

1. Company details

Name of entity:	Cryosite Limited
ABN:	86 090 919 476
Reporting period:	For the year ended 30 June 2024
Previous period:	For the year ended 30 June 2023
Reporting Currency:	Australian Dollars

2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	5.7% to	12,612
Profit from ordinary activities after tax attributable to the owners of Cryosite Limited	up	30.6% to	1,840
Profit for the year attributable to the owners of Cryosite Limited	up	30.6% to	1,840

Dividends

On 20 August 2024 the Board of Cryosite Limited declared an unfranked dividend of 2 cents per share will be paid to shareholders for the year ending 30 June 2024. This compares with a 1.5 cents unfranked final dividend, paid to shareholders, for the year ending 30 June 2023.

The profit for the Group after providing for income tax amounted to \$1,840,000 (30 June 2023: \$1,409,000).

Commentary on the results to the market

Results for the year ending 30 June 2024 reflect a strengthening of trading conditions in the second half of the financial year.

- Revenue of \$ 12,612,000 from ordinary activities up 5.7%.
- Net profit of \$ 1,840,000 up 30.6%.
- Earnings per share of 3.77 cents, up 30.6%.
- 2 cents per share unfranked final dividend declared for the year ending 30 June 2024, up 33%.
- 5 cents per share capital returned to shareholders in February 2024.
- Cash and cash equivalents of \$4,703,000, down \$28,000 from prior year's cash on hand of \$4,731,000.
- No bank borrowings.

A further explanation of the result of the current period is set out in the Directors' Report contained in the attached Annual Financial report

3. Net tangible assets backing

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	3.34	5.86

The calculation of net tangible assets excludes right-of-use assets, intangible assets, and lease liabilities.

4. Dividends

Current period

	Amount per security Cents	Franked amount per security Cents
Final dividend for the year ended 30 June 2023	1.50	-

Previous period

	Amount per security Cents	Franked amount per security Cents
Final dividend for the year ended 30 June 2022	1.00	-

5. Audit qualification or review

The financial statements have been audited and an unmodified opinion has been issued.

6. Attachments

The Annual Report of Cryosite Limited for the year ended 30 June 2024 is attached.

7. Signed

Signed 

Mark Kerr
Non-Executive Chairman

Date: 20 August 2024



Annual Report - June 2024



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Directors	Mark Kerr (Non-Executive Chairman) Andrew Kerr (Non-Executive Director) Scott Thomas (Non-Executive Director)
Company secretary	Dray Andrea
Notice of annual general meeting	The details of the annual general meeting of Cryosite Limited are yet to be announced.
Registered office	13a Ferndell Street South Granville NSW 2142 Tel: +61 2 8865 2000 Email: corporate@cryosite.com
Principal place of business	13a Ferndell Street South Granville NSW 2142
Share register	Link Market Services Limited Level 12, 680 George Street Sydney NSW, 2000 Sydney NSW, 2000
Auditor	Forvis Mazars Risk & Assurance Pty Limited Level 12, 90 Arthur Street North Sydney NSW, 2060
Stock exchange listing	Cryosite Limited shares are listed on the Australian Securities Exchange (ASX code: CTE)
Website	www.cryosite.com www.cryosite.com.au
Corporate Governance Statement	<p>The Directors and management are committed to conducting the business of Cryosite Limited in an ethical manner and in accordance with the highest standards of corporate governance. Cryosite Limited has adopted and substantially complied with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) ('Recommendations') to the extent appropriate to the size and nature of its operations.</p> <p>The Corporate Governance Statement, which sets out the corporate governance practices that were in operation during the financial year and identifies and explains any Recommendations that have not been followed, was approved by the Board of Directors at the same time as the Annual Report and can be found on the Company's website at: https://www.asx.com.au/markets/company/CTE</p>

20 August 2024

Dear Shareholders,

FY24 has been an exceptional year for Cryosite.

With one of the largest single site liquid nitrogen tank farms in Australia, a skilled scientific team, and extensive specialised industry knowledge that underpin Cryosite's strength in biological and clinical trials logistics, we are well positioned for strong industry growth.

We expect these segments to generate increased revenue and profit in the coming years as Australia continues to be a sought-after destination for pharma and biotech firms seeking high-quality clinical trials.

I am delighted to present to you the following highlights from the financial year 2024:

- NPAT of \$1.8m - an **increase of 31%** on prior year
- EBITDA of \$2.8m – an **increase of 28%** on prior year
- Revenue from ordinary activities \$12.6m - an **increase of 6%** on prior year
- Earnings per share of 3.77 cents - an **increase of 31%** from prior year (on a fully diluted basis)
- A dividend declared for FY24 of **2 cents per share** – an **increase of 33%** on FY23 – payable in October 2024
- A capital return of **5 cents per share** paid in February 2024
- Cryosite has **no external borrowings**

It is pleasing to see that Cryosite's cash balance of \$4.7m at 30 June 2024 has remained steady on prior year. This is following **\$3.1m returned to shareholders** in FY24 in the form of:

- A capital return of 5 cents per share paid to shareholders on 29 February 2024 (\$2.4m)
- A dividend paid for FY23 of 1.5 cents per share (\$0.7m) – an increase of 50% from FY22

In addition to the funds returned to shareholders in FY24, we have utilised our cash flow to undertake an extension to the footprint of our state-of-the-art facility in South Granville, NSW.

This additional space will be utilised to, approximately, double Cryosite's number of minus 80-degree freezers and minus 192-degree liquid nitrogen tanks to support future anticipated growth. This will **increase the footprint at site by 17%**.

I am pleased to advise that the works to increase the footprint at our current site are near completion and ahead of the December 2024 scheduled date. In addition, Cryosite continues to look at options for additional premises to help meet anticipated future growth.

After several years of significant investment in our facility, plant and equipment, Cryosite is in a position to leverage these assets. To facilitate this growth, we have appointed an experienced market professional in the role of Business Development Manager.

The business continues to perform strongly and is poised to accelerate in the near term.

Cryosite announces the retirement of its Chief Executive Officer (CEO), Mr John Hogg, with effect from 31 October 2024. The Board thanks Mr Hogg for his support and service to the Board and the Company over his tenure. We wish John the best in his retirement.

Dr. Alicia Steel has been promoted to the role of General Manager, effective from 01 October 2024. Alicia holds a Doctor of Philosophy in (Bioscience) from University of Sydney and has been with Cryosite since 2020. Alicia currently holds the role of Chief Quality Officer and has been a member of the Cryosite management team since 2020. Alicia has 10 years' experience in quality management in highly controlled environments and extensive experience in GMP audit, regulatory affairs, import/export of clinical trial product, biological storage and logistics.

Non-Executive Director Andrew Kerr will transition to an Executive Director role, effective from 20 August 2024. Andrew's transition will ensure that leadership of the Cryosite remains focussed on delivering the Company's operational and strategic objectives.

I am also pleased to release a new Corporate Presentation, which includes our FY24 results to 30 June 2024, along with our Annual Report for FY24. These have been published to the ASX and can be found on our website:

<https://cryosite.com/blogs/>

We look forward to continuing to support our current customer base with the exceptional service and quality they have come to expect of Cryosite.

I would like to invite anyone with questions about our results or an explanation of our services to contact me directly.

M Kerr

A handwritten signature in blue ink that reads "Mark Kerr".

Non-Executive Chairman

Mobile: 0418 338 784

Email: mkerr@bercon.com.au

On behalf of the Board

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Cryosite Limited (referred to hereafter as 'Cryosite', the 'Company' or 'parent entity') and the entity it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of Cryosite Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mark Kerr (appointed on 8 December 2023)	Non-Executive Chairman
Andrew Kerr (appointed on 22 February 2024)	Non-Executive Director
Scott Thomas (appointed on 9 May 2024)	Non-Executive Director
Andrew Kroger (resigned on 25 June 2024)	Former Non-Executive Director
John Hogg (appointed on 8 December 2023 and resigned on 22 February 2024)	Former Managing Director
Steven Waller (resigned on 8 December 2023)	Former Non-Executive Chairman
Nicola Swift (resigned on 8 December 2023)	Former Non-Executive Director
Luis Antonio (resigned on 8 December 2023)	Former Non-Executive Director

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
Final unfranked dividend for the year ended 30 June 2023 of 1.5 cents (2022: 1.0 cents) per ordinary share	732	488

Principal activities

During the financial year the principal continuing activities of the Group consisted of:

- (1) **Clinical trials and biological services logistics:** Specialist temperature-controlled storage, sourcing, labelling, status management, secondary packaging, schedule drug distribution, destruction, returns, biological services and cell gene therapies depot services.
- (2) **Cord Blood and tissue storage:** Storage of cord blood and tissue samples.

Review of operations

The profit for the Group after providing for income tax amounted to \$1,840,000 (30 June 2023: \$1,409,000).

