

1. Company details

Name of entity:	Genetic Signatures Limited
ABN:	30 095 913 205
Reporting period:	For the half-year ended 31 December 2024
Previous period:	For the half-year ended 31 December 2023

2. Results for announcement to the market

				\$'000s
Revenues from ordinary activities	up	136%	to	\$8,499
Loss from ordinary activities after tax attributable to the owners of Genetic Signatures Limited	up	45%	to	(\$15,200)
Loss for the half-year attributable to the owners of Genetic Signatures Limited	up	45%	to	(\$15,200)

Dividends

No dividend has been declared for the half-year ended 31 December 2024.

Comments

The loss for the Group after providing for income tax amounted to \$15,200,000 (31 December 2023: \$10,469,000)

Further information on the results is detailed in the 'Review of operations' section of the Directors' report which is part of the Half-Year Report.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	24.1	20.9

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

7. Audit qualification or review

Details of review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the Half Year Report.

8. Attachments

Details of attachments (if any):

The Half Year Report of Genetic Signatures Limited for the half-year ended 31 December 2024 is attached.

9. Signed

A handwritten signature in dark ink, appearing to read 'Caroline Waldron', with a long horizontal flourish extending to the right.

Caroline Waldron
Independent Chair
Sydney

Date: 26 February 2025



Genetic Signatures Limited

ABN 30 095 913 205

Half Year Report - 31 December 2024

Genetic Signatures Limited
Directors' Report
31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Genetic Signatures Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2024.

Directors

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

Caroline Waldron
Michael Aicher
Neil Gunn

Jenny Harry (appointed as independent non-executive Director as at 1 October 2024)
Anne Lockwood (appointed as independent non-executive Director as at 1 October 2024)
Nickolaos Samaras (resigned as independent non-executive Director as at 20 November 2024)
Stephane Chatonsky (resigned as independent non-executive Director as at 19 September 2024)
Anthony Radford AO (resigned as independent non-executive Director as at 22 August 2024)

Principal activities

During the financial half-year, the principal continuing activities of the consolidated entity consisted of the research and commercialisation of identifying individual genetic signatures to identify diseases and the sale of associated products into the diagnostic and research marketplaces.

Review of operations

Genetic Signatures recorded sales of \$8.5 million during the half year (1H FY24: \$3.6 million). The increase in revenue was primarily a result of strong respiratory sales in Australia during the half year. The prior period revenue was impacted by a temporary sales reduction as the *EasyScreen*TM Respiratory Pathogen Detection Kit was undergoing redesign to improve detection of influenza B. International sales generated 9.4% of revenue and were primarily to UK and European customers.

The Group reported a loss of \$15.2 million for the half year (1H FY24: \$10.5 million) which includes impairment expenses of \$6.8 million. The loss excluding impairment expenses is \$8.4 million for the half year. The gross margin on sales increased to 59% during the period (1H FY24: 42%). This increase in margin was primarily the result of the decreased inventory obsolescence expenses incurred in the half year of \$0.2 m (1H FY24: \$0.5m).

Impairment expenses of \$6.8 million was recognised in the half year after assessing carrying amount of intangible assets relating to the Next Generation Instrument development (\$6.5 million) and obsolete instruments in property, plant and equipment (\$0.3 million).

During the half year, the Company undertook a thorough assessment of the competitive landscape, customer needs and capabilities of available instruments and software solutions in the market. This process identified that adaption of commercially available instruments can deliver a solution which is substantially the same as what was proposed with the Next Generation Instrument, which is faster to market at a lower development cost, meeting regulatory and security requirements. As a result, the Company has determined that the Next Generation Instrument was no longer considered the best commercial direction for the Company and its customers, and it was decided to cease the internal development of the Next Generation Instrument.

A key focus for Genetic Signatures during the half year was its preparations for the commencement of commercial sales of the *EasyScreen*TM Gastrointestinal Parasite Detection Kit in the US, with procurement activities well-progressed with several customers.

