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29 October 2021

Universal Biosensors, Inc.

Universal Biosensors releases Q3 2021 results

Universal Biosensors, Inc. (ASX:UBI) (**UBI**) has today released its financial results for the nine months ended 30 September 2021 which are enclosed herewith.

Yours Sincerely,

Salesh Balak
Company Secretary
+61 (0) 414 508 852

Announcement authorised by the Board of Directors of Universal Biosensors, Inc.

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Universal Biosensors, Inc.

Q3 2021 update

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Future of UBI

UBI is a biosensor company and world leader in electrochemical cell technology with a long history of innovation and establishing global partnerships.

UBI's biosensor technology platform has been used to deliver more than 10 billion diagnostic tests to patients worldwide generating billions of dollars in sales.

We have licensed and partnered new technology and new biosensors with global applications.

Our ambition is to build a multi product stable of biosensors in large markets which generate ongoing revenue streams.

We have moved away from defining ourselves as a Research and Development (R&D) company with long lead times and expensive research programs.

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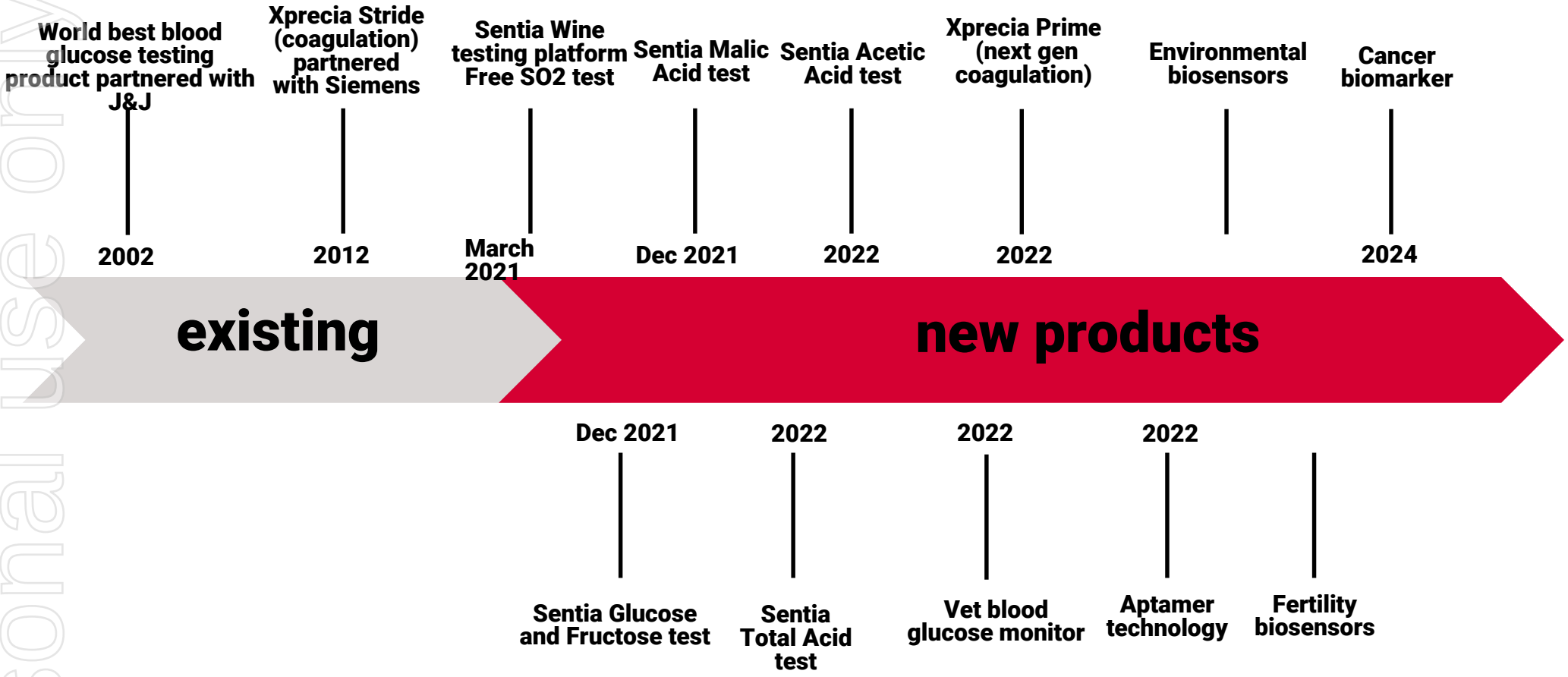
Future of UBI

Products and timelines



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Finance

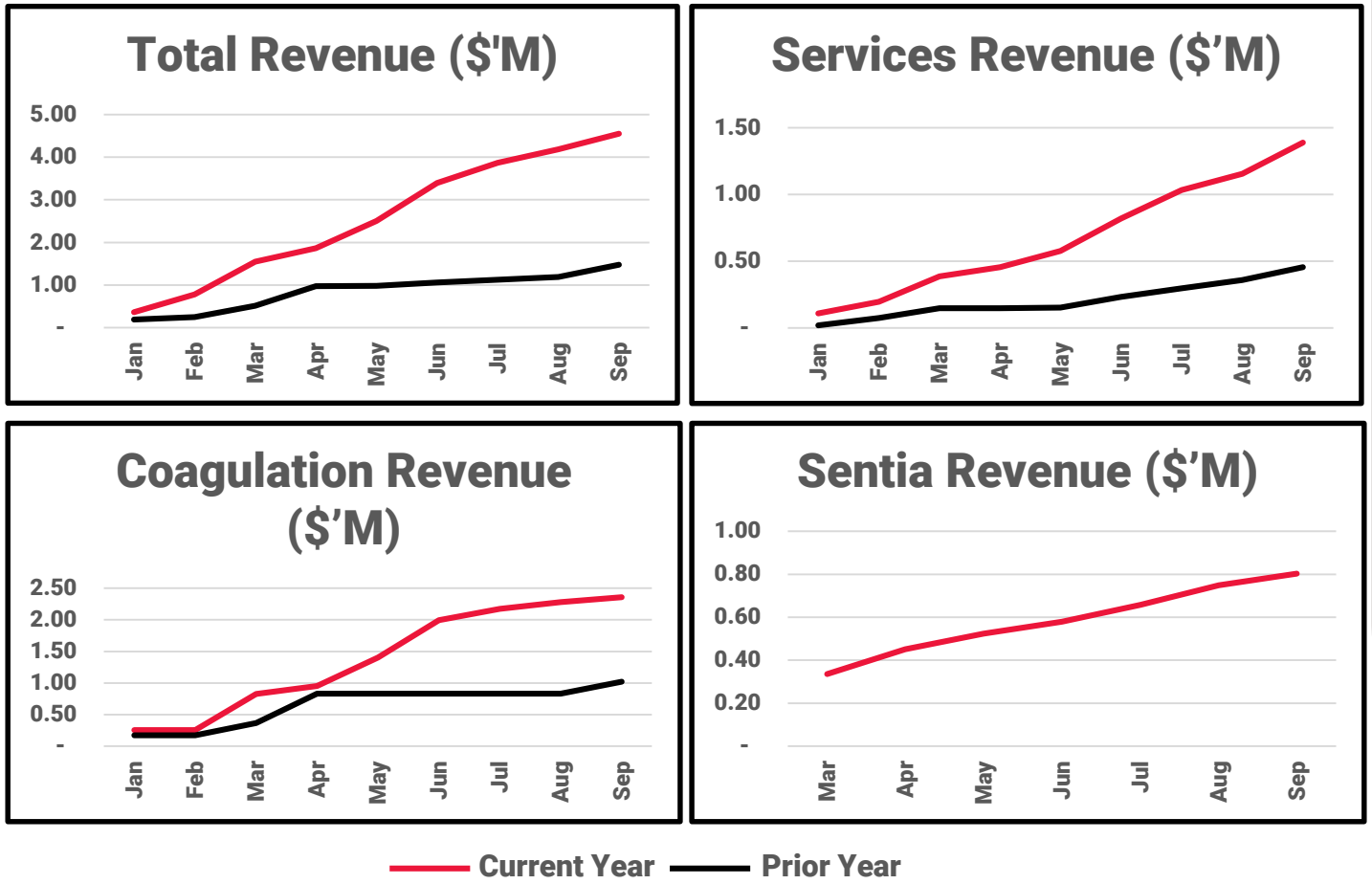
9 months ended 30 September 2021

Sales up 208%

Xprecia Stride sales up 132%

Sentia Sales reaches $1m in October

Receipts from customers up 547%



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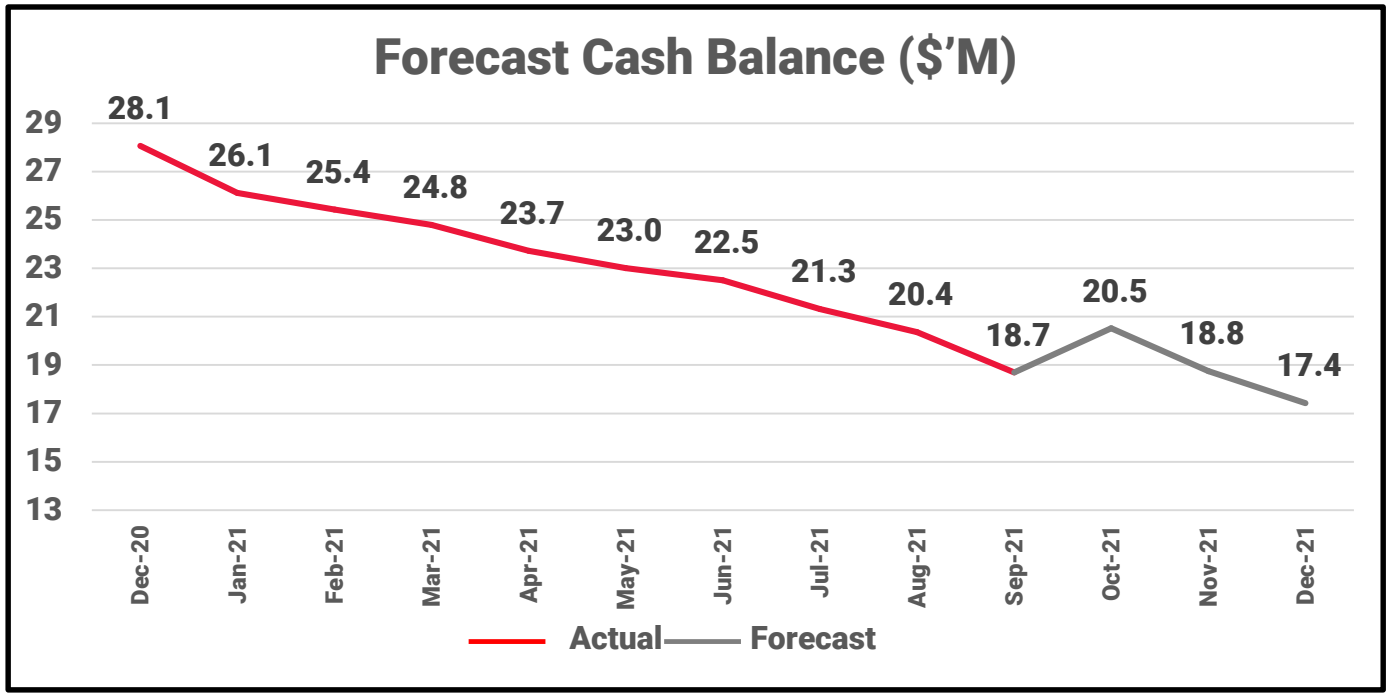
Finance

Strong cash position



Commentary

The most significant cash expenditures during the quarter were:

- $1.2m investment in Vet biosensor development
- $0.5m payment for stock of raw materials

Forecast to 31 Dec 21	AUD $m
Cash used in operations	2.4
Cash invested in new products	7.7
Other capex	0.6
	10.7

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Sentia
Update

UBI launched "Sentia Wine Analyzer" in March this year.

