Results announcement

Results for announcement to the market		
Name of issuer	Truscreen Group Limited	
Reporting Period	12 months to 31 March 2024	
Previous Reporting Period	12 months to 31 March 2023	
Currency	NZ Dollars	
	Amount (000s)	**Percentage change**
Revenue from continuing operations	$2,108	+27%
Total Revenue	$2,108	+27%
Net profit/(loss) from continuing operations	$(2,051)	+15%
Total net profit/(loss)	$(2,051)	+15%
Interim/Final Dividend		
Amount per Quoted Equity Security	N/A	
Imputed amount per Quoted Equity Security	N/A	
Record Date	N/A	
Dividend Payment Date	N/A	
	Current period	**Prior comparable period**
Net tangible assets per Quoted Equity Security	$0.006	$0.006
A brief explanation of any of the figures above necessary to enable the figures to be understood	See attached announcement	
Authority for this announcement		
Name of person authorised to make this announcement	Guy Robertson Chief Financial Officer	
Contact person for this announcement	Guy Robertson	
Contact phone number	+61 407 983 270	
Contact email address	guyrobertson@truscreen.com	
Date of release through MAP	30 May 2024	

Unaudited financial statements accompany this announcement.

NZX/ASX Announcement

30 May 2024

TruScreen FY24 Preliminary Results

(all numbers in New Zealand Dollars)

Highlights

- **SUS unit sales up 25% on prior year and device sales to distributors in line with prior year**
- **Major breakthrough in China with two peak organisations[1] including TruScreen in their cervical cancer screening guidelines - China Obstetrics and Gynecology Association (COGA) Blue Paper and endorsement from the Chinese Society for Colposcopy and Cervical Pathology (CSCCP)**
- **Commercial operations commenced in Saudi Arabia and further progress in Zimbabwe**
- **In Vietnam TruScreen achieved inclusion on the Vietnamese Ministry Of Health (MOH) approved Technical List**
- **In Mexico the national regulator, Cofepris approved TruScreen access to the public health sector**
- **Developing new market opportunities in Uzbekistan, Indonesia, and Africa**
- **Successful capital raise and appointment of new Chief Executive Officer**
- **Improved Operations metrics.**
    - **Sales up by 27%, led by SUS consumable sales increase of 25%.**
    - **Operating loss reduced by 15%**
    - **Cash outflow reduced by 9%**

Cervical cancer technology company **Truscreen Group Limited (ASX/NZX: TRU)** (the Company) has released its preliminary unaudited financial results for the year ended 31 March 2024.

Financial Results for the year ended 31 March 2024

Truscreen generated product sales 27% higher than the prior year at $2.1m (2023: $1.7m).

The sales result was underpinned by a strong result from China which grew by 45% over the prior year following the recommendations from two key peak organisations - in the COGA Blue Paper and CSCCP Guideline. Zimbabwe revenue was 34% up on the prior year with further potential when the National Aids Council screening program is extended outside of the Masvingo province.

Good progress was made in Saudi Arabia, Vietnam and Mexico with stronger sales expected in FY2025.

Gross margin improved YOY from 27.6% to 32.7%. Other income was largely in line with the prior year at $0.5m (2023: $0.54m) attributable to the research and development tax offset.

Total overhead expenses remained unchanged YOY at $3.3m, which includes increased costs due to inflation and $0.2m incurred in preparation for transition from the current EC regulatory code – the MDD, to the new MDR code.