Whilst Genetic Signatures expected that US sales would have commenced during the half year, these customers have required additional time to complete their internal procurement processes for new products. This process typically includes: value analysis and vendor assessments, workflow analysis for both patients and laboratories, and integrating Genetic Signatures' *EasyScreen*TM Gastrointestinal Parasite Detection Kit into the reimbursement framework that each customer has established with different insurers. Many of the potential customers only initiated these activities once the *EasyScreen*TM

Genetic Signatures Limited
Directors' report
31 December 2024

Gastrointestinal Parasite Detection Kit had received FDA clearance, and the timing and progress of them is primarily determined by the customer. The Company remains confident that, on completion of their internal requirements, these customers are likely to commence regular purchasing of the EasyScreen™ Gastrointestinal Parasite Detection Kit for ongoing, routine commercial testing.

During the half year, the Company continued to build inventory to ensure appropriately packaged and labelled product is on-hand to support the anticipated initial stocking and sales orders once they are placed. Whilst early in the sales cycle, the Company has met with and received positive feedback from all the large commercial reference labs in the US. This high level of interest is extremely encouraging as large commercial reference labs represent a material segment 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 half-year, Genetic Signatures participated in several key US industry conferences where it showcased both the EasyScreen™ Gastrointestinal Parasite Detection Kit and the underlying 3base® technology platform and instrumentation. The Company is also aware of several Key Opinion Leader-led scientific manuscripts focused on the Company's products and technology which are currently in preparation or under review for publication.

Australian sales were a key contributor to the half year result. The addition of experienced sales staff in this region will focus on securing additional opportunities in this market. The EMEA team are also building on the positive momentum experienced during the half in these respective markets. The Company undertook a program of streamlining the product portfolio to focus on syndromic tests to meet global needs and ensure a solid foundation and a global mindset.

Genetic Signatures' 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 test kit products that Genetic Signatures offers.

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

During the half year, the Company completed its planned Board renewal, 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 part of this renewal process, Dr Tony Radford and Mr Stephane Chatonsky respectively retired and resigned from the Board.

At 31 December 2024, Genetic Signatures had \$40.8 million in cash and equivalents. During the half year, the Company received \$5.0 million under the Research and Development Tax Incentive program for eligible expenditures that were incurred during the financial year ended 30 June 2024. The Company also received proceeds of approximately \$8.0 million from a fully-underwritten entitlement offer to shareholders which was completed in July 2024.

Significant changes in the state of affairs

No significant change in the state of affairs of the Group has occurred since the close of the period.

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 on page 4.

Rounding of Amounts

The company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts. Amounts in this report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Genetic Signatures Limited
Directors' report
31 December 2023

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Caroline Waldron', with a long horizontal flourish extending to the right.

Caroline Waldron
Director

26 February 2025
Sydney

DECLARATION OF INDEPENDENCE BY RAJNIL KUMAR TO THE DIRECTORS OF GENETIC SIGNATURES LIMITED

As lead auditor for the review of Genetic Signatures Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Genetic Signatures Limited and the entities it controlled during the period.



Rajnil Kumar
Partner

BDO Audit Pty Ltd

Sydney, 26 February 2025

Genetic Signatures Limited
Contents
31 December 2024

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

Registered office

7 Eliza Street
Newtown NSW 2042

Principal place of business

7 Eliza Street
Newtown NSW 2042

A description of the nature of the consolidated entity'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 26 February 2025.

