

**TRUSCREEN GROUP LIMITED**

**Preliminary Final Report  
Consolidated Financial Statements - Unaudited**

**Currency is New Zealand Dollars**

**For the Year Ended 31 March 2023**

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**TRUSCREEN GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER**  
**COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023	2022
		\$	\$
<b>Revenue from the sale of goods</b>	3	1,662,619	1,678,465
Other income	3	540,016	973,914
Purchases of inventory		(1,202,628)	(1,155,725)
Employee benefit expenses and directors' fees		(876,849)	(991,911)
Administration		(415,296)	(347,807)
Research and development expenses		(864,074)	(1,498,629)
Rent		(60,959)	(54,139)
Travel		(62,544)	(4,969)
Marketing & product approvals		(722,256)	(716,923)
Insurance		(139,633)	(116,191)
Shareholder relations & services		(155,664)	(117,877)
Amortisation & depreciation		-	(592,715)
Write off of obsolete inventory		-	(181,217)
Provision for impairment plant and equipment		(49,700)	(198,847)
Provision for impairment of intangible assets		-	(4,423,287)
Share based payments		(54,873)	(144,813)
<b>Loss before income tax</b>		<u>(2,401,840)</u>	<u>(7,892,672)</u>
Income tax expense		-	-
<b>Loss for the period</b>		<u>(2,401,840)</u>	<u>(7,892,672)</u>
<b>Other comprehensive income</b>			
<b>Item that may be reclassified subsequently to profit or loss</b>			
Exchange differences on translating foreign subsidiary operations		1,736	(166,281)
		<u>1,736</u>	<u>(166,281)</u>
<b>Total comprehensive loss for the period</b>		<u>(2,400,104)</u>	<u>(8,058,953)</u>
<b>Basic and diluted loss per share (cents)</b>	4	<u>(0.66)</u>	<u>(2.18)</u>

**TRUSCREEN GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023**

	Note	2023 \$	2022 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		2,160,468	2,797,004
Other receivables		336,700	601,554
Trade receivables		170,311	275,447
Goods and services tax recoverable		33,902	36,782
Inventories		563,441	496,887
Other current assets – prepayments		205,361	179,270
<b>TOTAL CURRENT ASSETS</b>		<u>3,470,183</u>	<u>4,386,944</u>
<b>NON-CURRENT ASSETS</b>			
Plant and equipment		-	-
Intangible assets		-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>		<u>3,470,183</u>	<u>4,386,944</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		800,255	807,374
Provision for employee benefits		88,547	140,385
<b>TOTAL CURRENT LIABILITIES</b>		<u>888,802</u>	<u>947,759</u>
<b>NON-CURRENT LIABILITIES</b>			
Provision for employee benefits		39,357	44,134
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>39,357</u>	<u>44,134</u>
<b>TOTAL LIABILITIES</b>		<u>928,159</u>	<u>991,893</u>
<b>NET ASSETS</b>		<u>2,542,024</u>	<u>3,395,051</u>
<b>EQUITY</b>			
Issued capital	5	36,097,125	34,550,048
Share option reserve	5	144,813	450,813
Foreign currency translation reserve		(379,108)	(380,844)
Accumulated losses		(33,320,806)	(31,224,966)
<b>Total Equity</b>		<u>2,542,024</u>	<u>3,395,051</u>

**TRUSCREEN GROUP LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Share Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Total \$
<b>Balance at 1 April 2022</b>		34,550,048	(31,224,966)	(380,844)	450,813	3,395,051
Loss for the year to 31 March 2023		-	(2,401,840)	-	-	(2,401,840)
Exchange differences on translating foreign subsidiary operations		-	-	1,736	-	1,736
<b>Total comprehensive income for the year</b>		-	(2,401,840)	1,736	-	(2,400,104)
<b>Transactions with owners, in their capacity as owners</b>						
Issue of shares	5	1,613,273	-	-	-	1,613,273
Share issue costs	5	(66,196)	-	-	-	(66,196)
Transfer from share based payments		-	306,000	-	(306,000)	-
<b>Total transactions with owners</b>		1,547,077	306,000	-	(306,000)	1,547,077
<b>Balance at 31 March 2023</b>		36,097,125	(33,320,806)	(379,108)	144,813	2,542,024
<b>Transactions with owners, in their capacity as owners</b>						
		34,550,048	(23,332,294)	(214,563)	306,000	11,309,191
Loss for the year to 31 March 2022		-	(7,892,672)	-	-	(7,892,672)
Exchange differences on translating foreign subsidiary operations		-	-	(166,281)	-	(166,281)
<b>Total comprehensive income for the year</b>		-	(7,892,672)	(166,281)	-	(8,058,953)
<b>Transactions with owners, in their capacity as owners</b>						
Share based payments		-	-	-	144,813	144,813
<b>Total transactions with owners</b>		-	-	-	144,813	144,813
<b>Balance at 31 March 2022</b>		34,550,048	(31,224,966)	(380,844)	450,813	3,395,051