Earnings per share

	2024	Cents 2023
Basic earnings per share	3.77	2.89
Diluted earnings per share	3.77	2.89

Overview

The financial result for the year ended 30 June 2024 was strong. The Group posted a net profit of \$1,840,000 which exceeded the previous financial year's result for the year ended 30 June 2023 by 31% (prior corresponding period).

There has been a return of year-on-year positive momentum at Cryosite in the financial year of 2024 as customers' trading patterns emerge from the aftermath of the pandemic.

- Revenue from ordinary activities \$12,612,000. An increase of 6% on prior year.
- Net profit after tax of \$1,840,000. An increase of 31% on prior year.
- Earnings per share: 3.77 cents. An increase of 31% on a fully diluted basis from prior year.
- \$4,703,000 of cash and cash equivalents as at 30 June 2024. No external borrowings.
- Net cash from operations of \$2,743,000 up by 14% from the reported \$1,408,000 adjusted by \$1,000,000 put into term deposit in the prior year.

The Group generated revenues from ordinary activities of \$12,612,000 (30 June 2023: \$11,935,000) and delivered a net profit after tax of \$1,840,000 (30 June 2023: \$1,409,000), a 6% growth in revenue from ordinary activities in 2024.

Despite of the pressures of persistently high inflation, the Group has seen an increase of gross profit margin and operating profit margin. The Group tightly controls costs but purposefully invests in facilities, systems and staff, to optimally position the Group for continued growth.

The Group has continued its positive year-on-year growth. As at 30 June 2024, the Group has utilised all carried-forward tax losses and is now in a tax payable position. This means that the Group may be able to issue a partially-franked or a fully-franked dividend to shareholders in future years. Franked dividends, provide a tax benefit to shareholders.

Based on past business performance, the Group paid 5 cents per share as a capital return to shareholders on 29 February 2024. Net tangible assets per ordinary share have decreased by 2.52 cents, from 5.86 cents on 30 June 2023 to 3.34 cents on 30 June 2024.

The Board declared a 33% increase in the final unfranked dividend to 2.0 cents per share for 2024, following a final unfranked dividend of 1.5 cent per share declared for 2023.

Cashflow

The Group continues to hold \$4,703,000 cash on hand as at 30 June 2024. This cash balance was after the 5 cents per share, \$2,400,000 return of capital to shareholders on 29 February 2024.

The reported net cash from operations of the Group during the financial year 2024 was \$2,743,000 (2023: \$1,408,000, including a \$1,000,000 term deposit for comparison purpose). The 14% increase of \$333,000 was driven by the increased collections in the year of 2024.

Cashflow from investing activities was \$727,000 (2023: -\$1,223,000). To make a meaningful comparison, the figures of both years need be adjusted by the \$1,000,000 term deposit. Then the adjusted cashflow from investing activities was -\$272,000 (2023: -\$224,000). The \$48,000 increase represented increased cash outflows for capex payments in 2024.

Cashflow from financing activities was -\$3,498,000 (2023: -\$796,000), which include the dividend payment of -\$732,000 (2023: -\$488,000) and the return of capital -\$2,441,000 (2023: \$nil) in 2024.

Environmental, social and governance

Our facility improvements reflect decisions to improve the design, construction, and operations of the site to reduce our environmental impact. Past and current investments in new capital equipment contribute to our GHG reduction strategy. Our unwavering commitment to sustainability has resulted in our recent achievement of a silver medal from EcoVadis in February 2024. Our updated Governance Policies reflect our commitment to ethical, transparent, and responsible business practices.

Stability in the state of affairs

Our stability in a changing industry landscape reflects effective strategic planning and execution. It highlights our ability to maintain a steady course while adapting to the evolving needs of our clients and the market.

Governance and Management

In Governance and Management, our Board steadfastly upholds the highest standards of corporate governance and ethical behaviour. We significantly enhanced our ESG policies in the last quarter, integrating environmental guidelines, a robust supplier code of conduct, and stringent modern slavery policies. These updates are designed to align with and reinforce our Group's strategic objectives while enhancing transparency and accountability at all levels.

Further demonstrating our commitment to continuous improvement, we actively engage in external assessments through the EcoVadis platform. These assessments not only provide valuable insights but also serve as a crucial benchmark against industry standards, guiding our ongoing efforts to elevate our operational practices and ethical standards.

Material business risks

We remain vigilant in the face of macroeconomic risks, climate change and regulatory compliance challenges. We continue to update and invest in the latest HVAC technology and equipment to manage and monitor the impact of the climate on our operations. Our diverse customer base and strategic partnerships are key in helping us manage these risks.

Macroeconomic

Despite our strong position in the specialist clinical trials storage and logistics sector, we recognise that we are not immune to external economic factors such as inflation, supply chain disruptions and new competitors. Our strategy involves monitoring economic indicators, maintaining strict internal controls, and diversifying our customer base into the new growth sectors such as biological storage and cell & gene therapies storage and depot services leveraging our 22 years of cryogenic cord blood expertise.

Regulatory compliance

The Group's purpose-built, modern facility is licensed by the Therapeutic Goods Administration (TGA) of Australia and is Good Manufacturing Practice (GMP) certified to support the specialised needs of highly regulated, temperature-sensitive products. We take our quality obligations and responsibilities seriously. Cryosite maintains accreditations, has thorough knowledge of regulatory systems and utilises best-in-class management systems to ensure our quality processes.

Cryosite employs regular and extensive audits to mitigate our risk and ensure our storage facilities meet TGA and our customers' standards. Additionally, the Group maintains sufficient internal controls to ensure continued compliance with its regulatory obligations as well as all Australian laws and regulations.

Privacy and cybersecurity

In an era where data security is paramount, the Group has continuously invested in staff training and infrastructure to protect sensitive information and maintain cybersecurity. Cryosite has initiated its journey to align with the Australian Signals Directorate (ASD) Essential Eight Maturity Model.

Work, health and safety ('WHS')

The Group has a zero-risk tolerance for serious safety incidents. The Group deploys a continuous improvement process to its WHS practices, emphasising its established safety culture throughout the organisation, and providing scheduled training for the workforce.

Operating risks

- **Supply Chain disruption:** The Group is part of a global supply chain facilitating the conduct of clinical trials in Australia. Disruption to this supply chain, as we saw during Covid, brings both challenges and opportunities requiring the Group to remain agile in its response.
- **Commercial Partners:** The Group is aware of the importance of global pharmaceutical and bio-tech companies within its Clinical Trials division and mitigates risk through consistently high levels of customer service, the attraction of new clients, and expansion of its licenses and services.
- **Competition:** The Group is vigilant regarding the possibility of a new market entrant or a change in the delivery model for Clinical Trials in Australia. It mitigates this risk by holding a number of licenses and certifications, investing in its facilities, services and people and by remaining closely connected to its customers. The Group continually invests in its brand and enjoys a high reputation in Australia and internationally.

Employees and diversity

As at 30 June 2024, the Group employed 25 full-time equivalent employees (2023: 25 employees). We are proud that our staff have a rich mix of backgrounds, experiences and perspectives, giving the Group a unique culture and a competitive advantage.

The Group strives to create an inclusive environment that empowers everyone to contribute and make a real difference. This enables our teams to support the success of our clients, and helps our people reach their full potential.

The Group recognises the value of diversity in the workplace. With over ten different ethnic backgrounds, our staff create a culturally and linguistically diverse workplace. There are numerous religions and cultures. Where possible the Group endeavours to offer flexible work practices. Work life balance is seen as a key retention tool.

The Group is committed to providing equal opportunity for all its staff. An overall staff mix of 48% females and 52% males, is also reflected in the direct reports to the CEO with 50% female. Cryosite is committed to providing a workplace free from any form of harassment, bullying and discrimination.

30 June 2024

	All employees	Management	Team lead	Age range	Board of Directors
Male	13	3	2	31-69	3
Female	12	3	2	34-63	-
Total	25	6	4		3

30 June 2024

	All employees %	Management %	Team lead %	Average age	Board of Directors %
Male	52	50	50	45	100
Female	48	50	50	42	-
Total	100	100	100		100

Significant changes in the state of affairs

On 15 February 2024, the Company approved a return of capital of 5 cents per share by way of an equal reduction in accordance with sections 256B and 256C of the Corporations Act 2001 (Cth).

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group provides a range of services that require compliance with legislation and regulations administered by government authorities and statutory bodies, including the Therapeutic Goods Administration (TGA), the Office of Drug Control, the Australian Government Department of Agriculture Fisheries and Forestry and the New South Wales Department of Health. The Group holds and maintains a Good Manufacturing Practice (GMP) Certification. Additionally, the Group must comply with environmental guidance within the quality system requirements of many of its customers.

Cryosite has a Group-wide quality management system to ensure that it meets or exceeds the requirements of all these interests.

