

Quarterly Activities Report and Appendix 4C

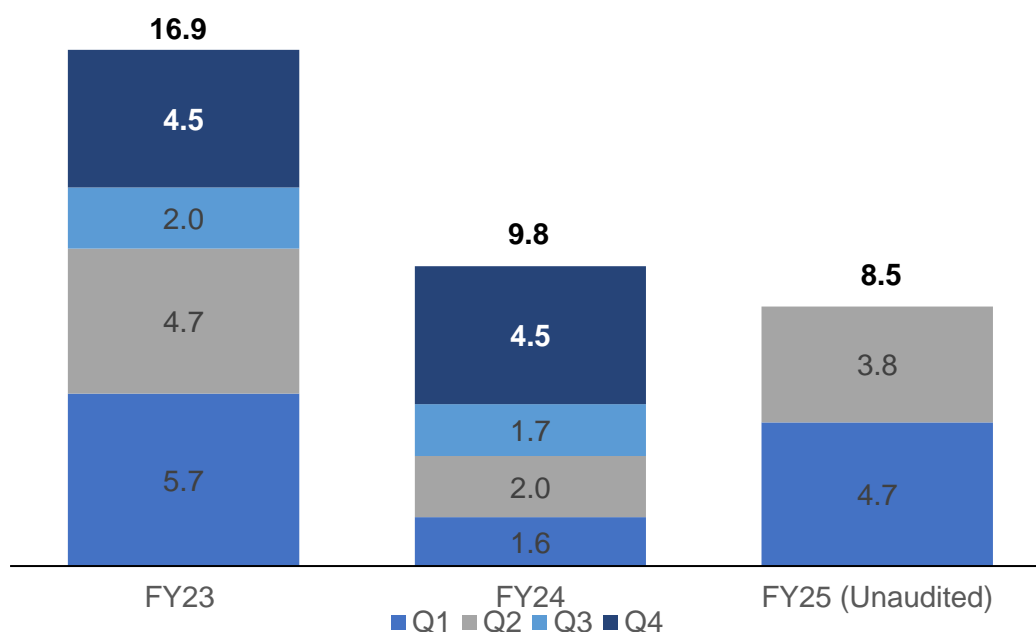
HIGHLIGHTS

- Quarterly sales of \$3.8 million with higher respiratory testing rates in Australia, representing, an increase of 190% on the prior corresponding period;
- Receipt of \$5.1 million from the Australian Research & Development Tax Incentive;
- US sales cycles are longer than anticipated although they continue to advance positively with prospective customers at various stages;
- Research and Development focused on further optimising the performance, automation and workflow of the **3base**[®] technology platform and overall testing solution;
- Strong balance sheet with \$40.8 million cash balance at end of the quarter.

Operational and Trading Update

In Q2 FY2025, the Company recorded sales of \$3.8 million (unaudited), which was an increase of 190% on the prior corresponding period (pcp). Sales during the quarter were positively impacted by the strong respiratory season in Australia as well as implementation of the *EasyScreen*[™] Enteric Detection Kits for infection control purposes across some hospitals in the UK.

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



Receipts from customers for the quarter was \$3.3 million, reflecting a 60.3% increase on the pcp. Strong cash receipts in the quarter were primarily attributable to Australian sales due to higher respiratory testing rates in Australia in the quarter. The net operating cash outflow was \$0.3 million for the quarter includes \$5.1 million received under the Australian Research and Development Tax Incentive.

Net investing cash outflows of \$0.20 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 \$0.56 million for the quarter and are included in 1.2(e) – staff costs of the Appendix 4C.

A key focus for Genetic Signatures during Q2 FY2025 has been driving the sales cycle in the US for the commencement of commercial sales of the *EasyScreen*TM Gastrointestinal Parasite Detection Kit. Genetic Signatures' instruments have been installed and test validation completed at several US customer sites. The sales cycles are progressing and procurement activities are well underway.

Hospitals and laboratories could only initiate procurement processes once the *EasyScreen*TM Respiratory Pathogen Detection Kit received FDA clearance. Genetic Signatures remains confident that upon completion of their internal requirements, these laboratories and hospitals are likely to commence regular purchasing of the Detection Kits for ongoing, routine commercial testing.

In the meantime, the Company has continued to build inventory to ensure appropriately packaged and labelled product is immediately available to support the anticipated initial stocking and sales orders once they are placed.

During the quarter development of the next generation instrument remained on hold while the Company continued to evaluate the options that will best serve the markets for its portfolio of tests. Meantime, the Company's R&D effort has focused on improving workflow to increase the level of automation and decrease hands-on time. The team are also continuing to work on longer term projects focused on improving sample processing and assays with an aim to further increase sensitivity and performance for the **3base**[®] technology. The improvements achieved from these R&D activities will be relevant across the range of products that Genetic Signatures offers.

During the quarter, the planned Board renewal was completed with the transition of Chair from Dr Nick Samaras to Ms Caroline Waldron, and the appointment of Ms Anne Lockwood and Dr Jenny Harry to the Board.

As at 31 December 2024, Genetic Signatures held a cash balance of \$40.8 million, which includes \$5.1 million received under the Australian Research and Development Tax Incentive. Looking ahead, the Company remains focused on expanding the market presence, particularly in the US following our FDA clearance, and we consider this a key pillar of our growth strategy. The strong cash position enables continued support of the team and activities 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")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	3,302	10,308
1.2 Payments for		
(a) research and development	(494)	(1,130)
(b) product manufacturing and operating costs	(1,957)	(5,609)
(c) advertising and marketing	(217)	(531)
(d) leased assets	(104)	(206)
(e) staff costs	(4,648)	(9,300)
(f) administration, corporate and other costs	(1,395)	(1,979)
1.3 Dividends received (see note 3)		
1.4 Interest received	231	450
1.5 Interest and other costs of finance paid	(22)	(45)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	5,002	5,002
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(302)	(3,040)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities		
(b) businesses		
(c) property, plant and equipment	(134)	(181)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) investments		
	(e) intellectual property	(83)	(249)
	(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	(217)	(430)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	8,632
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	137	137
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(554)
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	(105)	(208)
3.10	Net cash from / (used in) financing activities	30	8,007

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	41,274	36,252
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(302)	(3,040)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(217)	(430)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	30	8,007
4.5	Effect of movement in exchange rates on cash held	8	4
4.6	Cash and cash equivalents at end of period	40,793	40,793

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	7,393	694
5.2	Call deposits	33,400	40,580
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)	40,793	41,274

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**

558

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)	(302)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	40,793
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	40,793
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	135

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 January 2025

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.