

Appendix 4D

Half Year Report to the Australian Stock Exchange

Name of Entity	BioTech Capital Limited
ABN	45 091 979 172
Half Year Ended	31 December 2012
Previous Corresponding Reporting Period	31 December 2011

Results for Announcement to the Market

	\$'000	Percentage increase / (decrease) over previous corresponding period
Revenue from ordinary activities	29	(17.7)%
Profit / (loss) from ordinary activities after tax attributable to members	(437)	(41.8)%
Net profit / (loss) for the period attributable to members	(437)	(41.8)%
Dividends (distributions)	Amount per security	Franked amount per security
Dividend 31/12/12	1 cent	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	N/A	
Brief explanation of any of the figures reported above necessary to enable the figures to be understood:		
Loss for the half year ended 31 December 2012 includes an impairment loss of \$379,053 (2011: \$750,000).		
A dividend was paid for the half year ended 31 December 2012 of \$745,540 (30 June 2011: \$2,982,164).		

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

NTA Backing

	Current Period	Previous corresponding period
Net tangible asset backing per ordinary security	4.3 cents	7.6 cents

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	None
Date control gained	N/A
Consolidated profit / (loss) from ordinary activities since the date in the current period on which control was acquired	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	None
Date control lost	N/A
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	N/A

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit	
	Current Period	Previous Period	Current Period	Previous Period
None	N/A	N/A	N/A	N/A
Aggregate Share of Net Profits	N/A	N/A	N/A	N/A

Foreign Entities Accounting Framework

For foreign entities provide details of which accounting standards have been adopted (e.g. International Accounting Standards)

N/A

Audit/Review Status

This report is based on accounts to which one of the following applies:
(Tick one)

The accounts have been audited	<input type="checkbox"/>	The accounts have been subject to review	<input checked="" type="checkbox"/>
--------------------------------	--------------------------	--	-------------------------------------

If the accounts are subject to audit dispute or qualification, a description of the dispute or qualification:

The auditors have issued a qualified review conclusion on the half-year financial report in relation to the unlisted investments held at directors' valuations. The auditors have been unable to satisfy themselves as to the fair values of the unlisted available for sale financial assets.

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	Interim Financial Report

Signed By Company Secretary

Print Name

Baden M Bowen

Date: 20 February 2013

BIOTECH CAPITAL LIMITED

ABN 45 091 979 172

HALF-YEAR FINANCIAL REPORT

FOR THE HALF YEAR ENDED

31 DECEMBER 2012

CONTENTS

CORPORATE DIRECTORY.....	3
DIRECTOR'S REPORT.....	4
AUDITOR'S INDEPENDENCE DECLARATION.....	5
CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	6
CONDENSED STATEMENT OF FINANCIAL POSITION.....	7
CONDENSED STATEMENT OF CASH FLOWS	8
CONDENSED STATEMENT OF CHANGES IN EQUITY.....	9
NOTES TO THE FINANCIAL STATEMENTS	10
DIRECTOR'S DECLARATION.....	15
INDEPENDENT AUDITOR'S REVIEW REPORT	16

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

CORPORATE DIRECTORY

**Principal and registered office in
Australia**

BioTech Capital Limited
1 Edmondson Crescent
KARRINYUP WA 6018
T +61 8 9446 5293
F +61 8 6210 1567

Directors

Alastair John Davidson
Harry Karelis
Edward Taylor

Company Secretary

Baden Maxwell Bowen

Bankers

Westpac Banking Corporation

Share Register

Advanced Share Registry
150 Stirling Highway
NEDLANDS WA 6009
PO Box 1156
NEDLANDS WA 6909
T (08) 9389 8033
F (08) 9389 7871

Auditor

Deloitte Touche Tohmatsu
Level 14, Woodside Plaza
240 St Georges Terrace
PERTH WA 6000

Solicitors

Dibbs Barker
Level 8, Angel Place
123 Pitt Street
SYDNEY NSW 2000

Internet Address

www.biotechcapital.com.au

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

HALF-YEAR FINANCIAL REPORT

DIRECTOR'S REPORT

Your directors submit the financial report of the company for the half-year ended 31 December 2012.

