be received in 4 tranches, with US\$1,125,000 being received to the reporting date. The convertible note has a mandatory conversion upon successful NASDAQ listing. On conversion, ACAM will be issued shares in the NASDAQ listed company at the greater of US\$1.00 and a 25% discount to the price at which the Company issues shares in conjunction with the listing. If the Company is not successful in attaining a listing on the NASDAQ on or prior to 30 June 2021, the Company will have an additional 6 months to repay the convertible note.

³ The Company entered into a funding agreement for US\$325,000 with iConcept Global Growth Fund (iConcept) by way of an unsecured convertible note which attracts interest at 10% per annum. The funds received will enable the Company to seek a dual listing of the Company's securities on the NASDAQ Capital Market and for general working capital purposes. The convertible note has a mandatory conversion upon successful NASDAQ listing. On conversion, iConcept will be issued shares in the NASDAQ listed company at the greater of US\$1.00 and a 25% discount to the price at which the Company issues shares in conjunction with the listing. If the Company is not successful in attaining a listing on the NASDAQ on or prior to 30 June 2021, the Company will have an additional 6 months to repay the convertible note.

⁴ On 29 May 2020, the Company received a \$600,000 R&D tax prepayment loan from R&D Capital Partners Pty Ltd: The loan attracts interest at a rate of 1.15% per month and was repaid in full in the current reporting period.

⁶ Other loans are unsecured and interest bearing. These loans were repaid in full in the current reporting period.

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

Note 7 Issued capital

	31 December 2020	30 June 2020	31 December 2020	30 June 2020
	#	#	\$	\$
<i>Share capital</i>				
Issued ordinary shares	128,383,961	114,392,923	32,991,281	24,355,213
<i>Share movements during the period – ordinary shares</i>				
At the beginning of the period	114,392,923	91,621,888	24,355,213	13,782,265
Shares issued on exercise of Performance Rights	3,750,000	9,550,000	701,000	6,055,875
Shares issued on exercise of Options	3,229,371	730,769	1,328,542	206,494
Shares issued to related party	2,000,000	2,000,000	2,130,000	540,000
Share based payments	845,000	2,700,000	562,000	556,500
Share issues – capital raising	4,166,667	3,333,334	5,000,000	2,000,000
Shares issues - conversion of convertible notes	-	4,456,932	-	1,337,079
Less share issue costs	-	-	(1,085,474)	(123,000)
	128,383,961	114,392,923	32,991,281	24,355,213
<i>Share movements during the period – performance shares</i>				
At the beginning of the period	-	30,000,000	-	300
Less expired shares ¹	-	(30,000,000)	-	(300)
	-	-	-	-

¹ Performance Shares (15,000,000 Class 'A' Performance Shares and 15,000,000 Class 'B' Performance Shares) were cancelled due to performance milestones not being met within the stipulated timeframe.

Note 8 Share-Based Payments

(i) Options

The Company has an Incentive Option Plan which was re-adopted following Shareholder approval in November 2019. Options over unissued shares are issued at the discretion of the Board.

a) Options issued, exercised and lapsed during the reporting period

During the reporting period 4,166,667 placement options and 1,000,000 lead manager options were issued with an exercise price of \$1.60 and an expiry date of 19 October 2023.

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

Note 8 Share-Based Payments (continued)

(i) Options (continued)

a) Options issued, exercised and lapsed during the reporting period (continued)

During the reporting period the following options vested but were not exercised:

Grant Date	Number of options Vested	Exercise price	Vesting date	Expiry date
31/07/2018	400,000	\$0.50	31/12/2020	31/12/2023
14/12/2018	100,000	\$0.50	31/12/2020	31/12/2023
01/02/2019	400,000	\$0.65	31/12/2020	31/12/2023
27/11/2019	2,500,000	\$0.60	04/12/2020	04/12/2022
09/10/2020	1,000,000	\$1.60	19/10/2020	19/10/2022
19/10/2020 ¹	4,166,667	\$1.60	19/10/2020	19/10/2022
Total	8,566,667			

¹ Free attaching placement options.

