We're a global health business

Agenix Limited

Annual Report 2003

AGENiX

Vision

Agenix aims to be at the forefront of biotechnology, with major focus on Haemostasis, Thrombosis and Advanced Biomedical Diagnostics and Therapeutics. We will achieve this through continuous research, innovation and technology progression.

Corporate Profile

The Company was incorporated on 15 January 1987 and is publicly listed with 154,432,440 shares issued on the Australia Stock Exchange (ASX:AGX) (as at 30 June 2003). On 5 June 2002, the Company announced it had established a Level 1 American Depositary Receipt (ADR) facility (OTC:AGXLY).

Agenix Limited is a leading edge biotechnology company in two niche businesses; namely AGEN Biomedical and Milton Pharmaceuticals.

AGEN specialises in advanced medical diagnostics and is well positioned as a blood clot specialist company. Milton Pharmaceuticals is focused on the manufacture and distribution of pharmaceutical products.

Agenix management is actively pursuing the continued development and exploitation of its product range and investment opportunities, which complement or have synergies with our business units in Biomedical and Biotechnology industries.

Significant activities of the Company include:

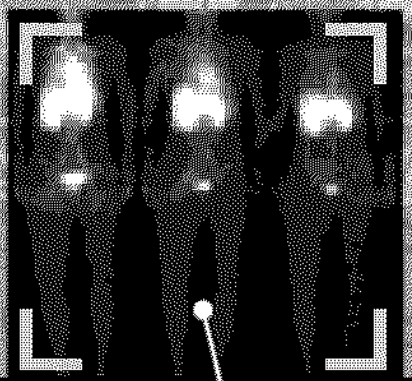
- Research, development, manufacture and sale of advanced medical diagnostics for human and veterinary applications;
- Thrombosis and haemostasis diagnostics and therapeutic research;
- Development, manufacture, distribution and sale of pharmaceutical and nutriceutical products;
- Biotechnology research and development.

The group employs 200 staff and sells its products to more than 50 countries.

CONTENTS

AGENiX

Our products are known worldwide



An AGEN D-dimer test, such as AGEN SimpliRED® or AGEN Simplify™ D-dimer, is now an essential part of the clinical diagnosis of blood clots all over the world.

The Company considers its ThromboView® product, which is in clinical trials, has the potential to be a product of global significance in the detection of blood clots.

Milton Pharmaceuticals markets the well-known range of Milton anti-bacterial products. These products protect babies from germs, and have been used and trusted in both Australia and New Zealand, by generations of mothers.

The product range also includes the David Craig and Gold Cross brands of traditional medicines and over-the-counter pharmaceuticals, as well as the new Medislim Natural ADVANCE weight management range.

AGEN diagnostic products for companion animals are sold around the world.

For dogs:

AGEN™ CHW (canine heartworm diagnostic), AGEN™ CPV (canine parvovirus diagnostic), Vetscan® Blood Chemistry Analyser, AGEN™ Vetmail.

For cats:

AGEN™ FHW (feline heartworm diagnostic), AGEN™ FIV (feline immunodeficiency diagnostic), Witness FeLV antigen test (feline leukaemia virus).

Highlights

» Strong cash flow and underlying profitability

» ThromboView® completed Phase Ia clinical trials - identified DVTs in Phase Ib patients

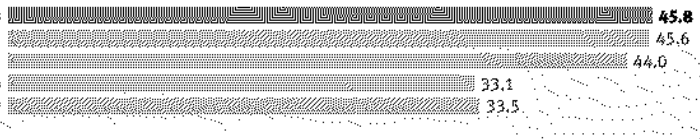
» Milton Pharmaceuticals returns to profitability

» Animal Health US distribution resolved

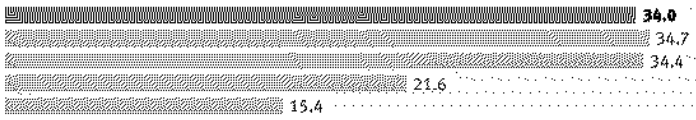
» Experienced AGEN management team

	1999 $'000	2000 $'000	2001 $'000	2002 $'000	**2003 $'000**	*% Growth 2003*
» Revenue	18,894	27,227	29,407	40,751	**38,097**	*-7%*
» Profit before tax	1,074	382	3,836	4,154	**(811)**	*-120%*
» Earnings before interest, tax, depreciation and amortisation	2,197	2,409	5,866	6,483	**1,521**	*-77%*
» Research and development costs	2,225	1,599	2,409	3,400	**5,674**	*67%*
» Cash flow from operations after research and development	1,547	914	981	5,680	**3,962**	*-30%*
» Net tangible assets	10,752	14,306	23,691	23,969	**23,819**	*-1%*
» Net cash surplus/(deficit)	462	(4,818)	(451)	3,759	**1,976**	*-47%*

» **Total Assets in $ millions** – Year ended 30 June



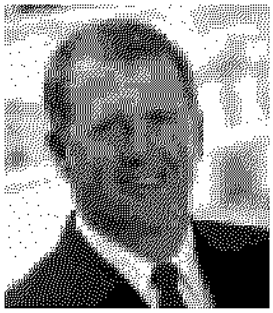
» **Shareholders' Funds in $ millions** – Year ended 30 June



Executive Chairman's and Managing Director's Letter to Shareholders

The fact that 50% of blood clots are detected during autopsies is indicative of the problem facing the medical community. Agenix believes that our technology, ThromboView® will provide the answer.

Ravindran Govindan
CHAIRMAN



Don Home
MANAGING DIRECTOR

FELLOW INVESTORS

On Thursday 10 July 2003, at Queensland's Royal Brisbane Hospital, Dr David Macfarlane from the hospital's Nuclear Medicine Department injected a small amount of clear solution into the arm of a 21-year-old student. The solution contained a radioactive isotope, called ThromboView® which has been developed by your company Agenix.

A couple of hours later the student was photographed many times with a special camera. The image of her leg showed a brightly-coloured shape, indicating that she had a blood clot, or Deep Vein Thrombosis, in her leg.

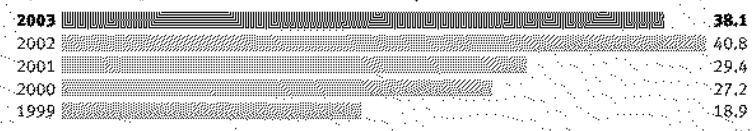
Agenix, and many scientific commentators, believe that this image, part of a Phase Ib human trial at the hospital, represented a major medical breakthrough.

Detecting blood clots has always been a major problem for the medical community. Blood clots symptoms can be very vague and current detection methods are problematic at best. Consequently, many blood clots remain undetected, resulting in severe pain and often death. Many thousands of people die from undetected blood clots every year. The fact that 50% of blood clots are detected during autopsies is indicative of the problem facing the medical community.

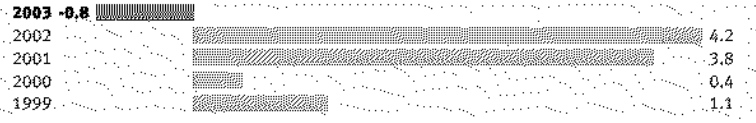
Your company believes that our technology, ThromboView® will provide the answer.

We are not alone in believing this. Professor Paul Eisenberg, Vice-President of Global Drug Safety at Eli Lilly Company, based in Indianapolis, USA, said of the recent trial: "The results to date

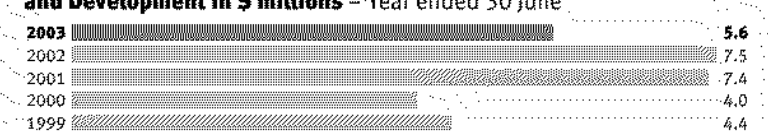
›› Revenue in $ millions – Year ended 30 June



›› Profit before Tax in $ millions – Year ended 30 June



›› Earnings before Interest, Tax, Depreciation, Amortisation, Research and Development in $ millions – Year ended 30 June



have been very encouraging and the board (Agenix's external Molecular Diagnostic Imaging Scientific Advisory Board) has been delighted with them."

His comments were echoed by Giancarlo Agnelli, Professor of Internal Medicine at the University of Perugia in Italy. Professor Agnelli said "When successfully commercialised ThromboView® will be a valuable diagnostic tool not only for difficult-to-treat patients but more broadly by assisting with a current unmet medical need."

We remain confident that ThromboView® could revolutionise the US $3 billion global clot diagnostic imaging market.

Putting a drug through human trials is the result of many hundreds of hours of diligent and painstaking research. We are proud of the hard work that Agenix staff have undertaken to get ThromboView® to Phase Ib human trials. It reflects, we believe, a commitment that is evident in only the best companies.

2002/03 was a year of great achievement at Agenix, of which the progress of ThromboView® through Phase Ia and Ib human trials represented only one part.

During the year we continued to consolidate Agenix's operations, closing offices in both Perth and Sydney and adding resources to Brisbane head office. This rationalisation process has taken more than two years, where we have closed non-performing businesses and encouraged and supported our better-performing businesses. Importantly, our AGEN subsidiary moves ahead with three distinct business units - Human Health, Animal Health and Molecular Diagnostic Imaging.

Management was pleased with the progress of the company during the year when the company had some aggressive goals.

These were:

» Maximise revenue, profitability and cash flow;

» Progress ThromboView® through Phase I clinical trials;

» Transform Milton into a profitable business;

» Develop a new Animal Health United States product distribution pathway; and

» Strengthen Agen management team.

Financially, the company produced a lower full-year net profit in 2002/03, largely due to one-off write downs, but the net profit was in line with previous forecasts.

Write downs included the company's investments in PhytoProtein and Synbiotics. We also wrote off the total cost of the Pan Pharmaceuticals recall of an Agenix product and several redundancy packages. Importantly, this means we are entering the 2003/04 year with a clean balance sheet.

Sales revenue for 2002/03 was $36.01 million, slightly lower than the previous year's result, while earnings before interest, tax, depreciation, amortisation and research (EBITDAR) was $7.99 million, marginally lower than last year's figure of $9.02 million, but strong nevertheless.

The EBITDAR figure shows that Agenix has remained successful at running its human and animal diagnostic business alongside its Milton infant hygiene products business, as well as conducting world-class research into ThromboView®.

Agenix spent more than $5.5 million on research and development during 2002/03, $4.8 million of which was spent on ThromboView®. This is undoubtedly a large amount of money, but necessary expenditure if we are to develop ThromboView® and other Agenix technologies, to their potential.

Importantly, the investment community is recognising our progress. Agenix's share price has risen solidly, and in June we announced that we had been selected by international rating agency Standard & Poor's to join the Standard & Poor's/ASX 300 index.

Agenix's 2002/03 revenue and profit were affected by the termination of the company's United States distribution agreement with Synbiotics. As a result of that dispute revenue was reduced, and profit was lowered by $1 million, in line with forecasts.

We remain confident that our new distribution agreement with Vedco, which was announced post-year end, will recover our position in the current year, and provide the basis for us to exceed that performance in subsequent years.

Vedco is a United States-based company that sells, markets and distributes animal health care pharmaceuticals, nutritionals, and medical products to United States veterinarians and their patients.

We have also improved our local distribution of animal health care products via a distribution agreement with Colorado-based Heska Corporation. AGEN Biomedical will distribute three of Heska's significant new point-of-care diagnostic products to veterinarians in Australia and New Zealand.

Our new distribution agreement with Vedco will provide a strong base for our performance in subsequent years.

A company is only as good as its employees. Agenix employs 200 people and is proud of their achievements.

In Human Health we signed two key license and technology transfer agreements with Abbott Laboratories, a leading global supplier of diagnostics technologies and products based in Chicago, USA.

Milton Pharmaceuticals had a memorable year, with revenue up significantly, and a profit recorded, following a loss last year. This represents an important milestone for both Milton and Agenix.

A company is only as good as its employees. Agenix employs 200 people and is proud of their achievements. We aim to continue to attract the highest-calibre people, and added the following to our team during the year:

Gregg Mastroianni, Vice President Human Health. Gregg has the responsibility to drive sales and profitability from the gold standard D-dimer AGEN product range. Gregg has 32 years international experience, 28 of those with Johnson & Johnson in both the United States and Japan.

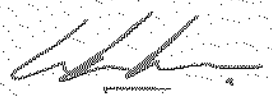
Sue Parry-Jones, Vice President Molecular Diagnostic Imaging. With nearly 20 years experience in the biotechnology/ pharmaceuticals industry Sue has responsibility for the overall management of the ThromboView® project. Her previous employment positions were with Amgen, Schering-Plough Biotech division and Bristol-Myers Squibb Pharmaceuticals.

Dr Paul MacLeman, Vice President Animal Health. Paul has overall responsibility for the growth and development of AGEN's Animal Health business. With a career spanning veterinary practice, the pharmaceutical/ biotechnology and investment banking sectors, Paul has experience in business development, research management, technology commercialisation, staff development and sales and marketing.

Neil Leggett, Company Secretary and Chief Financial Officer. Neil has 16 years experience in chartered accountancy followed by 12 years experience in a variety of senior commercial positions including Chief Financial Officer and Company Secretary roles with Orrcon Limited, A.Goninan and Sons Limited and Grow Force Australia Ltd.

Steve Morrison, Vice President Operations, AGEN Biomedical Limited. Steve has 17 years experience in the pharmaceutical industry working in operational management roles such as Operations Manager, as well as Head of Quality at Australian pharmaceutical manufacturing plants for Faulding and Mayne.

We look forward to 2003/04 with great confidence.



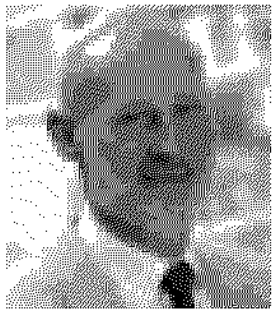
Ravindran Govindan
Chairman

Don Home
Managing Director

Board of Directors

Ravindran Govindan

Wong Fong Fui



Myles Davey

Don Home

EXECUTIVE CHAIRMAN

Ravindran Govindan LLB (Hons) (Singapore)

Mr Govindan has been the Executive Chairman of Agenix Limited since June 2000. He is responsible for charting the strategic direction of the group. Mr Govindan also heads a New York based private investment and financial advisory firm, Latona Associates Inc, as the Chairman for the Asia Pacific Region. He is also the Deputy Chairman of Singapore based Horizon Education and Technology Ltd. Mr Govindan has more than 25 years' experience as an investor and businessman in Australia and the Asia Pacific region.

NON-EXECUTIVE DIRECTOR

Wong Fong Fui BEng

Mr Wong has been with Agenix in the capacity of director since August 2000 and is Chairman of the Audit and Compliance Committee. Mr Wong is the Chairman and Group Managing Director of Boustead Singapore Ltd, a public company listed on the Singapore Stock Exchange. He is also the group Chief Executive Officer and director of Australian listed company EasyCall International Ltd. Additionally, Mr Wong has directorships with a number of other companies in Australia, Singapore, Malaysia and Indonesia.

NON-EXECUTIVE DIRECTOR

Myles Davey BSc (UK), MBA (UK)

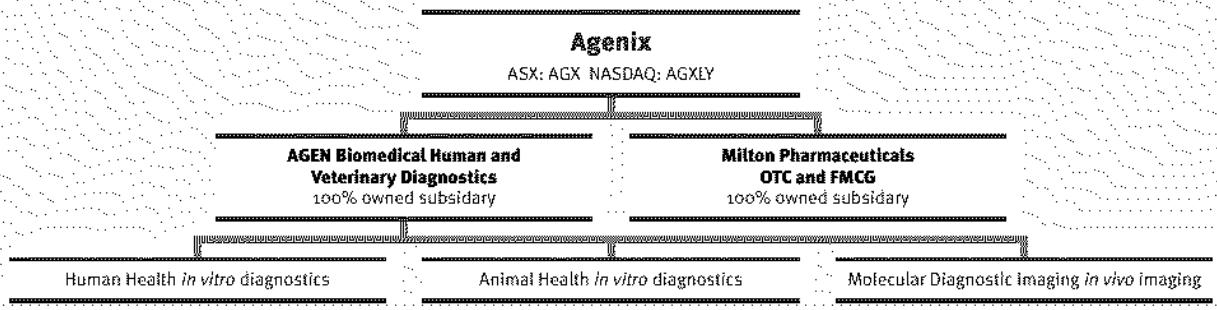
Mr Davey joined the Diagnostics Industry in Australia in 1972 working mostly for Australian subsidiaries of European or American companies, predominantly in Marketing and General Management. Since his retirement from executive life in 1995 Mr Davey has held directorships with AGEN and more recently with subsidiaries of Agenix.