- **8% of production wineries in Australia have purchased Sentia (7 months).**
- **Sentia delivers testing specificity and sensitivity, significant productivity gains, flexibility and cost savings to the wine industry.**
- **Distribution deals, agreements and first sales made in 12 countries.**
- **Direct sales representation established in USA.**
- **Global digital marketing campaign built and being rolled out.**

Independent product reviews and validation of the performance of Sentia against global reference methods is being completed by globally renowned institutions:

- **Dubernet Laboratoires (France)**
- **Institut für Weinbau und Oenologie (Institute of Vitiscience, Germany) and**
- **Pontificia Universidad Católica de Chile**

New distribution contracts being negotiated

- ✓ *France (3),*
- ✓ *Spain,*
- ✓ *Italy (2),*
- ✓ *Greece,*
- ✓ *Austria,*
- ✓ *Germany,*
- ✓ *Hungary,*
- ✓ *Croatia,*
- ✓ *Serbia,*
- ✓ *Poland*
- ✓ *Bulgaria,*
- ✓ *Latvia,*
- ✓ *Slovenia,*
- ✓ *Romania,*
- ✓ *England and*
- ✓ *USA*

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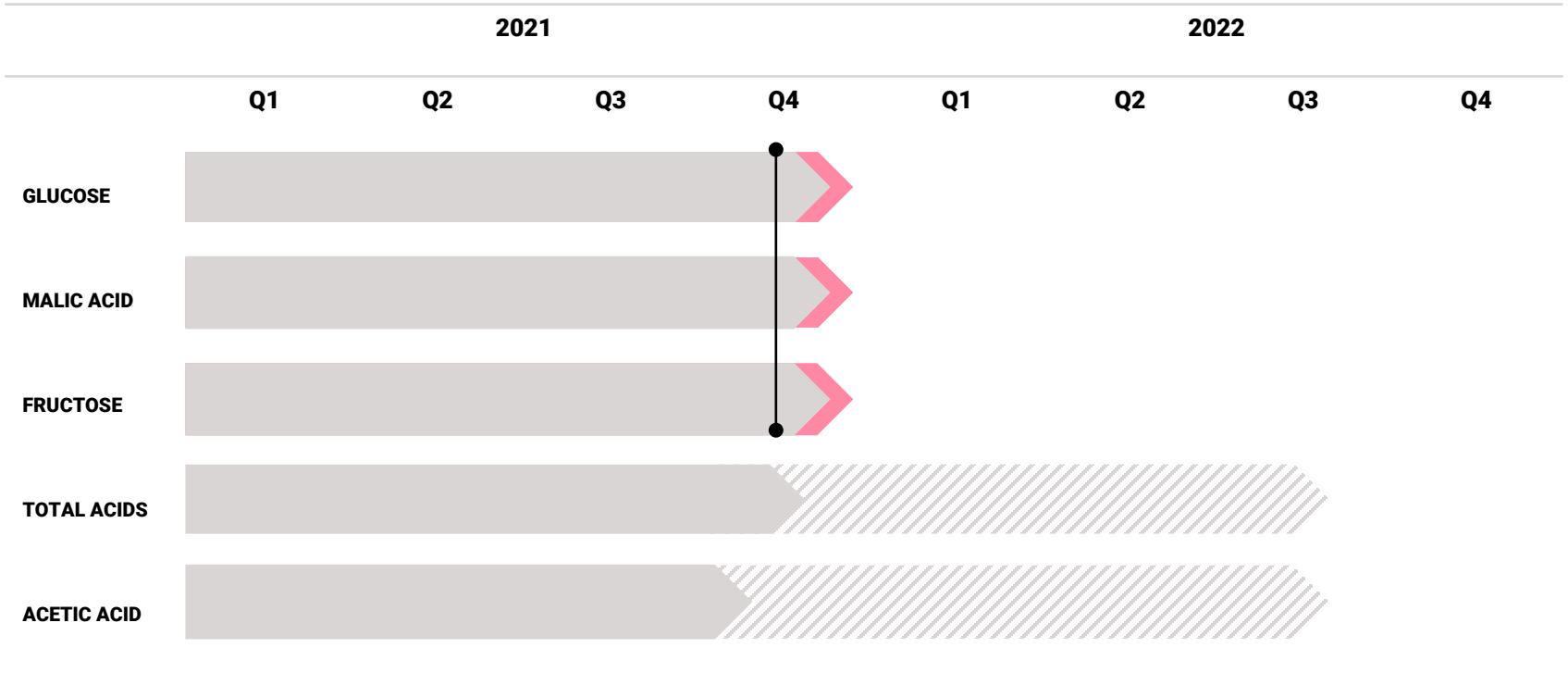
Sentia

New Products

Target Dates for New Product Launch



* Glucose Commercial Launch will occur simultaneously with Fructose

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Xprecia Stride

Xprecia Stride (coagulation monitoring device) sales up 132%.

Agreed 13 new distribution deals for Xprecia Stride in Germany, Switzerland, Poland, Malaysia, Romania, Slovenia and Macedonia.

Installed base of over 3,500 units throughout the world and sold in 36 countries.

Migrating existing Siemens distribution network to UBI to deliver sales growth.

Average Selling price per strip increasing as a result of the migration of the client base.

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Xprecia Prime
Future

"Xprecia Prime"

- **Is the next generation coagulation platform (device and test strip).**
- **Has market leading performance and has been 7 years in development.**
- **USA based Clinical Trial launched and first patient enrolled.**

	UBI: Xprecia Prime	iLine: MicroINR	Roche: CoaguChek Vantus	Roche: CoaguChek Plus
Sample Size (µL)	8 ✓	3	8	8
Unit of Measure	INR & SEC	INR	INR	INR, SEC %Q
Measuring Range	0.8 – 8.0 ✓	0.8 – 6.0	0.8 – 6.0	0.8 – 8.0
Accuracy vs reference (slope, intercept, r^2)	0.96, 0.09, 0.94 ✓	1.04, 0.03, 0.94	0.98, 0.1, 0.83	1.075, -0.1, 0.94
Touchscreen	Y ✓	N	N	Y
Data Communication	Wired / Wireles ✓	Wired	Wired / Wireless	Wireless
Power	Rechargeable	Rechargeable	4 AAA Batteries	Rechargeable
Test Memory	2000 ✓	199	400	2000
Price	<< $650 ✓	$650	$650 - $900	$1050 - $1550

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Xprecia Prime
Future

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Xprecia Prime

- **Clinical trials expected to be completed H1 2022.**
- **FDA and European approvals expected 2022.**
- **Will have the full range of PT/INR coagulation measurements which will make it competitive (if not superior) against the leading global products.**
- **UBI expect to increase its market share of the global coagulation market.**

Potential UBI share of Global Market	Total Sales ($AUD)
3%	$14,642,295
4%	$18,088,519
5%	$21,296,773
10%	$42,593,546
15%	$63,890,319

Forecast Assumptions
UBI has used its own historical market information to generate forecasting assumptions

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Veterinary Biosensor

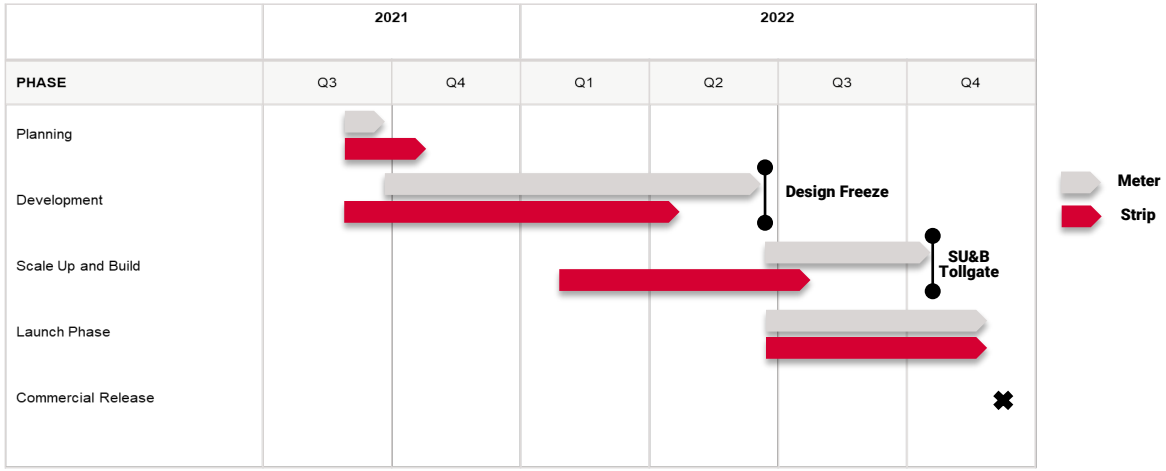
Petrackr blood glucose monitor

Biosensor test strip and meter development for the detection and monitoring of diabetes in cats and dogs has commenced and is on track.

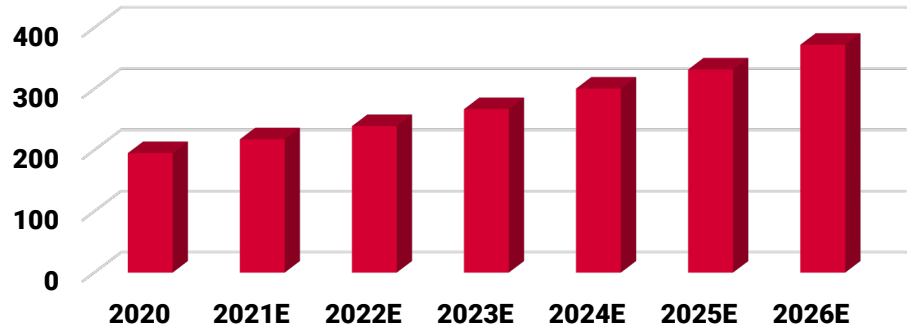
Anticipated to launch H2 2022.

There are no significant regulatory hurdles.

Market opportunity in excess of $200m.



Vet Blood Glucose Monitoring (Million AUD)



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Cancer Biosensor

Tn Antigen

Tn Antigen biosensor development work ahead of schedule.