During the reporting period the following options were exercised:

Date granted	Number of options exercised	Exercise price (cents)	Vesting date	Expiry date
21/12/2016	500,000	\$0.10 ¹	26/10/2018	31/12/2020
31/07/2018	150,000	\$0.50 ¹	31/12/2019	31/12/2022
01/02/2019	200,000	\$0.65 ¹	31/12/2019	31/12/2022
12/02/2019	101,667	\$0.60	05/03/2019	20/02/2022
27/11/2019	1,000,000	\$0.25	04/12/2019	04/12/2022
27/11/2019	1,500,000	\$0.45	04/06/2020	04/12/2022
21/12/2016 ²	1,750,000	\$0.10	31/12/2017	31/12/2020
Total	5,201,667			

¹ Options exercised utilising the cashless exercise provisions of the Option Incentive Scheme. This resulted in the issue of 627,704 ordinary shares.

² Options exercised in the current reporting period, but shares issued subsequent to 31 December 2020.

During the reporting period 100,000 options with an exercise price of \$0.50 and an expiry date of 31 January 2022 were cancelled.

**Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020**

b) Options on issue at balance date

The number of options outstanding over unissued ordinary shares at 31 December 2020 is 13,065,000 as follows:

Grant Date	Number of options granted	Exercise price	Vesting date	Expiry date
21 Dec 2016	1,750,000	\$0.10	31 Dec 2017	31 Dec 2020
21 Dec 2016	1,250,000	\$0.10	31 Dec 2018	31 Dec 2021
21 Dec 2016	500,000	\$0.10	26 Oct 2019	30 Dec 2021
31 Jul 2018	250,000	\$0.50	31 Dec 2019	31 Dec 2022
31 Jul 2018	400,000	\$0.50	31 Dec 2020	31 Dec 2023
14 Dec 2018	100,000	\$0.50	31 Dec 2019	31 Dec 2022
14 Dec 2018	100,000	\$0.50	31 Dec 2020	31 Dec 2023
1 Feb 2019	200,000	\$0.65	31 Dec 2019	31 Dec 2022
1 Feb 2019	400,000	\$0.65	31 Dec 2020	31 Dec 2023
12 Feb 2019	148,333	\$0.60	5 Mar 2019	20 Feb 2022
27 Nov 2019	2,500,000	\$0.60	4 Dec 2020	4 Dec 2022
24 Feb 2020	300,000	\$0.50	31 Jan 2021	31 Jan 2022
9 Oct 2020	1,000,000	\$1.60	19 Oct 2020	19 Oct 2022
19 Oct 2020	4,166,667	\$1.60	19 Oct 2020	19 Oct 2022
Total	13,065,000			

c) Subsequent to balance sheet date

Subsequent to the balance date 2,737,500 options were exercised into 2,694,642 ordinary shares of the Company. no options have been issued or cancelled since the end of the reporting period.

d) Basis and assumptions used in the valuation of options

1,000,000 lead manager options were issued during the half-year and have been valued and recognised in the financial statements.

The options issued during the current reporting period were valued using the Black-Scholes option valuation methodology, as follows:

Grant Date	Number of options granted	Expiry date	Risk free interest rate used	Volatility applied	Value per Option (cents)
9 Oct 2020	1,000,000	19 Oct 2022	0.15%	130.5%	68.8

Historical volatility at the time of issue has been used as the basis for determining expected share price volatility, as it is assumed that this is an indicator of future share price performance, which may not eventuate. A discount of 30% in respect of a lack of marketability has been applied to the Black-Scholes option valuation to reflect the non-negotiability and non-transferability of the unlisted options granted.