There have been no significant known breaches of Cryosite's license conditions or any regulations to which it is subject. The Group, to the best of its knowledge, is not subject to any specific environmental regulations.

Information on directors

Name:	Mark Kerr (appointed on 8 December 2023)
Title:	Non-Executive Chairman
Qualifications:	LLB (The University of Melbourne)
Experience and expertise:	Mark Kerr has a long and successful career with public companies. He is the founding Chairman of Nido Education Ltd, an ASX listed company (ASX: NDO). Mark was also the founding Chairman of Think Childcare Group which was sold to Busy Bees in 2021.
Other current directorships:	Chairman – Nido Education Ltd
Former directorships (last 3 years):	Managing Director – Hawthorn Resources Ltd
Special responsibilities:	None
Interests in shares:	9,000,000 ordinary shares
Interests in options:	None
Name:	Andrew Kerr (appointed on 22 February 2024)
Title:	Non-Executive Director
Qualifications:	CPA, GAICD, BCom (The University of Melbourne)
Experience and expertise:	Andrew is an experienced financial services professional in both the Australian and international markets. Andrew has previously worked at Macquarie Bank (Green Investment Group & Commodities and Global Markets divisions), Bank of America Merrill Lynch, and Meridian Energy Australia (Powershop Australia).
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of Audit and Risk Committee; Member of the Remuneration and Nominations Committee
Interests in shares:	None
Interests in options:	None
Name:	Scott Thomas (appointed on 9 May 2024)
Title:	Non-Executive Director
Qualifications:	Diploma of Financial Strategy (Oxford University), Master of Applied Finance (Macquarie University), Bachelor of Commerce (The University of Melbourne)
Experience and expertise:	Scott has strong experience in the financial services profession both in Australia and the United Kingdom having held senior roles at ANZ and Vanguard Investments.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Remuneration and Nominations Committee; Member of Audit and Risk Committee
Interests in shares:	None
Interests in options:	None

Name:	Andrew Kroger (resigned on 25 June 2024)
Title:	Former Non-Executive Director
Qualifications:	BEC., LLB (Monash)
Experience and expertise:	Andrew Kroger had a career in stockbroking, law and general management including two years running Forsayth Group in 1990 which was Australia's ninth largest gold producer at that time. Andrew is the owner of Process Wastewater Technologies LLC, a company with its major business being in wastewater in the United States. Andrew has a Bachelor of Economics and a Bachelor of Laws from Monash University. Andrew was appointed to the Cryosite Limited board in November 2011.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a director
Interests in options:	Not applicable as no longer a director
Name:	John Hogg (appointed on 8 December 2023 and resigned on 22 February 2024)
Title:	Former Managing Director
Qualifications:	Logistics and Supply Chain Management
Experience and expertise:	John has strong experience in the supply chains both in Australia and the United States having held senior roles at Allegan, Johnson & Johnson, and Philips
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a director
Interests in options:	Not applicable as no longer a director
Name:	Steven Waller (resigned on 8 December 2023)
Title:	Former Non-Executive Chairman
Qualifications:	B Pharm (Sydney), MBA (Macq), GAICD.
Experience and expertise:	Steven Waller was appointed as a Non-Executive Director of Cryosite Limited as of 19 November 2021. On 10 March 2022, Steven replaced Bryan Dulhunty as Non-Executive Chairman. Steven has extensive experience with large pharmaceutical companies, both in Australia and internationally. In Australia Steven held senior management roles at Sigma Healthcare Limited and Aspen Pharmacare Australia Pty Limited. Between 1996 and 2007, Steven held several international roles in sales, marketing and general management with Johnson and Johnson in the Middle East, Europe, the US and Asia-Pacific. Steven also owns a consulting business which provides services to the pharmaceutical industry and the broader health care industry in Australia, including government agencies. Steven is a registered pharmacist, has Master of Business from Macquarie University, and is a graduate of the Australian Institute of Company Directors.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Former Member of Nomination and Remuneration Committee
Interests in shares:	Not applicable as no longer a director
Interests in options:	Not applicable as no longer a director

Name: **Nicola Swift** (resigned on 8 December 2023)
Title: Former Non-Executive Director
Qualifications: BA (Mod) Legal Science (TCD), MA (TCD), CFA, GAICD.
Experience and expertise: Nicola Swift has an extensive background in the international investment management and securities industry as a research director, portfolio manager and equity analyst in London, Sydney and Boston with various global institutional investors. Nicola is a Chartered Financial Analyst, a graduate of the Australian Institute of Company Directors and holds an Honours Law degree and a Master of Arts from Trinity College Dublin. Nicola was appointed to the Board on 3 November 2016.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: Former Chair of the Remuneration and Nominations Committee and Former Chair of Audit and Risk Committee
Interests in shares: Not applicable as no longer a director
Interests in options: Not applicable as no longer a director

Name: **Luis Antonio** (resigned on 8 December 2023)
Title: Former Non-Executive Director
Qualifications: BA (UNSW), BA (CSU), MBA (Curtin), CPA, GAICD.
Experience and expertise: Luis Antonio brings more than 20 years' experience in the pharmaceutical and medical device industries to this role. He is an accomplished finance professional who, over the last 6 years, has held senior sales, marketing, and general management roles in international medical device companies. His experience and expertise complement Cryosite's logistics and storage business. Luis has professional interests in operations and finance excellence, new information systems and analytics, commercial collaboration and business strategy. Previously, Luis has held positions as Head of Finance for Johnson & Johnson Medical Asia-Pacific, Vice-president of International Finance at Wright Medical, Vice-president Sales and Marketing Europe, MEA and Canada at Wright Medical, and Vice-president Asia-Pacific and MEA at Wright Medical. Luis is currently Area Vice-president Asia Pacific for Paragon28.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: Former Member of Audit and Risk Committee
Interests in shares: Not applicable as no longer a director
Interests in options: Not applicable as no longer a director

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Dray Andrea (appointed on 18 January 2023)

Dray is a member of the Company Matters Pty Ltd team (part of Link Group, including Link Market Services share registry). Dray has over 8 years of experience in registry management, general meetings and shareholder communications. Dray holds membership of Governance Institute of Australia and the Chartered Governance Institute (UK).

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Attended	Full Board Held	Nomination and Remuneration Committee Attended	Nomination and Remuneration Committee Held	Audit and Risk Committee Attended	Audit and Risk Committee Held
Mark Kerr	6	6	-	-	-	-
Andrew Kerr	4	4	1	1	2	2
Scott Thomas	2	2	1	1	2	2
Andrew Kroger	12	12	-	-	-	-
John Hogg	2	2	-	-	-	-
Steven Waller	6	6	1	1	3	3
Nicola Swift	6	6	1	1	3	3
Luis Antonio	6	6	-	-	3	3

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The Group aims to ensure a competitive level and mix of remuneration to enable the Group attract, motivate and retain high quality personnel, to help the Group achieve its objectives and advance shareholder returns.

While the Board maintains the authority and responsibility for the oversight of the Group's remuneration policy and the principles and processes which underpins the policy, the Nominations and Remuneration committee provides advice and recommendations to the Board on the structure and level of remuneration for the directors and senior executives, and on the design and award of all executive incentive plans.

On 3 June 2024, non-executive director, Andrew Kerr was appointed as the Chair of the Audit and Risk Committee and non-executive director, Scott Thomas was appointed as the Chair of Nominations and Remuneration Committee.

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role and are set to attract a requisite skill set required to govern the Group.

The Group has three non-executive directors as at 30 June 2024. Mark Kerr is deemed not to be independent, due to his substantial shareholding of the Group with a relevant interest at the date of this report of 9,000,000 ordinary shares.

The remuneration of non-executive directors including the Chairman consists of fixed annual fees which are reviewed annually by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

Fixed annual fees for the 2024 year are as follows and are unchanged from 2023:

Non-Executive Chairman: \$75,000 maximum per annum, plus superannuation.

Non-Executive Director: \$60,000 maximum per annum, plus superannuation.

Chair of Remuneration and Nomination Committee: \$7,500 maximum per annum, plus superannuation.

Chair of Audit and Risk Committee: \$7,500 maximum per annum, plus superannuation.

The current maximum aggregate remuneration, approved by shareholders, for non-executive directors is \$350,000. During 2024 total aggregate remuneration paid to non-executive directors was \$218,000 (2023: \$290,000).

Apart from reimbursement of expenses incurred on the Group's behalf, non-executive directors are not eligible for any additional payments. Performance based compensation is not part of the remuneration structure offered to non-executive directors.

Executive remuneration

The Group aims to reward executives based on their position, responsibility, experience and qualifications with a competitive level and mix of remuneration which has both fixed and variable components.

Executive remuneration and reward can consist of the following components:

- fixed remuneration
- short-term performance incentives, cash-based payments
- long-term performance incentives, share-based payments

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Group and comparable market remunerations. There is no guaranteed annual increase.