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Don Home BSc (Hons) MAICD

14 years' experience with Abbott Laboratories, Diagnostics Division, a US $60 billion dollar health care corporation - 10 years with Abbott Laboratories Australasia in various roles including Senior Product Manager and Business Manager. Trustee of Abbott Laboratories Superannuation Plan and 4 years with Abbott Laboratories Inc, in Chicago, Illinois as Senior Product Manager in the Worldwide Marketing Group and Technology Licensing Manager in the global Licensing and Acquisitions group. Appointed Agenix Chief Executive Officer in July 2001 and Managing Director in December 2002.

GROUP REPORTING STRUCTURE

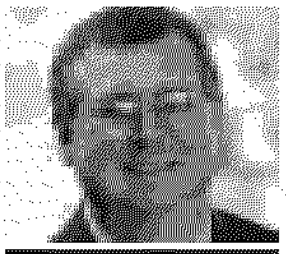


Senior Management Team

MANAGING DIRECTOR

Don Home
BSc (Hons) MAICD

See page 5 for biography.



CHIEF FINANCIAL OFFICER

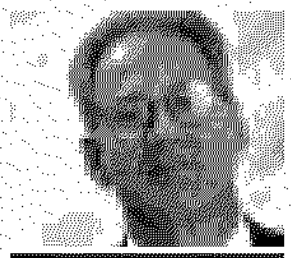
Neil Leggett
BComm, MBA, CA, FCIS, AFAIM

Neil has had 16 years' in chartered accountancy followed by 12 years' experience in a variety of senior corporate financial positions including Chief Financial Officer and Company Secretarial roles at: Orrcon Limited, A. Goninan and Sons Limited and Grow Force Australia Limited.

GENERAL MANAGER MILTON

Andrew Farrington
MBA

Andrew has 20 years' experience in consumer goods markets, combining senior management roles at Unilever, with 2 years general management experience with Colorcorp and management roles with Woolworths.



VICE PRESIDENT HUMAN HEALTH

Gregg Mastroianni
BSc

Gregg has over 32 years' of diagnostic industry experience. This includes 28 years of increasing international management experience with Johnson and Johnson. Most recently, Gregg has operated a healthcare distributorship in Europe.

VICE PRESIDENT ANIMAL HEALTH

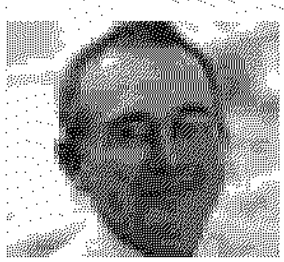
Paul MacLeman
BVSc, GCEng, MBA

Paul has 14 years' experience in the veterinary field, including 5 years in practice as a veterinary surgeon, and 9 years in various management roles and business start-ups in the industry.

VICE PRESIDENT MOLECULAR DIAGNOSTIC IMAGING

Sue Parry-Jones
BPharm, MMktg

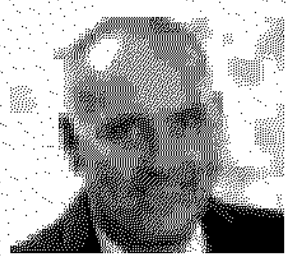
Sue leads the Molecular Diagnostic Imaging Business Unit. Sue has over 20 years' experience in the pharmaceutical industry, including 7 years in Hospital Pharmacy and 10 years with companies such as Bristol-Myers Squibb Pharmaceuticals, AMGEN Australia and Schering-Plough.



DIRECTOR REGULATORY AFFAIRS QUALITY ASSURANCE

Robert Herrington
MSc

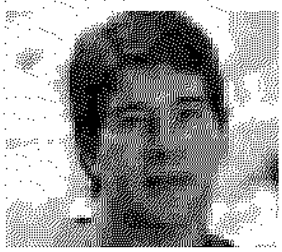
Bob has over 30 years' experience in the pharmaceutical industry, and has worked in R&D, Manufacturing, Quality Assurance and Regulatory Affairs. Bob holds a Masters degree in drug development.



VICE PRESIDENT OPERATIONS

Steve Morrison
BSc (Hons) MBA

Steve has over 17 years' experience in the Pharmaceutical Industry working with Mayne Pharma and Faulding Pharmaceuticals in various roles including Operations Management and Quality Assurance Manager.



RESEARCH AND DEVELOPMENT MANAGER

Phil Toye
BVSc PhD

Phil has spent 20 years in research and development activities in both the public and private sector. His expertise and experience lie within the fields of immunology, molecular biology, and infectious diseases.

Agenix Limited is an Australian biotechnology company with a 16 year history of innovation.

Agenix has a demonstrated commitment to broadening its investment portfolio and profitability by sourcing new opportunities that fit with its strategy and biotechnology focus.

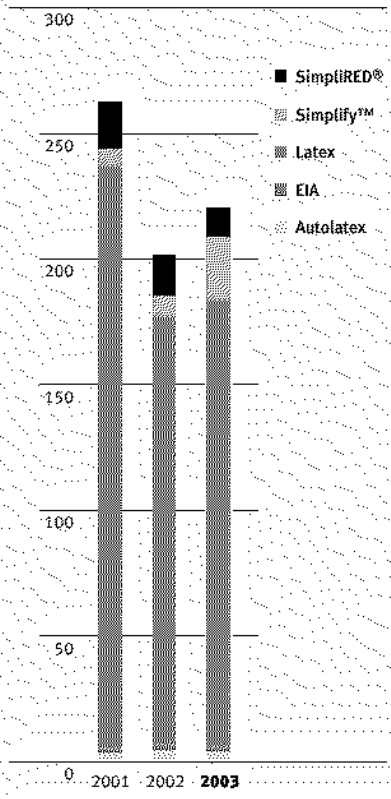
Agenix manufactures, distributes and markets human and veterinary diagnostic test kits, over-the-counter pharmaceuticals and infant care products via its fully-owned subsidiaries AGEN and Milton Pharmaceuticals.

Wholly-owned subsidiary AGEN is renowned world-wide for its D-dimer test and is also gaining recognition for its ThromboView® product which has the potential to revolutionise the global clot diagnostic imaging market.

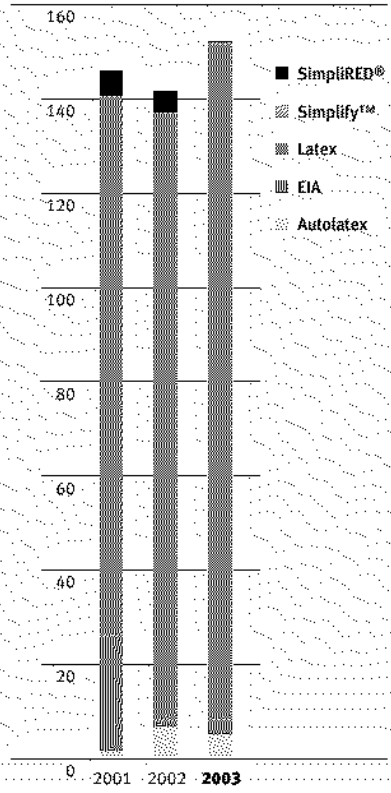
Milton Pharmaceuticals is best known for its Milton-branded infant-care and anti-bacterial products, as well as its extensive range of over-the-counter pharmaceuticals and traditional medicines such as those sold under Milton's own brand "David Craig" and under the Pharmacy Guild of Australia brand "Gold Cross".

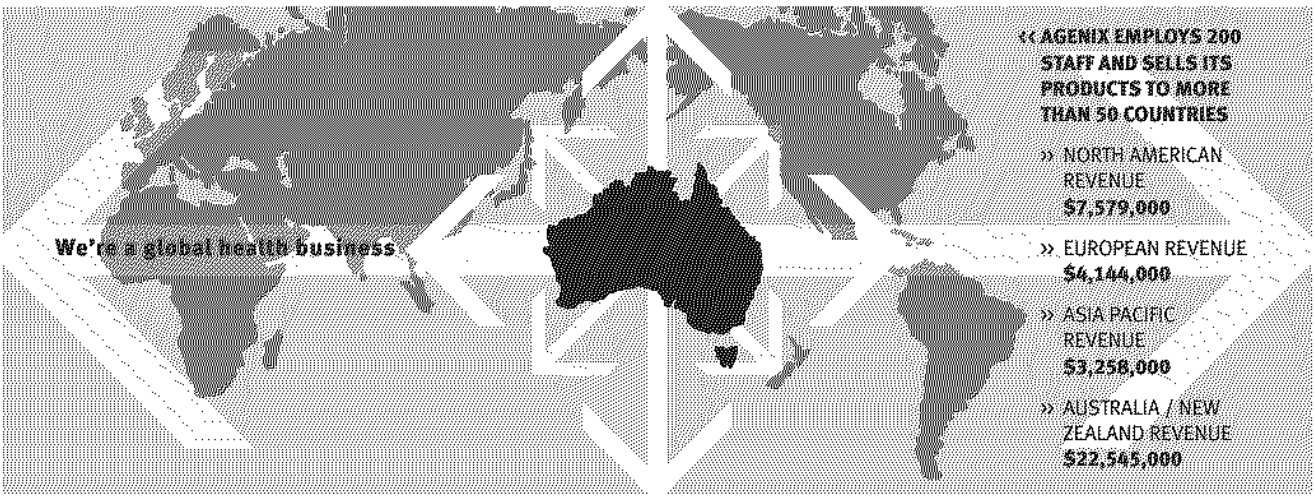
AGEN D-DIMER TEST SALES

›› D-dimer test sales Australia/NZ
– Year ended 30 June



›› D-dimer test sales Asia Pacific
– Year ended 30 June





‹‹ AGENIX EMPLOYS 200 STAFF AND SELLS ITS PRODUCTS TO MORE THAN 50 COUNTRIES

›› NORTH AMERICAN REVENUE
$7,579,000

›› EUROPEAN REVENUE
$4,144,000

›› ASIA PACIFIC REVENUE
$3,258,000

›› AUSTRALIA / NEW ZEALAND REVENUE
$22,545,000

OPERATIONS OVERVIEW

HUMAN HEALTH

Issue	Key Strategies During 2002/03	Outcome
Need to increase foreign market awareness and sales coverage.	Hire experienced area representatives for European, Asia and North American markets.	» European Director of Sales hired. Selection process for Asian and American personnel in final stages.
Need to increase Simplify™ sales volume and market penetration in North American market.	Worked with American distributor to appoint and train dedicated hospital telemarketing position.	» Dedicated hospital telemarketer employed, resulting in doubling of United States/ Canadian sales volume.
Need to improve clinical validity and increase competitive position.	Complete (and publish by December 2003) product studies in the Italian, French, Canadian and United States markets.	» Product studies completed which provided superior data to differentiate products from competition.
Comply with European registration and labelling changes.	Obtained required approvals for key products.	» Compliant with December 2003 deadline allowing uninterrupted distribution of products within European Union.

ANIMAL HEALTH

Issue	Key Strategies During 2002/03	Outcome
United States Channel management.	Terminate unproductive relationship with Synbiotics and realign with new channel partner(s).	» Synbiotics agreement terminated in April 2003. » New distribution agreement with VedCo negotiated (signed September 2003). » Discussions continuing with other large multinational distribution partner(s).
Japanese business growth.	Drive registration and sales of new lines for the Japanese companion animal diagnostics market.	» Registration and launch of the Feline Immunodeficiency Virus/Feline Leukaemia Virus combination test. Early sales to budget.
Australia and New Zealand sales growth.	Drive sales in Australia and New Zealand through additional third party business and expand existing lines.	» Heska range secured for Australia and New Zealand (launched May 2003). » iSTAT range secured for Australia and New Zealand (launched May 2003). » Sales and dominant market share position for Agen point of care tests maintained. » Market share in instrumentation grown from 10% to 20%.
Build Animal Health team.	Recruitment of experienced and skilled staff to drive sales, marketing, new product development and competitive analysis.	» Mark Osborne hired to take up sales and marketing. Experience includes positions with Hoechst, Fort Dodge, and Hi-Fert. » Mark McArthur takes up responsibility for development management. Mark has 20 years' experience in diagnostic development » Simone Wakeham takes up the position of business analyst, to build market intelligence and knowledge base.
Strategy development.	Animal Health Business Unit, under Paul MacLeman, to undertake complete review of Business Unit Direction and strategies.	» United States situation reviewed and actioned (as above). » Re-focusing in Australia and New Zealand on high potential sales targets such as instrumentation. » Renewed efforts applied to sales and marketing within Asia to enhance Merial distributors' technical selling abilities. » Re-focused the product development and commercialisation process on high growth sectors of strategic importance to product development partners.

MOLECULAR DIAGNOSTIC IMAGING

Issue	Key Objectives During 2002/03	Outcome
Production of Phase I clinical trial material.	In July 2002 ThromboView® was still at the bench stage and during the first half of the year the MDI team needed to move from a bench R&D batch to GLP Clinical trial material in order to meet aggressive clinical trial timelines and regulatory guidelines.	» Phase I clinical trial material was successfully produced by AGEN scientists in collaboration with the CSIRO Health Sciences and Nutrition Fermentation Group and RadPharm Scientific.
CTX application to TGA.	The chemical, pharmaceutical and biological documentation including radiation dosimetry, pharmatoxicological and clinical documentation needed to be reviewed by the TGA as part of the Clinical Trial Exemption Scheme (CTX) application to allow human trials to commence.	» In December 2002 we submitted to the TGA an application to supply unapproved Therapeutic Goods under the CTX so that we could commence human trials. On 5th March 2003 we were officially notified by the TGA that they had no objection with the application for exemption.
Phase Ia trial in healthy volunteers.	Phase Ia studies in healthy volunteers were required to evaluate the safety of ThromboView® in humans. These studies must be completed before Phase II studies can commence.	» The ThromboView® clinical development programme began its live phase on 17th March 2003 with the first dose of ThromboView® administered to humans. The live phase of this study is now completed and the final study report is being completed.
Phase Ib trial in DVT patients.	The Phase Ib study was the first study in DVT patients to evaluate the safety of ThromboView® and also determine the biodistribution, immunogenicity and pharmacokinetic profile of ThromboView® in these patients.	» This study has commenced and is on track for completion in the first half of 2004 year.
Commercialisation plan.	ThromboView® was being developed from a clinical standpoint but we needed to ensure that it would also be competitively-advantaged from a marketing and regulatory viewpoint.	» Qualitative and quantitative market research in key markets was undertaken. This information was used to develop a commercialisation model and commercialisation plan.
Scientific Advisory Board.	Clinical and regulatory development of a global product requires both internal expertise and external review by experts in the field.	» To guide the clinical and commercial development of ThromboView® a Scientific Advisory Board was formed. This board included world-class experts in thrombosis and nuclear medicine.