Trials have commenced with Peter Mac, Victorian Cancer Biobank and CIC bioGUNE. Trial results expected H1 2022.

UBI's ambition is to:

- **develop a finger prick blood test which can be used at home or at the physician's clinic.**
- **The Tn test will used to monitor the status and progression of a cancer patients' tumors whilst in remission.**
- **The Tn could be equivalent or better in terms of sensitivity compared to those biomarkers already approved and selling on the market.**

There are 78 million carcinoma cancer remission patients globally.

Blood testing market for monitoring remission patients is ~ $17 billion pa.

Cancer biomarkers used to manage cancer patients

- ***PSA** – for prostate cancer has clinical sensitivity (85%) and specificity (30%). Estimated total revenue in 2021 is $3.5 billion.*
- ***CEA** – for colorectal cancer to detect tumor growth has clinical sensitivity (55%) and specificity (83%). Estimated total revenue in 2021 is $3.4 billion.*
- ***CA 15-3** – for breast cancer patients has clinical sensitivity (54%) and specificity (91%).*

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UBI Technology

New products

New products being developed to enhance UBI's diagnosis and monitoring product range:

- **Oncology,**
- **Women's health,**
- **COVID & virus detection,**
- **Veterinary, and**
- **Aptamer technology.**

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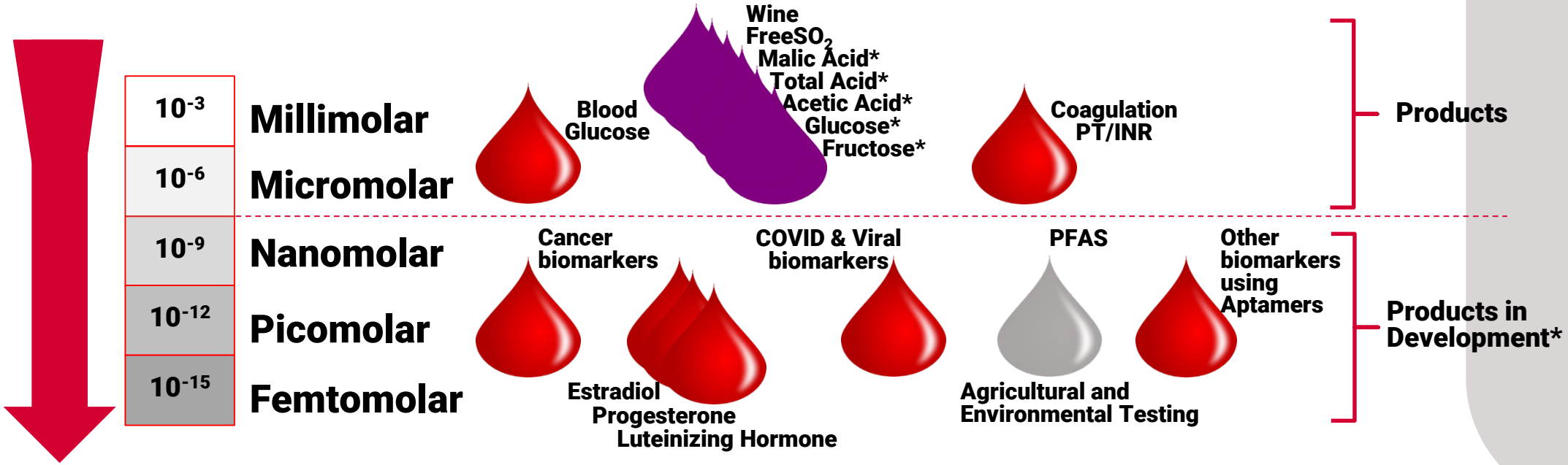
UBI Technology

New platform technology



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END

John Sharman
Chief Executive Officer
Universal Biosensors, Inc

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2021

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____

Commission File Number: 000-52607

Universal Biosensors, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**98-0424072**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification Number)*
Universal Biosensors, Inc. **1 Corporate Avenue,** **Rowville, 3178, Victoria** **Australia** *(Address of principal executive offices)*	**Not Applicable** *(Zip Code)*

Telephone: +61 3 9213 9000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	☐	*Accelerated filer*	☐
Non-accelerated filer	☑	Smaller reporting company	☑
Emerging growth company	☑		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 177,798,504 shares of Common Stock, U.S.$0.0001 par value, outstanding as of October 29, 2021.

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Unless otherwise noted, references on this Form 10-Q to "Universal Biosensors", the "Company," "Group," "we," "our" or "us" means Universal Biosensors, Inc. ("UBI") a Delaware corporation and, when applicable, its wholly owned Australian operating subsidiary, Universal Biosensors Pty Ltd ("UBS"), its wholly owned US subsidiary, Universal Biosensors LLC ("UBS LLC") and UBS' wholly owned Canadian operating subsidiary, Hemostasis Reference Laboratory Inc. ("HRL") and wholly owned Dutch subsidiary, Universal Biosensors B.V. ("UBS BV"). Unless otherwise noted, all references in this Form 10-Q to "$", "A$" or "dollars" and dollar amounts are references to Australian dollars. References to "US$", "CAD$" and "€" are references to United States dollars, Canadian dollars and Euros respectively.

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Item 1 Financial Statements
Consolidated Condensed Balance Sheets (Unaudited)

	September 30, 2021	December 31, 2020
	A$	A$
ASSETS		
Current assets:		
Cash and cash equivalents	15,405,658	23,561,807
Inventories	2,043,777	1,879,853
Accounts receivable	588,344	73,073
Prepayments	1,253,181	107,511
Restricted cash	1,982,475	2,174,806
Other current assets	5,745,484	3,598,596
Total current assets	27,018,919	31,395,646
Non-current assets:		
Property, plant and equipment	29,599,160	29,339,380
Less accumulated depreciation	(25,524,960)	(24,984,001)
Property, plant and equipment - net	4,074,200	4,355,379
Intangible assets	16,371,996	16,371,996
Less amortization of intangible assets	(3,308,470)	(2,084,605)
Intangible assets - net	13,063,526	14,287,391
Right-of-use asset	2,195,387	4,024,962
Restricted cash	1,311,237	2,318,507
Other non-current assets	88,299	0
Total non-current assets	20,732,649	24,986,239
Total assets	47,751,568	56,381,885
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	619,336	447,523
Accrued expenses	1,206,264	1,152,008
Contingent consideration	2,081,599	1,947,546
Other liabilities	2,842,912	2,659,534
Contract liabilities	108,012	1,628,426
Lease liability	521,996	524,844
Employee entitlements liabilities	730,346	602,711
Total current liabilities	8,110,465	8,962,592
Non-current liabilities:		
Asset retirement obligations	2,696,826	2,734,800
Long-term loan - unsecured	65,374	40,741
Employee entitlements liabilities	25,488	20,960
Deferred income tax liability	3,050,837	3,050,837
Lease liability	1,816,545	3,594,531
Total non-current liabilities	7,655,070	9,441,869
Total liabilities	15,765,535	18,404,461
Commitments and contingencies	0	0
Stockholders' equity:		
Preferred stock, US$0.01 par value. Authorized 1,000,000 shares; issued and outstanding nil at September 30, 2021 (nil at December 31, 2020)		
Common stock, US$0.0001 par value. Authorized 300,000,000 shares; issued and outstanding 177,798,504 shares at September 30, 2021 (177,611,854 at December 31, 2020)	17,780	17,761
Additional paid-in capital	93,692,467	93,570,030
Accumulated deficit	(55,317,296)	(47,679,272)
Current year loss	(6,084,977)	(7,638,024)
Accumulated other comprehensive loss	(321,941)	(293,071)
Total stockholders' equity	31,986,033	37,977,424
Total liabilities and stockholders' equity	47,751,568	56,381,885

See accompanying Notes to Consolidated Condensed Financial Statements.

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Consolidated Condensed Statements of Comprehensive Income/(Loss) (Unaudited)

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Revenue				
Revenue from products	590,421	188,595	3,161,469	1,018,454
Revenue from services	568,525	223,288	1,389,365	456,875
Total revenue	1,158,946	411,883	4,550,834	1,475,329
Operating costs and expenses				
Cost of goods sold	364,667	156,728	1,771,044	901,359
Cost of services	321,819	199,522	941,928	648,666
Total cost of goods sold and services	686,486	356,250	2,712,972	1,550,025
Gross profit/(loss)	472,460	55,633	1,837,862	(74,696)
Other operating costs and expenses				
Product support	46,107	4,653	67,620	12,316
Depreciation and amortization	551,626	547,995	1,625,066	1,685,551
Research and development	2,480,217	1,157,194	5,296,067	3,784,259
Selling, general and administrative	1,420,582	1,275,599	3,943,407	4,497,676
Total operating costs and expenses	4,498,532	2,985,441	10,932,160	9,979,802
Loss from operations	(4,026,072)	(2,929,808)	(9,094,298)	(10,054,498)
Other income/(expense)				
Interest income	11,342	39,584	43,086	260,990
Financing costs	(32,492)	(38,700)	(97,476)	(116,100)
Research and development tax incentive income	1,078,895	493,297	2,339,180	1,679,558
Exchange gain/(loss)	58,281	(89,978)	306,360	(13,630)
Other income	35,182	424,233	418,171	1,619,206
Total other income	1,151,208	828,436	3,009,321	3,430,024
Net loss before tax	(2,874,864)	(2,101,372)	(6,084,977)	(6,624,474)
Income tax benefit/(expense)	0	0	0	0
Net loss	(2,874,864)	(2,101,372)	(6,084,977)	(6,624,474)
Loss per share				
Net loss per share - basic and diluted	(0.02)	(0.01)	(0.03)	(0.04)
Average weighted number of shares - basic and diluted	177,773,779	177,571,854	177,681,443	177,571,854
Other comprehensive gain/(loss), net of tax:				
Foreign currency translation reserve	(2,401)	8,250	(28,870)	29,511
Reclassification for gain/(loss) realized in net income	0	0	0	0
Other comprehensive income/(loss)	(2,401)	8,250	(28,870)	29,511
Comprehensive loss	(2,877,265)	(2,093,122)	(6,113,847)	(6,594,963)

See accompanying Notes to Consolidated Condensed Financial Statements.

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Consolidated Condensed Statements of Changes in Stockholders' Equity and Comprehensive Income/(Loss) (Unaudited)

Three Months Ended September 30, 2021

	Ordinary shares		Additional Paid-in Capital	Accumulated Deficit	Other comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
		A$	A$	A$	A$	A$
Balances at July 1, 2021	177,753,504	17,775	93,664,302	(58,527,409)	(319,540)	34,835,128
Net loss	0	0	0	(2,874,864)	0	(2,874,864)
Other comprehensive loss	0	0	0	0	(2,401)	(2,401)
Exercise of stock options issued to employees	45,000	5	1,150	0	0	1,155
Stock-based compensation expense	0	0	27,015	0	0	27,015
Balances at September 30, 2021	177,798,504	17,780	93,692,467	(61,402,273)	(321,941)	31,986,033

Nine months ended September 30, 2021

	Ordinary shares		Additional Paid-in Capital	Accumulated Deficit	Other comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
		A$	A$	A$	A$	A$
Balances at January 1, 2021	177,611,854	17,761	93,570,030	(55,317,296)	(293,071)	37,977,424
Net loss	0	0	0	(6,084,977)	0	(6,084,977)
Other comprehensive loss	0	0	0	0	(28,870)	(28,870)
Exercise of stock options issued to employees	186,650	19	65,811	0	0	65,830
Stock-based compensation expense	0	0	56,626	0	0	56,626
Balances at September 30, 2021	177,798,504	17,780	93,692,467	(61,402,273)	(321,941)	31,986,033

See accompanying Notes to Consolidated Condensed Financial Statements.