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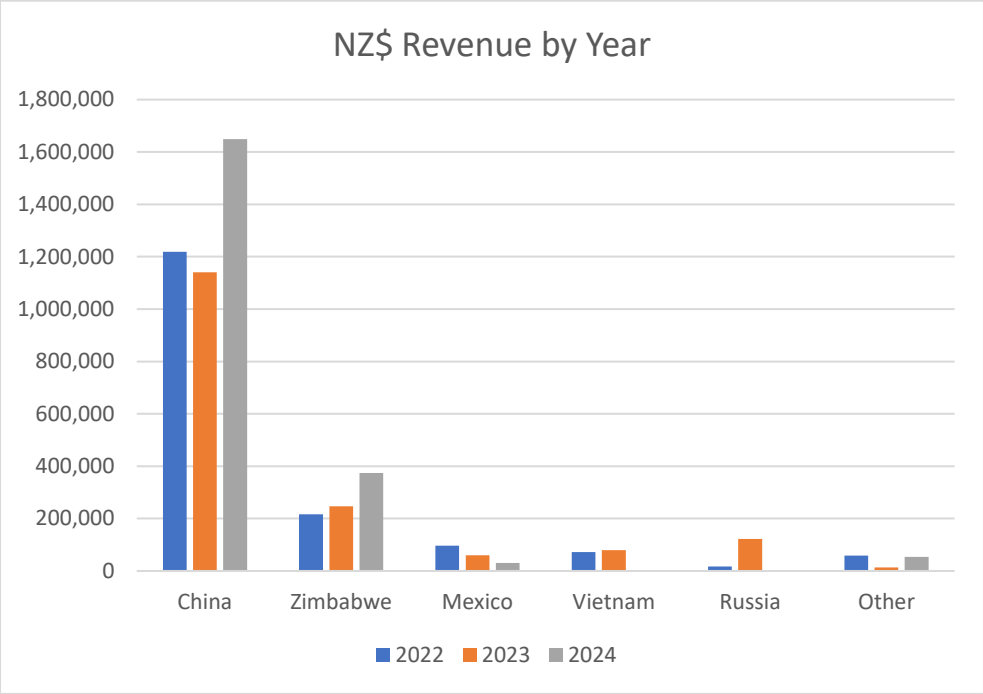
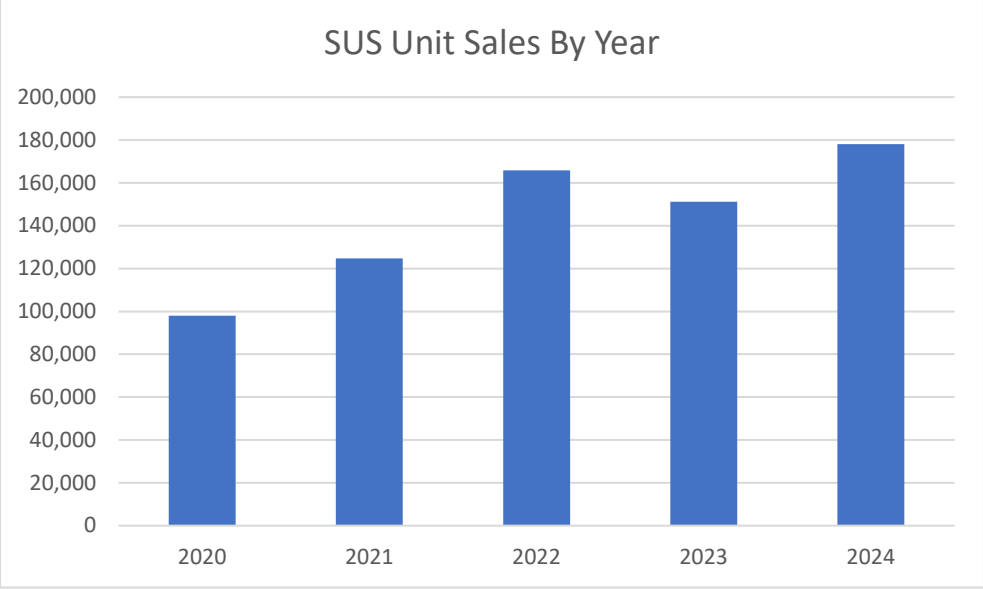
[1] **Chinese Association of Gynaecologists Oncologists (COGA), Cervical Cancer Prevention and Control Research Committee of China, Women and Children's Health Research Institute, Cancer Prevention and Control Professional Committee of China Preventive Healthcare Association, National Healthcare Industry Entity Management Association, and the Genital Health Division of China Population Culture Promotion Association.**

The Company incurred an operating loss for the year of $2.1m (2023: loss $2.4m), a 15% improvement on the prior year.