Genetic Signatures Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 Dec 2024	31 Dec 2023
		\$'000s	\$'000s
Revenue	4	8,499	3,604
Other income	4	873	1,632
Expenses			
Raw materials and consumables used		(3,497)	(2,078)
Freight on materials & finished goods		(487)	(465)
Employee benefits expense		(8,689)	(7,672)
Directors' and Consultancy fees		(469)	(545)
Depreciation and amortisation expense		(1,240)	(781)
Impairment expenses	5	(6,801)	-
Scientific consumables & clinical trials		(1,129)	(1,734)
Travel and accommodation		(532)	(618)
Software expenses		(343)	(318)
Other expenses		(1,340)	(1,494)
Finance Cost		(45)	-
(Loss) before income tax expense		(15,200)	(10,469)
Income tax expense		-	-
(Loss) after income tax expense for the half-year		(15,200)	(10,469)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency difference on translation of foreign operations		205	4
Other comprehensive loss for the half-year		205	4
Total comprehensive income for the half-year		(14,995)	(10,465)
(Loss) for the half-year is attributable to:			
Owners of Genetic Signatures Limited		(15,200)	(10,469)
		(15,200)	(10,469)
Total comprehensive income for the half-year is attributable to:			
Owners of Genetic Signatures Limited		(14,995)	(10,465)
		(14,995)	(10,465)
		Cents	Cents
Basic profit per share	12	(6.88)	(7.29)
Diluted profit per share	12	(6.88)	(7.29)

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

Genetic Signatures Limited
Consolidated statement of financial position
As at 31 December 2024

		Consolidated	
		31 Dec 2024	30 Jun 2024
		\$'000s	\$'000s
Assets			
Current assets			
Cash and cash equivalents		40,793	36,252
Trade and other receivables	6	3,707	4,524
Inventories		7,063	6,721
Government Grant receivable		-	5,055
Total current assets		<u>51,563</u>	<u>52,552</u>
Non-Current Assets			
Property, plant and equipment		6,478	7,283
Intangible assets	7	-	6,248
Right of use assets		972	1,204
Total non-current assets		<u>7,450</u>	<u>14,735</u>
Total assets		<u>59,013</u>	<u>67,287</u>
Liabilities			
Current liabilities			
Trade and other payables		2,585	3,730
Provisions		752	1,112
Lease liabilities		416	392
Total current liabilities		<u>3,753</u>	<u>5,234</u>
Non-current liabilities			
Provisions		73	121
Lease liabilities		598	829
Total non-current liabilities		<u>671</u>	<u>950</u>
Total liabilities		<u>4,424</u>	<u>6,184</u>
Net assets		<u>54,589</u>	<u>61,103</u>
Equity			
Issued capital		127,645	119,430
Reserves		9,153	8,682
Accumulated losses		<u>(82,209)</u>	<u>(67,009)</u>
Total equity		<u>54,589</u>	<u>61,103</u>

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

Genetic Signatures Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2024

Consolidated	Issued capital \$'000s	Share based payment reserves \$'000s	Foreign currency translation reserves \$'000s	Accumulated losses \$'000s	Total Equity \$'000s
Balance at 1 July 2023	84,438	7,357	266	(49,147)	42,914
Loss after income tax expense for the half-year	-	-	-	(10,469)	(10,469)
Other comprehensive income	-	-	4	-	4
Total comprehensive profit for the half-year	-	-	4	(10,469)	(10,465)
Share issues on conversion of options, net of transaction costs (note 8)	7,479	-	-	-	7,479
Forfeiture of share-based payments	-	(190)	-	-	(190)
Share-based payments expense	-	763	-	-	763
Balance at 31 December 2023	91,917	7,930	270	(59,616)	40,501

Consolidated	Issued capital \$'000s	Share based payment reserves \$'000s	Foreign currency translation reserves \$'000s	Accumulated losses \$'000s	Total Equity \$'000s
Balance at 1 July 2024	119,430	8,259	423	(67,009)	61,103
Loss after income tax expense for the half-year	-	-	-	(15,200)	(15,200)
Other comprehensive income	-	-	205	-	205
Total comprehensive profit for the half-year	-	-	205	(15,200)	(14,995)
Contribution of equity, net of transaction costs (note 8)	8,215	-	-	-	8,215
Forfeiture of share-based payments	-	(421)	-	-	(421)
Share-based payments expense	-	687	-	-	687
Balance at 31 December 2024	127,645	8,525	628	(82,209)	54,589