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Universal Biosensors, Inc.

Consolidated Condensed Statements of Changes in Stockholders' Equity and Comprehensive Income/(Loss) (Unaudited)

Three Months Ended September 30, 2020

	Ordinary shares		Additional Paid-in Capital	Accumulated Deficit	Other comprehensive Income/(Loss)	Total Stockholders' Equity
	Shares	Amount				
		A$	A$	A$	A$	A$
Balances at July 1, 2020	177,571,854	17,757	93,515,034	(52,202,374)	(320,481)	41,009,936
Net loss	0	0	0	(2,101,372)	0	(2,101,372)
Other comprehensive income	0	0	0	0	8,250	8,250
Stock-based compensation expense	0	0	55,000	0	0	55,000
Balances at September 30, 2020	177,571,854	17,757	93,570,034	(54,303,746)	(312,231)	38,971,814

Nine months ended September 30, 2020

	Ordinary shares		Additional Paid-in Capital	Accumulated Deficit	Other comprehensive Income/(Loss)	Total Stockholders' Equity
	Shares	Amount				
		A$	A$	A$	A$	A$
Balances at January 1, 2020	177,571,854	17,757	93,396,802	(47,679,272)	(341,742)	45,393,545
Net loss	0	0	0	(6,624,474)	0	(6,624,474)
Other comprehensive income	0	0	0	0	29,511	29,511
Stock-based compensation expense	0	0	173,232	0	0	173,232
Balances at September 30, 2020	177,571,854	17,757	93,570,034	(54,303,746)	(312,231)	38,971,814

See accompanying Notes to Consolidated Condensed Financial Statements.

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Universal Biosensors, Inc.

Consolidated Condensed Statements of Cash Flows (Unaudited)

	Nine months ended September 30	
	2021	2020
	A$	A$
Cash flows from operating activities:		
Net loss	(6,084,977)	(6,624,474)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	1,899,692	1,842,693
Stock-based payment expense	56,626	173,232
Gain on fixed assets disposal	0	(45)
Unrealized foreign exchange gains	(513,215)	(42,182)
Change in assets and liabilities:		
Inventories	(163,924)	(955,446)
Accounts receivable	(495,691)	(56,463)
Prepayment and other assets	(3,260,522)	(1,893,250)
Other non-current assets	(88,299)	0
Contract liabilities	(1,351,218)	(925,886)
Employee entitlements	132,163	6,281
Accounts payable and accrued expenses	456,305	(147,465)
Net cash used in operating activities	(9,413,060)	(8,623,005)
Cash flows from investing activities:		
Proceeds from sale of property, plant and equipment	0	45
Purchases of property, plant and equipment	(475,850)	(258,413)
Net cash used in investing activities	(475,850)	(258,368)
Cash flows from financing activities:		
Proceeds from borrowings	20,496	43,644
Proceeds from exercise of stock options issued to employees	65,811	0
Net cash provided by financing activities	86,307	43,644
Net decrease in cash, cash equivalents and restricted cash	(9,802,603)	(8,837,729)
Cash, cash equivalents and restricted cash at beginning of period	28,055,120	37,192,907
Effect of exchange rate fluctuations on the balances of cash held in foreign currencies	446,853	39,282
Cash, cash equivalents and restricted cash at end of period	18,699,370	28,394,460

See accompanying Notes to Consolidated Condensed Financial Statements.

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Universal Biosensors, Inc.

Notes to Consolidated Condensed Financial Statements (Unaudited)

1. Our Business

We are a specialist biosensors company focused on commercializing a range of biosensors in oenology (wine industry), human health including oncology, coagulation, women's health and fertility, veterinarian and environmental testing using our patented platform technology and hand-held point of use devices.

Key recent updates to our Company include:

In March 2021 the Company successfully launched its new product, the Sentia™ ("Sentia") hand-held wine analyzer. Sentia measures free SO_2 levels in post-fermentation wine and other analytical tests including Malic Acid, Glucose and Fructose, are planned to be commercialized during the next three months. Additionally, analytical tests including Acetic and Total Acid are in development and are planned to be commercialized during 2022.

Since the Sentia product launch, the Company has entered into Distribution Agreements with Companies to distribute or has sold Sentia devices and strips in Australia, the USA, Italy, Germany, Spain, Portugal, Switzerland, New Zealand, South Africa, Canada and Chile.

Subsequent to September 30, 2021, the Company entered into a three-year Distribution Agreement with French Company, Vivelys SAS which is a part of the Oeneo Group, for the distribution of our Sentia products. Vivelys is a leader in the wine industry in France and more broadly around the world. The Oeneo Group has more than 10,000 customers worldwide.

During 2021, the Company commenced the direct distribution of Xprecia Stride™ in global markets and continues to invest in the development of a new point-of-care coagulation device.

The Company is making good progress and has 13 Distribution Agreements with companies located in Czech Republic, Chile, Switzerland, Malaysia, Romania, Macedonia, Germany, Poland, Slovenia, Serbia and Albania to distribute Xprecia Stride™, in addition to an Agreement with Siemens, who distributes Xprecia Stride™ in global markets.

In September 2021, the Company entered into agreements with the Peter MacCallum Cancer Centre (Peter Mac), the Victorian Cancer Biobank (part of Cancer Council Victoria) and the internationally recognized Centre for Cooperative Research in Bioscience, CIC bioGUNE – BRTA (together with its clinical partner Basurto University Hospital, Spain) to commence development clinical trials with the Tn Antigen biosensor. Results are expected during Q1 2022.

During December 2020, the Company entered into a global exclusive license agreement with LifeScan Global Corporation to develop a blood glucose biosensor to be used for the detection and monitoring of diabetes in non-humans.

UBI has won several new contracts during 2021 in the coagulation testing services space and recorded its largest ever quarter for revenue in the three months ended September 30, 2021.

Key aspects of our strategy for increasing shareholder value and our plan of operations over the remainder of the fiscal year ending December 2021 include:

- finalize development clinical trials for Tn Antigen;
- develop new applications for our technology platform in markets with commercial potential;
- enter into collaborative, strategic or distribution arrangements with industry participants with respect to the development and commercialization of our products;
- manufacture products;
- provide the necessary post-market support for our customers and partners;
- provide laboratory services for our customers and partners; and
- identify, investigate and evaluate merger and acquisition opportunities.

2. Certain Uncertainties

Depending on the duration of the COVID-19 crisis and continued negative impacts on economic activity, the Company may experience negative impacts in 2021 which cannot be predicted.

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3. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP") and with the instructions to Form 10-Q and Article 10 of Regulation S-X for interim financial information. Accordingly, they do not include all information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of the Company's management, the consolidated condensed financial statements reflect all adjustments, which are normal and recurring in nature, necessary for fair financial statement presentation. Operating results for the nine months ended September 30, 2021 are not necessarily indicative of the results that may be expected for the year ending December 31, 2021. These consolidated condensed financial statements and accompanying notes should be read in conjunction with the Company's annual consolidated financial statements and accompanying notes included in its Annual Report on Form 10-K for the year ended December 31, 2020 (the "2020 Form 10-K" or "Annual Report") filed with the U.S. Securities and Exchange Commission (the "SEC") on February 24, 2021. The year-end consolidated condensed balance sheets data as at December 31, 2020 was derived from audited financial statements but does not include all disclosures required by U.S. GAAP.

Principles of Consolidation

The consolidated condensed financial statements include the financial statements of the Company and its wholly owned subsidiaries, UBS, UBS LLC, HRL and UBS BV. All intercompany balances and transactions have been eliminated on consolidation.

Use of Estimates

The preparation of the consolidated condensed financial statements requires management of the Company to make a number of estimates and assumptions relating to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated condensed financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the recognition of revenue, initial recognition of intangible assets, carrying value of intangible assets and their useful lives, carrying amount of property, plant and equipment, carrying value of inventory, deferred income taxes, asset retirement obligations, liabilities related to employee benefits, lease obligations, research and development tax incentive income and stock-based compensation expenses. Actual results could differ from those estimates.

Recent Accounting Pronouncements

The Company assesses the adoption impacts of recently issued accounting standards by the Financial Accounting Standards Board on the Company's financial statements as well as material updates to previous assessments, if any, from the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020. There were no new material accounting standards issued in the fiscal first quarter of 2021 that impacted the Company.

Net Loss per Share and Anti-dilutive Securities

Basic and diluted net loss per share is presented in conformity with ASC 260 – Earnings per Share. Basic and diluted net loss per share has been computed using the weighted-average number of common shares outstanding during the period. Diluted net loss per share is calculated by adjusting the basic net loss per share by assuming all dilutive potential ordinary shares are converted.

Foreign Currency

Functional and Reporting Currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of UBI and UBS is Australian dollars ("AUD" or "A$") for all years presented. The functional currencies of UBS LLC, HRL and UBS BV are United States dollars ("US$"), Canadian dollars ("CAD$") and Euros ("€"), respectively, for all years presented.

The consolidated condensed financial statements are presented using a reporting currency of Australian dollars.

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Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated condensed statements of comprehensive income/(loss).

The results and financial position of all the Group entities that have a functional currency different from the reporting currency are translated into the reporting currency as follows:

- assets and liabilities for each balance sheet item reported are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement item reported are translated at average exchange rates (unless this is not a reasonable approximation of the effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are taken to the Accumulated Other Comprehensive Income/(Loss).

Fair Value of Financial Instruments

The carrying value of all current assets and current liabilities approximates fair value because of their short-term nature. The estimated fair value of all other amounts has been determined, depending on the nature and complexity of the assets or the liability, by using one or all of the following approaches:

- Market approach – based on market prices and other information from market transactions involving identical or comparable assets or liabilities.
- Cost approach – based on the cost to acquire or construct comparable assets less an allowance for functional and/or economic obsolescence.
- Income approach – based on the present value of a future stream of net cash flows.

These fair value methodologies depend on the following types of inputs:

- Quoted prices for identical assets or liabilities in active markets (Level 1 inputs).
- Quoted prices for similar assets or liabilities in active markets or quoted prices for identical or similar assets or liabilities in markets that are not active or are directly or indirectly observable (Level 2 inputs).
- Unobservable inputs that reflect estimates and assumptions (Level 3 inputs).