Net operating cash outflow for the year was lower at $2.0m (2023: $2.2m) reflecting improved revenue and margin.

As at 31 March 2024, Truscreen had cash and cash equivalents of $2.7m (2023: $2.2m).





Operational Key Performance and Update

Highlights of the 2024 financial year.

- **SUS unit sales up 25% on prior year and device sales to distributors in line with prior year**
- **Major breakthroughs in China with two peak organisations[2] including TruScreen in their cervical cancer screening guidelines - China Obstetrics and Gynecology Association (COGA) Blue Paper and endorsement from the Chinese Society for Colposcopy and Cervical Pathology (CSCCP)**
- **Commercial operations commenced in Saudi Arabia and further progress in Zimbabwe**
- **In Vietnam TruScreen achieved inclusion on the Vietnamese Ministry Of Health (MOH) approved Technical List**
- **In Mexico the national regulator, Cofepris approved TruScreen access to the public health sector**
- **Developing new market opportunities in Uzbekistan, Indonesia, and Africa**
- **Successful capital raise and appointment of new Chief Executive Officer**

China Recognition in China Blue Paper and Endorsement from CSCCP

During the year TruScreen was recognised in a COGA Blue Paper "Cervical Cancer Three Stage Standardized Prevent and Treatment". Blue Papers act as the definitive position on leading edge developments in all industries in China and are recognised as an endorsement by the experts and leaders in the relevant field.

The paper was the result of four years of research and collaboration by many experts in gynaecology, including a number of leaders[3] in the field and presents a consensus on the most successful and innovative technologies and methods to eradicate cervical cancer in China, in line with the World Health Organisation (WHO) strategy.

The Blue Paper specifically highlights TruScreen in a section titled "Artificial Intelligence Technology For Cervical Cancer Screening", describing it's origin, substantial clinical trials, and the benefits of using TruScreen as a standalone primary cervical cancer screening method, which has demonstrated superior sensitivity and specificity in comparison to screening of LBC and HPV.

Separately, the TruScreen technology has also been endorsed in the CSCCP's (Chinese Society for Colposcopy and Cervical Pathology) China Cervical Cancer Screening Management Guideline, one of the most important specialist medical clinical guidelines governing management of cervical cancer.

[2] Chinese Association of Gynaecologists Oncologists (COGA), Cervical Cancer Prevention and Control Research Committee of China, Women and Children's Health Research Institute, Cancer Prevention and Control Professional Committee of China Preventive Healthcare Association, National Healthcare Industry Entity Management Association, and the Genital Health Division of China Population Culture Promotion Association.

[3] the past Chairman of The Chinese Obstetricians and Gynaecologists Association (COGA) Professor Lang Jinhe, the newly appointed COGA Chairman Professor Di Wen, Chinese Society for Colposcopy and Cervical Pathology (CSCCP) Chairwomen Professor Wei Lihui, the head of Women and Children's Health Division of National Health Commission Xu Xiaochao, Secretary General of China Preventive Healthcare Association Zhang Lingli.

CSCCP's decision to include TruScreen technology in its new Guideline emphasises the role of new technology in a booming Chinese healthcare sector. The decision is based on the body of evidence supporting TruScreen clinical use world-wide and after extensive consultations with healthcare practitioners and decision makers.

CSCCP is a member of IFCPC (The International Federation of Cervical Pathology and Colposcopy) which is dedicated to reducing the burden of cervical cancer worldwide. The guideline issued by CSCCP is a leading clinical standard for doctors and other healthcare providers as well as government bodies.

As a result of these recommendations our China business grew by 45% YOY. This growth is evidenced by 10 hospital tenders won by distributor SWXT, 25 hospitals where TruScreen has been approved and waiting for tender outcomes, and 72 hospitals where Obstetric and Gynecologic Department acceptance have been received and are waiting for the next stage of hospital approval.