Directors

Alastair John Davidson
Harry Karelis
Edward Taylor (appointed 1 November 2012)
Kathryn Greiner (resigned 1 November 2012)

Review of Operations

The following is a review of operations for the six-month period to 31 December 2012:

The loss of \$437,136 (2011: \$750,814) included an impairment loss on unlisted investments of \$379,053 (2011: \$750,000). During the period, the investment in Generic Health Pty Ld was disposed of and the liquidation of Biocomm Services was completed.

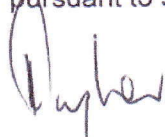
Dividends

In respect of the half financial year ended 31 December 2012, a dividend of 1 cent per share unfranked was paid to the holders of fully paid ordinary shares on 10 November 2012, totalling \$745,540 (30 June 2011: \$2,982,164).

Auditor's Declaration of Independence

A copy of the auditor's declaration under section 307C in relation to the half year is attached.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.



**E Taylor
Director**

Dated this 20th day of February 2013

The Board of Directors
BioTech Capital Limited
1 Edmondson Crescent
KARRINYUP WA 6018

20 February 2013

Dear Board Members

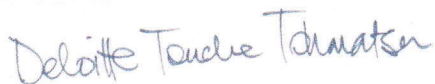
BioTech Capital Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of BioTech Capital Limited.

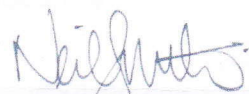
As lead audit partner for the review of the half-year financial statements of BioTech Capital Limited for the period ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Neil Smith
Partner
Chartered Accountants

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

CONDENSED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	31 December 2012	31 December 2011
	\$	\$
Revenue from continuing operations (Note 2)	28,812	34,993
Other gains and losses (Note 2)	99,889	104,631
Expenses from continuing operations		
Director fees	(25,000)	(20,000)
Other expenses	(161,784)	(120,465)
Impairment loss on unlisted Investments	(379,053)	(750,000)
Total expenses from continuing operations	(565,837)	(890,465)
Loss from continuing operations before income tax expense	(437,136)	(750,841)
Income tax benefit (expense) relating to continuing operations	-	-
Net Loss from continuing operations after income tax	(437,136)	(750,841)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net fair value gains (losses) on available for sale financial assets (net of tax)	(188,890)	(1,664,540)
Other comprehensive income for the period, net of tax	(188,890)	(1,664,540)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(626,026)	(2,415,381)
Basic earnings per share (cents per share)	(0.59)	(1.01)
Diluted earnings per share (cents per share)	(0.59)	(1.01)

The accompanying notes form part of this financial report.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2012

	31 December 2012	30 June 2012
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	510,377	877,026
Trade and other receivables	13,411	509
Financial assets (Note 3)	2,737,966	4,051,046
TOTAL CURRENT ASSETS	<u>3,261,754</u>	<u>4,928,581</u>
TOTAL ASSETS	3,261,754	4,928,581
CURRENT LIABILITIES		
Trade and other payables	42,277	304,206
TOTAL CURRENT LIABILITIES	<u>42,277</u>	<u>304,206</u>
NON-CURRENT LIABILITIES		
Deferred tax liabilities	-	33,333
TOTAL NON-CURRENT LIABILITIES	<u>-</u>	<u>33,333</u>
TOTAL LIABILITIES	<u>42,277</u>	<u>337,539</u>
NET ASSETS	<u><u>3,219,477</u></u>	<u><u>4,591,042</u></u>
EQUITY		
Issued Capital	39,338,817	39,338,817
Accumulated Losses	(36,119,340)	(34,936,665)
Reserves	-	188,890
TOTAL EQUITY	<u><u>3,219,477</u></u>	<u><u>4,591,042</u></u>

The accompanying notes form part of this financial report

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	31 December 2012	31 December 2011
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	28,812	34,993
Management agreement payments	(178,184)	(156,543)
Payments to suppliers	(193,139)	(151,003)
Net cash (used in) operating activities	<u>(342,511)</u>	<u>(272,553)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	721,402	-
Net cash from investing activities	<u>721,402</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(745,540)	(2,982,164)
Net cash (used in) financing activities	<u>(745,540)</u>	<u>(2,982,164)</u>
Net (decrease) in cash held	<u>(366,649)</u>	<u>(3,254,717)</u>
Cash at 1 July 2012	<u>877,026</u>	<u>3,980,789</u>
Cash at 31 December 2012	<u>510,377</u>	<u>726,072</u>

