

Quarterly Activities Report and Appendix 4C

HIGHLIGHTS

- Quarterly sales of \$4.7 million with the resumption of Australian sales of *EasyScreen*™ Respiratory Pathogen Detection Kit during the Australian winter respiratory infection season, an increase of 294% on the prior corresponding period;
- Strong customer pipeline for US launch of *EasyScreen*™ Gastrointestinal Parasite Detection Kit and GS1 automated workflow including engagement with large commercial reference labs;
- The customer experience sites that were able to access the technology and kit during the FDA review process are well-advanced in their internal approval processes with several at the final contract negotiation stage;
- Increased customer awareness through participation in key US industry conferences showcasing the *EasyScreen*™ Gastrointestinal Parasite Detection Kit and the underlying **3base**® technology platform;
- Allison Rossiter, former MD of Roche Diagnostics Australia, commences as CEO;
- Completed underwritten retail entitlement component of \$30.0 million capital raise in July 2024;
- Board renewal including the planned transition of leadership from Dr Nick Samaras to Ms Caroline Waldron as Chair, and the appointment of Ms Anne Lockwood and Dr Jenny Harry; and
- Strong balance sheet with \$41.3 million cash balance at end of the quarter.

Genetic Signatures Limited Chief Executive Officer, Allison Rossiter, commented on Q1 FY25:

"In the first quarter, GSS delivered a strong operational result, primarily driven by Australian respiratory testing. The winter respiratory season in Australia was characterised by higher bacterial illnesses compared to prior periods. The Company's EasyScreen™ Respiratory Pathogen Detection Kit, combining both viral and bacterial targets, has provided critical diagnostic results during this respiratory season."

"Following the FDA clearance of EasyScreen™ Gastrointestinal Parasite Detection Kit in the United States, the US team has built a strong pipeline of over 60 customer sites targeted for adopting the Genetic Signatures solution, including the engagement with all the large reference labs. The team has continued to build market awareness through engagement with Key Opinion Leaders at industry conferences."

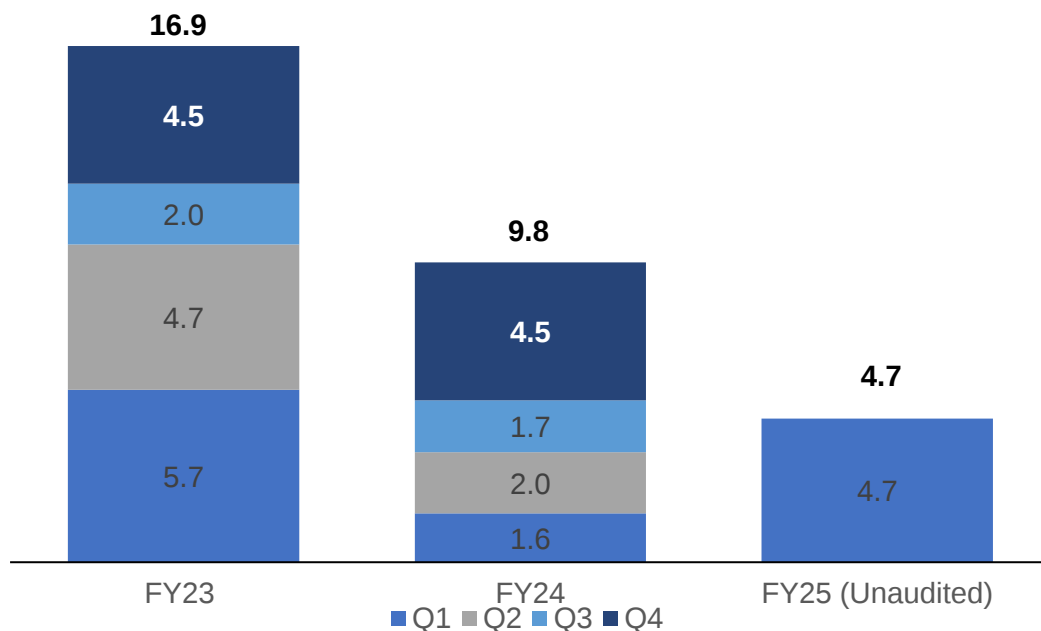
"As we look ahead, we remain focused on expanding our market presence, particularly in the US following our FDA clearance, as we consider this a key pillar of our growth strategy. Our strong cash position enables us to support the team to achieve this success, as well as continuing to innovate in assay development, workflow enhancements and software. Since commencing with Genetic Signatures, I have been impressed by the team's commitment to innovation and growth, to enable better access and health outcomes for patients globally."

Operational and Trading Update

In Q1 FY2025, the Company recorded sales of \$4.7 million (unaudited), which was an increase of 294% on the prior corresponding period (pcp). Sales during the quarter were positively impacted by resumption of sales of the *EasyScreen*™ Respiratory Pathogen Detection Kit after the Therapeutic Goods Administration (TGA) authorised the sale of the updated version in Australia.

For comparison, Genetic Signatures recorded sales of \$5.7 million in Q1 FY2023 which included \$1.6 million from the sale of standalone COVID tests that were primarily used for public health initiatives during the pandemic. Excluding these, the sale of syndromic and other products during Q1 FY2025 was in line with the previous corresponding, unencumbered quarter, indicating that Australian customers have resumed ordering respiratory syndromic products at a rate similar to the equivalent period.