MILTON PHARMACEUTICALS

Issue	Key Strategies During 2002/03	Outcomes
Increase Branded Products revenue share.	Launch Medislim Natural Advance (MNA) into Weight Management market. Drive existing brands through consumer and trade marketing activities.	» Successful launch of MNA into Pharmacy and Grocery markets. » Branded Products share of total business grew from 42% in 2001/02, to 46% in 2002/03. » Annual sales growth of 24% achieved.
New Product Development.	Introduce formal process for selection, evaluation and development of new product concepts for the business. Ramp up product development activities to drive future business growth.	» Stage Gate Product development process implemented for all projects. » Product Development pipeline contains 8 projects, for launch between 2002/03 and 2004/05.
Development of International Markets.	Establish distributor network throughout Asia, commencing with Singapore, Malaysia and Indonesia.	» Appointed distributors in Singapore (September 2002) and Malaysia (July 2003). » Re-launched Milton Antibacterial range in Singapore November 2002. Malaysia to follow. » Export sales growth of 400% compared to 2001/02.
Contract Manufacturing Profitability.	Review and manage client/product portfolio to remove high complexity/low volume/ low margin business. Develop costing model that captures all expenses related to the manufacture of each Contract product.	» Retained overall sales revenue whilst reducing portfolio complexity by 10%. » Lifted overall portfolio margin by 50%.
Pharmacy Field Force.	Complete rollout of Company field sales force, adding NSW to existing teams in Queensland and Victoria.	» Recruited an experienced sales management and field team to drive future branded business growth. » Grew Pharmacy channel sales by 12% compared to 2001/02.

OPERATIONS OVERVIEW

AGEN

AGEN continues its profitable position within the global D-dimer test market.

HUMAN DIAGNOSTICS MARKET REVIEW

PRODUCTS

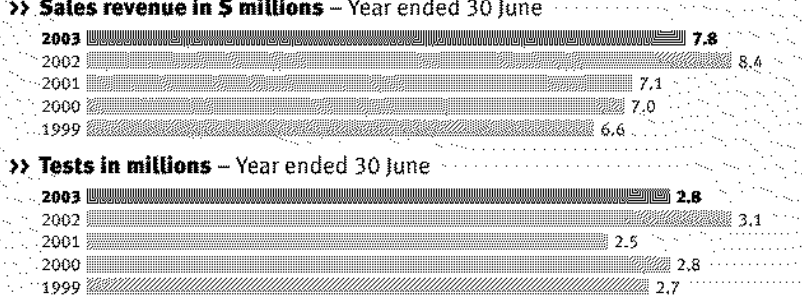
D-dimer is a protein produced as a result of the normal physiological breakdown of blood clots. AGEN has maintained its global position within this market through its strong Intellectual Property position, established D-dimer test portfolio, global OEM and distributor network, a commitment to quality products and the ever-increasing awareness of deep vein thrombosis and pulmonary embolism as serious and potentially fatal diseases.

Increasing awareness of blood clots, and their associated adverse health consequences, has also driven the need for better clinical diagnostic algorithms in which D-dimer testing plays a major role. The more efficient the clinical diagnostic algorithm the more timely administration of appropriate patient treatment, resulting in reduced costs for the total health care system and better patient outcomes.

Importantly, AGEN's SimpliRED® and Simplify™ D-dimer tests are innovative products which greatly enhance the ability of clinicians to perform the D-dimer test at the patient's bedside. SimpliRED® and Simplify™ D-dimer kit sales now make up more than 20% of all AGEN D-dimer tests sold and account for approximately 34% of AGEN's total D-dimer sales revenues.

Ongoing clinical validation supporting the utility of SimpliRED® and Simplify™ D-dimer in near-patient testing situations, promotes increased access to point-of-care and other D-dimer niche markets.

AGEN HUMAN HEALTH SALES



Reduction in 2003 due to restructuring in United States distribution.

AGEN's Dimertest® Latex product is the global market leader in the manual latex testing market. AGEN's aim is to maintain this position in existing markets, while securing Dimertest® Latex's long-term global market position by targeting marketing activities and development of new distribution channels in the emerging markets of Eastern Europe, South America and Asia.

Two products, Dimertest® Gold EIA and Auto Dimertest® Micro, were rationalised in 2002/03 to facilitate increased focus on our more profitable brands.

PEOPLE

2002/03 has been a year of strategic change at Human Diagnostics. Our skill base has been improved by the recruiting of key people to fill the positions of Vice President, Marketing Manager, Development Manager, Product Manager and a Regional Sales Manager for each of Europe, Asia Pacific and Americas.

These people, combined with the formation of a dedicated Human Diagnostics Product Development unit, will help meet the challenges of taking AGEN beyond its existing success, and commercialising new and promising products currently in the pipeline. Today, the solid experience of our existing staff is augmented by the fresh ideas and diverse backgrounds of our new people.

OTHER

Contract Manufacturing and monoclonal antibody supply were strengthened in 2002/03 with growth on both fronts. Major customers have secured approvals in the United States that will deliver triple-digit growth in these areas.

CLINICAL TRIAL REPORT

In 2002/03, clinical investment in our human diagnostic products focussed on the point-of-care product Simplify™ D-dimer.

Three international Simplify™ D-dimer clinical studies have been successfully completed. Sponsored by AGEN, a study by Dr Pierre Toulon and colleagues at the Cochin Hospital in Paris, investigated 527 patients who presented to the Emergency Medicine department with possible pulmonary embolism. Objective radiology diagnosis of pulmonary embolism was compared to both Simplify™ D-dimer testing and two fully-automated competitor assays that command much of the D-dimer market in France.

« Left to Right: Kerryn Bouyer, Pauline Gan, Alison Friend, Gregg Mastroianni, Adrienne Rappel, Daya Wijesuriya, Ross Billiau, Donna Harm, Robert Webb, Louise Harding, Skye Simpson, Mark Volling

Simplify™ D-dimer demonstrated accurate diagnosis in all cases and performance equal to the laboratory-based automated assays.

Two other independent studies have also been completed. Dr Jeffrey Kline from the Carolinas Medical Centre in North Carolina used Simplify™ D-dimer together with pretest probability assessment and alveolar dead-space measurement in a diagnostic experimental protocol to rule out pulmonary embolism in the Emergency department. The study outcome supported reliable screening for pulmonary embolism by this rapid relatively inexpensive protocol.

At the University Hospital S. Orsola-Malpighi in Bologna, Italy, Dr G Palareti and colleagues compared Simplify™ D-dimer to compression ultrasound diagnosis in patients presenting to the hospital's Emergency Department with possible deep vein thrombosis. Simplify™ was positive in all samples from patients with ultrasound confirmed deep vein thrombosis. Simplify™ is now being studied as a possible screening tool to discriminate those patients on long-term anticoagulant treatment who are likely to have recurrent thrombosis if they discontinue their medication. Data is currently in the process of being published.

Two further Simplify™ D-dimer studies are currently recruiting patients in Sydney (St Vincent's Hospital) and South Australia (Queen Elizabeth, Lyell McEwin and the Royal Adelaide Hospitals).

AGEN will continue to develop cost-effective and appropriate solutions to meet the needs of our laboratory and clinical customers.

OUTLOOK

In 2003/04, greater emphasis will be placed on broadening the Human Diagnostics portfolio via strategic licensing and in-house product development.

Our contract manufacturing capabilities will be promoted to ensure maximum utilisation of production resources.

Our strength in local marketing and international OEM/Distributor network management enables us to continue to seek out opportunities to co-promote and co-market products that fit our business aims.

AGEN CASE STUDY

Ten days, Tenacity and Simplify™ D-dimer.

Pulmonary embolism is a dangerous life-threatening disease. The symptoms of pulmonary embolism mimic those of other medical conditions, making it difficult to diagnose. This was never more evident than with the recent acute illness of one of our own colleagues....

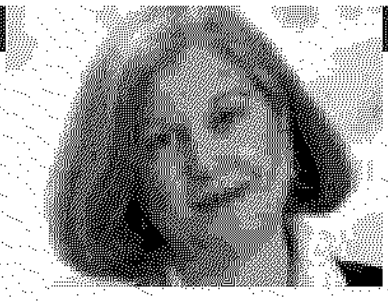
ADRIENNE'S STORY:

Adrienne is the Library and Marketing Assistant in the Human Diagnostics Business Unit at AGEN. In November 2002, Adrienne experienced sudden onset of shortness of breath upon arrival at work. She was concerned and was advised by the Company doctor to go directly to the nearest hospital Emergency Department. A risk and history assessment was undertaken and an oxygen intake test was performed. Initial diagnosis by the hospital was a panic attack and Adrienne was sent home with a calming drug.

As her symptoms persisted Adrienne was unsatisfied with her diagnosis. She sought a second opinion with her family doctor who ordered a series of blood tests and a stress test.

The only abnormal result was the D-dimer level - tested positive by Simplify™ D-dimer. An urgent CT scan diagnosed pulmonary embolism in both lungs. Adrienne was immediately hospitalised. She was treated initially with subcutaneous heparin (Clexane), and discharged after several days.

It took ten days, Adrienne's tenacity and Simplify™ D-dimer to correctly diagnose her condition.



"The initial diagnosis of panic attack really annoyed me," Adrienne says today. "I think that the Emergency Department doctor thought I was some middle-aged mother having a nervy turn. The only thing I was "panicking" about was that I couldn't breathe properly! I feel that the thoroughness of my GP and Simplify™ simply saved my life."

No predisposing condition to blood clotting was ever isolated to explain why Adrienne developed pulmonary embolism. Today Adrienne is healthy and, thankfully, clot-free.

AGEN (continued)

AGEN Animal Health remains one of the world leaders in the development and production of rapid point-of-care tests for animals.

AGEN ANIMAL HEALTH

AGEN Animal Health remains one of the world leaders in the development and production of rapid point-of-care tests for animals.

The current range of products developed and manufactured by AGEN includes innovative tests for canine and feline parasitic and infectious diseases.

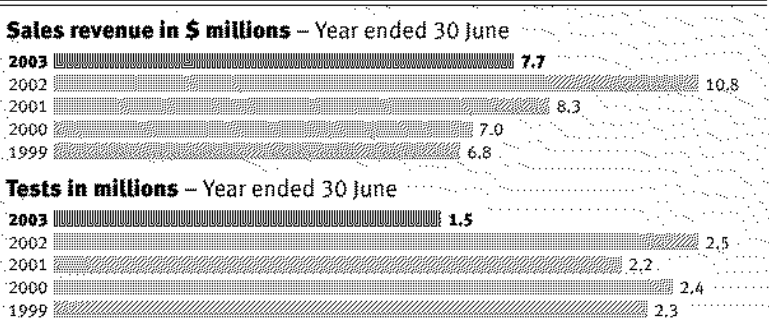
Business is currently expanding strongly due to the addition of unique, third party-procured, product lines within Australia and New Zealand; the restructuring of distribution channels in North America and Europe; and the aggressive filling of the new product development pipeline.

This year has been one of change and renewal for the AGEN Animal Health Business Unit. During 2002/03, AGEN created and filled the positions of Vice President - Animal Health, Marketing Manager and Development Manager. All those appointed are internationally experienced managers who will provide focus and direction to the business areas within animal health. Key offshore and domestic markets are already benefiting from this, with market support activities ensuring objectives continue to be met.

New product introductions this year will create profitable revenue streams in early 2003/04.

2002/03 saw the termination of the long-standing United States and European distribution relationship with Synbiotics Corporation. This was a necessary step for AGEN due to the adverse changes in both Synbiotics' United States and European operations.

AGEN ANIMAL SALES



AGEN is now free to pursue business partnerships with other parties who are better able to actively promote AGEN-manufactured products into these critical markets. Management predicts strong growth and believes the company will benefit from these changes in 2003/04

Research and Development also featured highly in 2002/03. In particular, strong research and collaborative research relationships were formed. The focus of these relationships has been on the development of rapid diagnostic tests for both companion and production animals in areas where demonstrable and profitable demand exists.

GLOBAL ANIMAL HEALTH DIAGNOSTICS MARKET

SCALE AND GEOGRAPHY

AGEN sells its products globally and accesses all major markets.

The United States and (mainly Western) Europe together represent 85% of the worldwide veterinary immunodiagnostics market. This market is skewed strongly towards the companion animal sector, which is serviced by AGEN manufactured products.

The animal health market globally achieved mixed results over 2001/02. Growth was recorded in Europe, while both the Japanese and United States markets were static overall. In the United States,

REGION	2003 US$M	% change 2002	Regional Share %
›› North America	**4,180**	↑ *+1.0*	36.9
›› Latin America	**1,385**	↓ *-2.5*	12.2
›› West Europe	**2,995**	↑ *+7.7*	26.4
›› East Europe	**455**	↑ *+7.1*	4.0
›› Far east	**1,965**	↑ *+1.0*	17.3
›› Rest of World	**350**	↑ *+2.9*	3.2
›› Total	**11,330**	↑ **+2.5**	**100.0**

World animal health market broken down by regions.

(Source: IFAH Annual Report 2002)

« Left to Right: Paul MacLeman, Tan Dinh, Mark McArthur, Carol Crawford, Aaron Palmer, Oliver Jarret, Nicolette Clark, Sashi De Silva, Simone Wakeham, Mark Osborne

production animal products were down and companion animal sales slightly up. The Australian market fell 0.6% overall with production animal sales down 4% and companion animal sales up by 7%.

In 2001/02, animal health sales globally were US$11.3 billion. Of this, animal health diagnostics represent approximately US$850 million, split between government and private laboratory services (US$450 million) and point-of-care instruments, devices and consumables (US$400 million). The animal health diagnostics sector is generally thought to have outperformed the industry as a whole during the year. Industry pundits suggest that 2003/04 will see an increase in overall animal health sales in most major markets.

Dog and cat numbers are an important indicator of the health of the companion animal market. In the US, the world's largest market, pet numbers in 2002/03 rose to over 130 million animals - the cat population rose to a record 77 million and the dog population reached 61 million.

Overall, the market dynamics for immunodiagnostics in AGEN's areas of interest are favourable, with growth approaching 10% per annum forecast for the coming years. In addition to this, new product introductions and channel restructuring should ensure that this business will be strong moving forward.

SEGMENTS

Globally, Animal Health Diagnostics may be broken down into three main segments: Laboratory-based Services; Point-of-Care Haematology and Biochemistry Machines; and Point-of-Care Immuno-chromatographic Tests or similar. AGEN is considered an innovative and significant player in this latter market globally and has a strong presence in instrumentation within its home markets.

- **Laboratory-based Services**

  AGEN has developed strategic relationships with key laboratory players in all major markets. These include VCA-Antech and others in the United States, and Mayne Dx, and Gribbles.

- **Point-of-Care Haematology and Biochemistry Machines**

  AGEN has significant exposure to the point-of-care haematology and biochemistry market through the development of constructive relationships with companies including Abaxis, Heska and iStat Corporation. AGEN distributes the Abaxis range of VetScan machines along with the iStat machines licensed through Heska Corporation.

- **Point-of-Care Immuno-chromatographic Tests**

  AGEN is seen as a global player in the Point-of-Care Immuno-chromatographic Tests market alongside companies like IDEXX, Synbiotics and Heska. AGEN manufactures and distributes rapid lateral flow point-of-care test kits.

AGEN ANIMAL HEALTH POINT-OF-CARE DIAGNOSTIC PRODUCTS

MANUFACTURING

AGEN Animal Health manufactures and distributes a number of point-of-care diagnostic products as outlined in Table 1 below:

TABLE 1: CURRENT AGEN MANUFACTURED **ANIMAL** DIAGNOSTIC PRODUCTS

Agen test for:	Details
» Canine Heartworm	» *Parasitic infection of dog heart and lungs*
» Canine Parvovirus	» *Infectious and often fatal viral intestinal infection of dogs*
» Feline Immunodeficiency Virus	» *Viral infection of cats spread by fighting*
» Feline Leukaemia Virus	» *Viral infection of cats spread by grooming*
» Feline Heartworm	» *Parasitic infection of cat heart and lungs*

DISTRIBUTION

AGEN ANZ Third-party Distribution Range

AGEN not only manufactures for export and local sale, but also distributes the following third-party animal health diagnostic ranges in Australia and New Zealand:

- **Abaxis Corporation**

  AGEN distributes Abaxis Corporation's VetScan analysers. The VetScan analysers have multiple different diagnostic profile rotors and are a leading provider of point-of-care diagnostic panels in Australia and New Zealand. Currently these machines are second in market share within Australia and New Zealand and further strong growth is expected.