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

Genetic Signatures Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 Dec 2024	31 Dec 2023
		\$'000	\$'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		10,308	5,864
Payments to suppliers and employees (inclusive of GST)		(18,755)	(15,405)
Interest received		450	205
Interest paid		(45)	-
Government grant received		5,002	6,877
		<u> </u>	<u> </u>
Net cash used in operating activities		(3,040)	(2,459)
		<u> </u>	<u> </u>
Cash flows from investing activities			
Payments for property, plant and equipment		(181)	(792)
Payments for intangibles		(249)	(2,448)
		<u> </u>	<u> </u>
Net cash used in investing activities		(430)	(3,240)
		<u> </u>	<u> </u>
Cash flows from financing activities			
Proceeds from issue of shares	8	8,769	7,959
Share issue costs	8	(554)	(480)
Principal elements of lease payments		(208)	-
		<u> </u>	<u> </u>
Net cash provided by financing activities		8,007	7,479
		<u> </u>	<u> </u>
Net increase in cash and cash equivalents		4,537	1,780
Cash and cash equivalents at the beginning of the financial half-year		36,252	16,349
Effects of exchange rate changes on cash and cash equivalents		4	(5)
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial half-year		<u><u>40,793</u></u>	<u><u>18,124</u></u>

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

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 1. Significant accounting policies

Basis of preparation of half-year report

These general-purpose financial statements for the half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year report does not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by the company during the half year reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended 30 June 2024.

These financial statements have been prepared on the going concern basis which contemplates the consolidated entity's ability to pay its debts as and when they become due and payable for a period of at least 12 months from the date of authorising the financial report for issue.

New, revised or amended Accounting Standards and Interpretations adopted

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

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 2: Financial Reporting Segments

The consolidated entity is operated under one business segment which was the research and commercialisation of identifying individual genetic signatures to diagnose infectious diseases.

Geographic locations

Asia Pacific

The Group's head office and manufacturing operation is based in Sydney, Australia.

The Australian entity is responsible for sales into all regions not covered by the regions defined below. All intellectual property is held within the Australian entity.

EMEA

This business comprises Eastern and Western Europe, Middle East including Israel, and Africa. The Group is represented by employees in UK and Germany.

Americas

The Group's North American business includes the United States and Canada. The Group is represented by employees in the United States.

	Asia Pacific	EMEA	Americas	Eliminations	Total
Consolidated – Half year ending 31 Dec 2024	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Trade sales to external customer	7,871	628	-	-	8,499
Intersegment sales	383	172	-	(555)	-
Total sales	8,254	800	-	(555)	8,499
Other revenue	-	-	-	-	-
Segment revenue	8,254	800	-	(555)	8,499
Loss before income tax					(15,200)
Income tax					-
Net Loss					(15,200)
Segment assets	89,471	2,942	3,754	(37,154)	59,013
Segment liabilities	(4,737)	(14,470)	(26,250)	41,033	(4,424)
Consolidated – Half year ending 31 Dec 2023					
Trade sales to external customers	3,113	491	-	-	3,604
Intersegment sales	200	59	11	(270)	-
Total sales	3,313	550	11	(270)	3,604
Other revenue	-	-	-	-	-
Segment revenue	3,313	550	11	(270)	3,604
Loss before income tax					(10,469)
Income tax					-
Net Loss					(10,469)
Segment assets	66,498	2,923	3,604	(28,570)	44,455
Segment liabilities	(3,570)	(10,460)	(18,876)	28,952	(3,954)

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 3: Disaggregation of revenue