Concentration of Credit Risk and Other Risks and Uncertainties

Cash, cash equivalents and restricted cash and accounts receivable consist of financial instruments that potentially subject the Company to concentration of credit risk to the extent of the amount recorded on the consolidated condensed balance sheets. The Company's cash, cash equivalents and restricted cash are primarily invested with one of Australia's largest banks. The Company is exposed to credit risk in the event of default by the banks holding the cash, cash equivalents and restricted cash to the extent of the amount recorded on the consolidated condensed balance sheets. The Company has not experienced any losses on its deposits of cash, cash equivalents and restricted cash. The Company has not identified any collectability issues with respect to receivables.

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Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments purchased with an initial maturity of three months or less to be cash equivalents. For cash and cash equivalents, the carrying amount approximates fair value due to the short maturity of those instruments.

The Company maintains cash and restricted cash, which includes performance guarantee issued in favor of a customer, tenant security deposits and credit card security deposits.

Inventory

Inventories are stated at the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to dispose. Inventories are principally determined under the average cost method which approximates cost. Cost comprises direct materials, direct labour and an appropriate portion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of purchased inventory are determined after deducting rebates and discounts. The Company recognizes inventory on the condensed consolidated balance sheet when they have concluded that the substantial risks and rewards of ownership, as well as the control of the asset, have been transferred.

Receivables

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the best estimate of the amount of probable credit losses in the existing accounts receivable. The allowance is determined based on a review of individual accounts for collectability, generally focusing on those accounts that are past due. The expense to adjust the allowance for doubtful accounts, if any, is recorded within selling, general and administrative expenses in the consolidated condensed statements of comprehensive income/(loss). Account balances are charged against the allowance when it is probable the receivable will not be recovered.

Prepayments

Prepaid expenses represent expenditures that have not yet been recorded by the Company as an expense, but have been paid for in advance. The Company’s prepayments are primarily represented by insurance premiums paid annually in advance and fees partially paid in advance in relation to the development activities being carried out for the biosensor test used for the detection and monitoring of diabetes in non-humans.

Other Current Assets

The Company’s other current assets is primarily represented by the estimated receivable in relation to the research and development tax incentive income.

Property, Plant and Equipment

Property, plant and equipment are recorded at acquisition cost, less accumulated depreciation.

Depreciation on plant and equipment is calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful life of machinery and equipment is 3 to 10 years. Leasehold improvements are amortized on the straight-line method over the shorter of the remaining lease term or estimated useful life of the asset. Maintenance and repairs that do not extend the life of the asset are charged to operations as incurred, include normal services and do not include items of a capital nature.

Impairment of Long-Lived Assets

The Company reviews its capital assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. In performing the review, the Company estimates undiscounted cash flows from products under development that are covered by these patents and licenses. An impairment loss is recognized when estimated undiscounted future cash flows expected to result from the use of the asset and its eventual disposition is less than the carrying amount of the asset. If the evaluation indicates that the carrying value of an asset is not recoverable from its undiscounted cash flows, an impairment loss is measured by comparing the carrying value of the asset to its fair value, based on discounted cash flows.

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Intangible Assets

The intangible assets, having finite useful lives, are amortized over their estimated useful lives. Finite life intangible assets are amortized over the shorter of their contractual or useful economic lives. The intangible assets comprise of distribution rights and are amortized on a straight-line basis over 10 years.

Impairment of Intangible Assets

Intangible assets with an indefinite life are tested for impairment at least annually and when there is an indication of impairment.

Australian Goods and Services Tax ("GST") and Canadian Harmonized Sales Tax ("HST")

Revenues, expenses and assets are recognized net of the amount of associated GST and HST, unless the GST and HST incurred is not recoverable from the taxation authority. In this case it is recognized as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST and HST receivable or payable. The net amount of GST and HST recoverable from, or payable to, the taxation authority is included with other current assets or accrued expenses in the consolidated condensed balance sheets dependent on whether the balance owed to the taxation authorities is in a net receivable or payable position.

Leases

On January 1, 2020, the Company adopted the requirements of Accounting Standards Update ("ASU") No. 2016-02, "Leases (Topic 842)" ("ASU No. 2016-02"), using the modified retrospective method and used the effective date as the date of initial application. As a result of this adoption, the following accounting policies were implemented or changed.

At contract inception, the Company determines if the new contractual arrangement is a lease or contains a leasing arrangement. If a contract contains a lease, the Company evaluates whether it should be classified as an operating or a finance lease. Currently, all of the Company's leases have been classified as operating leases. Upon modification of the contract, the Company will reassess to determine if a contract is or contains a leasing arrangement.

The Company records lease liabilities based on the future estimated cash payments discounted over the lease term, defined as the non-cancellable time period of the lease, together with all the following:

- periods covered by an option to extend the lease if the Company is reasonably certain to exercise the extension option; and
- periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise the termination option.

Leases may also include options to terminate the arrangement or options to purchase the underlying lease property. The Company does not separate lease and non-lease components of contracts. Lease components provide the Company with the right to use an identified asset, which consist of the Company's real estate properties and office equipment. Non-lease components consist primarily of maintenance services.

As an implicit discount rate is not readily determinable in the Company's lease agreements, the Company uses its estimated secured incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future lease payments. For certain leases with original terms of 12 months or less, the Company recognizes lease expense as incurred and does not recognize any lease liabilities. Short-term and long-term portions of operating lease liabilities are classified as lease liabilities in the Company's consolidated condensed balance sheets.

A right-of-use ("ROU") asset is measured as the amount of the lease liability with adjustments, if applicable, for lease incentives, initial direct costs incurred by the Company and lease prepayments made prior to or at lease commencement. ROU assets are classified as operating lease right-of-use assets, net of accumulated amortization, on the Company's consolidated condensed balance sheets. The Company evaluates the carrying value of ROU assets if there are indicators of potential impairment and performs the analysis concurrent with the review of the recoverability of the related asset group. If the carrying value of the asset group is determined to not be fully recoverable and is in excess of its estimated fair value, the Company will record an impairment loss in its consolidated condensed statements of income and comprehensive income/(loss).

Lease payments may be fixed or variable, however, only fixed payments or in-substance fixed payments are included in the Company's lease liability calculation. Variable lease payments are recognized in operating expenses in the period in which the obligation for those payments are incurred.

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As part of the adoption of ASU No. 2016-02, the Company elected the following practical expedients:

1) lease vs. non-lease components relating to the real estate asset class;
2) the short-term lease exemption; and
3) the package of practical expedients, which permits the Company to not reassess prior conclusions about lease identification, lease classification and initial direct costs under the new standard. In addition, the Company elected not to adopt the practical expedient related to hindsight.

Asset Retirement Obligations

Asset retirement obligations ("ARO") are legal obligations associated with the retirement and removal of long-lived assets. ASC 410 – Asset Retirement and Environmental Obligations requires entities to record the fair value of a liability for an asset retirement obligation when it is incurred. When the liability is initially recorded, the Company capitalizes the cost by increasing the carrying amounts of the related property, plant and equipment. Over time, the liability increases for the change in its present value, while the capitalized cost depreciates over the useful life of the asset. The Company derecognizes ARO liabilities when the related obligations are settled.

The ARO is in relation to our premises where in accordance with the terms of the lease, the lessee has to restore part of the building upon vacating the premises.

Warrants

Pursuant to a lending agreement dated December 19, 2013, UBI issued warrants entitling the holder to purchase up to an aggregate total of 4,500,000 shares of UBI's common stock in the form of CDIs at a price of A$1.00 per share. The warrants had a term of seven years and were not exercised by the holder and have now lapsed.

Revenue Recognition

The Group recognizes revenue predominantly from the sale of coagulation and wine testing devices and the provision of coagulation testing services based on the provisions of ASC 606 Revenue from Contracts with Customers. In accordance with this provision, to determine whether to recognize revenue, the Group follows a five-step process:

a) Identifying the contract with a customer;
b) Identifying the performance obligations within the customer contract;
c) Determining the transaction price;
d) Allocating the transaction price to the performance obligation; and
e) Recognizing revenue when/as performance obligations are satisfied.

Nature of goods and services

The following is a description of products and services from which the Company generates its revenue.

Products and services	*Nature, timing of satisfaction of performance obligations and significant payment terms*
Coagulation testing products	Our point-of-care coagulation testing products use electrochemical cell to measure Prothrombin Time (PT/INR), a test used to monitor the effect of the anticoagulant therapy warfarin. The performance obligation for the sale of these products is satisfied at a point-in-time when the Company transfers control of the products to its customer. The point of transfer of control of the products is dictated by individual terms contained within a customer agreement, as are the payment terms. The transaction price is fixed.
Coagulation testing services	HRL provides non-diagnostic laboratory services and performs coagulation testing services on behalf of customers. The performance obligation for the services is satisfied when the testing has been finalized and results have been reported to the customer. In some cases, the performance obligations will be satisfied as predetermined milestones have been achieved by the Company. Standard payment terms are generally 30-60 days upon invoice date. The transaction price is fixed.
Wine testing products	Our Sentia wine analyzer is used to measure free SO_2 levels in post-fermentation wine. The performance obligation for the sale of this product is satisfied at a point-in-time when the Company transfers control of the products to its customer. The point of transfer of control of the products is dictated by the individual terms contained within a customer agreement, as are the individual payment terms. The transaction price is fixed.

See Note 11 to the Consolidated Condensed Financial Statements for a disaggregation of revenue.

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Interest Income

Interest income is recognized as it accrues, taking into account the effective yield and consists primarily of interest earned on cash, cash equivalents and restricted cash in interest-bearing accounts.

Research and Development Tax Incentive Income

Research and development tax incentive income is recognized when there is reasonable assurance that the income will be received, the relevant expenditure has been incurred and the consideration can be reliably measured.

The research and development tax incentive is one of the key elements of the Australian Government's support for Australia's innovation system and is supported by legislative law primarily in the form of the Australian Income Tax Assessment Act 1997 as long as eligibility criteria are met. Subject to meeting a number of conditions, an entity which is an R&D entity involved in eligible R&D activities may claim research and development tax incentive income as follows:

(1) as a 43.5% refundable tax offset if aggregate turnover (which generally means an entity's total income that it derives in the ordinary course of carrying on a business, subject to certain exclusions) of the entity is less than A$20,000,000, or

(2) as a 38.5% non-refundable tax offset if aggregate turnover of the entity is more than A$20,000,000.

In accordance with SEC Regulation S-X Article 5-03, the Company's research and development tax incentive income has been recognized as non-operating income as it is not indicative of the core operating activities or revenue producing goals of the Company.

Management has assessed the Company's R&D activities and expenditures to determine which activities and expenditures are likely to be eligible under the tax incentive regime described above. At each period end management estimates the refundable tax offset available to the Company based on available information at the time. This estimate is also reviewed by external tax advisors on an annual basis.

In the nine months ended September 30, 2021 there is reasonable assurance that the aggregate turnover of the Company for the year ending December 31, 2021 will be less than A$20,000,000 and accordingly an estimated A$1,078,895 and A$2,339,180 has been recorded as a research and development tax incentive income for the three and nine month periods ended September 30, 2021. The Company will review its forecasted aggregate turnover on a quarterly basis to determine if the R&D tax offsets are refundable or captured as part of the current year income tax computation.