- **Heska Corporation**

  AGEN also distributes Heska Corporation products including: ERD-Screen (Early Renal Damage) Test, E-Screen point-of-care and laboratory allergy diagnostics, intravenous fluid delivery pumps, pulse oximeters, heart monitors, thoracic electrocardiograph machines and allergy desensitisation treatment products.

- **Synbiotics Europe**

  AGEN distributes a range of early canine pregnancy and fungal diagnostics on behalf of Synbiotics Europe, as well as distributing animal laboratory products.

- **iSTAT Corporation**

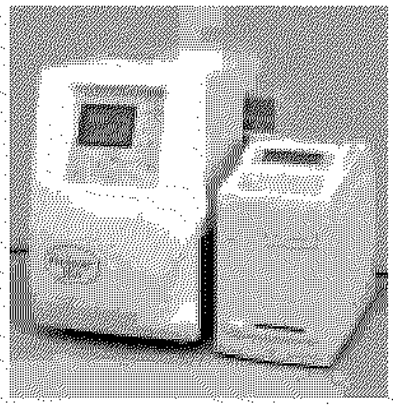
  AGEN distributes iSTAT Corporation analysers, which are hand-held point-of-care blood biochemistry and haematology analysers, running random access single analyte and multi-analyte panels.

- **Equisign**

  AGEN is distributor for the Equisign point-of-care equine pregnancy diagnosis test kit.

AGEN's manufacturing and distribution range provides a full diagnostic solutions package for veterinarians as well as key devices and management tools for infectious diseases, anaesthetics, fluid therapy and critical care.

The aforementioned product ranges are serviced and stocked by all major and minor wholesale groups in Australia and New Zealand. Market coverage in Australia is 100%.



State of the art in-clinic blood and biochemistry analysers distributed by AGEN Animal Health

TABLE 2: AGEN'S CURRENT BUSINESS PARTNERS GLOBALLY

Territory	Business Partner
» ANZ	» *Direct sales and marketing with in-house sales force*
» Asia	» *Merial Asia Pte*
» North Asia	» *Merial Korea, Taiwan and China*
» Japan	» *Merial Japan*
» Europe	» *Merial Europe (indirect)*
» US & Americas	» *VedCo Inc.*
» South America	» *Merial Brazil*
» Rest of World	» *Under review*

BUSINESS OBJECTIVES

SHORT TERM

AGEN Animal Health is endeavouring to maximise the exploitation of its Immuno-chromatography technology platform. Focus will be on optimising sales of the canine and feline infectious, parasitic and tick borne diseases. Further, AGEN intends to expand its full-service offering to veterinarians in Australia and New Zealand to provide them with a complete range of tools for in-clinic infectious and parasitic disease diagnostics, wellness management, anaesthetic management, critical care and fluid and parenteral therapy. New products in the laboratory sector are expected to be introduced in North America through the coming year.

MEDIUM TERM

Medium-term goals include the optimisation of market access and product volumes through effective channel management to all markets. AGEN seeks to build a competitive position through new product development and effective partnering. New products will be developed and deployed in the areas of companion animal long-term disease management, and chronic and emerging diseases of production animals.

LONGER TERM

In the companion animal market, AGEN has shifted the focus of its animal health new product development to point-of-care testing for degenerative disease, long-term maintenance/monitoring of disease and vaccinal markers. In the production animal market focus is on establishing markets based on EIA (Enzyme-linked Immunosorbent Assay)-based emerging disease, vaccinal titres, marker detection and chronic disease.

ThromboView® – Molecular Diagnostic Imaging

An historic clinical milestone was achieved on 17th March 2003 with the first human dose of ThromboView®.

Successful achievement of key scientific, clinical and commercial milestones was pivotal to the heightened global awareness and investor interest in the ThromboView® development project this financial year. The project team remains on track to deliver its objectives of rapid development and successful commercialisation of this unique and novel in vivo diagnostic imaging agent.

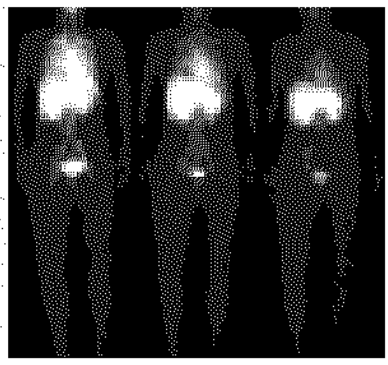
Blood clots remain notoriously difficult to diagnose and are responsible for ongoing disability and in some cases death for those afflicted. A recent Datamonitor report focusing on trends in thromboembolism in both the United States and Europe indicated that, on average, two diagnostic tests are required to make a diagnosis of deep vein thrombosis and five diagnostic tests are required for a diagnosis of pulmonary embolism. Accurate, timely and resource-efficient diagnosis of patients with this health problem remains a critical unmet need for many clinicians around the globe.

Phase I clinical trial material was successfully produced by AGEN scientists in collaboration with the CSIRO Health Sciences and Nutrition Fermentation Group in Melbourne and RadPharm Scientific in Canberra. The production methods were reviewed by the Therapeutic Goods Administration as part of their review of the Clinical Trial Exemption application allowing commencement of clinical studies with ThromboView® in Australia.

The next steps in the production of ThromboView® involve process optimisation and manufacture of ThromboView® under current Good Manufacturing Practice. Significant progress is being made to determine the appropriate course to adopt for both production of Phase II and III material and longer-term commercial requirements.

The ThromboView® clinical development program began on 17th March this year under the direction of Principal Investigators Dr. David Macfarlane from the Royal Brisbane Hospital and Associate Professor Andrew Scott from Melbourne's Ludwig Institute. Phase I studies are primarily concerned with testing a product's safety in humans. In July 2003, the live phase of the Phase Ia healthy volunteer study was completed. The Phase Ib patient study, conducted in a number of clinical sites around Australia, will be completed in the first half of 2004.

Phase Ib whole body image »



We are very pleased with the conduct of these studies to date and are moving aggressively to file appropriate regulatory documents with the United States Food & Drug Administration, the major regulatory body in the United States, and Health Canada, Canada's regulatory authority, to conduct Phase II accuracy studies in 2004. Protocol development, investigator recruitment and site selection are already underway as we prepare for successful conclusion of the Phase I program.

We also conducted qualitative and quantitative research this year in key markets such as the United States to ensure our product will be developed 'fit-for-purpose' from a clinical standpoint and competitively-advantaged from a marketing and regulatory viewpoint. Commercialisation strategies have been drafted and are under continuous review as we move forward in collecting data from our clinical program.

Understanding consumers' and/or governments' ability and willingness to pay is equally important from a commercial standpoint. We undertook preliminary scoping research of the multi-faceted reimbursement environment to understand the necessary drivers to ensure the uptake of ThromboView® into clinical practice. Product commercialisation models have now projected and quantified the commercial opportunity and we remain confident that there will be significant potential to shift clinical diagnostic practice and realise substantial earnings when the product is launched commercially in a few years.

« Left to Right: Jianguo Shan, Kym Hoger, Kirstie Breslin, Peter Schmidt, Melonie Twist, Elizabeth Wilson, Helen Roberts, Jane McKenzie-McHarg, Tertia Dex, Jeff Rood, Sue Parry-Jones, Linda Raineri, Barbara Lee

Guiding the clinical and commercial development of ThromboView®, in conjunction with senior leadership of the project team, is the newly appointed ThromboView® Scientific Advisory Board (see inset box). This Board comprises a group of world-class experts in thrombosis and nuclear medicine. Its inaugural meeting was held in July 2003 at the International Society of Thrombosis and Haemostasis Scientific meeting in Birmingham, UK, where all aspects of the project were reviewed. Agenix was extremely encouraged by the Board's validation of current development strategies, and support and direction for ongoing product development. The Board will be consulted on a regular basis for review and appraisal of clinical trial data and development of strategic brand messages appropriate to the medical community.

The ThromboView® trademark was successfully registered in Europe and the United States this year, following registration of ThromboView® in Australia and New Zealand. Consistent trademarking across global markets with a descriptive and memorable name will deliver major branding benefits and be a source of competitive advantage when ThromboView® is available commercially. Patents are lodged in the United States and via the Patent Cooperation Treaty, which precedes national phase examination in participating countries. We are awaiting the outcome of these examinations.

We were very pleased to obtain approval for a $1.98 million Commonwealth Government START grant in March 2003, which will help us meet the ongoing costs of commercialisation. The Industry Research and Development Board assesses applications for START grants against management capability, the commercial potential of the project, the technical strength of the project, the national benefit of the project and whether or not the project would succeed without grant support. As START grants are awarded according to merit, it is particularly gratifying to see the ThromboView® project attracting such substantial government interest and support.

The ThromboView® project team expanded during the year. We welcomed Elizabeth Wilson, who brings dedicated clinical project management expertise, and Bob Herrington, an experienced and professional regulatory affairs and quality assurance specialist.

As we move down the clinical development path, it becomes increasingly important to interact with regulatory bodies efficiently and professionally and we have contracted specialist expertise to assist us in our interaction with the Food & Drug Administration and Health Canada.

Overall, 2002/03 has been a very successful year for the Molecular Diagnostic Imaging team and the ongoing product development and commercialisation of ThromboView®.

SCIENTIFIC ADVISORY BOARD

» Professor Paul Eisenberg (Chairman), Vice-President, Global Drug Safety Eli Lilly Company, Indianapolis, United States. Professor Eisenberg has been instrumental in successfully guiding a number of significant products through early and late-stage clinical development and has a wealth of experience in both clinical and commercial aspects of cardiovascular drug development.

» Dr Jeff Ginsberg, Director, Thromboembolism Unit, McMaster University Medical Centre, Canada. Dr. Ginsberg is universally recognised as a leading expert in thrombosis medicine and is the recipient of numerous awards, grants and honorary distinctions in this field. He has written more than 250 papers including original research, reviews and editorial commentary in the field.

» Dr Henry Royal, Deputy Director, Division of Nuclear Medicine Mallinckrodt Institute of Radiology, St Louis, United States. Dr. Royal is an expert in the field of nuclear medicine and is President, Society of Nuclear Medicine in the United States.

» Dr Philip Wells, Chief, Division of Haematology, Ottawa Hospital City Campus, Canada. Dr. Wells has achieved international recognition for his clinical research in thrombosis, much of which has focused on the importance of D-dimer in clinical diagnostic pathways.

» Dr Harry Buller, Department of Vascular Medicine, Amsterdam Medical Centre, Netherlands. Dr Buller is active in European thrombosis trials and has been a key investigator in recently completed therapy trials for several large pharmaceutical companies.

» Professor Giancarlo Agnelli, Professor of Internal Medicine, University of Perugia, Italy. Dr. Agnelli is particularly involved in thrombosis research and has expertise and interest in its incidence in cancer patients.

Milton Pharmaceuticals

When discontinued lines were removed year-on-year growth was 12.1%

In 2003, Milton Pharmaceuticals largely delivered on its key objectives and continued solid progress in building the overall business capabilities. It was disappointing that the Company's financial performance was significantly impacted by the Pan Pharmaceuticals product recall, which was outside our control.

Sales growth of 3.9% was achieved over 2001/02 figures. When discontinued lines were removed, the year-on-year growth was 12.1%. This performance was driven by the continued solid performance of the Milton Antibacterial range, combined with strong gains across our key over-the-counter pharmacy ranges. This was due to the allocation of increased resources, and sales and marketing initiatives implemented during the year.

Milton also delivered a strong profit turnaround, recording a $1.2 million Operating Profit before Tax in 2002/03, prior to expensing Pan product recall costs of $782,000, compared to a $1.6 million Operating Loss in 2001/02. The Pan recall costs are currently under claim with Pan's administrators and our insurance companies. However, this underlying result begins to demonstrate the potential of this business as the outcomes of the many initiatives underway start to take effect.

The results delivered in 2002/03 have been built upon three key platforms:

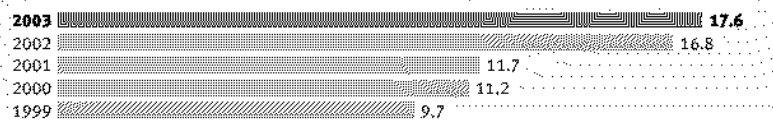
» A focus on core markets and products;

» The development of stronger branded product offers to meet consumer needs;

» A drive for efficiency gains across the business's operations.

MILTON PHARMACEUTICALS SALES

» Sales revenue in $ millions – Year ended 30 June



MARKETS AND CHANNELS

- **Australia**

Milton's sales revenue for 2002/03 was predominantly delivered from domestic markets. The core business channel for the majority of the product range is retail pharmacy, and it is here that we concentrated our primary sales and marketing efforts during the year, resulting in good sales growth.

During the year we built a strong sales team, headed by Frazer Watson (National Sales Manager) and Greg Richards (National Field Account Manager). Their combined experience, gained with various leading pharmaceutical and consumer goods companies, is being used to build Milton's sales capabilities. With a direct sales force now in place across the Eastern seaboard, we have a greatly enhanced ability to develop our business at the retail outlet level.

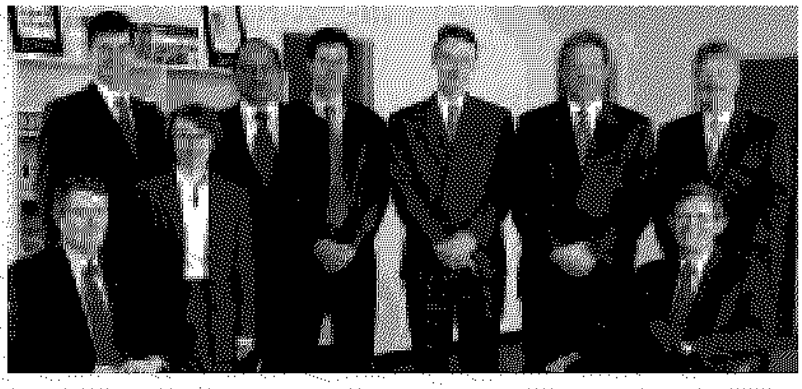
The grocery channel also is an important one for us because the majority of Milton Antibacterial sales occur here. Increased presence in this channel is planned where appropriate, and this approach saw us launch the Medislim Natural Advance range after research identified this as being desirable to consumers.

Selected products are also sold through the hospitals/ healthcare, and beauty therapy markets, and while they will remain a secondary focus areas in total business terms, we see good future growth opportunities in both markets.

- **International**

International sales represented around 5% of Milton's total revenue in 2002/03. While this remains a comparatively small contribution, we intend to increase this share of revenue to 10% in 2003/04.

Singapore and Malaysia have been selected as initial target markets, as we own the Milton brand rights in these countries. Milton was re-launched late in 2002 into Singapore, and is to be re-launched into Malaysia in September 2003. Support from key pharmacy and grocery groups in Singapore has been good, and initial feedback is encouraging regarding consumer uptake. From this base position we plan to increase the range, with our first action being to introduce



« Left to Right: Gary Turner, Andrew Farrington, Yoke Pearson, Tarun Raniga, Graeme Harland, John Gamble, Ian Jones, Frazer Watson, Lachlan McKinnon

our Vitamin C range to take advantage of the market gap resulting from the Pan recall.

The initial Malaysian launch will be with Milton products, with a broad range of over-the-counter products planned to follow late in 2003.

Other Asian market initiatives are underway, with some holding potential to commence this financial year.

CONTRACT MANUFACTURING

Our Contract Manufacturing business once again was a solid contributor, delivering just under 20% of total sales revenue. The strategy this year was to alter the customer/product mix to better fit our manufacturing strengths. This was largely achieved, including the securing of some significant new business which will continue through the next 12 months and beyond.

As a broad-based manufacturer licensed by the Therapeutic Goods Administration, opportunities exist for our Contract Manufacturing operations to grow strongly. In particular, the departure of Pan Pharmaceuticals from the tablets market prompted us to invest in new equipment to expand both our capacity and capability in this area.

