



INTERIM HALF YEAR FINANCIAL REPORT

Interim Half Year Financial Report
Period Ended 30 September 2018

Medtech Global Limited
ABN 70 009 203 203

Contents	Page
Company Directory	2
Directors' Report	3
Auditor's Independence Declaration	6
Interim Condensed Statement of Profit or Loss and Other Comprehensive Income	7
Interim Condensed Statement of Financial Position	8
Interim Condensed Statement of Changes in Equity	9-10
Interim Condensed Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	19
Independent Auditor's Review Report	20

This half year financial report is to be read in conjunction with the financial report for the year ended 31 March 2018.

Corporate Directory**Directors**

Mr Vino Ramayah (CEO, Executive Chairman)

Mr Ross Tanner (Executive Director)

Mr Russell Clarke (Non- Executive Director)

Mr Darryl Stuart (Non-Executive Director)

Mr Michael Gaylard (Non-Executive Director)

Company Secretary

Mr Michael Gaylard

Registered Office

Level 2

99 Coventry Street

Southbank

VIC 3206

Australia

Telephone: (03) 9690 8666

Facsimile: (03) 9690 8010

Website: www.medtechglobal.com

Share Registry

Advanced Share Registry

110 Stirling Highway

Nedlands

WA 6009

Australia

Telephone: (08) 9389 8033

Facsimile: (08) 9389 7871

Directors' Report

Directors

The directors of Medtech Global Limited, the consolidated entity, submit herewith the financial report for the half year ended 30 September 2018. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

The names and particulars of the directors of the company at any time during or since the end of the half year are:

Name	Details
Mr Vinogopal Ramayah	Appointed Executive Chairman and Executive Director on 25 September 2006
Mr Ross Tanner	Appointed Non-Executive Director on 15 August 2011. Non-Executive Director until 28th February 2015 and Executive Director thereafter
Mr Russell Clarke	Appointed Executive Director on 25 September 2006 and resigned from Executive role effective 30 September 2014 but remains as Non-Executive Director
Mr Darryl Stuart	Appointed Non-Executive Director on 1 September 2009
Mr Michael Gaylard	Appointed Non-Executive Director on 21 April 2011

Principal Activities

The principal activities of the consolidated entity during the period were the development and sale by way of sub-licence of healthcare technologies worldwide.

Operating Result

- The comparative period for this half year financial report is the six months ended 30 September 2017.
- The consolidated net loss attributable to owners of the parent entity for the half year was \$ 1,722K (2017: Loss \$1,270K).
- Compared to the previous half year period, there is an increase of \$255K (2.50%) in revenue (\$10,490K in 2018 against \$10,235K in 2017).
- Earnings (loss) before interest, impairment of intangibles, depreciation, amortisation and tax (EBITDA) of \$ (1,019) K for the half year has decreased by \$27K compared to the previous half year.
- Cash flows from operating activities of \$(1,002) K for the current half year is \$465K lower compared to cash flows from the previous financial year.

Review of Operations

Medtech continues to deliver through its innovative solutions, investing and improving programs across the Group to ensure that we give our customers superior service.

New Zealand

Migration to Medtech Evolution from Medtech32 is steadily gaining momentum. Feedback from customers has been very favourable and the interest in moving to this new application continues to grow. Usage of the ManageMyHealth suite of products continues to grow with the initiatives that we continued to be involved with. We have also renewed the contract with Ministry of Health for the Beating the Blues programme.

Australia

In Australia, our focus has been on corporate health groups. We continue the roll-out of our ManageMyHealth to our existing customers as well as to our new Evolution customers. In order to reach the wider Australian market, Medtech is also working with other vendors of practice management systems to integrate the ManageMyHealth solution with their systems.

United States of America

Consova revenues declined in the first half of the year. A thorough review of its operations was carried out and a number of measures were taken to make the operations more efficient. We have also invested in enhancing the current platforms that we use to deliver our services. This along with some new marketing initiatives should see a positive change.

India

We believe in the strategy that we have adopted in India and continue to see it as a significant and important market for our growth strategy. The digitisation division continues to be the main stream of revenue. We are leveraging these relationships to create additional value by offering the ManageMyHealth platform.