Zimbabwe government continues roll out of the TruScreen program

TruScreen successfully secured a tender for the supply of a further 10,800 SUS (Single Use Sensor) which were shipped in March 2024. TruScreen is expecting that the program will expand beyond the Masvingo province in 2024/2025.

TruScreen's screening program in Masvingo Province began in 2022 and has already screened over 14,000 women in a collaborative effort between the Ministry of Health and Child Care, National AIDS Council, and local health partners. The program aims to provide screening services to women in remote and underserved communities, where access to healthcare is often limited.

Commercial operations commence in Saudi Arabia

The Dr Sulaiman Al-Habib Medical Group installed four TruScreen devices for commercial use for the screening of cervical cancer in Saudi Arabia during the year.

Dr Sulaiman Al-Habib Medical Group (DSAMG) is the largest private hospital network in the Middle East. The adoption of TruScreen's screening technology by DSAMG private hospitals is an important reference sites for further market access in neighbouring Middle Eastern nations.

TruScreen included on the Vietnamese Ministry of Health Approved Technical List

During the year TruScreen achieved inclusion on the Vietnamese Ministry Of Health (MOH) approved Technical List. This is a significant milestone enabling TruScreen to be used nationally from top level hospitals to community health centres.

The listing, combined with recent changes to medical device procurement regulations in Vietnam reduces the need for individual hospitals to seek prior central Ministry of Health approval for purchase. These changes dramatically shorten the medical device procurement process in Vietnam. The MOH listing was based on extensive clinical evidence and positive feedback from local users at several levels of the public healthcare providers, including Key Opinion Leaders from the leading gynaecological hospital, Hanoi Obstetrics and Gynaecology Hospital.

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Approval in Mexico for TruScreen to enter public health system

The national regulator of Mexico, Cofepris approved TruScreen access to the public health sector. This allows TruScreen to expand its cervical cancer screening beyond private health clinics to the wider public health sector. A 2020 census identified that only 2.3% of the population have private healthcare while 70.9% of the population accessed the public health system.

Mexico has an addressable market of 65 million women, and Cervical cancer is the second most prevalent cancer amongst women in Mexico. HPVcentre.net estimates that 9,400 women are diagnosed annually with cervical cancer with a mortality rate of 46% - 4,300 deaths.

Evaluation of TruScreen underway in Uzbekistan, Poland and North Macedonia

The Ministry of Health in Uzbekistan is evaluating TruScreen as a technology partner to deliver a component of the Uzbekistan National Screening Solution for Cervical Cancer. This program is a first for Uzbekistan and being selected would be a transformative opportunity for TruScreen, not just in Uzbekistan but also to serve as a reference site for other neighbouring Central Asian countries.

Poland continues to face significant challenges with cervical cancer. TruScreen is working with the Mother and Child Institute and has identified both private and public hospitals targeted to be the first to change from Liquid Based Cytology to TruScreen. TruScreen is shortly entering the hospital validation phase with commercial sales to follow the successful completion of this evaluation.

In North Macedonia TruScreen is currently undergoing evaluation by a local distributor who operates a Medical Clinic. When successful, TruScreen will replace Pap Smear in the clinic. This clinic will serve as a base for demonstration and training for future customers in south eastern Europe. This partnership marks a significant milestone as it would be TruScreen's first partner who is both a distributor and a key reference centre.

In addition, TruScreen, with the support of the local Austrade office, is making strides in Indonesia with partner Mursmedic. Mursmedic have commenced the product registration process for TruScreen in Indonesia. A key reference site in Jakarta has been identified and installation is to occur as soon as the product registration is completed.

TruScreen is also in the process of registration in Kenya through our logistics partner, Phillips Pharma Group. TruScreen will partner with Phillips Pharma first in Kenya, and then to expand to other countries within their footprint, including Nigeria, Uganda, Ghana and Tanzania.