Phase 1 of this expansion has occurred, allowing us to secure contracts to supply several major supplement products that we previously were not equipped to handle. A second phase of expansion is currently under investigation and will be implemented upon confirmation of the scale and sustainability of the opportunity.

In addition, our core Liquids and Creams business continues to deliver solid results, and new contract opportunities will continue to be targeted given the successful recruitment of two key brands in 2002/03.

PRODUCTS

Milton Antibacterial continues to grow domestically, and with further brand and market knowledge gained through consumer research, new initiatives will be introduced to accelerate this growth during the coming 12 months.

We have now successfully re-launched the brand into the Singapore market through our local partner JDH Healthcare, and initial signs are encouraging. The product's unique, broad-spectrum anti-microbal properties saw it being adopted as a preventative treatment against SARS in recent times.

The vitamins and supplements market was another success story

MILTON CASE STUDY

"I lost 11 kilos in just 8 weeks."

Chris L, Sunshine Coast, Qld.

In October 2002, following a rigorous research programme, the professionally formulated Medislim Natural ADVANCE Weight Loss and Weight Control tablets were successfully launched into pharmacies and supermarkets across Australia.

The marketing support program and pack design were well accepted by all trade customers and the products achieved widespread retail distribution.

Importantly, customers also liked the range, and when they used the products, in conjunction with smart eating and regular exercise, they achieved good results.

Chris from Bli Bli on Queensland's Sunshine Coast wrote to Milton Pharmaceuticals: ***"I recently used Medislim Natural ADVANCE to help me lose weight. I was able to lose 11 kilos in 8 weeks".***

Medislim Natural ADVANCE Weight Loss helps people lose weight and get into better shape. The Medislim Natural ADVANCE range combines effective, natural weight management ingredients with essential daily vitamins and minerals. The natural ingredients include Brindleberry, Guarana, Chitosan, Green Tea, Gymnema, essential B Group vitamins and minerals.

Once people reach a healthy weight, Medislim Natural ADVANCE Weight Control can help them retain the weight loss.

for Milton last year, with more than 100% sales growth. This was primarily due to the successful launch of the Medislim Natural Advance range of weight management products. Success was achieved in this crowded market through the development of unique, quality formulations that work to assist the body in burning fat while delivering the important daily vitamins and minerals during a period of changed diet.

Our other core pharmacy ranges - skincare, galenicals (pharmacist compounding ingredients) and traditional medications - all recorded solid sales gains from increased focus on store level sales. Initiatives currently underway in these areas are expected to see further gains delivered into the future.

OUTLOOK

We are confident that in the coming year we will be able to further build on the gains made during 2002/03.

The focus in the next 12 months is on business growth initiatives in the following areas:

» New product development pipeline - several key projects to be delivered this year;

» Milton brand expansion opportunities - initiate broadened product usage;

» Aggressive sales development activities;

» Development of Asian distributor network;

» Identification and securing of desirable new contract manufacturing business.

In addition, Milton will continue to look at potential business acquisition opportunities as they arise, where they fit its growth strategy and direction.

Our People

People remain our most important asset.

Agenix's recruitment policy is based on the principle of appointing the best possible person to each position, irrespective of age, race, religion or family status.

The Company's policy is that all new employees undergo induction training in the first few days of their appointment followed up by safety, quality and anti-discrimination training as soon as practicable afterwards.

The Company endeavours to ensure all personnel have the necessary training and qualification or experience to perform their assigned duties accordingly.

EMPLOYEE OPTIONS PLAN

In 2002, the Company introduced an employee options plan (EOP) that was open to all Agenix staff. The EOP aims to provide staff with a way to participate in the benefits that their efforts deliver to the Company, and to align staff and Company goals. The plan was well received and Agenix believes that it was a contributing factor in the excellent results achieved this past year. It is the Company's intention to continue the offering of options to all employees in the future

HEALTH AND SAFETY

Agenix is committed to providing a healthy and safe workplace for all employees and visitors.

The Company's policy is to address accident prevention and control, hazard control and rehabilitation as a priority.

Occupational health and safety is both an individual and shared responsibility of all employees. The Company views occupational health and safety as a priority equal to production.

The Company's Occupational Health and Safety Committee endeavours to reach consensus through the process of joint consultation and works together with all employees in managing occupational health and safety in the workplace.

The Company maintains systems to:

» Integrate occupational health and safety into all aspects of the workplace;

» Promote communication about occupational health and safety as a normal component of all aspects of work;

» Plan, develop, implement and monitor an occupational health and safety program;

» Take effective action to provide and maintain a healthy and safe workplace;

» Provide information, training and instructions to enable employees to perform their duties effectively and safely.

Corporate Governance

In March 2003 the ASX issued the results of a review of corporate governance by the ASX Corporate Governance Council. These results included ten principles of good corporate governance and twenty-eight best practice recommendations. The Board of Directors of Agenix Limited has reviewed these recommendations and the following summary outlines the Company's approach in relation to those recommendations. The Board is responsible for the corporate governance of the economic entity. The Board guides and monitors the business affairs of Agenix Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Best Practice Recommendations:

›› FORMALISE AND DISCLOSE THE FUNCTIONS RESERVED TO THE BOARD AND THOSE DELEGATED TO MANAGEMENT

The Board is responsible for:

- Guiding and monitoring the business affairs of the Company on behalf of the shareholders by whom the Board is elected and to whom the Board is accountable;
- Setting corporate strategy;
- Reviewing and monitoring systems of risk management;
- Monitoring management's implementation of corporate strategy including approval of the annual budget and annual capital expenditure programs;
- Reviewing and approving major capital management strategies;
- Reviewing and approving acquisitions and divestitures;
- Appointing and evaluating the performance of the Chief Executive Officer (CEO);
- Ratifying the appointment of the Chief Financial Officer (CFO).

It is management's responsibility to implement the corporate strategy set by the Board and to recommend alternative strategies to the Board which will add shareholder value.

Directors do not currently receive a formal letter of appointment but letters will be provided by 31 December 2003.

The Managing Director (the CEO) and the CFO have formal job descriptions and letters of appointment.

PRINCIPLE 2: STRUCTURE THE BOARD TO ADD VALUE

Best Practice Recommendations:

›› A MAJORITY OF THE BOARD SHOULD BE INDEPENDENT DIRECTORS

The Board has four members at the date of this report, of whom two are independent directors. The Board is of the view that given the current scale of operations of the Company, four directors is the appropriate number of directors required to provide the breadth of skills and experience required and at the same time to promote efficiency in decision making.

» THE CHAIRPERSON SHOULD BE AN INDEPENDENT DIRECTOR

The Chairman of the Board, Mr Ravindran Govindan, currently acts as Executive Chairman and is therefore not an independent director. Mr Govindan has extensive corporate and international experience and his contribution to decision making is considered to be of greater value to the Company than his independence at this time. However, the substantial portion of day-to-day decision-making in relation to the Company is carried out by the Managing Director.

» THE SAME INDIVIDUAL SHOULD NOT BE CHAIRPERSON AND CEO

The Chairman is Mr Ravindran Govindan and the CEO is the Managing Director, Mr Donald Home.

» THE BOARD SHOULD ESTABLISH A NOMINATION COMMITTEE

The Board does not have a Nomination Committee given that this is considered impractical with a Board of only four members. The full Board assumes the responsibility of assessing new Board nominees.

PRINCIPLE 3: PROMOTE ETHICAL AND RESPONSIBLE DECISION MAKING

Best Practice Recommendations:

» ESTABLISH A CODE OF ETHICAL CONDUCT

Conduct expected of key executives is included in letters of appointment and deals with issues such as confidentiality, safety obligations, preservation of intellectual property rights, compliance with the law and compliance with ethical standards. The Company also has an employee induction process that outlines the Company's expectations in relation to workplace health and safety, and harassment including sexual harassment and rehabilitation.

» TRADING

The Company has a policy with regard to trading in the Company's securities that includes a prohibition on insider trading.

PRINCIPLE 4: SAFEGUARD INTEGRITY IN FINANCIAL REPORTING

Best Practice Recommendations:

» THE CEO AND CFO SHOULD FORMALLY VALIDATE THE FINANCIAL REPORTS TO THE BOARD

The Managing Director and Chief Financial Officer sign a letter of representation regarding the year end financial reports to the Board and to the auditors.

» THE BOARD SHOULD ESTABLISH AN AUDIT COMMITTEE

An Audit Committee was in existence for the whole of the financial year.

» THE AUDIT COMMITTEE SHOULD CONSIST OF AT LEAST THREE NON-EXECUTIVE DIRECTORS WITH THE MAJORITY BEING INDEPENDENT DIRECTORS

The Audit Committee has two members, which is considered appropriate given that the Board consists of four members. Both members of the Audit Committee were independent non-executive directors. The Chairman of the Audit Committee is not the Chairman of the Board.

» THE AUDIT COMMITTEE SHOULD HAVE A FORMAL CHARTER

A draft Audit Committee Charter was presented to the Audit Committee members for their consideration at the Committee meeting held on 8 September 2003. It is expected that a Charter will be adopted in the first half of the financial year ended 30 June 2004.

During the financial year the Audit Committee at any one time consisted of two independent non-executive directors. The following directors were members of the Audit Committee:

» Wong Fong Fui	Committee Chairman
» Katherine Woodthorpe	Until resignation on 7 May 2003
» Myles Davey	From appointment on 7 May 2003

During the financial year Audit Committee meetings and attendances were as follows:

Director	Number of Meetings Held While in Office	Meetings Attended
» Wong Fong Fui	1	1
» Katherine Woodthorpe	1	1
» Myles Davey	0	0

It is anticipated that at least three Audit Committee meetings will be held during the year ended 30 June 2004.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURES

Best Practice Recommendations:

» ESTABLISH WRITTEN POLICIES AND PROCEDURES TO ENSURE COMPLIANCE WITH ASX LISTING RULES

The Board requires full compliance with ASX Listing Rules. In this regard there is no written policy, however a written policy will be published during the financial year ended 30 June 2004.

PRINCIPLE 6: RESPECT THE RIGHTS OF SHAREHOLDERS

Best Practice Recommendations:

» DESIGN AND DISCLOSE A COMMUNICATIONS STRATEGY WITH SHAREHOLDERS

The Company has been proactive in keeping shareholders informed of developments in its affairs. During the financial year ended 30 June 2003 the Company made several announcements to the ASX.

Senior management has also been proactive in holding analyst briefings on a regular basis and such briefings have included attendance by shareholders. Whilst the Company's annual general meeting will be held in Brisbane, senior management employees will also be conducting briefings for shareholders in Sydney and Melbourne.

The Company has a web site which provides detailed information regarding the Company's affairs. All ASX announcements are posted immediately on the Company's web site after the ASX has released the announcement.

» ATTENDANCE OF COMPANY'S AUDITOR AT ANNUAL GENERAL MEETING

A representative from the Company's auditor will be in attendance at all Annual General Meetings of the Company.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

Best Practice Recommendations:

» THE BOARD SHOULD ESTABLISH POLICIES ON RISK MANAGEMENT

The Company has commenced a formal risk management review process to ensure that proper controls exist to manage risk throughout the Company.

The Company does not have an internal audit function as the Board does not consider the scale of the Company's operations warrant this at the present time.

» INTEGRITY OF FINANCIAL STATEMENTS IS BASED ON A SOUND SYSTEM OF RISK MANAGEMENT

The Managing Director and CFO have advised the Board in writing that the statement given to the Board on the integrity of the financial statements is based on:

- » A sound system of risk management;
- » A sound system of internal compliance and control;
- » Systems that implement the policies adopted by the Board;
- » Systems that are operating efficiently and effectively in all material respects.

Whilst there are no material deficiencies in systems and controls, there are areas which require improvement in processes and procedures and these areas will be worked on in the course of the next financial year.

PRINCIPLE 8: ENCOURAGE ENHANCED PERFORMANCE

Best Practice Recommendations:

» DISCLOSE THE PROCESS FOR PERFORMANCE EVALUATION

The performance of the Board, Board committees and individual directors is evaluated by the Chairman of the Board. Other than in respect of the performance of the Managing Director, this evaluation is not a formalised process.

The performance of key executives, including the Managing Director, is evaluated in a formal review process on a half yearly basis against pre-agreed measurable performance criteria. The Managing Director's performance is reviewed by the Chairman of the Board. The performance of other key executives is evaluated by the Managing Director.

In order to make informed decisions the directors are provided access to the following resources:

- » A monthly Board report is provided to each director outlining the results of operations in each key functional area of the Company;
- » The Company's proposed budget for each succeeding financial year is provided to each director for review and comment;
- » All Board members have unrestricted access to the Managing Director and the Chief Financial Officer/Company Secretary;
- » Directors have the right to seek professional advice at the Company's expense upon approval by the Chairman.

PRINCIPLE 9: REMUNERATE FAIRLY AND RESPONSIBLY

Best Practice Recommendations:

›› DISCLOSE THE COMPANY'S REMUNERATION POLICIES

The total level of directors' fees payable is approved by the Company's shareholders at Annual General Meetings. The total level of fees so approved is inclusive of statutory superannuation entitlements. Fees paid to individual Board members are determined by the Board. Such fees are paid to directors on a monthly basis.

The Company does not have a retirement plan for directors.

Directors are entitled to participate in the Company's share option plan. Details of options held by directors are disclosed in the Directors' Report.

Employees are remunerated based on market surveys. Senior employees have a base remuneration and a performance-based component ranging from 10% to 30% of their base remuneration. Payment of this performance component is based partly on achievement of personal goals and partly on achievement of corporate goals.

All employees are also eligible to participate in the Company's employee option plan. The purpose of the employee option plan is to provide a long-term incentive to employees to assist the Company in achieving its corporate goals.

The remuneration of the Company's five highest paid executives during the year is disclosed in this annual report.

›› THE BOARD SHOULD ESTABLISH A REMUNERATION COMMITTEE

The Board established a Remuneration Committee consisting of two directors at the Board Meeting held on 8 September 2003.

›› CLEARLY DISTINGUISH THE STRUCTURE OF NON-EXECUTIVE DIRECTORS' REMUNERATION FROM THAT OF EXECUTIVE DIRECTORS

Non-executive directors are remunerated by way of directors' fees. Such directors do not receive retirement benefits other than statutory superannuation contributions. However, non-executive directors do participate in the employee share option plan.

›› ENSURE THAT EQUITY-BASED EXECUTIVE REMUNERATION IS IN ACCORDANCE WITH SHAREHOLDER APPROVED LEVELS

The employee option plan was approved by shareholders.

PRINCIPLE 10: RECOGNISE THE LEGITIMATE INTERESTS OF STAKEHOLDERS

Best Practice Recommendations:

›› ESTABLISH AND DISCLOSE A CODE OF CONDUCT

The Company does not have a formal code of conduct.

However, expectations regarding compliance with legal and ethical standards are set out in letters of appointment of staff.

Financial Overview

STATEMENT OF FINANCIAL PERFORMANCE

» Sales Revenue declined by $4.414 million , mainly due to the previously announced termination of the distribution agreement with Synbiotics in the United States. This also resulted in a negative impact on Net Profit Before Tax of approximately $1 million.

» Revenue included START Grant income from the Commonwealth Government of $1.144 million.

» Expenses included $5.674 million spent on Research and Development, of which $4.789 million related to ThromboView®. This was a significant increase in the level of expenditure but reflects the confidence the Company has in the potential of ThromboView®.

» Net Profit Before Tax was negatively impacted by $2.402 million in one-off costs as follows:

» Investment write-offs	$1.217 m
» Pan product recall costs	$0.782 m
» Redundancy costs	$0.403 m
» Total	$2.402 m

STATEMENT OF FINANCIAL POSITION

» Management continued the process of moving to a conservatively stated Balance Sheet. As a result , Shareholders' Equity decreased by $728,000.

» As a result of write-offs, Investments decreased by $1.109m to a balance of $218,000.

» Tax assets in relation to carried forward tax losses reduced by a net $158,000 to $1.562 million.