Dividends

No dividend has been paid or declared since the start of the financial year, and the directors do not recommend a payment of a dividend in respect of the half year ended 30 September 2018.

Events Subsequent To Reporting Date

There were no significant events subsequent to reporting date.

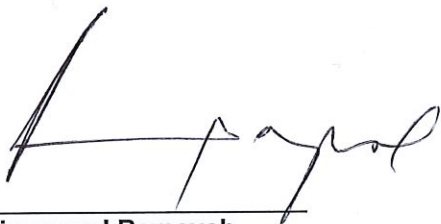
Auditor's Independence Declaration

The external auditor's independence declaration in relation to the review of the half year is set out on page 6 of this report.

Rounding of Amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

Signed in accordance with a resolution of the Board of Directors:



Vinogopal Ramayah
Executive Chairman

Melbourne, 11 December 2018

Level 22 MLC Centre
19 Martin Place
Sydney NSW 2000
Australia

Postal Address:
GPO Box 1615
Sydney NSW 2001
Australia

Tel: +61 2 9221 2099
Fax: +61 2 92231762

www.pitcher.com.au
partners@pitcher-nsw.com.au

Pitcher Partners is an association of independent firms
Melbourne | Sydney | Perth | Adelaide | Brisbane | Newcastle

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF MEDTECH GLOBAL LIMITED
ABN 70 009 203 203**

In relation to the independent auditor's review for the half year ended 30 September 2018, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct.

This declaration is in respect of Medtech Global Limited and the entities it controlled during the year.



R M SHANLEY
Partner

PITCHER PARTNERS
Sydney

11 December 2018

Interim Condensed Statement of Profit or Loss and Other Comprehensive Income for the half year ended 30 September 2018

	<i>Consolidated</i>	
	30-Sep-18 \$'000	30-Sep-17 Restated* \$'000
Revenue	10,490	10,235
Other revenue	-	-
Total Revenue	10,490	10,235
Cost of Sales	(1,042)	(591)
Finance costs	(69)	(45)
Consulting fees	(1,348)	(1,757)
Depreciation expense	(128)	(134)
(Provision for)/Recovery of bad debts	31	(9)
Employee benefits expense	(5,438)	(5,731)
Management fee to related party	(1,107)	(895)
Travelling expenses	(378)	(391)
Occupancy costs	(520)	(437)
IT support expenses	(546)	(355)
Telecommunication costs	(368)	(479)
Legal and statutory costs	(235)	(216)
Printing, stationery and postage costs	(161)	(105)
Foreign currency gain / (loss)	(71)	76
Other expenses	(326)	(391)
Loss before income tax expense	(1,216)	(1,225)
Income tax (expense) / credit	(506)	(45)
Net loss for the period	(1,722)	(1,270)
Other comprehensive income		
Foreign currency translation gain / (loss)	51	(41)
Total comprehensive loss net of tax	(1,671)	(1,311)
Net profit / (loss) attributable to owners of the parent	(1,722)	(1,270)
Non-controlling interest	-	-
	(1,722)	(1,270)
Total comprehensive loss attributable to:		
- Owners of the parent	(1,671)	(1,311)
- Non-controlling interest	-	-
	(1,671)	(1,311)

* See Note 9 for details regarding the restatement of prior period balances.

The accompanying notes form part of these financial statements.