Short-term incentives ('STI') are at risk cash payments granted to executives based on the achievement of Group wide budgets as well as specific annual targets and key performance indicators ('KPI's') being achieved by the executive. KPI's include profit contribution, customer satisfaction, leadership contribution and product management. All STI payments are approved by the Board, on the recommendation of the Nominations and Remuneration Committee.

Long-term incentives ('LTI') are at risk equity-based payments. They provide the opportunity, on invitation, for executives to receive an equity-based payment if the financial performance hurdles associated with each invitation are met. These awards are governed by the Cryosite Employee Incentive Plan, (CEIP) established, and approved by shareholders in 2017. The aim of the CEIP is to align executive long-term variable at risk remuneration with the interest of shareholders. All LTI invitations and awards are approved by the Board, on the recommendation of the Nominations and Remuneration Committee. There were no invitations, under the CEIP, made in 2023 or the prior corresponding period.

Performance reviews are conducted annually for all Senior Executives.

Use of remuneration consultants

During the financial year ended 30 June 2024, the Group did not engage a remuneration consultant to advise on the remuneration package awarded to the directors and KMPs.

Voting and comments made at the Company's 2023 Annual General Meeting ('AGM')

At the 2023 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following non-executive directors of Cryosite Limited:

- Andrew Kroger – Former Non-Executive Director (resigned on 25 June 2023)
- Mark Kerr - Non-Executive Chairman (appointed on 8 December 2023)
- Andrew Kerr – Non-Executive Director (appointed on 22 February 2024)
- Scott Thomas – Non-Executive Director (appointed on 9 May 2024)
- John Hogg – Former Managing Director (appointed on 8 December 2023 and resigned on 22 February 2024)
- Steven Waller – Former Non-Executive Chairman (resigned on 8 December 2023)
- Nicola Swift – Former Non-Executive Director (resigned on 8 December 2023)
- Luis Antonio – Former Non-Executive Director (resigned on 8 December 2023)

And the following persons:

- John Hogg - Chief Executive Officer
- Jane Hao - Chief Financial Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Other Cash benefits	Non-monetary	Superannuation	Long service leave	Equity-settled	Total
2024	\$	\$	\$	\$	\$	\$	\$
Non-Executive Directors:							
Andrew Kroger	26,385	-	-	2,902	-	-	29,287
Mark Kerr ⁽¹⁾	42,115	-	-	4,633	-	-	46,748
Andrew Kerr ⁽²⁾	22,010	-	-	2,424	-	-	24,434
Scott Thomas ⁽³⁾	9,548	-	-	1,053	-	-	10,601
Steven Waller ⁽⁴⁾	35,179	-	-	3,870	-	-	39,049
Nicola Swift ⁽⁴⁾	32,298	-	-	3,553	-	-	35,851
Luis Antonio ⁽⁴⁾	29,266	-	-	3,219	-	-	32,485
Executive Directors:							
John Hogg ⁽⁵⁾	-	-	-	-	-	-	-
Other Key Management Personnel:							
John Hogg ⁽⁶⁾	259,620	14,316	-	26,540	11,194	-	311,670
Jane Hao	159,428	10,000	-	40,460	2,941	-	212,829
	615,849	24,316	-	88,654	14,135	-	742,954

(1) Represents remuneration from 8 December 2023 to 30 June 2024.

(2) Represents remuneration from 22 February 2024 to 30 June 2024.

(3) Represents remuneration from 9 May 2024 to 30 June 2024.

(4) Represents remuneration from 1 July 2023 to 8 December 2023.

(5) Represents remuneration as a Managerial Director from 8 December 2023 to 22 February 2024.

(6) Represents remuneration as a CEO for the entire year.

	Short-term benefits		Post-employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Cash benefits	Non-monetary	Super-annuation	Long service leave	Equity-settled
	\$	\$	\$	\$	\$	\$
2023						
<i>Non-Executive Directors:</i>						
Steven Waller	75,000	-	-	7,875	-	-
Andrew Kroger	60,000	-	-	6,300	-	-
Nicola Swift	75,000	-	-	7,875	-	-
Bryan Dulhunty ⁽²⁾	40,000	-	-	4,200	-	-
Luis Antonio ⁽¹⁾	12,500	-	-	1,313	-	-
<i>Other Key Management Personnel:</i>						
John Hogg ⁽³⁾	211,724	13,033	-	24,436	5,143	-
Jane Hao ⁽³⁾	167,066	10,000	-	16,800	1,475	-
	641,290	23,033	-	68,799	6,618	-

(1) Represents remuneration from 17 April 2023 to 30 June 2023.

(2) Represents remuneration from 1 July 2022 to 28 February 2023.

(3) Other cash benefits were bonus accrued but not yet paid as at 30 June 2023.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration		At risk - STI		At risk - LTI	
	2024	2023	2024	2023	2024	2023
<i>Non-Executive Directors:</i>						
Andrew Kroger	100.00%	100.00%	-	-	-	-
Mark Kerr	100.00%	-	-	-	-	-
Andrew Kerr	100.00%	-	-	-	-	-
Scott Thomas	100.00%	-	-	-	-	-
Steven Waller	100.00%	100.00%	-	-	-	-
Nicola Swift	100.00%	100.00%	-	-	-	-
Luis Antonio	100.00%	100.00%	-	-	-	-
Bryan Dulhunty	-	100.00%	-	-	-	-
<i>Other Key Management Personnel:</i>						
John Hogg	95.41%	94.88%	4.59%	5.12%	-	-
Jane Hao	95.30%	94.88%	4.70%	5.12%	-	-

Cash bonuses are dependent on meeting defined performance measures. The amount of the bonus is determined having regard to the satisfaction of performance measures as described above in the section 'Consolidated entity performance and link to remuneration'. The maximum bonus values are established at the start of each financial year and amounts payable are determined by the board and paid in the final month of the financial year.

The proportion of the cash bonus paid/payable or forfeited is as follows:

Name	Cash bonus paid/payable		Cash bonus forfeited	
	2024	2023	2024	2023
<i>Other Key Management Personnel:</i>				
John Hogg	14,316	13,033	-	-
Jane Hao	10,000	10,000	-	-

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	John Hogg
Title:	Chief Executive Officer
Agreement commenced:	15 October 2020
Term of agreement:	Permanent
Details:	Base Salary \$286,327 plus superannuation. John Hogg can receive \$13,000 bonus annually on his base salary subject to individual and Group performance.

John Hogg or the Group may terminate this agreement by providing the other with three months written notice.

Name:	Jane Hao
Title:	Chief Financial Officer
Agreement commenced:	08 January 2021
Term of agreement:	Permanent
Details:	Base Salary \$176,000 plus superannuation. Jane Hao can receive \$10,000 bonus annually on her base salary subject to individual and Group performance.

Jane Hao or the Group may terminate this agreement by providing the other with three months written notice.

The Group may terminate the employee's contract without notice if serious misconduct has occurred. Where termination with cause occurs, the executive is only entitled to that portion of remuneration that is fixed, and only up to the date of termination. On termination with cause, any options that have granted but not vested will be forfeited.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Options and Performance Rights

There were no options and performance rights over ordinary shares issued, granted, or vested to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2024.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mark Kerr	4,654,494	-	4,500,000	(154,494)	9,000,000
Andrew Kerr	-	-	-	-	-
Scott Thomas	-	-	-	-	-
Andrew Kroger ⁽¹⁾	22,543,702	-	-	(9,500,000)	13,043,702
John Hogg ⁽²⁾	650,000	-	-	-	650,000
Steven Waller ⁽³⁾	-	-	-	-	-
Nicola Swift ⁽³⁾	-	-	-	-	-
Luis Antonio ⁽³⁾	-	-	-	-	-
Jane Hao	-	-	-	-	-
	<u>27,848,196</u>	<u>-</u>	<u>4,500,000</u>	<u>(9,654,494)</u>	<u>22,693,702</u>

(1) Resigned on 25 June 2024.

(2) Resigned as managerial director on 22 February 2024.

(3) Resigned on 8 December 2023.

Option holding

There were no options held by directors and key management personnel at the beginning of the year, at any time during the year, or at the end of the year.

Loans to key management personnel and their related parties

There were no loans to key management personnel at the beginning of the year, at any time during the year, or at the end of the year.

Other transactions with key management personnel and their related parties

N/A

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of Cryosite Limited under option outstanding at the date of this report.

Shares under performance rights

There were no unissued ordinary shares of Cryosite Limited under performance rights outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of Cryosite Limited issued on the exercise of options during the year ended 30 June 2024 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Cryosite Limited issued on the exercise of performance rights during the year ended 30 June 2024 and up to the date of this report.

Indemnity and insurance of officers

The Group holds insurance for all the Directors and Officers against liability, except wilful breach of duty, of a nature that is required to be disclosed under section 300(8) of the Corporations Act 2001. In accordance with commercial practice, further details of the nature of the liabilities insured against and the amount of the premium have not been disclosed.