Federal and State Government Subsidies

In response to the COVID-19 pandemic, governments in the countries in which we operate implemented government assistance measures to assist in mitigating some of the impact of the pandemic on our results and liquidity. To the extent appropriate, we applied for such government grants in Australia and Canada and recognize the grants at their fair value as other income when there is reasonable assurance that we have complied with all conditions attached to them.

Research and Development Expenditure

R&D expenses consist of costs incurred to further the Company's research and product development activities and include salaries and related employee benefits, costs associated with clinical trial and preclinical development, regulatory activities, research-related overhead expenses, costs associated with the manufacture of clinical trial material, costs associated with developing a commercial manufacturing process, costs for consultants and related contract research, facility costs and depreciation. R&D costs are expensed as incurred.

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Clinical Trial Expenses

Clinical trial costs are a component of R&D expenses. These expenses include fees paid to participating hospitals and other service providers, which conduct certain testing activities on behalf of the Company. Depending on the timing of payments to the service providers and the level of service provided, the Company records prepaid or accrued expenses relating to these costs.

Stock-based Compensation

We measure stock-based compensation at grant date, based on the estimated fair value of the award and recognize the cost as an expense on a straight-line basis over the vesting period of the award. We estimate the fair value of stock options and performance rights using the Trinomial Lattice model. We also grant our employees Restricted Stock Units ("RSUs") and Zero Priced Employee Options ("ZEPOs"). RSUs are stock awards granted to employees that entitle the holder to shares of common stock as the award vests. ZEPOs are stock options granted to employees that entitle the holder to shares of common stock as the award vests. The value of RSUs are determined and fixed on the grant date based on the Company's stock price. The exercise price of ZEPOs is nil.

We record deferred tax assets for awards that will result in deductions on our income tax returns, based on the amount of compensation cost recognized and our statutory tax rate in the jurisdiction in which we will receive a deduction. Differences between the deferred tax assets recognized for financial reporting purposes and the actual tax deduction reported in our income tax return are recorded in expense or in capital in excess of par value if the tax deduction exceeds the deferred tax assets or to the extent that previously recognized credits to paid-in-capital are still available if the tax deduction is less than the deferred tax asset.

Employee Benefit Costs

For all periods shown ending on or before June 30, 2021, the Company contributed 9.50% of each employee's salary to standard defined contribution superannuation funds on behalf of all eligible UBS employees. For the period commencing July 1, 2021, in line with legislative updates, the rate increased to 10%. Superannuation is a compulsory savings program whereby employers are required to pay a portion of an employee's remuneration to an approved superannuation fund that the employee is typically not able to access until they have reached the statutory retirement age. Whilst the Company has a third party default superannuation fund, it permits UBS employees to choose an approved and registered superannuation fund into which the contributions are paid. Contributions are charged to the consolidated condensed statements of comprehensive income/(loss) as the expense is incurred.

Registered Retirement Savings Plan and Deferred Sharing Profit Plan

The Company provides eligible HRL employees a retirement plan. The retirement plan includes a Registered Retirement Savings Plan ("RRSP") and Deferred Profit Sharing Plan ("DPSP"). The RRSP is voluntary and the employee contributions are matched by the Company up to a maximum of 5% based on their continuous years of service and placed into the RRSP. The Company contributes 1% to 2% of the employee's base earnings towards the DPSP. The DPSP contributions are vested immediately.

Benefit Plan

The Company provides eligible HRL employees a Benefit Plan. In general, the Benefit Plan includes extended health care, dental care, basic life insurance, basic accidental death and dismemberment and disability insurance.

Income Taxes

The Company applies ASC 740 - Income Taxes which establishes financial accounting and reporting standards for the effects of income taxes that result from a Company's activities during the current and preceding years. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Where it is more likely than not that some portion or all of the deferred tax assets will not be realized, the deferred tax assets are reduced by a valuation allowance. The valuation allowance is sufficient to reduce the deferred tax assets to the amount that is more likely than not to be realized.

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Pursuant to the U.S. tax reform rules, UBI is subject to regulations addressing Global Intangible Low-Taxed Income ("GILTI"). The GILTI rules are provisions of the U.S. tax code enacted as a part of tax reform legislation in the U.S. passed in December 2017. Mechanically, the GILTI rule functions as a global minimum tax for all U.S. shareholders of controlled foreign corporations ("CFCs") and applies broadly to certain income generated by a CFC. The Company can make an accounting policy election to either: (1) treat GILTI as a period cost if and when incurred; or (2) recognize deferred taxes for basis differences that are expected to reverse as GILTI in future years. The Company has elected to treat GILTI as a period cost.

We are subject to income taxes in Australia, Canada, the Netherlands and the United States. Tax returns up to and including the 2020 financial years have been filed in Australia, Canada and the United States for UBI (Australian consolidated group), HRL and UBI (US parent entity).

4. Cash, cash equivalents and restricted cash

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated condensed balance sheets that sum to the total of the same such amounts shown in the consolidated condensed statements of cash flows.

	September 30, 2021	December 31, 2020
	A$	A$
Cash and cash equivalents	15,405,658	23,561,807
Restricted cash – current assets	1,982,475	2,174,806
Restricted cash – non-current assets	1,311,237	2,318,507
	18,699,370	28,055,120

Restricted cash maintained by the Company in the form of term deposits is as follows:

	September 30, 2021	December 31, 2020
	A$	A$
Performance guarantee (a) - current assets	1,982,475	2,174,806
Collateral for facilities (b) - non-current assets	320,000	320,000
Performance guarantee (a) - non-current assets	991,237	1,998,507
	3,293,712	4,493,313

(a) Performance guarantee represents letter of credit issued in favour of Siemens pursuant to the 2019 Siemens Agreements. The performance guarantee was initially issued for US$5,000,000 and the same reduces in equal quarterly amounts over the 42 months with effect from September 18, 2019.

(b) Collateral for facilities represents bank guarantee of A$250,000 for commercial lease of UBS' premises and security deposit on Company's credit cards of A$70,000.

Interest earned on the restricted cash for the three months ended September 30, 2021 and 2020 was A$966 and A$1,081, respectively and A$8,248 and A$42,334 for the nine months ended September 30, 2021 and 2020, respectively.

5. Inventories

	September 30, 2021	December 31, 2020
	A$	A$
Raw materials	1,126,485	761,279
Work in progress	424,034	640,885
Finished goods	493,258	477,689
	2,043,777	1,879,853

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6. Receivables

	September 30, 2021	December 31, 2020
	A$	A$
Accounts receivable	588,344	73,073
Allowance for doubtful accounts	0	0
	588,344	73,073

7. Leases

The Company's lease portfolio consists primarily of operating leases for office space and equipment with contractual terms expiring from November 2021 to December 2025. Lease contracts may include one or more renewal options that allow the Company to extend the lease term, typically from three years per each renewal option. The exercise of lease options is generally at the discretion of the Company. None of the Company's leases contain residual value guarantees, substantial restrictions, or covenants. The Company's leases are substantially within Australia.

	September 30, 2021	December 31, 2020
	A$	A$
Operating lease right-of-use assets:		
Non-current	2,195,387	4,024,962
Operating lease liabilities:		
Current	521,996	524,844
Non-current	1,816,545	3,594,531
Weighted average remaining lease terms (in years)	4.2	7.0
Weighted average discount rate	5.0%	6.0%

The components of lease income/expense were as follows:

	Nine months ended September 30,	
	2021	2020
	A$	A$
Fixed payment operating lease expense	539,769	563,169
Short-term lease expense	0	75,716
Sub-lease income	127,837	141,734

The sub-lease income was deemed an operating lease.

Supplemental cash flow information related to the Company's leases was as follows:

	Nine months ended September 30,	
	2021	2020
	A$	A$
Operating cash outflows from operating leases	491,963	488,382

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Future lease payments are as follows:

	As at September 30, 2021
	A$
2021	177,338
2022	598,564
2023	594,392
2024	608,443
2025	623,654
Thereafter	0
Total future lease payments	2,602,391
Less: imputed interest	263,850
Total operating lease liabilities	2,338,541
Current	521,996
Non-current	1,816,545

On January 1, 2021, the lease for 1 Corporate Avenue was terminated and a new lease entered into simultaneously. The lease expires on December 31, 2025 with an option to renew the lease for two further terms of five years each. The renewal option periods have not been included in the lease term as the Company is not reasonably certain that they will be exercised.

On June 28, 2021, HRL entered into a premises lease, which has not yet commenced, with a ten-year contractual period ending in February 2032 and the Company is making arrangements to relocate the operation. The lease does not include an option to renew the lease for a further term.

As of September 30, 2021, the Company has not entered into any other lease agreements that have not yet commenced.

8. Contingent Consideration

Pursuant to the Siemens Acquisition and the agreement dated September 2019, the Company has agreed to pay US$1,500,000 to Siemens within five days of Siemens achieving a pre-defined milestone. The Company has the discretion of advising Siemens when the milestone is to be achieved but from the date notification is sent by the Company, Siemens has 90 days to fulfill this milestone. Notification has not yet been issued to Siemens. Once the milestone is achieved, it will enable the Company to use Siemens proprietary reagent which will allow the Company to access markets in certain jurisdictions.

9. Other Liabilities

Other liabilities represents a marketing support payment due to one of our partners and is payable in US dollars. The balance will be paid once supporting documentation has been provided to the Company.

10. Borrowings

The long-term unsecured loan is a government guaranteed loan called Canada Emergency Business Account (CEBA) of CAD$60,000 to help eligible businesses with operating costs. This is among the business support measures introduced in the Canadian Federal Government's COVID-19 Economic Response Plan, with the following terms:

- the loan is interest-free and no principal repayment is required before December 31, 2022;
- if the Company chooses to repay at least CAD$40,000 of the loan by December 31, 2022, the remaining balance will be forgiven;
- if the loan is not repaid by the above mentioned date, it will be converted into a 3-year term loan and will be charged an interest rate of 5% per annum. Interest-only payments are required each month; and
- at the end of the 3-year term, the entire balance of the loan is due for repayment by December 31, 2025.

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11. Revenue

Disaggregation of Revenue

In the following table, revenue is disaggregated by major product and service lines and timing of revenue recognition.

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Major product/service lines				
Coagulation testing products	365,984	188,595	2,358,181	1,018,454
Coagulation testing services	568,525	223,288	1,389,365	456,875
Wine testing products	224,437	0	803,288	0
	1,158,946	411,883	4,550,834	1,475,329
Timing of revenue recognition				
Products and services transferred at a point in time	1,158,946	411,883	4,550,834	1,475,329
	1,158,946	411,883	4,550,834	1,475,329

Contract Balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	September 30, 2021	September 30, 2020
	A$	A$
Receivables	588,344	173,089
Contract liabilities	108,012	3,178,198

The Company's contract liabilities represent the Company's obligation to transfer products to customers for which the Company has received consideration from customers, but the transfer has not yet been completed.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows:

	Nine months ended September 30,	
	2021	2020
	A$	A$
Contract Liabilities - Current		
Opening balance	1,628,426	2,682,404
Closing balance	108,012	3,178,198
Net increase/(decrease)	(1,520,414)	495,794
Contract Liabilities - Non-Current		
Opening balance	0	1,421,680
Closing balance	0	0
Net increase/(decrease)	0	(1,421,680)

The Company expects all of the Company's contract liabilities to be realized by December 31, 2021.