Interim Condensed Statement of Financial Position as at 30 September 2018

	30-Sep-18 A\$'000	31-March-18 Restated* A\$'000
CURRENT ASSETS		
Cash and cash equivalents	337	743
Trade and other receivables	3,154	3,272
Income tax receivable	14	365
Other current assets	423	383
TOTAL CURRENT ASSETS	3,928	4,764
NON-CURRENT ASSETS		
Property, plant & equipment	370	434
Deferred tax assets (net)	508	638
TOTAL NON-CURRENT ASSETS	878	1,072
TOTAL ASSETS	4,806	5,836
CURRENT LIABILITIES		
Trade and other payables	3,880	4,190
Deferred revenue	1,390	998
Interest bearing loans and borrowings	2,717	1,928
Provisions	885	772
TOTAL CURRENT LIABILITIES	8,872	7,888
NON-CURRENT LIABILITIES		
Interest bearing loans and borrowings	161	217
TOTAL NON-CURRENT LIABILITIES	161	217
TOTAL LIABILITIES	9,033	8,105
NET ASSETS	(4,227)	(2,269)
EQUITY		
Contributed equity	48,929	48,929
Accumulated losses	(51,355)	(49,346)
Acquisition of Non-Controlling Interest	(1,499)	(1,499)
Foreign currency translation reserve (FCTR)	(203)	(254)
Parent interest	(4,128)	(2,170)
Non-controlling Interest	(99)	(99)
TOTAL EQUITY	(4,227)	(2,269)

* See Note 9 for details regarding the restatement of prior period balances.

The accompanying notes form part of these financial statements.

Interim Condensed Statement of Changes in Equity as at 30 September 2018

	Ordinary Share Capital \$'000	Accumulated Losses \$'000	Acquisition Of NCI ¹ \$'000	FCTR ² \$'000	Owners Of The Parent \$'000	NCI ³ \$'000	Total Equity \$'000
BALANCE AT 31 MARCH 2018	48,929	(49,175)	(1,499)	(254)	(1,999)	(99)	(2,098)
Correction of prior period errors ⁴		(171)			(171)		(171)
RESTATED BALANCE AT 31 MARCH 2018	48,929	(49,346)	(1,499)	(254)	(2,170)	(99)	(2,269)
AASB 15 application impact	-	(287)			(287)		(287)
RESTATED BALANCE AT 1 APRIL 2018	48,929	(49,633)	(1,499)	(254)	(2,457)	(99)	(2,556)
Net loss for the period	-	(1,722)	-	-	(1,722)		(1,722)
Other comprehensive income	-	-	-	51	51		51
Total comprehensive income	-	(1,722)	-	51	(1,671)		(1,671)
BALANCE AT 30 SEPTEMBER 2018	48,929	(51,355)	(1,499)	(203)	(4,128)	(99)	(4,227)

Interim Condensed Statement of Changes in Equity as at 30 September 2018 (continued)

	Ordinary Share Capital \$'000	Accumulated Losses \$'000	Acquisition Of NCI ¹ \$'000	FCTR ² \$'000	Owners Of The Parent \$'000	NCI ³ \$'000	Total Equity \$'000
BALANCE AT 1 APRIL 2017	48,929	(48,145)	(1,499)	(131)	(846)	(99)	(945)
Net loss for the period (restated ⁴)	-	(1,270)	-	-	(1,270)	-	(1,270)
Other comprehensive loss	-	-	-	(41)	(41)	-	(41)
Total comprehensive loss	-	(1,270)	-	(41)	(1,311)	-	(1,311)
BALANCE AT 30 SEPTEMBER 2017	48,929	(49,415)	(1,499)	(172)	(2,157)	(99)	(2,256)

- 1 Acquisition of Non-Controlling Interest Reserve represents the difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid, where there is no change in control.
- 2 Foreign Currency Translation Reserve
- 3 Non-controlling interest represents 15% non-controlling Interest in Medtech Global USA, LLC as at 30 September 2018. (March 2018: 15% Non-Controlling Interest in Medtech Global USA, LLC). All other entities within the group are fully owned by the parent Medtech Global Limited.
- 4 See Note 9 for details regarding the restatement of prior period balances.

The accompanying notes form part of these financial statements.

Interim Condensed Statement of Cash Flows for the half year ended 30 September 2018

	Consolidated	
	30-Sep-18	31-Mar-18
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	12,044	23,481
Payments to suppliers and employees	(12,982)	(23,812)
Interest received	-	-
Finance costs	(64)	(70)
Income tax paid	-	(136)
Net operating cash flows	(1,002)	(537)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(65)	(72)
Purchase of intangible assets	-	-
Net Investing cash flows	(65)	(72)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,026	3,221
Repayment of borrowings	(155)	(2,496)
Payments for acquisition of business	(209)	(313)
Net financing cash flows	662	412
Net increase/(decrease)in cash held	(406)	(197)
Cash at the beginning of the financial year	743	940
Cash and cash equivalents at the end of the half year	337	743

The accompanying notes form part of these financial statements.