In addition to the above, the Directors and certain Officers of the Group have entered into a Deed of Indemnity and Access confirming the Group's obligation to maintain an adequate Director and Officer Liability insurance policy and confirming the individual Directors' and Officers' right to access board papers and other Group documents. In return, the individual Directors and Officers have agreed to allow the Group to conduct the defence should the event arise. The Group has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an Officer or Auditor of the Group or of any related body corporate against a liability incurred as such an Officer or Auditor.

Indemnity and insurance of auditor

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the Group who are former partners of Forvis Mazars Risk & Assurance Pty Limited

There are no officers of the Group who are former partners of Forvis Mazars Risk & Assurance Pty Limited.

Rounding of amounts

The Group is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Forvis Mazars Risk & Assurance Pty Limited continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Mark Kerr", written over a horizontal line.

Mark Kerr
Non-Executive Chairman

20 August 2024

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF CRYOSITE LIMITED AND CONTROLLED ENTITY

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

As lead audit partner for the audit of the financial statements of Cryosite Limited for the financial year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

Forvis Mazars Risk & Assurance Pty Limited



Rose Megale
Director
Sydney, 20 August 2024

	Note	Consolidated 2024 \$'000	2023 \$'000
Revenue	5	12,612	11,935
Expenses			
Administration expenses	6	(4,439)	(4,248)
Cost of providing services		(4,618)	(4,761)
Depreciation and amortisation expense	6	(787)	(696)
Marketing expenses		(47)	(55)
Occupancy expenses		(667)	(651)
Total expenses		<u>(10,558)</u>	<u>(10,411)</u>
Operating profit		2,054	1,524
Interest revenue calculated using the effective interest method		195	116
Finance costs		<u>(163)</u>	<u>(65)</u>
Profit before income tax expense		2,086	1,575
Income tax expense	7	<u>(246)</u>	<u>(166)</u>
Profit after income tax expense for the year attributable to the owners of Cryosite Limited		1,840	1,409
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to the owners of Cryosite Limited		<u><u>1,840</u></u>	<u><u>1,409</u></u>
		Cents	Cents
Basic earnings per share	8	3.77	2.89
Diluted earnings per share	8	3.77	2.89

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

	Note	Consolidated 2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	9	4,703	4,731
Term deposit maturing after three months		-	1,000
Trade and other receivables	10	1,406	1,727
Inventories - stock on hand		59	60
Customer acquisition and fulfilment costs	11	1,126	1,195
Other assets	12	443	468
Total current assets		<u>7,737</u>	<u>9,181</u>
Non-current assets			
Property, plant and equipment	13	1,451	1,516
Right-of-use assets	14	2,259	2,520
Intangible assets		4	8
Deferred tax assets	7	1,030	1,059
Customer acquisition and fulfilment costs	11	7,030	8,156
Other assets	12	202	207
Total non-current assets		<u>11,976</u>	<u>13,466</u>
Total assets		<u>19,713</u>	<u>22,647</u>
Liabilities			
Current liabilities			
Trade and other payables	15	1,150	1,254
Contract liabilities	16	2,096	2,040
Lease liabilities		179	161
Provision for income tax	7	217	-
Employee benefits	17	284	262
Other liabilities	19	64	60
Total current liabilities		<u>3,990</u>	<u>3,777</u>
Non-current liabilities			
Trade and other payables	15	442	442
Contract liabilities	16	10,925	12,539
Lease liabilities		2,266	2,445
Employee benefits	17	137	95
Provisions	18	209	209
Other liabilities	19	295	358
Total non-current liabilities		<u>14,274</u>	<u>16,088</u>
Total liabilities		<u>18,264</u>	<u>19,865</u>
Net assets		<u>1,449</u>	<u>2,782</u>
Equity			
Issued capital	20	3,538	5,979
Accumulated losses		<u>(2,089)</u>	<u>(3,197)</u>
Total equity		<u>1,449</u>	<u>2,782</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

	Consolidated	Issued capital \$'000	Reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2022		5,979	-	(4,118)	1,861
Profit after income tax expense for the year		-	-	1,409	1,409
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		-	-	1,409	1,409
<i>Transactions with owners in their capacity as owners:</i>					
Dividends paid (note 21)		-	-	(488)	(488)
Balance at 30 June 2023		<u>5,979</u>	<u>-</u>	<u>(3,197)</u>	<u>2,782</u>
	Consolidated	Issued capital \$'000	Reserve \$'000	Accumulated losses \$'000	Total equity \$'000
Balance at 1 July 2023		5,979	-	(3,197)	2,782
Profit after income tax expense for the year		-	-	1,840	1,840
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year		-	-	1,840	1,840
<i>Transactions with owners in their capacity as owners:</i>					
Return of capital		(2,441)	-	-	(2,441)
Dividends paid (note 21)		-	-	(732)	(732)
Balance at 30 June 2024		<u>3,538</u>	<u>-</u>	<u>(2,089)</u>	<u>1,449</u>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

		Consolidated	
	Note	2024	2023
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		11,872	10,086
Payments to suppliers and employees (inclusive of GST)		(9,129)	(8,678)
Net cash from operating activities	30	2,743	1,408
Cash flows from investing activities			
Payments for property, plant and equipment	13	(452)	(301)
Payments for security deposits		-	(30)
Investment of cash in short-term deposits		1,000	(1,000)
Interest received		179	108
Net cash from/(used in) investing activities		727	(1,223)
Cash flows from financing activities			
Return of capital		(2,441)	-
Interest and other finance costs paid		(25)	(28)
Dividends paid	21	(732)	(488)
Repayment of lease liabilities		(300)	(280)
Net cash used in financing activities		(3,498)	(796)
Net decrease in cash and cash equivalents		(28)	(611)
Cash and cash equivalents at the beginning of the financial year		4,731	5,341
Effects of exchange rate changes on cash and cash equivalents		-	1
Cash and cash equivalents at the end of the financial year	9	4,703	4,731

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Cryosite Limited as a Group consisting of Cryosite Limited and the entity it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Cryosite Limited's functional and presentation currency.

Cryosite Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

13a Ferndell Street
South Granville
NSW 2142

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 20 August 2024. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policies

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Cryosite Limited ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended. Cryosite Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Note 2. Material accounting policies (continued)

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparatives

Certain comparatives have been reclassified to conform with current year presentation. This has not had any impact on the financial position of the Group at 30 June 2024 or the results for the year then ended.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Determining the timing of satisfaction of performance obligations

The Group concluded that a portion of the revenue from collection, processing and storage of cord blood and tissue should be recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group. The Group determined that the contract term of multi-year contracts, (historically as long as 18 or 25 years in duration) is the best method to determine the timing of satisfaction of performance obligations.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Allowance for expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. The allowance for expected credit losses, as disclosed in note 10, is calculated based on the information available at the time of preparation.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date. The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Consideration of significant financing component in a contract

Historically, the storage contract for cord blood and cord tissue was either 18 or 25 years and the payment options available to the customers were:

- Upfront payment of the full contract price at inception of the contract;
- Instalment payment of either 12 or 24 months; and
- Partial upfront settlement with the remaining balance paid in instalment throughout the life of the contract (referred to by the Group as "Annual plans").

Management determined that there is a significant financing component included in these 'Annual plans' because the total amount paid under this plan is significantly higher than the upfront cash payment. The amount of financing component attributed to the contract is determined as the difference between the total 'Annual plan' payments and the upfront cash payment.

Income tax

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws and the amount and timing of future taxable income. The group's accounting policy for taxation requires management's judgement as to the types of arrangements considered to be a tax on income in contrast to an operating cost. Judgement is also required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised in the statement of financial position. Deferred tax assets, including those arising from carry forward tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

The Group has utilised all carried forward tax losses \$1,308,799 during the financial year ending 30 June 2024. Nil balance as on date. Assumptions about the generation of future taxable profits and repatriation of retained earnings depend on management's estimates of future cash flows. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact on the amount of deferred tax liabilities or assets recognised on the statement of financial position and the amount of other tax losses and temporary differences not yet recognised. In such circumstances, some or all of the carrying amounts of recognised deferred tax assets and liabilities may require adjustment, resulting in a corresponding credit or charge to the statement of comprehensive income.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Lease make good provision

A provision of \$209,000 has been made for the present value of anticipated costs for future restoration of leased premises (2023: \$209,000). The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into two operating segments: Clinical trials and biological services logistics and Cord blood and tissue storage. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Clinical trials and biological services logistics

Specialist temperature-controlled storage, sourcing, labelling, status management, secondary packaging, schedule drug distribution, destruction, returns and biological services.

Cord blood and tissue storage

Storage of cord blood and tissue samples.

The CODM review EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Major customers

The Group services a highly specialised and often concentrated market segment, of which during the year ended 30 June 2024, approximately 69% of the Group's external revenue was derived from sales to three major global clients.