The accompanying notes form part of this financial report

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2012**

	Issued Capital	Retained Earnings (Accumulated Losses)	Other Reserves	Total
	\$	\$	\$	\$
At 1 July 2011	39,338,817	(33,076,498)	1,813,528	8,075,847
Profit (loss) for the period	-	(750,841)	-	(750,841)
Other comprehensive income	-	-	(1,664,540)	(1,664,540)
Total comprehensive income for the period	-	(750,841)	(1,664,540)	(2,415,381)
Dividend paid	-	-	-	-
At 31 December 2011	39,338,817	(33,827,339)	148,988	5,660,466
At 1 July 2012	39,338,817	(34,936,664)	188,890	4,591,043
Profit (loss) for the period	-	(437,136)	-	(437,136)
Other comprehensive income	-	-	(188,890)	(188,890)
Total comprehensive income for the period	-	(437,136)	(188,890)	(626,026)
Dividend paid	-	(745,540)	-	(745,540)
At 31 December 2012	39,338,817	(36,119,340)	-	3,219,477

The accompanying notes form part of this financial report

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31
DECEMBER 2012**

Note 1: Significant Accounting Policies

Basis of Preparation

The financial report of BioTech Capital Limited for the half-year ended 31 December 2012 was authorised for issue in accordance with a resolution of the directors on 20 February 2013. BioTech Capital Limited is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The half-year financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001* and Accounting Standards AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures compliance with International Financial Reporting Standards IAS 34 Interim Financial Reporting.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2012 and any publications made by BioTech Capital Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The accounting policies have been consistently applied and are consistent with those applied in the 30 June 2012 annual report, except for the adoption of amending standards mandatory for annual periods beginning on or after 1 July 2012, as noted below.

The half-year financial report has been prepared on a historical cost basis, except for financial assets that have been measured at fair value.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

Changes in Accounting Policies and Disclosures

In the half-year ended 31 December 2012, the Company has reviewed all of the new and revised standards and interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2012. The company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period. It has been determined by the Company that there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and, therefore no change is necessary to the Company's accounting policies.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Company include:

Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 'Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income'

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the Company's presentation of, or disclosure in, its half-year financial statements.

AASB 2011-9 introduces new terminology for the statement of comprehensive income and income statement. Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and the income statement is renamed as a statement of profit or loss. The amendments to AASB 101 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to AASB 101 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to AASB 101 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the consolidated entity for the half year ending 31 December 2012. Management are in the process of assessing the impact of the adoption of these standards and interpretations on the consolidated entity.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31
DECEMBER 2012**

Note 2: Revenue from continuing operations

	31 December 2012	31 December 2011
	\$	\$
Revenue from continuing operations		
Finance Revenue	28,812	34,993
Total revenue from continuing operations	<u>28,812</u>	<u>34,993</u>
Other gains and losses		
Net gain on remeasurement of liability	99,889	104,631
Total other gains and losses	<u>99,889</u>	<u>104,631</u>

Note 3: Financial Assets

	31 December 2012	30 June 2012
	\$	\$
Current		
Available for Sale Financial Assets:		
Investment in unlisted Companies – at directors' valuation	2,737,966	4,051,046
Total Available for sale Financial Assets	<u>2,737,966</u>	<u>4,051,046</u>
Movement		
Opening balance	4,051,046	7,765,014
Impairment loss on unlisted investments	(379,053)	(1,690,000)
Disposals	(711,804)	(327,352)
Revaluations	(222,223)	(1,696,616)
Closing balance	<u>2,737,966</u>	<u>4,051,046</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31
DECEMBER 2012

Note 3: Financial Assets (continued)

On 12 August 2010, the Company announced it was adopting a change in investment strategy and restructuring. It is currently the Board's intention to liquidate the current portfolio in an orderly manner with proceeds being returned to shareholders through a combination of dividends and other capital management strategies including but not limited to share buybacks and in specie distributions. As a result of the change in investment strategy, all financial assets have been classified as current. The Board acknowledges, due to the nature and liquidity of their unlisted investments, that realisation of these investments may take longer than 12 months.