Notes to the Financial Statements for the half year ended 30 September 2018

1. Summary of Significant Accounting Policies

1.1. Corporate Information

The interim condensed consolidated financial report of Medtech Global Limited for the half year ended 30 September 2018 was authorised for issue in accordance with a resolution of the directors on 11 December 2018.

This general purpose half year financial report has been prepared in accordance with Australian Accounting Standards (including Australian Accounting Interpretations), other authoritative pronouncements of the Australian Accounting Standards Board, and the Corporations Act 2001.

This report is intended to provide users with an update on the latest annual financial report. As such it does not contain information that represents relatively insignificant changes occurring during the half year. It is therefore recommended that this financial report in conjunction with the annual financial report for the year ended 31 March 2018 together with any public announcements made during the half year, if applicable.

The following is a summary of material accounting policies adopted by the consolidated entity in the preparation and presentation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

1.2. Basis of Preparation & Accounting Policies

This general purpose half year financial report has been prepared in accordance with the Accounting Standard AASB 134 "Interim Financial Reporting", the *Corporations Act 2001*.

The accounting policies applied in preparing the half year financial report are consistent with those adopted for previous periods, but the half year report does not include all the notes of the type usually included in an annual financial report. Therefore, this half year report cannot be expected to provide a full understanding of the financial performance, financial position, and financing and investing activities of the Group as that of the full financial report.

The same accounting policies and methods of computation have been applied in this interim financial report as compared with the most recent annual financial report.

Going Concern

Management recognise the trading loss for the period of \$ 1,722,000. It is noted this was after depreciation, amortisation and impairment of intangibles recognised of \$ 128,000.

Management also recognise a net asset deficiency of \$ 4,227,000 and current net asset deficiency of \$ 4,944,000 at 30 September 2018. Contributing to these deficiencies are deferred revenue of \$ 1,390,100 which does not result in a cash outflow and borrowings classified as current under AAS which are not expected to be repayable within 12 months (refer note 8).

The board of directors believe that it is appropriate to continue to adopt the going concern assumption in the preparation of these financial statements based on:

- actual cash flows as disclosed in the financial statements and for the period to signing of the financial statements
- forecast cash flows for 12 months from signing the financial statements budgets
- availability of undrawn bank overdraft and loan facilities (refer note 8 for the details)

- Board approval to arrange a contingent drawdown loan facility of NZ\$1 million from major shareholder
- existing borrowings being repayable in accordance with the maturity dates and repayment schedules contained in the loan documentation.

The board of directors have concluded that there are no material uncertainties that lead to significant doubt about the company's ability to continue as a going concern.

1.3. New Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2018.

The group has adopted AASB 15 Revenue from Contracts with Customers from 1 April 2018. In accordance with the transition provisions in AASB 15, the group retrospectively applied the cumulative effect of applying the standard by adjusting the opening balance of retained earnings. Besides this, the standards did not have any impact on the group's accounting policies and did not require retrospective adjustments.

2. Intangible Assets

During the half year ended 30 September 2018, amortisation and impairment of goodwill, customer relations and evolution development expenses amounted to Nil (2017: Nil).

3. Unearned Revenue

Unearned revenue includes revenue against which services are yet to be rendered. In accordance with the revenue recognition policy, they will remain unrecognised until the relevant milestones are reached.

4. Contingencies & Capital Commitments

The directors are not aware of any contingent liabilities or contingent assets, or capital commitments as at the date of this report.

5. Changes in the Composition of the Consolidated Entity

There have been no changes to the composition of the Consolidated Equity during the half year.

6. Related Party Disclosures

Arrangements with related parties continue to be in place. For details of these arrangements, please refer to the annual financial report of Medtech Global Limited for the year ended 31 March 2018.

7. Revenue

The Group's revenue has been disaggregated based on geographical markets and pattern of revenue recognition.