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12. Other Income

Other income is recognized when there is reasonable assurance that the income will be received and the consideration can be reliably measured.

Other income is as follows for the relevant periods:

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Insurance recovery	0	0	2,262	600,000
Federal and state government subsidies	0	374,491	153,001	876,317
Rental income	35,182	49,600	127,837	141,734
Other income	0	142	135,071	1,155
	35,182	424,233	418,171	1,619,206

Insurance recovery for the nine months ended September 30, 2020 represents A$600,000 as partial reimbursement of our legal costs which was incurred during mediation with Siemens.

Federal and state government subsidies which primarily include Australian JobKeeper payments and Canada Emergency Wage Subsidy, represent assistance provided by government authorities as a stimulus during COVID-19. The Company was ineligible to receive Australian JobKeeper payments in relation to the 2021 financial year.

13. Total Comprehensive Income/(Loss)

The Company follows ASC 220 – Comprehensive Income. Comprehensive income/(loss) is defined as the total change in shareholders' equity during the period other than from transactions with shareholders and for the Company, includes net income/(loss).

The tax effect allocated to each component of other comprehensive income/(loss) is as follows:

	Before-Tax Amount	Tax (Expense)/ Benefit	Net-of-Tax Amount
	A$	A$	A$
Nine months ended September 30, 2021			
Foreign currency translation reserve	(28,870)	0	(28,870)
Reclassification for gains realized in net income/(loss)	0	0	0
Other comprehensive loss	0	0	0
	(28,870)	0	(28,870)
Nine months ended September 30, 2020			
Foreign currency translation reserve	29,511	0	29,511
Reclassification for gains realized in net income/(loss)	0	0	0
Other comprehensive income	0	0	0
	29,511	0	29,511

14. Related Party Transactions

Details of related party transactions material to the operations of the Group other than compensation arrangements, expense allowances and other similar items in the ordinary course of business, are set out below:

Mr. Coleman is a Non-Executive Chairman of the Company and Executive Chairman of Viburnum Funds Pty Ltd. Viburnum Funds Pty Ltd, as an investment manager for its associated funds, holds a beneficial interest and voting power over approximately 15% of our shares.

There were no material related party transactions or balances as at September 30, 2021 other than as disclosed above.

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15. Commitments and Contingencies

Liabilities for loss contingencies, arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. These were nil as at September 30, 2021 and December 31, 2020. Purchase commitments contracted for as at September 30, 2021 and December 31, 2020 were A$881,134 and A$369,779 respectively.

Refer to note 8 for details of the Company's Contingent Consideration.

16. Segment Information

We operate in one segment. We are a specialist biosensors Company focused on the development, manufacture and commercialization of a range of point of use devices for measuring different analytes across different industries.

We operate predominantly in one geographical area, being Australia.

The Company's material long-lived assets are predominantly based in Australia.

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Item 2 Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information that we believe is relevant to an assessment and understanding of our results of operations and financial condition. You should read this analysis in conjunction with our audited consolidated financial statements and related footnotes and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our most recent Annual Report on Form 10-K filed with the United States Securities and Exchange Commission ("SEC"). This Form 10-Q contains, including this discussion and analysis, certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") which are intended to be covered by the safe harbors created by such acts. For this purpose, any statements that are not statements of historical fact may be deemed to be forward-looking statements, including statements relating to future events and our future financial performance. Those statements in this Form 10-Q containing the words "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "future", "illustration", "intends", "may", "plans", "predicts", "will", "would" and similar expressions constitute forward-looking statements, although not all forward-looking statements contain such identifying words.

The forward-looking statements contained in this Form 10-Q are based on our current expectations, assumptions, estimates and projections about the Company and its businesses. All such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from those results expressed or implied by these forward-looking statements, including those set forth in this Quarterly Report on Form 10-Q. The Company assumes no obligation to revise or update any forward-looking statements for any reason, except as required by law.

Results of Operations

Analysis of Consolidated Revenue

Our total revenue increased by 181% and 208% during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year as explained further below.

Revenue from Products

The financial results of the coagulation testing products and wine testing products we sold during the respective periods are as follows:

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Revenue from products	590,421	188,595	3,161,469	1,018,454
Cost of goods sold	(364,667)	(156,728)	(1,771,044)	(901,359)
Gross profit	225,754	31,867	1,390,425	117,095
Gross profit margin	38%	17%	44%	11%

The movements in revenues during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year are primarily driven by volume increases.

Coagulation testing product sales increased by 132% during the nine months ended September 30, 2021, compared to the same period in the previous financial year due primarily to higher net sales from an existing customer and sales to new customers in the global market. Coagulation testing product sales increased by 94% during the three months ended September 30, 2021, compared to the same period in the previous financial year due primarily to sales to new customers in the global market.

The Company benefited from a new revenue stream in 2021 following the successful global launch of our Sentia, Free Sulphur Dioxide wine testing product.

Products gross margin increased during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year due primarily to higher products volume, a different product mix and an increase in throughput.

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Revenue from Services

The financial results of the coagulation testing services we provided during the respective periods are as follows:

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Coagulation testing services	568,525	223,288	1,389,365	456,875
Cost of services	(321,819)	(199,522)	(941,928)	(648,666)
Gross profit/(loss)	246,706	23,766	447,437	(191,791)
Gross profit/(loss) margin	43%	11%	32%	(42%)

Our revenue from coagulation testing services increased by 155% and 204% during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year. The primary reasons for the increase in revenues and subsequently the gross margins are as follows:

- HRL's operations were temporarily shut down during March to May 2020 which impacted its ability to generate revenue during this period. In comparison, HRL's operations have been operational during 2021; and
- HRL entered into new contracts during 2021, including a contract with Bayer Inc.

Adjusted EBITDA

Adjusted EBITDA is earnings before interest, taxes, depreciation, amortization and accretion of asset retirement obligations. EBITDA is a non-GAAP measurement. Management uses Adjusted EBITDA because it believes that such measurements are widely accepted financial indicators used by investors and analysts to analyze and compare companies on the basis of operating performance and that these measurements may be used by investors to make informed investment decisions, including our ability to generate earnings sufficient to service our debt and enhances our understanding of our financial performance and highlights operational trends. These measures are not in accordance with, or an alternative for, U.S. GAAP. The most comparable GAAP measure is net earnings from continuing operations. Consolidated adjusted EBITDA should not be considered in isolation or as a substitution for analysis of our results as reported under GAAP.

Adjusted EBITDA for the respective periods and a reconciliation of net loss to adjusted EBITDA is as follows:

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Net loss	(2,874,864)	(2,101,372)	(6,084,977)	(6,624,474)
Interest income	(11,342)	(39,584)	(43,086)	(260,990)
Depreciation and amortization	662,717	593,521	1,899,692	1,842,693
Accretion expense	32,492	38,700	97,476	116,100
Adjusted EBITDA	(2,190,997)	(1,508,735)	(4,130,895)	(4,926,671)

The improvement in adjusted EBITDA during the nine months ended September 30, 2021, compared to the same period in the previous financial year is primarily a result of revenue growth that has resulted in a decline in the net loss between the respective periods.

The decline in adjusted EBITDA during the three months ended September 30, 2021, compared to the same period in the previous financial year is primarily a result of increased R&D expenditure that has resulted in an increase in the net loss between the respective periods.

Product Support

Product support relates to post-market technical support provided by us for the Xprecia Stride™ and Sentia test devices.

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Depreciation and Amortization Expenses

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Depreciation:				
Charged to cost of goods sold and services	111,091	45,526	274,626	157,142
Charged to other operating costs and expenses	139,188	135,557	401,201	457,203
	250,279	181,083	675,827	614,345
Amortization:				
Charged to other operating costs and expenses	412,438	412,438	1,223,865	1,228,348
Total depreciation and amortization	662,717	593,521	1,899,692	1,842,693

Depreciation of fixed assets is calculated on a straight-line basis over the useful life of property, plant and equipment. Depreciation is allocated to cost of goods sold and R&D based on output. The increase in depreciation during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year is due to depreciation charges allocated to the Sentia product launched in the 2021 financial year.

Amortization expense represents intangible assets amortized over their estimated useful lives. These intangible assets were acquired in September 2019 pursuant to the Siemens Acquisition and are being amortized on a straight-line basis over 10 years.

Research and Development Expenses

R&D expenditure principally reflects the effort required in product development of the tests we are developing.

The primary focus of the R&D activities during the first and second quarters of 2021 were developing:

- additional tests on our wine testing platform (Malic Acid, Glucose and Fructose, Acetic Acid and Total Acid);
- UBI's next generation PT-INR Coagulation platform; and
- UBI's Tn Antigen biosensor used for the detection, staging and monitoring of cancer

The Company continued to develop a biosensor strip and meter to be used for the detection and monitoring of diabetes in non-humans.

R&D expenditure increased by 114% and 40% during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year. We are undertaking development of multiple R&D projects which accounts for the increase in expenditure. Conversely, in the three and nine months ended September 30, 2020, the focus on R&D activities was on the development of our initial wine testing platform test which was launched in 2021.

The timing and cost of any development program is dependent upon a number of factors including achieving technical objectives, which are inherently uncertain and subsequent regulatory approvals. We have project plans in place for all our development programs which we use to plan, manage and assess our projects. As part of this procedure, we also undertake commercial assessments of such projects to optimize outcomes and decision making.

Additionally, R&D expenses are related to the development of new technologies and products based on the electrochemical cell platform.

The Company conducts research and development activities to build an expanding portfolio of product-based revenues and cash flows and increase the value of UBI's core technology assets. Research is focused on demonstrating technical feasibility of new technology applications. Development activity is focused on turning these technology platforms into commercial-ready products and represents the majority of the Company's R&D expenses.

R&D expenses consist of costs associated with research activities, as well as costs associated with our product development efforts, including pilot manufacturing costs. R&D expenses include:

- consultant and employee related expenses, which include consulting fees, salaries and benefits;
- materials and consumables acquired for the research and development activities;
- external research and development expenses incurred under agreements with third party organizations and universities; and
- facilities, depreciation and other allocated expenses, which include direct and allocated expenses for rent and maintenance of facilities, depreciation of leasehold improvements and equipment and laboratory and other supplies.

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Selling, General and Administrative Expenses

Selling, general and administrative expenses consist principally of salaries and related costs, including stock-based compensation expense for certain personnel. Other selling, general and administrative expenses include shipping and handling costs incurred when fulfilling customer orders, repairs and maintenance, insurance, facility costs not otherwise included in R&D expenses, consultancy fees and professional fees for legal including legal services and maintenance fees incurred for patent applications, audit and accounting services.

Selling, general and administrative expenses increased by 11% and decreased by 12% during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year.

