



Living Cell Technologies Limited

ACN: 104 028 042
ASX: LCT
OTCQX: LVCLY

ASX ANNOUNCEMENT

Appendix 4C Quarterly Cash Flow Report 31 December 2020

Sydney, Australia & Auckland, New Zealand, 28 January 2021 – Living Cell Technologies Limited today released its cash flow report for the quarter ended 31 December 2020. The Appendix 4C is attached.

The company ended the quarter with a cash balance of \$2,308,702 compared to \$2,524,461 in the previous quarter.

Net operating cash flow in the quarter was \$(213,704) compared to (\$ 440,109) in the previous quarter. Receipts from grants and tax incentives were \$472,159 higher than the previous quarter \$79,153 due to receipt of NZ\$472,000 from the New Zealand Inland Revenue department for R & D tax credits.

Operating payments this quarter of \$690,100 are higher than last quarter \$536,712 but do not include any milestone payments to the University of Auckland. Note that the amount stated in 6.1 of the Appendix 4C is for directors' fees paid to directors and their companies.

During the quarter, LCT continued to review the progress of its peptide projects with the University of Auckland. The company also identified, researched and evaluated a number of additional opportunities.

While the cash flow for the quarter is better than expected and the estimated quarters of funding available reflects this, the reality is that the company will need additional funds to proceed the current projects. The directors and management are exploring several possible avenues for funding.

In January Dr Ken Taylor indicated that he intends to retire as CEO in July this year. Until then he continues in the role and will work to ensure a smooth transition for the future of the business.

Authorised for release by the Board of Living Cell Technologies Limited.

– Ends –

For further information: www.lctglobal.com

<p>At the Company: Ken Taylor Chief Executive Mobile: +64 21 796 000 ktaylor@lctglobal.com</p>	<p>Media Contact: Rachael Joel Botica Butler Raudon Partners Tel: +64 9 303 3862 Mobile: +64 21 403 504 rachaelj@botica.co.nz</p>
--	--

About Living Cell Technologies

Living Cell Technologies Limited (LCT) is an Australasian biotechnology company improving the wellbeing of people with serious diseases worldwide by discovering, developing and commercialising regenerative treatments which restore function using naturally occurring cells.

As well as NTCELL, LCT is also advancing research collaborations with the University of Auckland to identify products that are candidates for out licensing to global pharmaceutical companies. Projects that have been initiated target obesity and migraine where the lead product candidates utilise patented novel peptide synthetic chemistry technology.

LCT is listed on the Australian (ASX: LCT) and US (OTCQX: LVCLY) stock exchanges. The company is incorporated in Australia, with its operations based in New Zealand.

For more information visit www.lctglobal.com or follow @lctglobal on Twitter.

Forward-looking statements

This document may contain certain forward-looking statements, relating to LCT's business, which can be identified by the use of forward-looking terminology such as "promising," "probable", "plans," "anticipated," "will," "project," "believe," "forecast," "expected," "estimated," "targeting," "aiming," "set to," "potential," "seeking to," "goal," "could provide," "intends," "is being developed," "could be," "on track," or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialisation of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. LCT is providing this information and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Living Cell Technologies Limited

ABN

14 104 028 042

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A	Year to date (6 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(41,149)	(181,041)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(8,914)	(16,545)
(d) leased assets	(16,136)	(31,818)
(e) staff costs	(253,385)	(500,359)
(f) administration and corporate costs	(370,516)	(497,048)
1.3 Dividends received (see note 3)		-
1.4 Interest received	4,237	21,688
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	472,159	551,312
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(213,704)	(653,811)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A	Year to date (6 months) \$A
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	2,524,461	2,964,873
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(213,704)	(653,811)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A	Year to date (6 months) \$A
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(2,055)	(2,360)
4.6	Cash and cash equivalents at end of period	2,308,702	2,308,702

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A	Previous quarter \$A
5.1	Bank balances	1,250,633	339,268
5.2	Call deposits	1,058,069	2,185,193
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,308,702	2,524,461

6.	Payments to related parties of the entity and their associates	Current quarter \$A
6.1	Aggregate amount of payments to related parties and their associates included in item 1	55,000
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

7. Financing facilities	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A
8.1 Net cash from / (used in) operating activities (item 1.9)	(213,704)
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,308,702
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	2,308,702
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	10.8
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28th January 2021

Authorised by: The Board of Living Cell Technologies Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.