Note 4. Operating segments (continued)

Operating segment information

	Clinical trials and biological services logistics \$'000	Cord blood and tissue storage \$'000	Unallocated \$'000	Total \$'000
Consolidated - 2024				
Revenue				
Sales to external customers	10,319	2,293	-	12,612
Total revenue	10,319	2,293	-	12,612
EBITDA	4,733	589	(2,481)	2,841
Depreciation and amortisation expense	(449)	(5)	(333)	(787)
Interest revenue	-	-	195	195
Finance costs	-	-	(163)	(163)
Profit/(loss) before income tax expense	4,284	584	(2,782)	2,086
Income tax expense				(246)
Profit after income tax expense				1,840
Assets				
Segment assets	2,726	9,271	7,716	19,713
Total assets				19,713
Liabilities				
Segment liabilities	1,265	13,054	3,945	18,264
Total liabilities				18,264
Consolidated - 2023				
Revenue				
Sales to external customers	9,599	2,336	-	11,935
Total revenue	9,599	2,336	-	11,935
EBITDA	4,615	660	(3,055)	2,220
Depreciation and amortisation expense	(392)	(5)	(299)	(696)
Interest revenue	-	-	116	116
Finance costs	-	-	(65)	(65)
Profit/(loss) before income tax expense	4,223	655	(3,303)	1,575
Income tax expense				(166)
Profit after income tax expense				1,409
Assets				
Segment assets	3,072	10,627	8,948	22,647
Total assets				22,647
Liabilities				
Segment liabilities	1,237	14,767	3,861	19,865
Total liabilities				19,865

Note 4. Operating segments (continued)

Geographical information

The sales to external customers for both operating segments are from Australia.

Note 5. Revenue

	Consolidated 2024 \$'000	2023 \$'000
<i>Revenue from contracts with customers</i>		
Revenue from clinical trials, logistics and biological services	10,319	9,599
Revenue from cord blood and tissue storage (i)	2,293	2,336
Revenue	<u>12,612</u>	<u>11,935</u>

	Consolidated 2024 \$'000	2023 \$'000
<i>(i) Cord blood and tissue storage is comprised of:</i>		
Cord blood and tissue storage revenue	457	397
Cord blood historical contract revenue	1,836	1,939
Total cord blood and tissue storage revenue	<u>2,293</u>	<u>2,336</u>

	Consolidated 2024	2023
<i>* Cord blood deferred revenues and costs are comprised of:</i>		
Cord blood historical contract liabilities	1,836	1,939
Cord blood historical contract assets	(1,195)	(1,253)
Cord blood historical deferred income tax expense	(161)	(172)
Total cord blood historical deferred net income	<u>480</u>	<u>514</u>

* Refer to note 4 'Operating segments'.

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated 2024 \$'000	2023 \$'000
<i>Geographical regions</i>		
Australia*	<u>12,612</u>	<u>11,935</u>
<i>Timing of revenue recognition</i>		
Goods transferred at a point in time	1,992	2,442
Services transferred over time	10,620	9,493
	<u>12,612</u>	<u>11,935</u>

* The geographical regions are determined based on the place where the services occur.

Note 5. Revenue (continued)

Accounting policy for revenue recognition

The Group recognises revenue as follows:

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

The Group provides the following services:

- specialist temperature-controlled storage, sourcing, labelling, status management, secondary packaging, schedule drug distribution, destruction, returns and biological services; and
- long term storage for cord blood and tissue samples.

Revenue from clinical trials and biological services logistics services

Revenue from clinical trials pertain to processing and distribution of samples for clinical testing. The Group has assessed that each sample processed is distinct from each other and that asset is transferred to the customer either at the completion of the service or over time. Accordingly, the Group assessed that the performance obligation is both satisfied at that point in time and over time and revenue is recognised as and when the customer obtains control of the asset.

Revenue from cord blood and cord tissue storage

The collection, processing and storage services for cord blood and tissue samples constitute a single performance obligation because none of the services are distinct and marketed independently of the others. Therefore, this single performance obligation is performed over time (i.e., throughout the storage contract period of 18 or 25 years). Deferred revenue and deferred costs are consequently recognised in the statement of financial position, and these are unwound to the statement of profit or loss for the remaining contract period.

Note 6. Expenses

	Consolidated	
	2024	2023
	\$'000	\$'000

Profit before income tax includes the following specific expenses:

Depreciation and amortisation expense

Depreciation - Property plant and equipment	522	464
Depreciation - Right-of-use assets	261	227
Amortisation - Intangibles assets	4	5

Total depreciation and amortisation	787	696
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Finance costs

Interest portion of monies owed to ACCC	23	27
Interest and finance charges paid/payable on lease liabilities	140	38

Finance costs expensed	163	65
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Superannuation expense

Defined contribution superannuation expense	302	275
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Employee benefits expense excluding superannuation

Employee benefits expense excluding superannuation	2,523	2,489
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Note 7. Income tax

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Income tax expense</i>		
Current tax	217	-
Deferred tax - origination and reversal of temporary differences	29	166
	<u>246</u>	<u>166</u>
Aggregate income tax expense		
Deferred tax included in income tax expense comprises:		
Decrease in deferred tax assets	29	166
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	2,086	1,575
Tax at the statutory tax rate of 25%	522	394
Prior year tax losses not recognised now recouped	(327)	(230)
Other item	51	2
	<u>246</u>	<u>166</u>
Income tax expense		

The estimate takes into account the unutilised tax losses and anticipated tax payable.

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	-	1,040
Potential tax benefit at statutory tax rates	-	260

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Historical deferred revenue cord blood*	3,081	3,540
Historical deferred cost cord blood**	(2,039)	(2,338)
Other items	(12)	(143)
	<u>1,030</u>	<u>1,059</u>
Deferred tax asset		
Movements:		
Opening balance	1,059	1,225
Charged to profit or loss	(29)	(166)
	<u>1,030</u>	<u>1,059</u>
Closing balance		

Note 7. Income tax (continued)

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Provision for income tax</i>		
Provision for income tax	217	-
	Consolidated	Consolidated
	2024	2023
	\$'000	\$'000
<i>*Historical deferred revenue cord blood</i>		
Opening balance	3,540	4,025
Movement	(459)	(485)
Closing balance	3,081	3,540
<i>**Historical deferred cost cord blood</i>		
Opening balance	(2,338)	(2,651)
Movement	299	313
Closing balance	(2,039)	(2,338)
Deferred tax asset (net)	1,042	1,202

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Cryosite Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

Note 7. Income tax (continued)

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

An income tax benefit will arise for the financial year where an income tax loss is incurred and, where permitted to do so, is carried-back against a qualifying prior period's tax payable to generate a refundable tax offset.

Note 8. Earnings per share

	Consolidated	
	2024	2023
	\$'000	\$'000
Profit after income tax attributable to the owners of Cryosite Limited	<u>1,840</u>	<u>1,409</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>48,809,563</u>	<u>48,809,563</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>48,809,563</u>	<u>48,809,563</u>
	Cents	Cents
Basic earnings per share	3.77	2.89
Diluted earnings per share	3.77	2.89

There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date and before completion of these financial statements.

Accounting policy for earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Cryosite Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 9. Cash and cash equivalents

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Cash at bank and on hand	703	731
Short-term deposits	<u>4,000</u>	<u>4,000</u>
	<u>4,703</u>	<u>4,731</u>

Cash at bank and on hand earns interest at floating rates based on daily bank deposit rates. Short-term deposit is made for varying periods of between one day and six months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Note 10. Trade and other receivables

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	1,441	1,679
Accrued receivables	30	-
Less: Allowance for expected credit losses	(110)	(68)
	<u>1,361</u>	<u>1,611</u>
Other receivables	45	116
	<u>1,406</u>	<u>1,727</u>

Allowance for expected credit losses

The Group has recognised a loss of \$4,000 (2023: \$26,000) in profit or loss in respect of the expected credit losses for the year ended 30 June 2024.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss		Carrying amount		Allowance for expected credit losses	
	rate					
	2024	2023	2024	2023	2024	2023
	%	%	\$'000	\$'000	\$'000	\$'000
Not overdue	1.7%	1.2%	1,271	1,426	22	17
0 to 30 days overdue	16.0%	12.4%	116	162	19	20
31 to 60 days overdue	23.8%	17.2%	14	65	3	11
61 to 90 days overdue	18.7%	60.7%	5	16	1	10
91 to 120 days overdue	100.0%	100.0%	4	4	4	4
121 days and above overdue	100.0%	100.0%	61	6	61	6
			<u>1,471</u>	<u>1,679</u>	<u>110</u>	<u>68</u>

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
Opening balance	68	42
Additional provisions recognised	46	52
Provision used	(4)	(26)
Closing balance	<u>110</u>	<u>68</u>

Accounting policy for trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue. Based on historical credit losses, the Group determined the presumption that default occurs later than when a trade receivable is 91 days past due.