**TRUSCREEN GROUP LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023	2022
		\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash received from customers		1,790,550	1,434,264
Cash paid to suppliers and employees including GST		(4,483,553)	(4,586,932)
Cash received from research and development tax offset		627,982	620,888
Government subsidies		-	123,535
Short-term lease payments not included in lease liability		(131,619)	(123,775)
Interest received		2,854	323
<b>Net cash from operating activities</b>	6	<b>(2,193,786)</b>	<b>(2,531,697)</b>
<b>CASH FLOW TO INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(49,700)	(2,662)
<b>Net cash to investing activities</b>		<b>(49,700)</b>	<b>(2,662)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		1,613,273	-
Share issue costs		(66,196)	-
<b>Net cash from financing activities</b>		<b>1,547,077</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>		(696,409)	(2,534,359)
Cash and cash equivalents at the beginning of the financial year		2,797,004	5,255,074
Effects of exchange rate changes on cash and cash equivalents		59,873	76,289
<b>Cash and cash equivalents at the end of the financial year</b>		<b>2,160,468</b>	<b>2,797,004</b>

## **NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **General Information**

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

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

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

### **Basis of Preparation**

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

The principal accounting policies adopted in the preparation of the financial report are unchanged from the Interim Financial Statements for the period ended 30 September 2022 and Annual Financial Statements for the year ended 31 March 2022. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements have been rounded to the nearest dollar.

## **NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

- *Intangibles*

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

The intangibles were fully written off in the previous year.

Given the ongoing significant uncertainty associated with macro-economic events, the Directors have determined that the intangibles should remain fully impaired as at 31 March 2023.

**NOTE 3. REVENUE**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
Sales revenue - sale of goods <sup>1</sup>		
Wholesalers/distributors	1,415,542	1,462,566
Direct to customer	247,077	215,899
	<u>1,662,619</u>	<u>1,678,465</u>
<b>Other income</b>		
Research and development tax offset <sup>2</sup>		
- Current year	345,901	593,197
- Prior year adjustment	31,143	48,830
	<u>377,044</u>	<u>642,027</u>
Interest received	3,303	372
Miscellaneous income	39,084	-
Foreign exchange gain	120,585	103,348
Government assistance and grants	-	228,167
	<u>540,016</u>	<u>973,914</u>

**NOTE 4. EARNINGS PER SHARE**

	<b>2023</b>	<b>2022</b>
<b>Basic and Diluted loss per share:</b>		
Net loss attributable to shareholders	(2,401,840)	(7,892,672)
Weighted average number of ordinary shares on issue	364,192,230	362,866,253
Basic and diluted loss per share (cents) (based on weighted average number of shares on issue)	<u>(0.66)</u>	<u>(2.18)</u>

## NOTE 5. ISSUED CAPITAL

### a) Ordinary Shares

Group	2023	2023	2022	2022
	Number	\$	Number	\$
Balance at beginning of the year of fully paid ordinary shares	362,866,253	34,550,048	362,866,253	34,550,048
Ordinary shares issued				
Share issue - placement	20,000,000	600,000	-	-
Share issue – rights issue	33,775,755	1,013,273	-	-
Share issue costs	-	(66,196)	-	-
Balance at 31 March	416,642,008	36,097,125	362,866,253	34,550,048

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

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

Shares were issued during the:

a. current period:

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

b. prior period:

No shares were issued in the prior period.

### b) Share Options

Group	2023	2023	Weighted	2022	2022	Weighted
	Number	Share Based Payments \$	Average Exercise Price	Number	Share Based Payments \$	Average Exercise Price
Balance at beginning of the year	14,000,000	450,813	12.5c	17,777,363	306,000	13.9c
Options issued <sup>1</sup>	-	-	10.0c	2,500,000	69,500	10.0c
Options issued <sup>2</sup>	-	-	10.0c	2,500,000	75,313	10.0c
Options lapsed <sup>3</sup>	(9,000,000)	(306,000)		(8,777,363)	-	-
Balance at end of year	5,000,000	144,813	10.0c	14,000,000	450,813	12.5c

<sup>1</sup>Options issued 29 December 2021 to directors and employee

<sup>2</sup>Options issued 4 March 2022 to distributors

<sup>3</sup>Options lapsed exercise price of 15 cents and expiry date 27 August 2022 and in the prior year 13 cents per share and expiry date 12 July 2021.

**NOTE 6. CASH FLOW INFORMATION**

	<b>2023</b>	<b>2022</b>
	<b>\$</b>	<b>\$</b>
<b>Reconciliation of cash flow from operations with loss after income tax</b>		
Loss for the period	(2,401,840)	(7,892,672)
Adjusted for:		
Depreciation and amortisation	-	592,715
Impairment of non-current assets	49,700	4,622,134
Share based payment expense	54,873	144,813
Unrealised exchange difference arising from translating loss items at the date of transaction	(113,010)	(146,358)
Operating cash flows before working capital changes	(2,410,277)	(2,679,368)
Decrease/(Increase) in trade and other receivables	105,137	(275,447)
Decrease in goods and services taxes recoverable	2,880	7,445
Increase in prepayments	(26,092)	(73,339)
(Increase)/decrease in inventory	(66,553)	235,687
Decrease/(increase) in research and development tax offset	264,854	(43,069)
Decrease/(Increase) in trade and other payables	(7,120)	354,881
Decrease in employee liabilities	(56,615)	(58,487)
<b>Net cash to operating activities</b>	<u>(2,193,786)</u>	<u>(2,531,697)</u>