The increase for the three months ended September 30, 2021, compared to the same period in the previous financial year was primarily a result of increased sales and marketing expenditure as we continue to expand Sentia's global customer base, increased spend on social and online media campaigns and increased investment in our coagulation and Sentia business development teams.

The decrease for the nine months ended September 30, 2021, compared to the same period in the previous financial year was primarily due to overall cost management and a reduction in external consultant fees.

Interest Income

Interest income decreased by 71% and 83% during the three and nine months ended September 30, 2021, compared to the same periods in the previous financial year. The decrease in interest income is attributable to the lower amount of funds available for investment and lower interest rates.

Financing Costs

Disclosed in this account is accretion expense which is associated with the Company's ARO.

Research and Development Tax Incentive Income

As at September 30, 2021 there is reasonable assurance that the aggregate turnover of the Company for the year ending December 31, 2021 will be less than A$20,000,000 and accordingly an estimated A$1,078,895 and A$2,339,180 has been recorded as research and development tax incentive income for the three and nine month periods ended September 30, 2021. The increase year on year for both the three and nine month periods is driven by the increase in eligible research and development expenditure incurred in the respective periods of 2021 as compared to the same periods in 2020.

Research and development tax incentive income for the 2020 financial year has not yet been received and as such is recorded in "Other current assets" in the consolidated balance sheets.

Exchange Gain/(Loss)

Foreign exchange gains and losses arise from the settlement of foreign currency transactions that are translated into the functional currency using the exchange rates prevailing at the dates of the transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies.

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Other Income

Other income is as follows for the relevant periods:

	Three Months Ended September 30		Nine months ended September 30	
	2021	2020	2021	2020
	A$	A$	A$	A$
Insurance recovery	0	0	2,262	600,000
Federal and state government subsidies	0	374,491	153,001	876,317
Rental income	35,182	49,600	127,837	141,734
Other income	-	142	135,071	1,155
	35,182	424,233	418,171	1,619,206

Insurance recovery for the nine months ended September 30, 2020 represents A$600,000 as partial reimbursement of our legal costs which was incurred during mediation with Siemens.

Federal and state government subsidies which primarily include Australian JobKeeper payments and Canada Emergency Wage Subsidy, represent assistance provided by government authorities as a stimulus during COVID-19. The Company was ineligible to receive Australian JobKeeper payments in relation to the 2021 financial year.

Certain Uncertainties

Depending on the duration of the COVID-19 crisis and continued negative impacts on economic activity, the Company may experience negative impacts in 2021 which cannot be predicted.

Critical Accounting Estimates and Judgments

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles and the Company's discussion and analysis of its financial condition and operating results require the Company's management to make judgments, assumptions and estimates that affect the amounts reported. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates and such differences may be material.

Note 3, "Summary of Significant Accounting Policies" in Item 1 of this Form 10-Q and in the Notes to consolidated financial statements in Item 3 of the 2020 Form 10-K and "Critical Accounting Estimates and Judgments" in Item 7 of the 2020 Form 10-K describe the significant accounting policies and methods used in the preparation of the Company's consolidated condensed financial statements. Other than in relation to the Company's stock-based compensation expense described below, there have been no material changes to the Company's critical accounting policies and estimates since the 2020 Form 10-K.

The Company recognized a stock-based compensation expense of $11,118 during the three and nine-month period ended September 30, 2021, relating to a long-term incentive plan, containing two tranches, for certain employees which commenced in August 2021. As at reporting date, the Company assessed that there was a 10% probability of the relevant conditions being met for tranche one and a 0% probability of the relevant conditions being met for tranche two. If the Company had assumed a 100% probability, an expense of $166,765 would have been recognized as at September 30, 2021.

Financial Condition, Liquidity and Capital Resources

Net Financial Assets

Our net financial assets position is shown below:

	September 30, 2021	December 31, 2020
	A$	A$
Financial assets		
Cash and cash equivalents	15,405,658	23,561,807
Accounts receivable	588,344	73,073
Total financial assets	15,994,002	23,634,880
Debt		
Short and long-term debt/ loan	65,374	40,741
Total debt	65,374	40,741
Net financial assets	15,928,628	23,594,139

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Since inception, we have financed our business primarily through the issuance of equity securities, funding from strategic partners, government grants and rebates (including the research and development tax incentive income), cash flows generated from operations and a long-term loan.

The decline in our net financial assets position is primarily a result of ongoing investment in our R&D activities and the general operations of the Company.

We believe we have sufficient cash and cash equivalents to fund our operations for at least the next twelve months from the date of issuance. Liquidity risk is the risk that the Company may encounter difficulty meeting obligations associated with financial liabilities. The Company manages liquidity risk through the management of its capital structure. The purpose of liquidity management is to ensure that there is sufficient cash to meet all the financial commitments and obligations of the Company as they come due. In managing the Company's capital, management estimates future cash requirements by preparing a budget and a multi-year plan for review and approval by the Board. The budget is reviewed and updated periodically and establishes the approved activities for the next twelve months and estimates the costs associated with those activities. The multi-year plan estimates future activity along with the potential cash requirements and is based upon management's assessment of current progress along with the expected results from the coming years' activity. Budget to actual variances are prepared and reviewed by management and are presented on a regular basis to the Board of Directors.

The carrying value of the cash and cash equivalents and the accounts receivables approximates fair value because of their short-term nature.

We regularly review all our financial assets for impairment. There were no impairments recognized as at September 30, 2021 or for the year ended December 31, 2020.

The Company is continuing to monitor the potential impact of COVID-19, if any, on the Company's business and financial position.

Derivative Instruments and Hedging Activities

We had no derivatives or outstanding contracts in place through the period ended September 30, 2021 and for the year ended December 31, 2020.

Measures of Liquidity and Capital Resources

The following table provides certain relevant measures of liquidity and capital resources:

	September 30, 2021	December 31, 2020
	A$	A$
Cash and cash equivalents	15,405,658	23,561,807
Working capital	18,908,454	22,433,054
Ratio of current assets to current liabilities	3.33 : 1	3.50 : 1
Shareholders' equity per common share	0.18	0.21

The movement in cash and cash equivalents and working capital during the above periods was primarily the result of ongoing investment in our R&D activities and the general operations of the Company.

We have not identified any collection issues with respect to receivables.

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Summary of Cash Flows

	Nine months ended September 30, 2021	Year Ended December 31, 2020
	A$	A$
Cash provided by/ (used in):		
Operating activities	(9,413,060)	(8,291,139)
Investing activities	(475,850)	(372,204)
Financing activities	86,307	43,644
Net decrease in cash, cash equivalents and restricted cash	(9,802,603)	(8,619,699)

Our net cash used in operating activities for all periods represents receipts offset by payments for our R&D projects including efforts involved in establishing and maintaining our manufacturing operations and selling, general and administrative expenditure. Cash outflows from operating activities primarily represent the ongoing investment in our R&D activities and the general operations of the Company.

Our net cash used in investing activities for all periods is primarily for the purchase of various equipment and for the various continuous improvement programs we are undertaking.

Our net cash increase in financing activities for the nine months ended September 30, 2021 represents CAD$20,000 received in the form of a long-term unsecured government guaranteed loan which was introduced in the Canadian Federal Government's COVID-19 Economic Response Plan and funds received in relation to the exercise of stock options issued to employees.

Off-Balance Sheet Arrangement

As of September 30, 2021 and December 31, 2020, we did not have any off-balance sheet arrangements, as such term is defined under Item 303 of Regulation S-K, that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Segment Operating Performance

We operate in one segment. We are a specialist biosensors company focused on the development, manufacture and commercialization of a range of point of use devices for measuring different analytes across different industries.

We operate predominantly in one geographical area, being Australia.

The Company's material long-lived assets are predominantly based in Australia.

Item 3 Quantitative and Qualitative Disclosures About Market Risk

As a "smaller reporting company", we are not required to provide the information called for by this Item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures.
At the end of the period covered by this report, the Company and management evaluated the effectiveness of the design and operation of its disclosure controls and procedures. The Company's disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. John Sharman, Principal Executive Officer and Salesh Balak, Principal Financial Officer, reviewed and participated in this evaluation. Based on this evaluation, Messrs. Sharman and Balak concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting.
During the fiscal quarter ended September 30, 2021, there were no changes in the Company's internal control over financial reporting identified in connection with the evaluation referred to above in this Item 4 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II

Item 1 Legal Proceedings

None.

Item 1A Risk Factors

The business, financial condition and operating results of the Company can be affected by a number of factors, whether currently known or unknown, including but not limited to those described in Part I, Item 1A of the 2020 Form 10-K under the heading “Risk Factors,” any one or more of which could, directly or indirectly, cause the Company’s actual financial condition and operating results to vary materially from past, or from anticipated future, financial condition and operating results. Any of these factors, in whole or in part, could materially and adversely affect the Company’s business, financial condition, operating results and stock price. There have been no material changes to the Company’s risk factors since the 2020 Form 10-K.

Item 2 Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3 Defaults Upon Senior Securities

None.

Item 4 Mine Safety Disclosures

Not applicable.

Item 5 Other Information

None.

Item 6 Exhibits

Exhibit No	Description	Location
31.1	Rule 13a-14(a)/15d-14(a) Certification (Principal Executive Officer)	Filed herewith
31.2	Rule 13a-14(a)/15d-14(a) Certification (Principal Financial Officer)	Filed herewith
32	Section 1350 Certificate	Furnished herewith
101	The following materials from the Universal Biosensors, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2021 formatted in Inline Extensible Business Reporting Language (iXBRL): (i) the Consolidated Condensed Balance Sheets, (ii) the Consolidated Condensed Statements of Comprehensive Income/(Loss), (iii) the Consolidated Condensed Statements of Changes in Stockholders’ Equity and Comprehensive Income/(Loss), (iv) the Consolidated Condensed Statements of Cash Flows and (v) the Notes to Consolidated Condensed Financial Statements	Filed herewith
104	Cover page Interactive Data File (embedded within the Inline XBRL and contained in Exhibit 101)	

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

UNIVERSAL BIOSENSORS, INC.
(Registrant)

Date: October 29, 2021

By: /s/ John Sharman
John Sharman
Principal Executive Officer

Date: October 29, 2021

By: /s/ Salesh Balak
Salesh Balak
Principal Financial Officer

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Exhibit 31.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John Sharman, certify that:

1. I have reviewed this report on Form 10-Q of Universal Biosensors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2021

/s/ John Sharman

John Sharman
Principal Executive Officer
Universal Biosensors, Inc.

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Exhibit 31.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Salesh Balak, certify that:

1. I have reviewed this report on Form 10-Q of Universal Biosensors, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 29, 2021

/s/ Salesh Balak

Salesh Balak
Principal Financial Officer
Universal Biosensors, Inc.

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Exhibit 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 *

In connection with the quarterly report of Universal Biosensors, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company does hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. The undersigned have executed this Certificate as of the 29th day of October 2021.

/s/ John Sharman
John Sharman
Principal Executive Officer

/s/ Salesh Balak
Salesh Balak
Principal Financial Officer

* This certification is being furnished as required by Rule 13a-14(b) under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent such certification is explicitly incorporated by reference in such filing.

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