Note 10. Trade and other receivables (continued)

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 11. Customer acquisition and fulfilment costs

	Consolidated 2024 \$'000	2023 \$'000
<i>Current assets</i>		
Deferred costs - cord blood	1,126	1,195
<i>Non-current assets</i>		
Deferred costs - cord blood	7,030	8,156
	<u>8,156</u>	<u>9,351</u>
<i>Reconciliation of historical deferred cost cord blood</i>		
Opening balance	9,351	10,604
Recognised in the current year	(1,195)	(1,253)
Closing balance	<u>8,156</u>	<u>9,351</u>

Deferred costs represent upfront costs, such as laboratory fees, attributable for the collection and processing of cord blood and tissue samples.

Accounting policy for Customer acquisition and fulfilment costs assets

Costs to fulfil a contract are recognised as a contract asset if costs relate directly to a contract, generate or enhance resources that will be used in satisfying performance obligations and are expected to be recovered. The capitalised contract assets are amortised over a period on a systematic basis that is consistent with the entity's transfer of the related goods or services to the customer.

Note 12. Other assets

	Consolidated 2024 \$'000	2023 \$'000
<i>Current assets</i>		
Prepayments	443	468
<i>Non-current assets</i>		
Security deposits	198	198
Other non-current assets	4	9
	<u>202</u>	<u>207</u>
	<u>645</u>	<u>675</u>

Note 13. Property, plant and equipment

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Leasehold improvements - at cost	149	140
Less: Accumulated depreciation	(97)	(70)
	<u>52</u>	<u>70</u>
Fixtures and fittings - at cost	156	156
Less: Accumulated depreciation	(123)	(115)
	<u>33</u>	<u>41</u>
Information technology - at cost	263	255
Less: Accumulated depreciation	(202)	(159)
	<u>61</u>	<u>96</u>
Office furniture and equipment - at cost	68	95
Less: Accumulated depreciation	(33)	(48)
	<u>35</u>	<u>47</u>
Warehouse equipment - at cost	4,203	4,110
Less: Accumulated depreciation	(3,129)	(2,848)
	<u>1,074</u>	<u>1,262</u>
Tangible assets under construction - at cost	196	-
	<u><u>1,451</u></u>	<u><u>1,516</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements	Fixtures and fittings	Information technology	Office furniture and equipment	Warehouse equipment	Tangible assets under construction - at cost	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022	77	47	109	43	1,370	-	1,646
Additions	18	2	35	14	265	-	334
Depreciation expense	(25)	(8)	(48)	(10)	(373)	-	(464)
Balance at 30 June 2023	70	41	96	47	1,262	-	1,516
Additions	9	-	14	-	238	196	457
Depreciation expense	(27)	(8)	(49)	(12)	(426)	-	(522)
Balance at 30 June 2024	<u><u>52</u></u>	<u><u>33</u></u>	<u><u>61</u></u>	<u><u>35</u></u>	<u><u>1,074</u></u>	<u><u>196</u></u>	<u><u>1,451</u></u>

Note 13. Property, plant and equipment (continued)

Accounting policy for property, plant and equipment

Each item of property, plant and equipment (excluding land) is depreciated over their expected useful lives as follows:

Leasehold improvements	5 years
Fixtures and fittings	5-10 years
Information technology	2.5-5 years
Office furniture and equipment	2.5-8 years
Warehouse equipment	4-10 years

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 14. Right-of-use assets

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current assets</i>		
Land and buildings - right-of-use	3,430	3,430
Less: Accumulated depreciation	<u>(1,171)</u>	<u>(910)</u>
	<u><u>2,259</u></u>	<u><u>2,520</u></u>

The Group leases land and buildings for its offices and warehouses under agreement 5 years, with the option to extend with 5 years.

For other AASB 16 lease related disclosures refer to the following:

- note 6 for details of interest on lease liabilities and other lease payments;
- note 22 for lease liabilities at the end of the reporting period;
- note 26 for undiscounted future lease commitments; and
- consolidated statement of cash flows for repayment of lease liabilities.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Land and buildings \$'000
Balance at 1 July 2022	758
Additions	1,989
Depreciation expense	<u>(227)</u>
Balance at 30 June 2023	2,520
Additions	-
Depreciation expense	<u>(261)</u>
Balance at 30 June 2024	<u><u>2,259</u></u>

Note 14. Right-of-use assets (continued)

Accounting policy for right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Note 15. Trade and other payables

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Trade payables	657	632
Other payables	493	622
	<u>1,150</u>	<u>1,254</u>
<i>Non-current liabilities</i>		
Client deposits	442	442
	<u>1,592</u>	<u>1,696</u>

Refer to note 22 for further information on financial instruments.

Accounting policy for trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Note 16. Contract liabilities

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Contract liabilities	2,096	2,040
<i>Non-current liabilities</i>		
Contract liabilities	10,925	12,539
	<u>13,021</u>	<u>14,579</u>

Reconciliation

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance	14,579	16,404
Payments received in advance	934	463
Transfer to revenue - included in the opening balance	(2,039)	(2,100)
Transfer to revenue - other balances	(453)	(188)
Closing balance	<u>13,021</u>	<u>14,579</u>

Unsatisfied performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was \$13,021,000 as at 30 June 2024 (\$14,579,000 as at 30 June 2023) and is expected to be recognised as revenue in future periods as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
Within 1 year	2,096	2,040
2 to 3 years	3,285	3,424
4 to 5 years	2,634	2,870
over 5 years	5,006	6,245
	<u>13,021</u>	<u>14,579</u>

Accounting policy for contract liabilities

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Note 17. Employee benefits

	Consolidated 2024 \$'000	2023 \$'000
<i>Current liabilities</i>		
Annual leave	188	163
Long service leave	96	99
	<u>284</u>	<u>262</u>
<i>Non-current liabilities</i>		
Long service leave	137	95
	<u>421</u>	<u>357</u>

Amounts not expected to be settled within the next 12 months

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the Group does not have an unconditional right to defer settlement. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	Consolidated 2024 \$'000	2023 \$'000
Employee benefits obligation expected to be settled after 12 months	<u>188</u>	<u>163</u>

Accounting policy for employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 18. Provisions

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Non-current liabilities</i>		
Lease make good	<u>209</u>	<u>209</u>

Lease make good

The provision represents the present value of the estimated costs to make good the premises leased by the Group at the end of the respective lease terms.

On 1 July 2023 the current lease agreement with Allsup Pty Limited for the premises in Granville, was extended until 30 June 2028. The lease make good provision was increased by \$9,000 to \$209,000 in respect of the Group's obligation to reflect this arrangement regarding the leased premises. Because of the long-term nature of the liability, there is uncertainty in estimating the actual cost that may ultimately be incurred and any impacts on this of renegotiated terms at the time of lease expiry.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	<i>Lease make good</i>
	<i>\$'000</i>
Consolidated - 2024	
Carrying amount at the start of the year	209
Additional provisions recognised	<u>-</u>
Carrying amount at the end of the year	<u>209</u>

Accounting policy for provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 19. Other liabilities

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Current liabilities</i>		
Other liabilities	<u>64</u>	<u>60</u>
<i>Non-current liabilities</i>		
Other liabilities	<u>295</u>	<u>358</u>
	<u>359</u>	<u>418</u>

As at 30 June 2024, an amount of \$359,000 remains payable to the Australian Competition and Consumer Commission ('ACCC') under deferred settlement arrangement commencing in 2019. An amount of \$85,000 is payable per year, with the final payment due in 2029.

Note 20. Issued capital

	2024	Consolidated	2024	2023
	Shares	2023	\$'000	\$'000
		Shares		
Ordinary shares - fully paid	<u>48,809,563</u>	<u>48,809,563</u>	<u>3,538</u>	<u>5,979</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$'000
Balance	1 July 2022	<u>48,809,563</u>		<u>5,979</u>
Balance	30 June 2023	<u>48,809,563</u>		<u>5,979</u>
Return of capital		<u>-</u>	<u>\$0.00</u>	<u>(2,441)</u>
Balance	30 June 2024	<u>48,809,563</u>		<u>3,538</u>

Ordinary shares

Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment.

The Group's approach to capital risk management remains unchanged from the 30 June 2023 Annual report.

Accounting policy for issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 21. Dividends

Dividends

Dividends paid during the financial year were as follows:

	Consolidated	
	2024	2023
	\$'000	\$'000
Final unfranked dividend for the year ended 30 June 2023 of 1.5 cents (2022: 1.0 cents) per ordinary share	<u>732</u>	<u>488</u>

Note 22. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Group is not exposed to significant foreign currency risk.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group is not exposed to significant interest rate risk as it does not have borrowings.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group trades with a number of types of customers, the main ones being:

- Incorporated companies;
- Research institutes; both private and academic; and
- Cord Blood customers.