Corporate

TruScreen has again expended significant effort during the year in preparing for the Medical Device Regulation (MDR), a new regulatory framework that replaced the Medical Device Directive (MDD) for medical devices being made and/or sold in the European Union, and has also expended significant effort in finalising its Chinese regulatory (NMPA) approval.

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Appointment of CEO

The Company appointed Martin Dillion as CEO in March 2024. Mr Dillon, previously successfully established the TruScreen global distribution network, launched the TruScreen Ultra2 device, is well versed in the technology and is well known to distributors. Mr Dillon also managed the listing of TruScreen on the NZX in 2014.

Capital Raising

The Company raised approximately $2.6m, before costs in March 2024, through a placement of $1.2 million and $1.4 million through 1 for 3 pro rata renounceable rights issue. In total the Company issued 132,565,777 new shares at $0.02 each.

This announcement approved for release by the Board.

-ENDS-

For more information, visit www.truscreen.com or contact:

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Chief Executive Officer
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Guy Robertson
Chief Financial Officer
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About TruScreen:

TruScreen Group Limited (NZX/ASX: TRU) is a medical device company that has developed and manufactures an AI-enabled device for detecting abnormalities in the cervical tissue in real-time via measurements of the low level of optical and electrical stimuli.

TruScreen's cervical screening technology enables cervical screening, negating sampling and processing of biological tissues, failed samples, missed follow-up, discomfort, and the need for costly, specialised personnel and supporting laboratory infrastructure.

The TruScreen device, TruScreen Ultra®, is registered as a primary screening tool for cervical cancer screening.

The device is CE Marked/EC certified, ISO 13485 compliant and is registered for clinical use with the TGA (Australia), MHRA (UK), NMPA (China), SFDA (Saudi Arabia), Roszdravnadzor (Russia), and COFEPRIS (Mexico). It has Ministry of Health approval for use in Vietnam, Zimbabwe, Israel, Ukraine, and the Philippines, among others and has distributors in 29 countries. In 2021, TruScreen established a manufacturing facility in China for devices marketed and sold in China.

In FY22, over 170,000* TruScreen examinations were performed and over 200 devices have been installed and used in China, Vietnam, Mexico, Zimbabwe, Russia, and Saudi Arabia. TruScreen's vision is "A world without the cervical cancer©".

To learn more, please visit: www.truscreen.com/.

**Based on Single Use Sensor sales.*

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Glossary:

Pap smear (the Papanicolaou smear) test involves gathering a sample of cells from the cervix, with a special brush. The sample is placed on a glass slide or in a bottle containing a solution to preserve the cells. Then it is sent to a laboratory for a pathologist to examine under a microscope. https://www.cancer.net/navigating-cancer-care/diagnosing-cancer/tests-and-procedures/pap-test

LBC (the liquid-based cytology) test, transfers a thin layer of cells, collected with a brush from the cervix, onto a slide after removing blood or mucus from the sample. The sample is preserved so other tests can be done at the same time, such as the human papillomavirus (HPV) test https://www.cancer.net/cancer-types/cervical-cancer/diagnosis

HPV (human papilloma virus) test is done on a sample of cells removed from the cervix, the same sample used for the Pap test or LBC. This sample is tested for the strains of HPV most commonly linked to cervical cancer. HPV testing may be done by itself or combined with a Pap test and/or LBC. This test may also be done on a sample of cells which a person can collect on their own. https://www.cancer.net/cancer-types/cervical-cancer/screening-and-prevention

Sensitivity* and *specificity mathematically describe the accuracy of a test which reports the presence or absence of a condition. If individuals who have the condition are considered "positive" and those who don't are considered "negative", then sensitivity is a measure of how well a test can identify true positives and specificity is a measure of how well a test can identify true negatives:

- **Sensitivity** (true positive rate) is the probability of a positive test result, conditioned on the individual truly being positive.
- **Specificity** (true negative rate) is the probability of a negative test result, conditioned on the individual truly being negative (Sensitivity and specificity – Wikipedia).