Timing of Revenue Recognition	Revenue Half Year Ended	
	30-Sep-18 \$'000	30-Sep-17 \$'000
Services Transferred Over Time		
NZ	6,141	5,661
AU	895	811
India	1	-
USA	684	524
	7,721	6,996
Services Transferred At a Point of Time		
NZ	350	415
AU	342	363
India	306	167
USA	1,771	2,292
	2,769	3,238
Total Revenue	10,490	10,235

8. Borrowings

	Consolidated	
	30-Sep-18 \$'000	31-Sep-17 \$'000
Borrowings from Banks	2,727	979
Vendor finance on ConSova Corporation	151	463
	2,878	1,442
Short term (payable within 12 months)	2,717	1,037
Long term (payable after 12 months)	161	405
	2,878	1,442

- The carrying amount of the Group's current and non-current borrowings is approximate to their fair values.
- The borrowing of \$2,726,776 (March 2018: \$1,836,344) from Bank of New Zealand is secured by way of a perfected first ranking security interest in all the present and after acquired property such as the IT equipment purchased using the said borrowing, a general security interest on present and after acquired property including personal property in which the Company has current and future rights and an unlimited guarantee from Medtech Global Limited, the parent company, covering all obligations.

USD O/D facility was drawn by \$118,102 (March 2018 -\$387,772), asset finance loan was repaid by \$89,464 (March 2018: \$89,464), NZ CARL facility was drawn by \$1,167,332 (March 2018-\$753,508) and USD CARL facility was repaid by \$47,047 (March 2018: \$347,108) in the current period.

- The unused facilities include overdraft facility of \$457,875 (March 2018: \$215,008) from Bank of New Zealand, customised loan facility of \$366,300 (March 2018: \$ 1,599,734) from Bank of New Zealand. Interest rate would depend on rates applicable at the time of drawdown.

9. Prior period adjustments –Restated Financials

At the time of preparing these financial statements, errors were identified with regards to recognition of revenue in wrong periods in prior year. The correction of these errors has the following impact on these financial statements.

Profit or Loss and Other Comprehensive Income for the half year ended 30 September 2017

<i>Consolidated</i>			
	30-Sept-17 Post Adjustment \$'000	Adjustments \$'000	30-Sept-17 Pre Adjustment \$'000
Revenue	10,235	(387)	10,621
Other revenue	-	-	-
Total Revenue	10,235	(387)	10,621
Cost of Sales	(591)	-	(591)
Finance costs	(45)	-	(45)
Consulting fees	(1,757)	-	(1,757)
Depreciation expense	(134)	-	(134)
(Provision for)/Recovery of bad debts	(9)	-	(9)
Employee benefits expense	(5,731)	-	(5,731)
Management fee to related party	(895)	-	(895)
Travelling expenses	(391)	-	(391)
Occupancy costs	(437)	-	(437)
IT support expenses	(355)	-	(355)
Telecommunication costs	(479)	-	(479)
Legal and statutory costs	(216)	-	(216)
Printing, stationery and postage costs	(105)	-	(105)
Foreign currency gain	76	-	76
Other expenses	(391)	-	(391)
Profit / (loss) before income tax expense	(1,225)	(387)	(838)
Income tax expense	(45)	-	(45)
Net loss for the period	(1,270)	(387)	(883)
Other comprehensive income			
Foreign currency translation gain / (loss)	(41)	-	(41)
Total comprehensive loss net of tax	(1,311)	(387)	(924)
Net loss attributable to owners of the parent	(1,270)	(387)	(883)
Non-controlling interest	-	-	-
	(1,270)	(387)	(883)
Total comprehensive loss attributable to:			
- Owners of the parent	(1,311)	(387)	(924)
- Non-controlling interest	-	-	-
	(1,311)	(387)	(924)