Disaggregation of revenue

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

Consolidated – Half year ending 31 Dec 2024	Asia Pacific \$'000s	EMEA \$'000s	Americas \$'000s	Total \$'000s
<i>Revenue lines</i>				
Reagents & consumables	7,823	418	-	8,241
Equipment sales & rental*	184	71	-	255
Service contracts	3	-	-	3
	<u>8,010</u>	<u>489</u>	<u>-</u>	<u>8,499</u>
<i>Timing of revenue recognition</i>				
Goods transferred at a point in time	7,823	418	-	8,241
Services transferred over time	187	71	-	258
	<u>8,010</u>	<u>489</u>	<u>-</u>	<u>8,499</u>

* includes the standalone selling price for rental of equipment placed through bundled contractual arrangements.

Consolidated – Half year ending 31 Dec 2023	Asia Pacific \$'000s	EMEA \$'000s	Americas \$'000s	Total \$'000s
<i>Revenue lines</i>				
Reagents & consumables	2,872	434	-	3,306
Equipment sales & rental	186	57	-	243
Service contracts	55	-	-	55
	<u>3,113</u>	<u>491</u>	<u>-</u>	<u>3,604</u>
<i>Timing of revenue recognition</i>				
Goods transferred at a point in time	2,872	434	-	3,306
Services transferred over time	241	57	-	298
	<u>3,113</u>	<u>491</u>	<u>-</u>	<u>3,604</u>

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 4: Revenue and Other Income

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$'000s	\$'000s
<i>Sales revenue</i>		
Sale of goods & services	8,499	3,604
<i>Other income</i>		
Interest	881	192
Research & Development Tax Incentive*	(53)	1,430
Other	45	10
	<u>873</u>	<u>1,632</u>
Total revenue and other income	<u>9,372</u>	<u>5,236</u>

*The Research & Development Tax Incentive receivable has not been recognised to 31 December 2024 as other income as it expected that revenue for the year will exceed the threshold for being eligible for refundable tax incentives.

Note 5: Expenses

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$'000s	\$'000s
Profit before income tax includes the following specific expenses:		
<i>Cost of sales</i>		
Raw materials & consumables used	3,301	1,540
Provision for stock obsolescence*	196	538
Freight on materials and finished goods	<u>487</u>	<u>465</u>
<i>Finance costs (included in Other expenses)</i>		
Interest and finance charges paid/payable for lease liabilities	<u>45</u>	<u>-</u>
<i>Depreciation and amortisation expense</i>		
Depreciation of property, plant and equipment	1,008	780
Amortisation of right of use assets	<u>232</u>	<u>1</u>
	<u>1,240</u>	<u>781</u>
<i>Impairment expenses</i>		
Impairment of intangible assets	6,497	-
Impairment of property, plant and equipment	<u>304</u>	<u>-</u>
	<u>6,801</u>	<u>-</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>655</u>	<u>525</u>

*An assessment of inventory with an expiry date of less than 12 months was undertaken during the period. Provision was recognised for products that have a lower probability of being used before their expiry.

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 6: Trade and other receivables

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000s	\$'000s
Trade receivables	2,339	3,268
Other receivables	1,135	1,233
Less: Allowance for expected credit losses	(267)	(20)
Interest receivable	500	43
	<u>3,707</u>	<u>4,524</u>

Note 7: Intangible Assets

	Consolidated	
	31 Dec 2024	30 Jun 2024
	\$'000s	\$'000s
At cost	-	6,460
Less: accumulated amortisation	-	(212)
	<u>-</u>	<u>6,248</u>

Movement in intangibles is as follows:

	Software	Instrument Development	Total
	\$'000s	\$'000s	\$'000s
Cost at 1 July 2023	1,592	4,109	5,701
Additions	859	964	1,823
R&D tax incentive	(369)	(695)	(1,064)
Disposals	-	-	-
Cost at 30 June 2024	<u>2,082</u>	<u>4,378</u>	<u>6,460</u>
Accumulated amortisation at 1 July 2023	(212)	-	(212)
Amortisation expense	-	-	-
Accumulated amortisation at 30 June 2024	<u>(212)</u>	<u>-</u>	<u>(212)</u>
Carrying value 30 June 2024	<u>1,870</u>	<u>4,378</u>	<u>6,248</u>
Cost at 1 July 2024	2,082	4,378	6,460
Additions	249	-	249
R&D tax incentive	-	-	-
Disposals	-	-	-
Impairment	(2,119)	(4,378)	(6,497)
Cost at 31 December 2024	<u>212</u>	<u>-</u>	<u>212</u>
Accumulated amortisation at 1 July 2024	(212)	-	(212)
Amortisation expense	-	-	-
Accumulated amortisation at 31 December 2024	<u>(212)</u>	<u>-</u>	<u>(212)</u>

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 7: Intangible Assets (continued)

Intellectual property comprised capitalised costs associated with the development of new knowledge and encompasses both development of a new sample to result instrument, and software projects related to workflow and instrument control. They include only those costs directly attributable to the development phase. No amortisation of intangibles are recorded until the development work is in a form that future economic benefit may be derived. As neither instrument development nor the current software project have progressed to this stage, no amortisation has been recognised to date.

An impairment assessment of the carrying value of these assets was undertaken during the half, and accordingly an impairment expense of \$6,497,000 was recognised. The Company undertook a thorough assessment of the competitive landscape, customer needs and capabilities of available instruments and software solutions in the market. This process identified that adaption of commercially available instruments can deliver a solution which is substantially the same as what was proposed with the Next Generation Instrument, which is faster to market at a lower development cost, meeting regulatory and security requirements. As a result, the Company has decided to cease the internal development of the Next Generation instrument and focus on these commercially available systems which has led to the impairment of the value of intangible assets during the half year. The impairment expenses recognised consists of \$4,378,000 for the instrument development and \$2,119,000 for related software development.

Note 8: Equity – Share issue

Share issues and associated costs during the half-year were as follows:

	31 Dec 2024	30 June 2024	Consolidated	
	Shares	Shares	31 Dec 2024 \$'000s	30 June 2024 \$'000s
Proceeds from the issue of shares				
- share placement	11,365,337	71,827,495	8,769	37,501
- rights issue				
- employee share option exercise	500,000	40,000	-	21
Share issue costs	-	-	(554)	(2,530)
Net proceeds from the issue of shares	<u>11,865,337</u>	<u>71,867,495</u>	<u>8,215</u>	<u>34,992</u>

Note 9: Contingent liabilities

The consolidated entity does not have any material contingent liabilities at period-end.

Note 10: Events after the reporting period

There has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of a material and unusual nature likely in the opinion of the directors of the Company to affect significantly the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

Note 11: Dividends

The consolidated entity has not declared or paid a dividend during the half-year.

Genetic Signatures Limited
Notes to the consolidated financial statements
For the half-year ended 31 December 2024

Note 12: Earnings per share

	Consolidated	
	31 Dec 2024	31 Dec 2023
	\$'000s	\$'000s
Loss after income tax	(15,200)	(10,469)
Loss after income tax attributable to the owners of Genetic Signatures Limited	(15,200)	(10,469)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	220,819,699	143,639,810
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	892,304	272,500
Weighted average number of ordinary shares used in calculating diluted earnings per share	221,712,003	143,912,310
	Cents	Cents
Basic loss per share	(6.88)	(7.29)
Diluted loss per share	(6.88)	(7.29)

Note 13: Capital commitments

There are no material current capital commitments.

Genetic Signatures Limited
Directors' declaration
31 December 2024

In the directors' opinion:

- The attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Caroline Waldron
Independent Chair

26 February 2025
Sydney

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Genetic Signatures Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Genetic Signatures Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act*

2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

BDO



Rajnil Kumar
Director

Sydney, 26 February 2025