STATEMENT OF CASH FLOWS

» Cash increased during the year by $1.976 million to $9.475 million. This is an outstanding achievement for the Company given the significant expenditure on research and development during the year. This demonstrates the strong cash flows being generated by the Company's operations, particularly by AGEN Biomedical.

» The Company announced the securing of a new bank bill facility from the Commonwealth Bank of $20 million.

AGENIX GROUP

Financial Highlights - Year ended 30 June

AUD	1999 $'000	2000 $'000	2001 $'000	2002 $'000	**2003 $'000**
» Revenue	18,894	27,227	29,407	40,751	**38,097**
growth		*44%*	*8%*	*39%*	***-6.5%***
» Profit Before Tax	1,074	382	3,836	4,154	**-811**
growth		*-64%*	*904%*	*8%*	***-80.5%***
percent of revenue	*5.7%*	*1.4%*	*13.0%*	*10.2%*	***-2.1%***
» Profit After Tax	1,074	3,434	4,172	161	**-811**
growth		*220%*	*21%*	*-96%*	***-604%***
percent of revenue	*5.7%*	*12.6%*	*14.2%*	*0.4%*	***-2.1%***
» EBIT	1,419	949	4,287	4,482	**-526**
growth		*-33%*	*352%*	*5%*	***-112%***
percent of revenue	*7.5%*	*3.5%*	*14.6%*	*11.0%*	***-1.4%***
» EBITDA	2,197	2,409	5,866	6,483	**1,521**
growth		*10%*	*144%*	*11%*	***-77%***
percent of revenue	*11.6%*	*8.8%*	*19.9%*	*15.9%*	***4.0%***
» Total Research and Development	2,225	1,599	2,409	3,400	**5,674**
growth		*-28%*	*51%*	*41%*	***67%***
percent of revenue	*11.8%*	*5.9%*	*8.2%*	*8.3%*	***14.9%***
» EBITDAR	4,422	4,008	7,354	9,883	**7,195**
growth		*-9%*	*83%*	*34%*	***-27%***
percent of revenue	*23.4%*	*14.7%*	*25.0%*	*24.3%*	***18.9%***
» Net Tangible Assets	10,752	14,306	23,691	23,969	**23,819**
NTA per share (cents)	9.4	12.1	15.4	15.6	**15.4**
» Shareholder Funds	15,422	21,650	34,385	34,696	**33,968**
» Annual Earnings Per Share - undiluted (cents)	0.98	2.96	3.12	0.10	**-0.53**
growth		*202%*	*5.4%*	*-96.8%*	***-630.0%***
» Annual Earnings Per Share - diluted (cents)	0.94	2.67	3.12	0.10	**-0.53**
growth		*184%*	*16.9%*	*-96.8%*	***-630.0%***
» Cash flow from operations after research and development	1,547	914	981	5,680	**3,962**
growth					***-30%***
» Net cash surplus/(deficit)	462	(4,818)	(451)	3,759	**1,976**
growth					***-47%***
» AGEN Sales for current human diagnostic products				8,403	**8,811**
growth					***4.9%***
» AGEN Sales for current veterinary diagnostic products				10,836	**9,500**
growth					***-12.3%***
» Licensing and Royalties				2,932	**2,404**
» Milton: Sales revenue				16,836	**17,557**
growth					***4.3%***

Financial Statements

For the year ended 30 June 2003

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Directors' Report

For the year ended 30 June 2003

Your directors present their report on the Company and its controlled entities for the financial year ended 30 June 2003.

Directors

The names and details of the Directors of the Company in office during the year and until the date of this report are:

Mr Ravindran Govindan LLB (Hons) Age 52

Executive Chairman. Appointed 13 June 2000.

A lawyer by training, Mr Govindan has more than 25 years' of experience as an investor and businessman in Australia and the Asia Pacific Region. Mr Govindan presently heads the Asia Pacific Region for Latona Associates Inc., a New York based private investment and financial advisory firm. Mr Govindan is also the former President of Fisher Scientific group of companies for the Asia Pacific Region.

Mr F F Wong (Wong Fong Fui) B Eng (Chem) Age 59

Non-executive Director. Appointed 11 August 2000.

Mr Wong is the Group Managing Director of Boustead Singapore Limited a public company listed on the Singapore Stock Exchange and is a Director of EasyCall International Limited. He also holds directorships of many other companies in Singapore, Malaysia, Indonesia and Australia.

Mr Wong retains his shareholding in various engineering and construction companies, which he co-founded in the 1970s and also has interests in companies involved in food manufacturing and retailing, airlines, telecommunications and information technology.

Mr Mark Carnegie BSc (Hons) BA (Hons) Age 41

Non-executive Director. Appointed 17 November 2000. Re-elected 30 November 2001. Resigned 11 December 2002.

Mr Carnegie is a principal of private investment bank and private equity firm Carnegie, Wylie & Company and Chairman of STW Communications Group Limited (formerly Singleton Group Limited).

He previously worked for Hudson Conway Limited in London and for James D Wolfensohn, Inc in New York. He is a Director of Neverfail Springwater Limited, Carnegie Foundation Limited, Manboom Pty Limited, Macquarie Radio Network Pty Limited, Business Commerce Australia Pty Limited, DSL Group Pty Ltd, EasyCall International Limited, EasyCall Asia Limited, Lonely Planet Publications Pty Limited and SciCapital Pty Limited.

Mr Carnegie holds a Masters Degree in Jurisprudence from Oxford University and a Bachelor of Science (Hons) Degree from Melbourne University.

Katherine Woodthorpe PhD FAICD Age 47

Non-executive Director. Appointed 21 June 2001. Re-elected 30 November 2001. Resigned 7 May 2003.

Dr Woodthorpe, who has a PhD in chemistry, is a Fellow of the Australian Institute of Company Directors and sits on several boards, including those of Ventracor Limited, Australian Cancer Technology Pty Ltd, Australian Business Foundation Limited and Insearch Limited. Dr Woodthorpe is an independent consultant specialising in assisting technology companies to improve business performance and commercialise their products.

Mr Donald Home BSc (Hons) MAICD Age 42

Managing Director. Appointed 12 December 2002. Has been Chief Executive Officer since July 2001.

Mr Home had 14 years' experience with Abbott Laboratories, Diagnostics Division, a US$60 billion dollar health care corporation. In his 10 years with Abbott Laboratories he held various roles including Senior Product Manager and Business Manager. Mr Home also has 4 years experience with Abbott Laboratories Inc. in Chicago Illinois where he acted as Trustee of Abbott Laboratories Superannuation Plan, Senior Product Manager in the Worldwide Marketing Group and Technology Licensing Manager in the global Licensing and Acquisitions Group.

Mr Myles Davey Age 56

Non-executive Director. Appointed 7 May 2003.

Mr Davey has been active in the diagnostics industry since 1972, working predominantly in marketing and general management. He has worked in the USA and in Australia for subsidiaries of European and American companies. Mr Davey's most recent executive role was regional director for global health care company Abbott Laboratories' Diagnostics Division, based in Sydney, during a high growth phase for the company. Chicago based Abbott Laboratories has current revenues of A$20 billion and diagnostics sales of A$5 billion. Abbott's Diagnostics Division researches, develops and markets sophisticated blood testing systems.

He retired from executive roles in 1995 and has subsequently held directorships, initially with AGEN Biomedical Limited, a fully-owned Agenix subsidiary, and with other Agenix companies.

Mr Davey was also appointed to the Agenix Audit Committee on 7 May 2003.

Directors' Report

For the year ended 30 June 2003

Principal Activities

The principal activities of the economic entity during the financial year were:

- Research, development, manufacture and sale of veterinary and medical diagnostic products and technologies;
- Manufacture and sale of pharmaceutical and neutriceutical products;
- Biotechnology research and development; and
- Manufacture and sale of biochemicals.

There were no significant changes in the nature of the principal activities during the financial year.

Operating Results

The consolidated operating profit/(loss) of the economic entity, after income tax and eliminating outside equity interests, for the financial year ended on 30 June 2003 was a loss of $811,000 (2002: profit of $161,000).

Dividends Paid or Proposed

No dividend has been paid or is proposed by the Company in relation to the year ended 30 June 2003 (2002: $nil).

Review of Operations, Likely Developments and Expected Results

A review of operations of the economic entity during the period, the results of those operations, the change in the state of affairs and the likely developments in the operations of the economic entity are set out in the Executive Chairman and CEO Statement. Other than as referred to in this report, further information on likely developments in the operations of the economic entity would, in the opinion of the directors, be speculative and may hinder the economic entity in the achievement of its commercial objectives.

Interests in the Shares and Options of the Company

As at the date of this report the interests of the directors in the shares and options of the Company were:

	ORDINARY SHARES	OPTIONS EXPIRING 15/07/2007
	Number	Number
Ravindran Govindan	3,950,000	300,000
FF Wong	2,500,000	-
Donald Home	-	500,000
Myles Davey	-	60,000

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the economic entity during financial year.

Significant Events Subsequent to Balance Date

On 14 August 2003 the Company announced that it had received a $20 million bank bill facility from the Commonwealth Bank. This facility will replace the existing Westpac Bank facilities.

Share Options

At the end of the year, there were 250,000 unlisted options exercisable at 40 cents, expiring on 24 November 2004, 3,272,900 unlisted employee options exercisable at 33 cents, expiring on 19 July 2007, 75,000 unlisted employee options exercisable at 44 cents, expiring on 19 July 2007 and 2,726,875 unlisted employee options exercisable at 34 cents, expiring on 25 July 2008. Refer to Note 21 for further details.

Directors' and Executive Officers' Emoluments

The Company's policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is as follows:

- The remuneration structure of executive officers seeks to emphasise payment for results by providing various reward schemes, including incentive payments on the achievement of sales and profit targets; and
- The objective of the reward schemes is to reinforce both the short and long term goals of the Company and to provide a common interest between management and shareholders.

Directors' Report

Directors – Parent Entity

The emoluments of each Director of the parent entity are set out below:

	ANNUAL EMOLUMENTS				LONG TERM EMOLUMENTS	EMPLOYEE OPTIONS AS AT 30 JUNE 2003		TOTAL
	Salary	Director's Fees	Incentive	Non-cash Benefits	Super-annuation	Number	Vesting Value Amortised 2002/03	$
R Govindan	-	57,500	-	-	5,175	300,000	18,900	81,575
FF Wong	-	27,500	-	-	2,475	-	-	29,975
M Carnegie (A)	-	9,231	-	-	831	-	-	10,062
K Woodthorpe (B)	-	22,298	-	-	2,007	-	-	24,305
D Home (C)	120,264	-	105,000	2,975	13,542	500,000	31,500	273,281
M Davey (D)	-	5,274	-	-	475	60,000	3,780	9,529

(A) Mark Carnegie resigned as non-executive director 11 December 2002
(B) Katherine Woodthorpe resigned as non-executive director 7 May 2003
(C) Donald Home was appointed Managing Director 12 December 2002
(D) Myles Davey was appointed non-executive director 7 May 2003

Executive officers – the Company and the Consolidated Entity

The emoluments of each of the five most highly remunerated executive officers of the economic entity, other than executive directors of the economic entity, are set out below:

	ANNUAL EMOLUMENTS				LONG TERM EMOLUMENTS	TERMINATION BENEFITS	EMPLOYEE OPTIONS AS AT 30 JUNE 2003		TOTAL
	Salary	Incentive	Non-cash Benefits	Super-annuation			Number	Vesting Value Amortised 2002/03	$
J Carter	101,477	-	-	21,000	181,460		400,000	25,200	329,137
R Richards	74,996	-	-	12,823	146,325		150,000	26,020	260,164
A Farrington	120,726	23,330	20,809	15,068	-		300,000	6,614	186,547
S Parry-Jones	113,692	31,200	-	13,040	-		150,000	3,309	161,241
M Gerometta	104,928	15,779	-	17,743	-		282,500	15,034	153,484

The employee options were issued under the plan approved by shareholders on 8 June 2001. The value of each option using the "Black-Scholes method" varies depending on the exercise date and price of shares as follows:

Options Class	Option Value (Cents Per Share)
Options expiring 19/07/2007 Exercise price 33 cents	12.6
Options expiring 19/07/2007 Exercise price 44 cents	4.4
Options expiring 25/07/2008 Exercise price 34 cents	13.2

This amount has not been charged to the accounts.

Directors' Report

For the year ended 30 June 2003

Directors' Meetings

During the year, three Directors' meetings were held.

The number of meetings in which directors were in attendance is as follows:

	Directors' Meetings	
	Number of Meetings Held While in Office	Meetings Attended
R Govindan	3	3
FF Wong	3	2
M Carnegie (A)	1	1
K Woodthorpe (B)	3	3
D Home (C)	2	2
M Davey (D)	-	-

(A) Mark Carnegie resigned as non-executive director 11 December 2002
(B) Katherine Woodthorpe resigned as non-executive director 7 May 2003
(C) Donald Home was appointed Managing Director 12 December 2002
(D) Myles Davey was appointed non-executive director 7 May 2003

Indemnification and Insurance of Directors and Officers

During the year, the economic entity has paid premiums in respect of a contract insuring all of the directors and officers of the economic entity against a liability incurred in their role as directors and officers of the economic entity, except where:

(a) The liability arises out of conduct involving a wilful breach of duty; or

(b) There has been a contravention of Sections 182 or 183 of the Corporations Act 2001.

The total amount of insurance contract premiums paid for directors' and officers' Liability and Company Reimbursement cover cannot be disclosed as this would be a breach of the policy conditions. The relevant amount has not been included as part of directors' and officers' remuneration in Note 5.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Agenix Limited support and have adhered to the principles of corporate governance. The Company's corporate governance statement can be found on page 20 of this annual report.

Environmental Regulation and Performance

The consolidated entity holds any necessary licences issued by the relevant environmental protection authorities. These licences specify limits and regulate the management of discharges to the air and storm water run-off associated with the production processes and storage of any hazardous materials.

There have been no significant known breaches of the consolidated entity's licence conditions.

Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors.

Donald Home
Managing Director
26 September 2003

Independent Audit Report

To members of Agenix Limited

Scope
The financial report and directors' responsibility
The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows, accompanying notes to the financial statements, and the directors' declaration for Agenix Limited (the company) and the consolidated entity, for the year ended 30 June 2013. The consolidated entity comprises both the company and the entities it controlled during that year.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the company and the consolidated entity, and that complies with Accounting Standards in Australia, in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Audit approach
We conducted an independent audit of the financial report in order to express an opinion to the members of the company. Our audit was conducted in accordance with Australian Auditing Standards in order to provide reasonable assurance as to whether the financial report is free of material misstatement. The nature of an audit is influenced by factors such as the use of professional judgement, selective testing, the inherent limitations of internal control, and the availability of persuasive rather than conclusive evidence. Therefore, an audit cannot guarantee that all material misstatements have been detected.

We performed procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001*, including compliance with Accounting Standards in Australia and other mandatory financial reporting requirements in Australia, a view which is consistent with our understanding of the company's and the consolidated entity's financial position, and of their performance as represented by the results of their operations and cash flows.

We formed our audit opinion on the basis of these procedures, which included:

- examining, on a test basis, information to provide evidence supporting the amounts and disclosures in the financial report, and
- assessing the appropriateness of the accounting policies and disclosures used and the reasonableness of significant accounting estimates made by the directors.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our audit was not designed to provide assurance on internal controls.

We performed procedures to assess whether the substance of business transactions was accurately reflected in the financial report. These and our other procedures did not include consideration or judgement of the appropriateness or consolidation of the business plans or strategies adopted by the directors and management of the company.

Independence
We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*. In addition to our audit of the financial report, we were engaged to undertake the services disclosed in the notes to the financial statements. The provision of these services has not impaired our independence.

Audit opinion
In our opinion, the financial report of Agenix Limited is in accordance with:

(a) the *Corporations Act 2001*, including:

(i) giving a true and fair view of the financial position of Agenix Limited and the consolidated entity at 30 June 2013 and of their performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the *Corporations Regulations 2001*; and

(b) other mandatory financial reporting requirements in Australia.