For more information about the cervical cancer and cervical cancer screening in New Zealand and Australia, please see useful links:

New Zealand: National Cervical Screening Programme | National Screening Unit (nsu.govt.nz)

Australia: Cervical cancer | Causes, Symptoms & Treatments | Cancer Council

TRUSCREEN GROUP LIMITED

Preliminary Final Report
Consolidated Financial Statements - Unaudited

Currency is New Zealand Dollars

For the Year Ended 31 March 2024

Contents

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		$	$
Revenue from the sale of goods	3	2,107,839	1,662,619
Other income	3	497,045	540,016
Product cost of goods sold		(1,416,070)	(1,202,628)
Employee benefit expenses and directors' fees		(792,513)	(876,849)
Other administration costs		(366,222)	(415,295)
Research and development expenses		(877,303)	(864,074)
Rent		(44,403)	(60,959)
Travel		(30,258)	(62,544)
Marketing and product approvals		(676,077)	(722,256)
Insurance		(139,414)	(139,633)
Shareholder relations and services		(201,937)	(155,664)
Provision for impairment plant and equipment		-	(49,700)
Provision for inventory obsolescence		(21,577)	-
Share based payments		(89,643)	(54,873)
Loss before income tax		(2,050,533)	(2,401,840)
Income tax expense		-	-
Loss for the year		(2,050,533)	(2,401,840)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign subsidiary operations		41,980	1,736
		41,980	1,736
Total comprehensive loss for the year		(2,008,553)	(2,400,104)
Basic and diluted loss per share (cents)	4	(0.49)	(0.66)

The accompanying notes form part of these financial statements.

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024

	Note	2024	2023
		$	$
CURRENT ASSETS			
Cash and cash equivalents		2,728,036	2,160,468
Other receivables		489,336	370,602
Trade receivables		48,152	170,311
Inventories		491,254	563,441
Other current assets – prepayments		273,603	205,361
TOTAL CURRENT ASSETS		4,030,381	3,470,183
NON-CURRENT ASSETS			
Intangible assets		-	-
TOTAL NON-CURRENT ASSETS		-	-
TOTAL ASSETS		4,030,381	3,470,183
CURRENT LIABILITIES			
Trade and other payables		653,732	800,255
Provision for employee benefits		115,635	88,547
TOTAL CURRENT LIABILITIES		769,367	888,802
NON-CURRENT LIABILITIES			
Provision for employee benefits		29,080	39,357
TOTAL NON-CURRENT LIABILITIES		29,080	39,357
TOTAL LIABILITIES		798,447	928,159
NET ASSETS		3,231,934	2,542,024
EQUITY			
Issued capital	5	38,705,945	36,097,125
Share option reserve	5	234,456	144,813
Foreign currency translation reserve		(337,128)	(379,108)
Accumulated losses		(35,371,339)	(33,320,806)
TOTAL EQUITY		3,231,934	2,542,024

The accompanying notes form part of these financial statements.

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Share Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
		$	$	$	$	$
Balance at 1 April 2023		36,097,125	(33,320,806)	(379,108)	144,813	2,542,024
Loss for the year to 31 March 2024		-	(2,050,533)	-	-	(2,050,533)
Exchange differences on translating foreign subsidiary operations		-	-	41,980	-	41,980
Total comprehensive income for the year		-	(2,050,533)	41,980	-	(2,008,553)
Transactions with owners, in their capacity as owners						
Issue of shares – capital raise	5	2,651,316	-	-	-	2,651,316
Share issue costs	5	(127,079)	-	-	-	(127,079)
Share based payments		84,583	-	-	89,643	174,226
Total transactions with owners		2,608,820	-	-	89,643	2,698,463
Balance at 31 March 2024		38,705,945	(35,371,339)	(337,128)	234,456	3,231,934