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

e) Purpose of Equity Compensation Reserve

This reserve is used to record the value of equity benefits provided to employees (including directors) and suppliers for services rendered.

ii) Performance Rights

The Company's Performance Rights Plan was re-approved by shareholders in December 2020.

a) Performance rights granted, vested and lapsed during the year

During the reporting period the following performance rights were granted:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
6 Nov 2020	50,000	6 Nov 2026	\$0.85	6 Nov 2021
6 Nov 2020	50,000	6 Nov 2026	\$0.85	6 Nov 2022
6 Nov 2020	50,000	6 Nov 2026	\$0.85	6 Nov 2023
11 Dec 2020	10,000,000	16 Dec 2025	\$0.68-\$0.93	Performance based with 5 milestones
Total	10,150,000			

Performance rights with vesting criteria based on length of service were valued using the Company's share price on the date of grant. The 10m performance rights subject to performance based vesting criteria were independently valued using the Hoadley's Hybrid ESO Model (a Monte Carlo simulation model) using the following parameters:

Milestone	Number of rights granted	Share price target	Risk free interest rate used	Volatility applied	Value per Right (cents)
1	2,000,000	\$1.20	0.04%	125%	67.8
2	2,000,000	\$1.30	0.09%	125%	78.7
3	2,000,000	\$1.40	0.10%	125%	85.1
4	2,000,000	\$1.50	0.22%	125%	90.5
5	2,000,000	\$1.70	0.35%	125%	93.1

During the reporting period the following performance rights vested:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
6 Sep 2019	1,250,000	28 Feb 2021	\$0.182	Subject to performance criteria

During the reporting period the following performance rights were exercised and converted to shares:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
15 Nov 2017	500,000	31 Dec 2020	\$0.205	Vested
3 Sep 2018	2,000,000	30 Nov 2020	\$0.185	Vested
6 Sep 2019	1,250,000	28 Feb 2021	\$0.182	Subject to performance criteria
Total	3,750,000			

During the reporting period no performance rights lapsed or were cancelled.

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

b) Performance rights on issue at balance date

The number of performance rights outstanding over unissued ordinary shares at 31 December 2020 is 22,150,000 as follows:

Grant Date	No of Rights	Expiry Date	Fair Value per Right at Grant Date	Vesting
03 Mar 2017	2,000,000	03 Mar 2021	\$0.720	Vested
03 Mar 2017	2,000,000	03 Mar 2022	\$0.720	Vested
3 Sep 2018	3,000,000	3 Sep 2021	\$0.185	Vested
6 Sep 2019	5,000,000	04 Dec 2023	\$0.00	Subject to performance criteria
6 Nov 2020	50,000	6 Nov 2026	\$0.85	6 Nov 2021
6 Nov 2020	50,000	6 Nov 2026	\$0.85	6 Nov 2022
6 Nov 2020	50,000	6 Nov 2026	\$0.85	6 Nov 2023
11 Dec 2020	10,000,000	16 Dec 2025	\$0.68-\$0.93	Performance based
Total	22,150,000			

c) Subsequent to balance date

Subsequent to the balance date and to the date of signing this report, no performance rights have been granted, vested, exercised or cancelled.

iii) Ordinary Shares

Subsequent to the balance date and to the date of signing this report, 250,000 fully paid ordinary shares were issued to suppliers as payment in lieu of services.

Note 9 Dividends

No dividends were paid or proposed during the period.

The Company has no franking credits available as at 31 December 2020.

Note 10 Contingencies

There have been no material changes in contingent assets or liabilities since the signing of the audited 30 June 2020 financial statements.

Notes to the Consolidated Financial Statements For the half year ended 31 December 2020

Note 11 Events Occurring after the Balance Date

Other than shown below, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect substantially the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years:

- On 5 January 2021, the Biomorphik App for android and IOS users in Australia was released on both Google Play and the Apple Store. Under the terms of the commercial contract, Biomorphik has given an undertaking to deliver 100,000 active monthly users in the first 12 months.
- On 22 January 2021, the Company entered into a funding agreement with Bearn LLC (“Bearn”) under which the Company will loan Bearn US\$500,000 over 4 tranches. The funds received will be used to improve Bearn’s platform capabilities and then towards a marketing campaign to target signing 1,000,000 active monthly users to the Bearn platform.
- On 22 January 2021 Mr Peter Wall resigned as Non-executive Chairman on the Company and Mr Vlado Bosanac was appointed as Executive Chairman.
- The Company intends to seek shareholder approval at general meeting on 5 March 2021 to change the Company name to Advanced Human Imaging Limited.
- On 18 February 2021, the Company signed a binding term sheet (“Agreement”) with China-based, Tinjoy Biotech Limited (“Tinjoy”). Under the terms of the Agreement, MyFiziq and Tinjoy have agreed to a revenue sharing arrangement, where the revenue will be shared on a 70% MyFiziq and 30% Tinjoy split. MyFiziq also has an option to invest in Tinjoy’s Winscan Platform and will contribute US\$200,000 towards Tinjoy’s marketing costs. MyFiziq expects to start generating licence and other fees from the commercial arrangement in the future (which cannot be forecast at this time).