Unlisted shares

The fair value of unlisted available for sale investments are determined by directors valuations, which is based on their experience in the industry and the average realisable value in the short term based on their change in investment strategy. The directors have used assumptions, such as impacts on estimated cash flows, project updates and other market data available in determining their valuation of unlisted investments.

Impairment Loss on Unlisted Investments

An allowance for impairment loss is recognised when there is objective evidence that unlisted investments are impaired. During the year, the Board obtained the latest financial results of unlisted companies and reviewed project updates from the Managing Director. Based on management's best estimate of information available, the Board decided to record an impairment loss of \$379,053 (31 December 2011: \$750,000) for the period.

Other Comprehensive Income

Included in movements in other comprehensive income are net fair value losses on available for sale financial assets of \$222,223 (31 December 2011 \$1,669,491) relating to unlisted investments.

BIOTECH CAPITAL LIMITED ABN 45 091 979 172

**NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31
DECEMBER 2012**

Note 4: Contingent Liabilities

There has been no material change in contingent liabilities since the last annual reporting date.

Note 5: Subsequent Events

No matters have arisen between the end of the half-year ended 31 December 2012 and the date of this report, in the opinion of the directors of the company, that will affect significantly the operations of the entity, the results of those operations, or the state of the affairs of the entity, in subsequent financial years.

Note 6: Operating Segments Information

Operating segments have been identified on the basis of internal reports of the company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The chief operating decision maker has been identified as the Board of Directors. On a regular basis, the board receives financial information on a company basis similar to the financial statements presented in the financial report, to manage and allocate their resources.

Note 7: Dividends

In respect of the half financial year ended 31 December 2012, a dividend of 1 cent per share unfranked was paid to the holders of fully paid ordinary shares on 10 November 2012, totalling \$745,540 (30 June 2011: \$2,982,164).

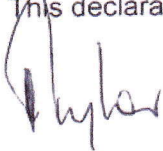
BIOTECH CAPITAL LIMITED ABN 45 091 979 172

DIRECTOR'S DECLARATION

In the opinion of the directors:

1. The financial statements and notes of the entity, are in accordance with the Corporations Act 2001:
 - a) Comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - b) give a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.
2. 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.



**E Taylor
Director**

Dated this 20th day of February 2013

Independent Auditor's Review Report to the Members of BioTech Capital Limited

We have reviewed the accompanying half-year financial report of BioTech Capital Limited, which comprises the condensed statement of financial position as at 31 December 2012, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration as set out on pages 6 to 15.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year 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 half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2012 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 BioTech Capital Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of BioTech Capital Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Basis for Qualified Conclusion

As disclosed in Note 3 to the half-year financial report, the company has within current available for sale financial assets, investments in unlisted companies at directors' valuation of \$2,737,966 as at 31 December 2012 (30 June 2012: \$4,051,046) ("the assets"). Further, included in the statement of profit or loss and other comprehensive income are impairment losses of \$379,053 (31 December 2011: \$750,000) relating to the assets and net fair value losses of \$222,223 (31 December 2011: \$1,669,491) relating to the assets. As set out in Note 3, the directors have valued the assets based on their experience in the industry and the average realisable value in the short term based on their change in investment strategy. Australian Accounting Standard AASB 139 "*Financial Instruments: Recognition and Measurement*" requires financial assets classified as available for sale financial assets to be recognised and measured at their fair values, with subsequent changes in fair values to be recognised in other comprehensive income, except for impairment losses. We have been unable to obtain sufficient appropriate evidence of the fair values of the assets and, accordingly, we have been unable to determine whether the fair values at those dates and changes in fair values and impairment losses have been appropriately recognised.

Qualified Conclusion

Based on our review, which is not an audit, except for the possible effects of the matter described in the Basis for Qualified Conclusion paragraph, we have not become aware of any matter that makes us believe that the half-year financial report of BioTech Capital Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2012 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*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Neil Smith

Neil Smith
Partner
Chartered Accountants
Perth, 20 February 2013