	Note	Share Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
		$	$	$	$	$
Balance at 1 April 2022		34,550,048	(31,224,966)	(380,844)	450,813	3,395,051
Loss for the year to 31 March 2023		-	(2,401,840)	-	-	(2,401,840)
Exchange differences on translating foreign subsidiary operations		-	-	1,736	-	1,736
Total comprehensive income for the year		-	(2,401,840)	1,736	-	(2,400,104)
Transactions with owners, in their capacity as owners						
Issue of shares		1,613,273	-	-	-	1,613,273
Share issue costs		(66,196)	-	-	-	(66,196)
Transfer from share based payments		-	306,000	-	(306,000)	-
Total transactions with owners		1,547,077	306,000	-	(306,000)	1,547,077
Balance at 31 March 2023		36,097,125	(33,320,806)	(379,108)	144,813	2,542,024

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash received from customers		2,273,035	1,790,550
Cash paid to suppliers and employees including GST		(4,521,699)	(4,483,553)
Cash received from research and development tax offset		371,240	627,982
Short-term lease payments not included in lease liability		(159,849)	(131,619)
Interest received		4,099	2,854
Net cash used in operating activities	6	(2,033,174)	(2,193,786)
CASH FLOW TO INVESTING ACTIVITIES			
Purchase of plant and equipment		-	(49,700)
Net cash used in investing activities		-	(49,700)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		2,651,316	1,613,273
Share issue costs		(67,200)	(66,196)
Proceeds from borrowings		215,760	-
Repayment of borrowings		(215,760)	-
Net cash from financing activities		2,584,116	1,547,077
Net increase/(decrease) in cash and cash equivalents		550,942	(696,409)
Cash and cash equivalents at the beginning of the financial year		2,160,468	2,797,004
Effects of exchange rate changes on cash and cash equivalents		16,626	59,873
Cash and cash equivalents at the end of the financial year		2,728,036	2,160,468

The accompanying notes form part of these financial statements.

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

General Information

These consolidated financial statements and notes represent those of Truscreen Group Limited and its subsidiaries (the "Group"). References to "Truscreen" is used to refer to Truscreen Group Limited (the "Company").

The parent company, Truscreen Group Limited, is the ultimate legal parent company of the Group and is a limited liability company incorporated and domiciled in New Zealand. It is registered under the Companies Act 1993. Truscreen is listed on the NZX and on the ASX as an ASX Foreign Exempt Listing. Truscreen is a FMC reporting entity under Part 7 of the Financial Markets Conduct Act 2013.

The registered office of the Company is Level 6 Equitable House, 57 Symonds St, Grafton, Auckland 1010, New Zealand. The Group is engaged in the business of the development, manufacture and sale of cancer detection devices and systems.

Basis of Preparation

These financial statements have been prepared under the historical costs convention, modified by the revaluation of certain assets and liabilities.

The principal accounting policies adopted in the preparation of the financial report are unchanged from the Interim Financial Statements for the period ended 30 September 2023 and Annual Financial Statements for the year ended 31 March 2023. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements have been rounded to the nearest dollar.

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions concerning the future that affects the amounts reported in the financial statements. Estimates and judgments are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

- *Revenue from Contracts with Customers*

The application of NZ IFRS 15: Revenue from contracts with customers (NZ IFRS 15) requires the Directors to apply judgement in determining whether revenue can be recognised in advance of the receipt of cash.

The significant judgements adopted by the Group in applying NZ IFRS 15 criteria include:
• Determining if a contract with the customer exists;
• Determining if the entity can identify the payment terms for the services; and
• Determining whether it is probable that the entity will collect the consideration to which it is entitled.

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

- *Intangibles*

The carrying value of intangibles include acquired intellectual property and development costs capitalised in accordance with the accounting policy for research and development.

The intangibles were fully written off in a previous year.

Given the ongoing significant uncertainty associated with achieving revenue and profitability targets, the Directors have determined that the intangibles should remain fully impaired as at 31 March 2024.

- *Estimate of the Research and Development tax offset*

The Group receives a research and development tax offset based on 43.5% of research and development expenditure incurred. The amount is received following filing of the Group income tax returns. The Group estimates the amount of the offset assisted by external consultants and accounts for the amount as a receivable at year end.