The impact of the Coronavirus ('COVID-19') pandemic is ongoing for the entity up to 31 December 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

Note 12 Commitments

- Under the terms of the agreement with Triage, MyFiziq will invest a total of up to USD\$6 million into Triage, being USD\$3 million in cash and USD\$3 million in equity (MyFiziq ordinary shares):
 - i. The USD\$3 million cash investment will be made in equal instalments over a fourteen (14) month period, and at the date of signing this report, USD\$500k in payments had been made, with a further USD\$2.5 million outstanding.
 - ii. The MyFiziq share tranche allotments (for a total of US\$3 million in shares) will be outlined in the definitive Investment Agreement. The pricing, number of MyFiziq shares to be issued and timing of any share issue is yet to be agreed and will be defined in the definitive Investment Agreement.
- Under the terms of the Agreement with Tinjoy, MyFiziq will contribute US\$200,000 towards Tinjoy’s marketing costs, and has an option to invest in Tinjoy’s Winscan Platform as follows:
 - i. MyFiziq has a right to acquire up to 40% of Tinjoy’s WinScan Platform, priced at a valuation of USD\$10m taking for consideration to be approximately US\$ 2-4 million this can be in cash or shares in MyFiziq or a combination as mutually agreed.

Notes to the Consolidated Financial Statements
For the half year ended 31 December 2020

- ii. 12- 24-month option to take up the 40% at MyFiziq's option to acquire a holding in WinScan. The option would be triggered should WinScan achieve user numbers of 5m users a month. This would trigger a 20% investment of USD\$2m from MyFiziq.
- iii. If WinScan achieves a user base of 10m monthly users MyFiziq would be required to take up a 40% stake in WinScan at an agreed investment of USD\$4m.
- iv. In the event MyFiziq exercises its option, the USD\$200,000 marketing and training advance will form part of the total investment outlined above.

There have been no other material changes in operational or capital commitments since the signing of the audited 30 June 2020 financial statements.

Directors' Declaration

The Directors of MyFiziq Limited ("the Company") declare that:

- (a) the attached half-year financial statements and notes thereto are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Accounting Standard AASB134 – *Interim Financial Reporting*, and the Corporations Regulations 2001; and
 - (ii) giving a true and fair view of the financial position as at 31 December 2020 and of the performance for the half year ended on that date of the consolidated entity.
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the Corporations Act 2001.

Signed at Perth this 26th day of February 2021.



Vlado Bosanac
Executive Chairman and Chief Executive Officer

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF MYFIZIQ LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of MyFiziq Limited (the company) and controlled entities (consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2020, 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, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at 31 December 2020, or during the half year.

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 MyFiziq Limited is not in accordance with the Corporations Act 2001 including:

- (a) 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; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report.

Emphasis of Matter

Without qualifying our conclusion, we draw attention to Note 1(b) in the financial report in which indicates that the consolidated entity incurred a net loss of \$5,471,570 during the half year ended 31 December 2020 and had negative operating cashflow of \$1,171,334. These conditions, along with other matters as set forth in Note 1(b), indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Independence

We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Directors' Responsibility for the Interim 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 the Australian Accounting Standards and the Corporations Act 2001 and for such internal controls as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

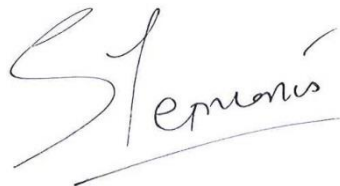
Auditor's Responsibilities for the Review of the Financial Report

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 consolidated entity's financial position as at 31 December 2020 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporation 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.



PKF PERTH



SIMON FERMANIS
PARTNER

26 FEBRUARY 2021
WEST PERTH,
WESTERN AUSTRALIA