Incorporated Companies

The Group trades with recognised, publicly listed companies and large unlisted proprietary companies and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

Note 22. Financial instruments (continued)

Research institutes both private and academic

The Group also trades with research institutes that are either publicly, privately or government owned along with recognised universities. Such customers are subject to credit search and collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

Cord Blood and Tissue customers

All cord blood and tissue customers sign a formal agreement and prepay for their storage charges.

The Group does not offer individuals a trade on credit term. Credit risk limits are remote and regularly monitored. There are no transactions that are not denominated in the functional currency of the Group.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2024	Weighted average interest rate %	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	657	-	-	-	657
Other payables	-	493	-	-	-	493
	-	-	-	-	-	-
<i>Interest-bearing - fixed rate</i>						
Lease liability	5.50%	180	199	728	1,339	2,446
Total non-derivatives		1,330	199	728	1,339	3,596

Note 22. Financial instruments (continued)

Consolidated - 2023	Weighted average interest rate %	1 year or less \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	632	-	-	-	632
Other payables	-	622	-	-	-	622
	-	-	-	-	-	-
<i>Interest-bearing - fixed rate</i>						
Lease liability	5.50%	161	179	660	1,606	2,606
Total non-derivatives		1,415	179	660	1,606	3,860

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated 2024 \$	2023 \$
Short-term employee benefits ⁽¹⁾	635,849	641,290
Post-employment benefits	82,789	75,417
Other cash benefits ⁽²⁾	24,316	23,033
	<u>742,954</u>	<u>739,740</u>

(1) Salary and director fees paid and accrued for the financial year ended 30 June 2024

(2) Other cash benefits were bonus accrued but not yet paid as at 30 June 2024

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Forvis Mazars Risk & Assurance Pty Limited, the auditor of the Company:

	Consolidated 2024 \$	2023 \$
<i>Audit services - Forvis Mazars Risk & Assurance Pty Limited</i>		
Audit or review of the financial statements	<u>75,000</u>	<u>75,000</u>

Note 25. Contingent liabilities

Bank guarantees of \$198,000 (2023: \$198,000) exist at year-end in respect of the Group's obligations under the premises lease arrangements.



Note 26. Commitments

	Consolidated	
	2024	2023
	\$'000	\$'000
<i>Capital commitments</i>		
Committed at the reporting date but not recognised as liabilities, payable:		
Property, plant and equipment	-	200

Note 27. Related party transactions

Parent entity

Cryosite Limited is the parent entity.

Subsidiary

Interests in subsidiary are set out in note 29.

Key management personnel

Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2024	2023
	\$'000	\$'000
Profit after income tax	1,840	1,409
Total comprehensive income	1,840	1,409

Statement of financial position

	Parent	
	2024	2023
	\$'000	\$'000
Total current assets	7,737	9,181
Total assets	19,714	22,647
Total current liabilities	3,992	3,777
Total liabilities	18,265	19,865
Equity		
Issued capital	3,538	5,979
Accumulated losses	(2,089)	(3,197)
Total equity	1,449	2,782

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2024 and 30 June 2023.

Note 28. Parent entity information (continued)

Contingent liabilities

The parent entity had contingent liabilities same as mentioned in note 25.

Capital commitments - Property, plant and equipment

The parent entity had capital commitments same as mentioned in note 26.

Material accounting policy information

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 29. Interests in subsidiary

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2024 %	2023 %
Cryosite Distribution Pty Limited	Australia	100%	100%

Note 30. Cash flow information

Reconciliation of profit after income tax to net cash from operating activities

	Consolidated	
	2024 \$'000	2023 \$'000
Profit after income tax expense for the year	1,840	1,409
Adjustments for:		
Transfer to investing activities	(15)	7
Depreciation and amortisation expenses	787	696
Finance costs considered as financing activity	163	65
Foreign exchange differences	-	4
Interest received	(180)	(116)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	336	(530)
Decrease in customer acquisition and fulfilment costs	1,195	1,253
Decrease in deferred tax assets	29	479
Decrease in contract liabilities	(1,836)	(1,939)
Decrease/(increase) in lease assets	-	(6)
Decrease/(increase) in other assets	31	(30)
Increase in contract liabilities	277	114
Increase in provision for income tax	217	-
Decrease in deferred tax liabilities	-	(313)
Increase in employee benefits	63	9
Increase/(decrease) in trade and other creditors	(104)	354
Increase in other liabilities	(60)	(48)
Net cash from operating activities	<u>2,743</u>	<u>1,408</u>

Note 30. Cash flow information (continued)

Non-cash investing and financing activities

	Consolidated	
	2024	2023
	\$'000	\$'000
Additions to the right-of-use assets	<u>-</u>	<u>1,989</u>

Changes in liabilities arising from financing activities

Consolidated	Lease liabilities \$'000
Balance at 1 July 2022	850
Net cash used in financing activities	(280)
Acquisition of leases	1,989
Accretion of interest	38
Lease other	<u>8</u>
Balance at 30 June 2023	2,605
Net cash used in financing activities	(300)
Acquisition of leases	-
Accretion of interest	<u>140</u>
Balance at 30 June 2024	<u><u>2,445</u></u>

Note 31. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.



Entity name	Entity type	Place formed / Country of incorporation	Ownership interest%	Tax residency
Cryosite Distribution Pty Limited	Body Corporate	Australia	100%	Australia

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Mark Kerr
Non-Executive Chairman

20 August 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRYOSITE LIMITED AND ITS CONTROLLED ENTITY

Report on the Financial Report

Opinion

We have audited the accompanying consolidated financial report of Cryosite Limited (the "Company") and the entity it controlled (the "Group"), which comprises the consolidated statement of financial position as at 30 June 2024 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying consolidated financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report for the current year. We have determined that there are no key audit matters to communicate in our report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001*; and
- (ii) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- (iii) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (iv) the consolidated entity disclosure statement that is true and correct and is free of material misstatement, whether due to fraud or error

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

[AUASB Auditors Responsibilities Group Listed](#). This description forms part of our auditor's report.

Opinion on the Remuneration Report

We have audited the Remuneration Report for the year ended 30 June 2024 as outlined on pages 12 to 15 of the financial report.

In our opinion, the Remuneration Report of Cryosite Limited for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Forvis Mazars

Forvis Mazars Risk & Assurance Pty Limited

A handwritten signature in black ink, appearing to read 'R. Megale'.

Rose Megale

Director

Sydney, 20 August 2024

The shareholder information set out below was applicable as at 1 August 2024.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total shares issued
1 to 1,000	58	12.06	-	-
1,001 to 5,000	230	47.82	-	-
5,001 to 10,000	56	11.64	-	-
10,001 to 100,000	99	20.58	-	-
100,001 and over	38	7.90	-	-
	<u>481</u>	<u>100.00</u>	<u>-</u>	<u>-</u>
Holding less than a marketable parcel	<u>37</u>	<u>7.69</u>	<u>-</u>	<u>-</u>

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
DALTONVALE PROPRIETARY LIMITED	9,731,663	19.94
MR MARK GREGORY KERR & MRS LINDA MARIE KERR	7,000,000	14.34
MR GARY GRIFFITH ROBINS & MR ALLAN JAMES ROBINS	4,266,097	8.74
LAURIE THOMAS FAMILY NOMINEES PTY LTD	4,000,000	8.20
MR ANDREW KROGER	3,165,263	6.48
MR ALISTAIR DAVID STRONG	2,060,000	4.22
PARADYCE PTY LTD	2,000,000	4.10
MARENDA PTY LTD	2,000,000	4.10
BNP PARIBAS NOMINEES PTY LTD	1,190,926	2.44
BFA SUPER PTY LTD	1,000,000	2.05
MUTUAL TRUST PTY LTD	762,808	1.56
MR JOHN HOGG	650,000	1.33
GINGA PTY LTD	563,957	1.16
GINGA PTY LTD	504,000	1.03
THIRTY SIXTH VILMAR PTY LTD	500,000	1.02
H F A ADMINISTRATION PTY LIMITED	480,000	0.98
SUNNYIT PTY LTD	460,000	0.94
THIRTY SIXTH VILMAR PTY LTD	405,000	0.83
MRS JANE SUSAN MILLIKEN	350,917	0.72
BELL POTTER NOMINEES LTD	350,000	0.72
	<u>41,440,631</u>	<u>84.90</u>

Unquoted equity securities

There are no unquoted equity securities.

Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares % of total shares	
	Number held	issued
ANDREW KROGER and other entities	13,043,702	26.72
MARK GREGORY KERR, LINDA MARIE KERR and other entities	9,000,000	18.44
LAURIE THOMAS FAMILY NOMINEES PTY LTD	4,000,000	8.20
Robins super fund	2,800,000	5.92

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.