- *Provision for inventory obsolescence*

The Group carries inventory of parts for the manufacture of the TruScreen Ultra® cervical cancer screening device. The Company will write off parts which it no longer considers usable. The Group has made a general provision for inventory obsolescence.

- *Provision for warranty*

The Group will undertake recalibration of the TruScreen Ultra® on an ongoing basis during the warranty period. While the Group will continue to undertake research and development of the product, the TruScreen Ultra® is a mature and well tested product and the Group has determined on the basis of materiality that no warranty provision is necessary.

- *Share based payments*

The Group measures the cost of equity-settled transactions with directors, employees and distributors by reference to the fair value of the equity instruments at the date at which they are granted.

NOTE 3. REVENUE

	2024 $	2023 $
Sales revenue - sale of goods		
Wholesalers/distributors	1,703,049	1,415,542
Direct to customer	404,790	247,077
	2,107,839	1,662,619
Other income		
Research and development tax offset		
- Current year	463,192	345,901
- Prior year adjustment	31,203	31,143
	494,395	377,044
Interest received	2,650	3,303
Miscellaneous income	-	39,084
Foreign exchange gain	-	120,585
	497,045	540,016

NOTE 4. EARNINGS PER SHARE

	2024	2023
Basic and Diluted loss per share:		
Net loss attributable to shareholders ($)	(2,050,533)	(2,401,840)
Weighted average number of ordinary shares on issue	422,175,861	364,192,230
Basic and diluted loss per share (cents) (based on weighted average number of shares on issue)	(0.49)	(0.66)

NOTE 5. ISSUED CAPITAL

Ordinary Shares – Fully Paid

Group	2024 Number	2024 $	2023 Number	2023 $
Balance at beginning of the year	416,642,008	36,097,125	362,866,253	34,550,048
Ordinary shares issued				
Share issue - placement	70,748,386	1,414,968	20,000,000	600,000
Share issue – rights issue	61,817,391	1,236,348	33,775,755	1,013,273
Share issue costs	-	(127,079)	-	(66,196)
Shares issued in lieu of fees to directors	1,383,331	34,583	-	-
Share issue – employee benefit	2,000,000	50,000	-	-
Balance at end of the year	552,591,116	38,705,945	416,642,008	36,097,125

No particular number of shares are authorised. There is no par value of shares.

All issued ordinary shares carry equal rights in respect of voting and the receipt of dividends, and upon winding up rank equally with regard to the Company's residual assets.

Shares were issued during the:

a. current period:

   The Company undertook a share placement and a rights issue during the year, issuing 132,565,777 shares at $0.02 per share to raise $2,651,316, before costs. The Company also issued 2,000,000 shares to the former CEO, Beata Edling, as part of her remuneration and 1,383,331 shares to directors in lieu of fees.

b. prior period:

   The Company undertook a share placement and a rights issue during the year, issuing 53,775,755 shares at $0.03 per share to raise $1,613,273, before costs.

NOTE 6. CASH FLOW INFORMATION	2024	2023
	$	$
Reconciliation of cash flow from operations with loss after income tax		
Loss for the period	(2,050,533)	(2,401,840)
Adjusted for:		
Impairment of non-current assets	-	49,700
Share based payment expense	89,643	54,873
Unrealised exchange difference arising from translating loss items at the date of transaction	15,473	(113,010)
Operating cash flows before working capital changes	(1,945,417)	(2,410,277)
Decrease in trade and other receivables	122,159	105,137
Decrease in goods and services taxes recoverable	12,590	2,880
Increase in prepayments	(68,242)	(26,092)
Decrease/(increase) in inventory	72,187	(66,553)
(Increase)/decrease in research and development tax offset	(131,323)	264,854
Decrease in trade and other payables	(111,939)	(7,120)
Increase/(decrease) in employee liabilities	16,811	(56,615)
Net cash outflow from operating activities	(2,033,174)	(2,193,786)

The accompanying notes form part of these financial statements.