Figure 1: GSS Quarterly revenue (A\$m)



Receipts from customers for the quarter was \$7.0 million, reflecting a 99% increase on the pcp. Strong cash receipts in the quarter were attributable to increased sales in Q4 FY 2024 following the resumption of sales of the *EasyScreen*™ Respiratory Pathogen Detection Kit. The operating cash outflow was \$2.7 million for the quarter was primarily driven by increased inventory and production costs to support increased sales volumes.

Net investing cash outflows of \$0.2 million for the quarter included capitalised costs associated with IP development, and investments in equipment for placement at customers. Payments of fees to Directors, including the CEO, were \$0.22 million for the quarter and are included in 1.2(e) – staff costs of the Appendix 4C.

A key focus for Genetic Signatures during Q1 FY2025 has been its preparations for commencement of US commercial sales of the *EasyScreen*™ Gastrointestinal Parasite Detection Kit. The Company has been building inventory to ensure appropriately packaged and labelled product is available to support the anticipated initial stocking and sales orders.

The customer experience sites that were able to access the technology and kit during the FDA review process are well-advanced in their internal approval processes with several already at the final contract negotiation stage. In addition, the US sales team has established a healthy pipeline of 60 customer sites who are currently working through the evaluation and sales process.

Whilst early in the sales cycle, the Company has met, and is actively engaged with, all the large commercial reference labs in the US, and has consistently received very positive feedback. The high level of interest is extremely encouraging as this customer segment represents the majority of the anticipated target market for the *EasyScreen*™ Gastrointestinal Parasite Detection Kit.

In addition to building the customer pipeline, the US sales team has continued to build market awareness around the *EasyScreen*™ Gastrointestinal Parasite Detection Kit. During the quarter, the Company participated in key US industry conferences where it showcased both the *EasyScreen*™ Gastrointestinal Parasite Detection Kit and the underlying **3base**® technology platform and instrumentation. Genetic Signatures is also aware of several Key Opinion Leader led scientific manuscripts focussed on the Company's products and technology which are currently in progress.

Allison Rossiter, formerly the Managing Director of Roche Diagnostics Australia, was appointed as CEO, commencing in late September 2024. Dr Neil Gunn concluded his role as Interim CEO but continues as Non-Executive Director of the Company.

Board renewal was announced during the quarter. This includes the retirement and resignation of Dr Tony Radford and Mr Stephane Chatonsky respectively, the planned transition of leadership from Dr Nick Samaras to Ms Caroline Waldron as Chair, and the appointment of Ms Anne Lockwood and Dr Jenny Harry to the Board.

As at 30 September 2024, Genetic Signatures held a cash balance of \$41.3 million, which includes the proceeds from a \$30 million capital raise that comprised an institutional placement and a fully-underwritten, entitlement offer to shareholders which was completed in July 2024. As we look ahead, we remain focused on expanding our market presence, particularly in the US following our FDA clearance, and we consider this a key pillar of our growth strategy. Our strong cash position enables us to support the team to achieve this success, as well as continuing to innovate in assay development, workflow enhancements and software.

– END –

Announcement authorised by Genetic Signatures' Board of Directors

For further information, see our website (www.geneticsignatures.com) or contact us:

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About Genetic Signatures Limited: Genetic Signatures is a specialist molecular diagnostics (MDx) company focused on the development and commercialisation of its proprietary platform technology, **3base®**. Genetic Signatures designs and manufactures a suite of real-time Polymerase Chain Reaction (PCR) based products for the routine detection of infectious diseases under the *EasyScreen™* brand. Genetic Signatures' proprietary MDx **3base®** platform technology provides high-volume hospital and pathology laboratories the ability to screen for a wide array of infectious pathogens, with a high degree of specificity, in a rapid throughput (time-to-result) environment. Genetic Signatures' current target markets are major hospital and pathology laboratories undertaking infectious disease screening.

Appendix 4C

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

Name of entity

GENETIC SIGNATURES LIMITED

ABN

30 095 913 205

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	7,006	7,006
1.2 Payments for		
(a) research and development	(636)	(636)
(b) product manufacturing and operating costs	(3,650)	(3,650)
(c) advertising and marketing	(314)	(314)
(d) leased assets	(102)	(102)
(e) staff costs	(4,652)	(4,652)
(f) administration, corporate and other costs	(585)	(585)
1.3 Dividends received (see note 3)		
1.4 Interest received	219	219
1.5 Interest and other costs of finance paid	(23)	(23)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(2,737)	(2,737)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(47)	(47)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(d) investments		
	(e) intellectual property	(166)	(166)
	(f) other non-current assets		
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(213)	(213)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	8,632	8,632
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(552)	(552)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Principal element of lease payments	(103)	(103)
3.10	Net cash from / (used in) financing activities	7,977	7,977

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	36,252	36,252
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,737)	(2,737)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(213)	(213)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,977	7,977
4.5	Effect of movement in exchange rates on cash held	(5)	(5)
4.6	Cash and cash equivalents at end of period	41,274	41,274

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	694	3,852
5.2	Call deposits	40,580	32,400
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	41,274	36,252

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

222

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

7.5 **Unused financing facilities available at quarter end**

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(2,737)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	41,274
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	41,274
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	15

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

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

Date: 31 October 2024

Authorised by: Board of Directors

(Name of body or officer authorising release – see note 4)

Notes

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