9. Prior period adjustments –Restated Financials (continued)

Consolidated Entity

	Mar-18 Post- Adjustment \$'000	Adjustment \$'000	Mar-18 Pre- Adjustment \$'000
CURRENT ASSETS			
Cash and cash equivalents	743		743
Trade and other receivables	3,272	(171)	3,444
Inventories	-		-
Income tax receivable	365		365
Other current assets	383		384
TOTAL CURRENT ASSETS	4,764		4,936
NON-CURRENT ASSETS			
Property, plant & equipment	434		434
Deferred tax assets (net)	638		638
TOTAL NON-CURRENT ASSETS	1,072		1,072
TOTAL ASSETS	5,836		6,007
CURRENT LIABILITIES			
Trade and other payables	4,190		4,190
Deferred revenue	998		998
Interest bearing loans and borrowings	1,928		1,928
Provisions	772		772
TOTAL CURRENT LIABILITIES	7,888		7,888
NON-CURRENT LIABILITIES			
Deferred Tax liabilities	-		-
Interest bearing loans and borrowings	217		217
Other non-current liabilities	-		-
TOTAL NON-CURRENT LIABILITIES	217		217
TOTAL LIABILITIES	8,105		8,105
NET ASSETS	(2,269)		(2,098)
EQUITY			
Contributed equity	48,929		48,929
Accumulated losses	(49,346)	(171)	(49,175)
Acquisition of Non-Controlling Interest	(1,499)		(1,499)
Foreign currency translation reserve (FCTR)	(254)		(254)
Parent interest	(2,170)		(1,999)
Non-controlling Interest	(99)		(99)
TOTAL EQUITY	(2,269)		(2,098)

10. Significant Accounting Estimates and Judgements

Estimates and judgements are based on past performance and management's expectation for the future. The Group makes certain estimates and assumptions concerning the future, which, by definition, will seldom represent actual results. The estimates and assumptions that have a significant inherent risk in respect of estimates based on future events which could have a material impact on the assets and liabilities in the next financial year are discussed below:

a. Revenue recognition on software development and installation contracts

Revenue from software contracts is recognised when performance obligations and / or specific deliverables are met. Revenue is recognised on software services delivered at a point in time or over a certain period of time.

b. Income taxes

Income tax benefits are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

11. Events Subsequent To Reporting Date

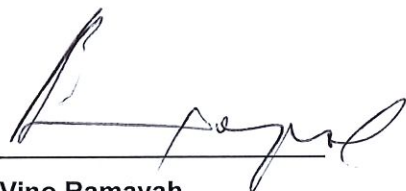
There were no significant events subsequent to reporting date.

Directors' Declaration

In the directors' opinion:

- a) The financial statements and notes set out on pages 8 to 19 are in accordance with the *Corporations Act 2001* including:
 - i. giving a true and fair view of the company and of the consolidated entity's financial position as at 30 September 2018 and its performance for the half year ended on that date; and
 - ii. complying with *AASB 134 Interim Financial Statements* and the *Corporations Regulations 2001*; and
- b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Vino Ramayah
Executive Chairman

Melbourne, 11 December 2018

Level 22 MLC Centre
19 Martin Place
Sydney NSW 2000
Australia

Postal Address:
GPO Box 1615
Sydney NSW 2001
Australia

Tel: +61 2 9221 2099
Fax: +61 2 92231762

www.pitcher.com.au
partners@pitcher-nsw.com.au

Pitcher Partners is an association of independent firms
Melbourne | Sydney | Perth | Adelaide | Brisbane | Newcastle

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MEDTECH GLOBAL LIMITED
ABN 70 009 203 203**

We have reviewed the accompanying financial report of Medtech Global Limited and controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 30 September 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, together with a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the Medtech Global Limited 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 control as the directors determine necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the 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 30 September 2018 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Medtech Global Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.2 in the Medtech Global Limited's financial report, which indicates that Medtech Global Limited incurred a net loss of \$1,772,000 during the half-year ended 30 September 2018 and, as of that date, Medtech Global Limited's current liabilities exceeded its total assets by \$4,066,000. As stated in Note 1.2, these events or conditions, along with other matters as set forth in Note 1.2, indicate that a material uncertainty exists that may cast significant doubt on Medtech Global Limited's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Medtech Global 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 30 September 2018 and of its performance for the half year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



R M SHANLEY
Partner



PITCHER PARTNERS
Sydney

12 December 2018