Ernst & Young

Clinton Bisley
Partner
Auckland
30 September 2013

Directors' Declaration

In accordance with a resolution of the directors of Agenix Limited, I state that:

1. In the opinion of the Directors:

   (a) the financial statements and the notes of the Company and of the consolidated entity are in accordance with the Corporations Act 2001, including:

      (i) giving a true and fair view of the Company's and the consolidated entity's financial position as at 30 June 2003 and of their performance for the year ended on that date; and
      (ii) complying with Accounting Standards and Corporations Regulations 2001; and

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. In the opinion of the directors, as at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in Note 13 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the Board

Donald Home
Managing Director
26 September 2003

Statements of Financial Performance

For the year ended 30 June 2003

	Note	CONSOLIDATED ENTITY 2003 $'000	CONSOLIDATED ENTITY 2002 $'000	AGENIX LIMITED 2003 $'000	AGENIX LIMITED 2002 $'000
Sales revenue	2	36,008	40,422	-	-
Cost of sales		(18,517)	(19,262)	-	-
Gross profit		17,491	21,160	-	-
Other revenues from ordinary activities	2	2,089	329	3,521	4,762
Distribution expenses		(1,171)	(1,504)	-	-
Marketing expenses		(4,903)	(5,998)	-	-
Occupancy and administration expenses		(4,763)	(5,179)	(2,457)	(2,155)
Research and development expenses		(5,674)	(1,345)	-	-
Borrowing costs expense	3	(285)	(328)	(231)	(228)
Other expenses from ordinary activities	3	(3,595)	(2,981)	(198)	(864)
Profit (loss) from ordinary activities before income tax (expense)/benefit		(811)	4,154	635	1,515
Income tax (expense)/benefit relating to ordinary activities	4	-	(3,993)	(36)	(428)
Net profit/(loss) attributable to members of Agenix Limited	22	(811)	161	599	1,087
Total revenues, expenses and valuation adjustments attributable to members of Agenix Limited and recognised directly in equity		-	-	-	-
Total changes in equity other than those resulting from transactions with owners attributable to members of Agenix Limited		(811)	161	599	1,087

	Note	CENTS PER SHARE 2003	CENTS PER SHARE 2002
Basic earnings per share (cents per share)	7	(0.53)	0.10
Diluted earnings per share (cents per share)	7	(0.53)	0.10

The accompanying notes form part of these financial statements.

Statements of Financial Position

As at 30 June 2003

	Note	CONSOLIDATED ENTITY 2003 $'000	CONSOLIDATED ENTITY 2002 $'000	AGENIX LIMITED 2003 $'000	AGENIX LIMITED 2002 $'000
Current Assets					
Cash assets	9	9,475	7,499	5,308	5,415
Receivables	10	5,960	6,061	170	-
Inventories	11	6,019	6,125	-	-
Deferred tax assets	4	250	299	121	137
Other	16	844	419	105	206
Total Current Assets		22,548	20,403	5,704	5,758
Non-current Assets					
Receivables	10	-	211	25,825	26,301
Other financial assets	12	218	1,327	21,596	21,900
Property, plant and equipment	14	7,289	8,193	125	92
Intangible assets	15	10,149	10,727	-	-
Deferred tax assets	4	2,719	2,262	44	59
Other	16	2,858	2,490	174	64
Total Non-current Assets		23,233	25,210	47,764	48,416
Total Assets		45,781	45,613	53,468	54,174
Current Liabilities					
Payables	17	6,043	4,377	482	918
Interest-bearing liabilities	18	952	954	720	720
Provisions	19	548	541	39	38
Other	20	72	50	72	111
Total Current Liabilities		7,615	5,922	1,313	1,787
Non-current Liabilities					
Payables	17	-	-	22,639	22,840
Interest-bearing liabilities	18	2,551	3,464	2,300	3,020
Provisions	19	554	600	37	36
Deferred tax liabilities	4	1,087	920	27	21
Other	20	6	11	-	-
Total Non-current Liabilities		4,198	4,995	25,003	25,917
Total Liabilities		11,813	10,917	26,316	27,704
Net Assets		33,968	34,696	27,152	26,470
Equity					
Contributed equity	21	36,598	36,515	36,598	36,515
Accumulated losses	22	(2,630)	(1,819)	(9,446)	(10,045)
Total Equity		33,968	34,696	27,152	26,470

The accompanying notes form part of these financial statements.

Statements of Cash Flows

For the year ended 30 June 2003

	Note	CONSOLIDATED ENTITY 2003 $'000	CONSOLIDATED ENTITY 2002 $'000	AGENIX LIMITED 2003 $'000	AGENIX LIMITED 2002 $'000
Cash Flows from Operating Activities					
Receipts from customers		41,175	43,397	-	-
Payments to suppliers and employees		(34,082)	(35,667)	(3,332)	(2,134)
Payments relating to ThromboView® Project		(4,146)	(2,505)		-
Start Grant		1,183	-		-
Interest received		438	228	274	109
Borrowing costs		(256)	(391)	(211)	(279)
Net income tax refunded/(paid)		(350)	168	(31)	-
Net Cash Provided By/(Used In) Operating Activities	8(a)	3,962	5,230	(3,300)	(2,304)
Cash Flows from Investing Activities					
Loans from/(to) controlled entity		-	-	3,955	1,371
Proceeds from sale of property, plant and equipment		87	230	-	-
Proceeds from sale of investments		58	66	-	66
Proceeds from sale of controlled entity		-	10	-	72
Purchase of property, plant and equipment		(949)	(944)	(73)	(21)
Purchase of other non-current assets		(246)	-	-	-
Payments relating to ThromboView® Project		-	-	-	(64)
Loan to Director related entity		(52)	(211)	(52)	(211)
Net Cash Provided By/(Used In) Investing Activities		(1,102)	(849)	3,830	1,213
Cash Flows from Financing Activities					
Proceeds from issue of shares		83	-	83	-
Proceeds from borrowings		-	4,280	-	4,280
Repayment of borrowings		(967)	(4,442)	(720)	(540)
Net Cash Provided By/(Used In) Financing Activities		(884)	(162)	(637)	3,740
Net increase/(decrease) in cash held		1,976	4,219	(107)	2,649
Add opening cash brought forward		7,499	3,280	5,415	2,766
Closing Cash Carried Forward	9	9,475	7,499	5,308	5,415

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporation Act 2001 including applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial report has been prepared in accordance with the historical cost convention except for current listed shares, certain buildings and certain leasehold improvements, which are held at Directors' valuation.

The accounting policies adopted are consistent with those of the previous year.

(b) Changes in accounting policies

The consolidated entity has adopted the revised Accounting Standard AASB 1028 "Employee Benefits", which has resulted in a change in accounting policy for the measurement of employee benefit liabilities. Previously, the consolidated entity measured the provision for employee benefits based on remuneration rates at the date of recognition of the liability. In accordance with the requirements of the revised Standard, the provision for employee benefits is now measured based on the remuneration rates expected to be paid when the liability is settled. The effect of the revised policy is not material to the Company.

(c) Principles of consolidation

The consolidated financial statements are those of the consolidated entity, comprising Agenix Limited (the parent company) and all entities that Agenix Limited controlled during the year and at balance date.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All intercompany balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered.

(d) Foreign currency transactions and balances

Foreign currency transactions during the year are converted to Australian currency at the rates of exchange applicable at the dates of the transactions. Amounts receivable and payable in foreign currencies at balance date are converted at the rates of exchange ruling at that date.

The gains and losses from conversion of short-term assets and liabilities, whether realised or unrealised, are included in profit from ordinary activities as they arise.

Exchange differences arising on hedged transactions undertaken to hedge foreign currency exposures, other than those for the purchase and sale of goods and services, are brought to account in the profit from ordinary activities when the exchange rates change. Any material gain or loss arising at the time of entering into hedge transactions is deferred and amortised in the profit from ordinary activities over the lives of the hedges.

Costs or gains arising at the time of entering hedged transactions for the purchase and sale of goods and services, and exchange differences that occur up to the date of purchase or sale, are deferred and included in the measurement of the purchase or sale. Gains and losses from speculative foreign currency transactions are brought to account in the profit from ordinary activities when the exchange rate changes.

All overseas operations are deemed integrated and dependent on Agenix Limited. The financial reports of overseas operations are translated using the temporal method and any exchange differences are recognised as revenue or expense in the Statements of Financial Performance for the period.

(e) Cash and cash equivalents

Cash on hand, in bank and short term deposits are stated at nominal value.

For the purpose of the Statements of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days, net of outstanding bank overdrafts.

(f) Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written-off as incurred.

(g) Investments

Listed shares held for trading are carried at net market value. Changes in net market value are recognised as revenue or expense in the net profit for the period.

Any non-current investments are carried at the lower of cost and recoverable amount. In determining recoverable amount, the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate.

Notes to the Financial Statements

For the year ended 30 June 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Inventories

Inventories are measured at the lower of cost or net realisable value.

The cost of manufactured products includes direct materials, direct labour and an appropriate portion of variable and fixed overheads. Raw materials are assigned on a first in, first out basis. Overheads are applied on the basis of normal operating capacity.

(i) Property, plant and equipment

Freehold land and buildings are measured on a cost basis, except where they have been revalued. At each reporting date, the value is reviewed to ensure that it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows, which will be received from the assets' employment and subsequent disposal. Cash flows have not been discounted to their present value in the determination of the recoverable amount of non-current assets.

All other classes of property, plant and equipment are measured at cost.

Where assets have been revalued, the potential effect of capital gains tax on disposal has not been taken into account in the determination of the revalued carrying amount. Where it is expected that a liability for capital gains tax will arise, the expected amount is disclosed by way of note.

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than freehold land. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Buildings	2%
Leasehold improvements	4~10%
Plant and equipment	5~33%
Leased plant and equipment	15%

(j) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the economic entity are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the economic entity will obtain ownership of the asset or over the term of the lease.

Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred. Lease incentives under operating leases are recognised as a liability. Lease payments received reduce the liability.

(k) Intangibles

Goodwill is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to its net assets at date of acquisition. Goodwill is amortised on a straight line basis over the period of 20 years. The balance is reviewed annually and any balance representing future benefits for which the realisation is considered to be no longer probable are written-off.

Brand names are measured on the cost basis and licenses and registrations are measured on a cost basis and are amortised over the period of 20 years, except for the Japanese license which is amortised over a 10 year period, in which their benefits are expected to be realised.

(l) Research and development costs

Research and development costs are expensed to profit from ordinary activities before income tax as incurred or deferred where it is expected beyond any reasonable doubt that sufficient future benefits will be derived so as to recover those deferred costs.

Deferred research and development expenditure is amortised on a straight line basis over the period during which the related benefits are expected to be realised, once commercial production has commenced. Unamortised costs are reviewed at each balance date to determine any amount that is no longer recoverable and any amount is written-off.

(m) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the consolidated entity.

(n) Interest-bearing liabilities

All loans are measured at the principal amount. Interest is charged as an expense as it accrues.

(o) Provision for warranties

A provision for warranty is recognised for all products under warranty at the reporting date based on sales volume and past experience of the level of claims.

(p) Employee benefits

Provision is made for employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave and long service leave.

Notes to the Financial Statements

For the year ended 30 June 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (continued)

Liabilities arising in respect of wages and salaries, annual leave, sick leave and any other employee benefits expected to be settled within 12 months of the reporting date are measured at their nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated cash flow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national government bonds, which have terms to maturity approximating the terms of the related liability, are used.

Employee benefit expenses and revenues arising in respect of the following categories:

- Wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave benefits; and
- Other types of employee benefits are recognised against profits on a net basis in their respective categories.

The value of the equity-based compensation scheme described in Note 21(c) is not being recognised as an employee benefits expense.

In respect of the consolidated entity's defined benefits superannuation plans, any contributions made to the superannuation plans by entities within the consolidated entity are recognised against profits when due.

(q) Contributed equity

Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(r) Revenue

Revenue from the sale of goods is recognised upon the shipment of goods to customers.

Revenue from the sale of licenses and from royalties are recognised as earned.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(s) Taxes

Income taxes

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the time items are recognised in the financial statements and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain or reasonably certain respectively, of being realised.

For the purposes of income taxation, Agenix Limited and its 100% owned subsidiaries have not currently formed a tax consolidated group.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of the goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statements of Financial Position.

Cash flows are included in the Statements of Cash Flows on a gross basis and the GST component of cash flows arising from financing and investing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(t) Earnings per share

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as the net profit attributable to members, adjusted for:

- Costs of servicing equity (other than dividends) and preference share dividends;
- The after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenue or expenses during the period that would result from the dilution of potential ordinary shares.

(u) Comparative figures

Where necessary, comparatives have been reclassified and repositioned for consistency with current year disclosures as a result of the first-time application of revised Accounting Standards AASB 1028 "Employee Benefits".

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
2. REVENUE FROM ORDINARY ACTIVITIES				
Revenue from operating activities				
Revenue from the sale of goods	33,604	37,490	-	-
Revenue from royalties and licenses	2,404	2,932	-	-
Total revenues from operating activities	36,008	40,422	-	-
Revenue from non-operating activities				
Profit on disposal of subsidiary	-	10	-	-
Profit on disposal of non-current assets	24	-	3	-
Interest from controlled entity	-	-	497	356
Interest from other corporations	464	238	312	109
Grants and development funding	1,144	55	-	-
Management fee – controlled entities	-	-	2,606	4,297
Realised foreign exchange gains	235	-	71	-
Unrealised foreign exchange gains	144	-	-	-
Rental income	59	-	32	-
Other revenue	19	26	-	-
Total revenues from non-operating activities	2,089	329	3,521	4,762
Total revenues from ordinary activities	38,097	40,751	3,521	4,762

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
3. EXPENSES AND LOSSES/(GAINS)				
(a) Expenses				
Borrowings costs				
Commercial loan	231	228	231	228
Finance lease	54	100	-	-
Total borrowing costs	285	328	231	228
Depreciation of non-current assets				
Buildings	101	100	-	-
Plant and equipment	759	654	38	19
Leased plant and equipment	199	214	-	-
Total depreciation	1,059	968	38	19
Amortisation of non-current assets				
Leasehold improvements	352	433	-	-
Goodwill on consolidation	28	28	-	-
Patents and trademarks	608	572	-	-
Total amortisation	988	1,033	-	-
Foreign currency translation losses	-	154	-	-
Bad and doubtful debts – trade debtors	-	15	-	-
Operating lease rental – minimum lease payments	257	244	-	-
Write down of inventories to net realisable value	327	972	-	-
(b) Losses/(gains)				
Loss/(gain) on disposal of non-current assets	(24)	20	(3)	-
(c) Material/significant items				
The following significant expense items are relevant in explaining the financial performance of the entity, and have been included in Other expenses in the Statements of Financial Performance				
Closure of office in Perth	-	90	-	-
Corporate restructure – redundancies	403	-	198	-
Costs associated with ADR facility	-	481	-	481
Write-down listed investments to market value	503	422	304	383
Write-off unlisted investments	548	-	-	-
Write-down loans to realisable value	166	-	166	-
Write-off B-230 Project costs deferred in prior year	-	487	-	-
Recall of products manufactured by Pan Pharmaceuticals	782	-	-	-
	2,402	1,480	668	864

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
4. INCOME TAX				
The prima facie income tax on profit from ordinary activities before income tax is reconciled to the income tax provided in the financial statements as follows:				
Prima facie tax payable on profit/(loss) from ordinary activities before income tax at 30%	(243)	1,246	190	455
Tax effect of permanent differences				
Amortisation of intangibles	296	255	-	-
Write-down of investments	365	127	141	116
Research and development concession	(310)	(401)	-	(6)
Other (net)	(28)	(7)	(3)	-
Recoupment of prior years' tax losses not previously brought to account	(80)	(200)	-	(127)
Current year tax losses transferred to parent	-	-	(292)	(10)
Future income tax benefits arising from tax losses of prior years, written-off	-	2,973	-	-
Income tax expense attributable to operating profit/(loss) before income tax	-	3,993	36	428
(a) Tax losses were transferred for $nil consideration (2002: $nil)				
(b) Deferred tax assets and liabilities				
Future income tax benefit – current	250	299	121	137
Future income tax benefit – non-current	2,719	2,262	44	59
Provision for deferred income tax – non-current	1,087	920	27	21
(c) The future income tax benefit is made up of the following estimated tax benefits:				
Tax losses	1,562	1,720	-	-
Timing differences	1,407	841	165	196
	2,969	2,561	165	196
(d) Future income tax benefit arising from tax losses of a controlled entity not brought to account at reporting date as realisation of the benefit is not regarded as virtually certain	1,670	1,750	-	-
Future income tax benefits arising from timing differences not brought to account at reporting date as realisation of the benefit is not regarded as reasonably certain	1,707	1,349	-	-
These future income tax benefits will only be obtained if:				
(i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;				
(ii) the conditions for deductibility imposed by tax legislation continue to be complied with; and				
(iii) no changes in tax legislation adversely affect the consolidated entity in realising the benefit.				
(e) Franking credits available for the subsequent financial year calculated on tax paid basis			528	528

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
5. REMUNERATION AND RETIREMENT BENEFITS				
(a) Remuneration of directors				
Income paid or payable to all Directors of each entity in the economic entity by the entities of which they are Directors and any related parties	888,667	325,186		
Income paid or payable to all Directors of Agenix Limited by Agenix Limited and any related parties			411,612	123,178

	Number	Number
Number of Agenix Limited Directors whose income from Agenix Limited and any related parties was within the following bands:		
$0–$9,999	1	1
$10,000–$19,999	1	-
$20,000–$29,999	2	3
$50,000–$59,999	-	1
$60,000–$69,999	1	-
$140,000–$149,999	-	-
$240,000–$249,999	1	-

In accordance with Accounting Standard AASB 1017 "Related Party Disclosures", any person required to be a director of a wholly-owned controlled entity in order to discharge his or her duties as an executive officer of Agenix Limited is excluded from the determination of directors' remuneration.

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
(b) Remuneration of executives				
Remuneration received or due and receivable by executive officers of the economic entity, from entities in the economic entity and any related entities for management of the affairs of the economic entity, whose remuneration is $100,000 or more	2,107,769	1,482,954		
Remuneration received or due and receivable by executive officers of Agenix Limited, from Agenix Limited and any related parties for management of the affairs of Agenix Limited and its subsidiaries whose income is $100,000 or more			456,205	476,420

	Number	Number	Number	Number
The number of executive officers whose income was within the following bands:				
$100,000–$109,999	1	1	-	-
$110,000–$119,999	2	3	-	-
$120,000–$129,999	2	3	1	-
$130,000–$139,999	3	-	-	-
$150,000–$159,999	1	-	-	-
$170,000–$179,999	-	1	-	-
$180,000–$189,999	1	1	-	1
$230,000–$239,999	1	1	-	1
$300,000–$309,999	1	-	1	-

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
6. AUDITOR'S REMUNERATION				
Amounts received or due and receivable by Ernst & Young for:				
An audit or review of the financial report of the entity and any other entity in the consolidated entity	85,000	57,000	21,314	9,104
Other services in relation to the entity and any other entity in the consolidated entity				
Auditing associated with ADR facility	-	131,470	-	131,470
Start Grant application	79,247	-	-	-
Other	30,997	15,450	16,842	15,450
	195,244	203,920	38,156	156,024
Amounts received or due and receivable by auditors other than Ernst & Young for:				
An audit or review of the financial report of the entity and any other entity in the consolidated entity	-	22,440	-	5,140
Other services in relation to the entity and any other entity in the consolidated entity	-	25,000	-	25,000
	-	47,440	-	30,140
	195,244	251,360	38,156	186,164

	CONSOLIDATED ENTITY	
	2003 $'000	2002 $'000
7. EARNINGS PER SHARE		
The following reflects the income and share data used in the calculation of basic and diluted earnings per share:		
Earnings used in calculating basic and diluted earnings per share	(811)	161

	CONSOLIDATED ENTITY	
	Number of Shares	Number of Shares
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	154,202,166	154,137,235

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
8. CASH FLOW INFORMATION				
(a) Reconciliation of cash flows from operations with profit from ordinary activities after income tax				
Net profit	(811)	161	598	1,087
Non-cash items				
Amortisation and depreciation	2,047	2,001	38	19
Intercompany charges	-	-	(3,872)	(4,393)
Write-down carrying value of investments	1,217	422	470	384
Write-down of inventories to net realisable value	327	972	-	-
Write-back B-230 Project costs	-	487	-	-
Losses/(profit) on sale of property, plant and equipment	(24)	20	(3)	-
Losses/(profits) on sale of investments	-	(4)	-	6
Other	39	-	-	-
Changes in assets and liabilities				
Decrease/(increase) in receivables	369	1,547	13	(12)
Decrease/(increase) in prepayments	(19)	74	-	(129)
Decrease/(increase) in inventories	(274)	(2,883)	-	-
Decrease/(increase) in research and development capitalised	-	(2,505)	-	-
Decrease/(increase) in future income tax benefit	(408)	3,176	31	(83)
Increase/(decrease) in payables	1,429	1,008	(546)	731
Increase in provisions	22	171	2	71
Increase/(decrease) in provisions for tax	(119)	(41)	(37)	-
Increase in deferred income tax liability	167	624	6	15
Net cash provided by/(used in) operating activities	3,962	5,230	(3,300)	(2,304)
(b) Non-cash financing and investing activities				
(i) Aggregate fair value of plant and equipment acquired by means of finance	100	412	-	-
(ii) Advisory services relating to the ADR facility, were partly paid for through an issue of 500,000 ordinary shares at 30 cents per share	-	150	-	-
(iii) Aggregate fair value of equipment acquired through part recovery of loans receivable	110	-	110	-
(c) Financing facilities available				
At balance date, the following financing facilities had been negotiated and were available:				
Total facilities				
Bank loans	3,000	3,000	3,000	3,000
Commercial bill	3,020	3,740	3,020	3,740
Facilities used at balance date				
Commercial bill	3,020	3,740	3,020	3,740
Facilities unused at balance date				
Bank loans	3,000	3,000	3,000	3,000
On 14 August 2003 the Company announced that it had received a $20 million bank bill facility from the Commonwealth Bank. This facility will replace the existing Westpac Bank facilities.				
9. RECONCILIATION OF CASH				
Cash at bank	1,502	2,248	32	424
Deposits at call	7,973	5,251	5,276	4,991
	9,475	7,499	5,308	5,415

Notes to the Financial Statements

For the year ended 30 June 2003

	Note	CONSOLIDATED ENTITY 2003 $'000	CONSOLIDATED ENTITY 2002 $'000	AGENIX LIMITED 2003 $'000	AGENIX LIMITED 2002 $'000
10. RECEIVABLES					
Current					
Trade debtors		5,309	5,726	-	-
Provision for doubtful debts		(54)	(107)	-	-
		5,255	5,619		-
Amounts receivable from controlled entities		-	-	40	-
Receivable from the Australian Tax Office		445	442	37	-
Sundry debtors		260	-	93	-
		5,960	6,061	170	-
Non-current					
Amounts receivable from controlled entities		-	-	31,610	31,875
Provision for non-recovery		-	-	(5,785)	(5,785)
		-	-	25,825	26,090
Loan to Director related entity	28(b)	-	211	-	211
		-	211	25,825	26,301
Foreign currency receivables not effectively hedged					
US Dollars		485	1,554	-	-
11. INVENTORIES					
Current					
Raw materials at cost		2,087	1,952	-	-
Provision for diminution		(171)	(131)	-	-
Raw materials at lower of cost and net realisable value		1,916	1,821	-	-
Work in progress at cost		1,325	1,616	-	-
Provision for diminution		(12)	(65)	-	-
Work in progress at lower of cost and net realisable value		1,313	1,551	-	-
Finished goods at cost		3,000	2,835	-	-
Provision for diminution		(210)	(82)	-	-
Finished goods at lower of cost and net realisable value		2,790	2,753	-	-
Total inventories at cost		6,412	6,403	-	-
Total provision for diminution		(393)	(278)	-	-
Total inventories at lower of cost and net realisable value		6,019	6,125	-	-

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
12. OTHER FINANCIAL ASSETS				
Non-current				
Shares in controlled entities at cost	-	-	26,846	26,846
Provision for diminution	-	-	(5,370)	(5,370)
	-	-	21,476	21,476
Shares in listed corporations at cost	4,491	4,491	1,086	1,086
Provision for diminution	(4,279)	(3,776)	(966)	(662)
	212	715	120	424
Shares in other corporations at cost	901	1,507	-	-
Provision for diminution	(895)	(895)	-	-
	6	612	21,596	21,900
Total other financial assets	218	1,327	21,596	21,900
Aggregate market value of listed investments	212	443	120	352

(a) In June 2003 PhytoProtein Pte Ltd announced it had ceased operations. The economic entity's 27.44% investment in PhytoProtein Biotech Pte Ltd of $547,611 has thus been written-off to $nil.

(b) Listed shares are readily saleable with no fixed terms. There would be no capital gains tax payable if these assets were sold at the reporting date.

	INVESTMENT IN ORDINARY SHARES AT COST		PERCENTAGE OWNED	
	2003 $	2002 $	2003 %	2002 %
13. CONTROLLED ENTITIES				
(a) Controlled entities of Agenix Limited				
Agen Limited	11,810,000	11,810,000	100%	100%
Agen Biomedical Limited	-	-	100%	100%
Agen International Limited	-	-	100%	100%
Agen Inc.	-	-	100%	100%
Agen R&D Syndicate Pty Ltd	-	-	100%	100%
Biotech International Investments Ltd	4,849,795	4,849,795	100%	100%
Milton Pharmaceuticals Pty Ltd	-	-	100%	100%
Biotech Pharmaceuticals Pty Ltd	-	-	100%	100%
Wille Labs Generics Pty Ltd	-	-	100%	100%
Milton Australia Pty Ltd	-	-	100%	100%
Biotech Pharmaceuticals Australia Pty Ltd	-	-	100%	100%
Industrial Biosystems Pty Ltd	6	6	100%	100%
ACE R&D No. 1 Pty Ltd	-	-	100%	100%
Biopulp Research & Development Pty Ltd	2	2	100%	100%
Resource & Industry Limited	10,186,192	10,186,192	100%	100%
HCL Nominees Pty Ltd	-	-	100%	100%
Jemaka Pty Ltd	-	-	100%	100%
Agenix Asia Pacific Pte Ltd	2	2	100%	100%
	26,845,997	26,845,997		

All of the controlled entities were incorporated in Australia except Agen Inc., which was incorporated in the USA and Agenix Asia Pacific Pte Ltd, which was incorporated in Singapore.

Notes to the Financial Statements

For the year ended 30 June 2003

13. CONTROLLED ENTITIES (Continued)

(b) Pursuant to Class Order 98/1418 dated 5 May 1999, relief has been granted to all the above controlled entities of Agenix Limited, except for Milton Pharmaceuticals Pty Ltd and its subsidiaries, Agen Inc. and Agenix Asia Pacific Pte Ltd from the Corporations Act 2001 requirement for preparation, audit and lodgement of their financial reports.

Agenix Limited and the controlled entities subject to the Class Order have entered into a Deed of Cross Guarantee. The effect of the Deed is that Agenix Limited has guaranteed to pay any deficiency in the event of the winding up of the controlled entities and the controlled entities have guaranteed to pay any deficiency in the event of the winding up of Agenix Limited. Milton Pharmaceuticals Pty Ltd and its subsidiaries, Agen Inc. and Agenix Asia Pacific Pte Ltd are not subject to the Deed of Cross Guarantee.

	CLOSED GROUP	
	2003 $'000	2002 $'000
The consolidated Statements of Financial Performance and Position of the entities which are members of the "Closed Group" are as follows:		
(i) Statements of Financial Performance		
Profit from ordinary activities before income tax	777	9,169
Income tax (expense)/benefit relating to ordinary activities	(73)	(2,324)
Profit from ordinary activities after income tax	704	6,845
Accumulated losses at the beginning of the year	3,895	(2,950)
Retained profits/(accumulated losses) at the end of the year	4,599	3,895
(ii) Statements of Financial Position		
Current Assets		
Cash assets	9,159	7,105
Receivables	3,022	4,156
Inventories	4,301	3,046
Deferred tax assets	250	299
Other	225	153
Total Current Assets	16,957	14,759
Non-current Assets		
Receivables	10,837	10,820
Property, plant and equipment	5,007	5,357
Intangible assets	5,382	5,693
Other financial assets	7,828	8,937
Deferred tax assets	699	314
Other	2,858	2,490
Total Non-current Assets	32,611	33,611
Total Assets	49,568	48,370
Current Liabilities		
Payables	3,361	2,278
Interest-bearing liabilities	760	781
Provisions	351	367
Other	72	111
Total Current Liabilities	4,544	3,537
Non-current Liabilities		
Interest – bearing liabilities	2,335	3,093
Provisions	405	410
Deferred tax liabilities	1,087	920
Total Non-current Liabilities	3,827	4,423
Total Liabilities	8,371	7,960
Net Assets	41,197	40,410
Shareholders' Equity		
Contributed equity	36,598	36,515
Retained earnings	4,599	3,895
Total Shareholders' Equity	41,197	40,410

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
14. PROPERTY, PLANT AND EQUIPMENT				
Freehold Land				
At cost	608	678	-	-
Buildings				
At cost	1,687	2,009	-	-
Accumulated depreciation	(399)	(409)	-	-
	1,288	1,600	-	-
At directors' valuation deemed to be cost	920	920	-	-
Accumulated depreciation	(471)	(440)	-	-
	449	480	-	-
Total buildings	1,737	2,080	-	-
Leasehold Improvements				
At cost	3,316	3,295	-	-
Accumulated amortisation	(3,010)	(2,913)	-	-
	306	382	-	-
At directors' valuation deemed to be cost	2,492	2,492	-	-
Accumulated amortisation	(508)	(254)	-	-
	1,984	2,238	-	-
Total leasehold improvements	2,290	2,620	-	-
Total land and buildings	4,635	5,378	-	-
Plant and Equipment				
At cost	7,989	7,167	158	95
Accumulated depreciation	(5,806)	(5,108)	(65)	(39)
Total plant and equipment	2,183	2,059	93	56
Furniture and Fittings				
At cost	346	375	54	54
Accumulated depreciation	(190)	(186)	(22)	(18)
Total furniture and fittings	156	189	32	36
Leased Plant and Equipment				
At cost	832	1,143	-	-
Accumulated depreciation	(517)	(576)	-	-
Total leased plant and equipment	315	567	-	-
Total property, plant and equipment				
At cost	14,778	14,667	212	149
Accumulated depreciation and amortisation	(9,922)	(9,192)	(87)	(57)
	4,856	5,475	125	92
At directors' valuation deemed to be cost	3,412	3,412	-	-
Accumulated depreciation and amortisation	(979)	(694)	-	-
	2,433	2,718	-	-
Total written-down amount	7,289	8,193	125	92

Notes to the Financial Statements

For the year ended 30 June 2003

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

(a) Movements in the carrying amounts

Reconciliation of the carrying amounts of property, plant and equipment at the beginning and the end of the current financial year.

	Freehold Land $'000	Buildings $'000	Lease-hold Improve-ments $'000	Plant and Equip-ment $'000	Furniture and Fittings $'000	Leased Plant and Equip-ment $'000	Total $'000
Consolidated Entity							
Balance at the beginning of the year	678	2,080	2,620	2,059	189	567	8,193
Additions	-	44	28	875	11	100	1,058
Transfer to current assets other – land and building held for resale	(70)	(286)	-	(9)	(11)	-	(376)
Disposals	-	-	(6)	(5)	(11)	(153)	(175)
Depreciation expense	-	(101)	-	(737)	(22)	(199)	(1,059)
Amortisation expense	-	-	(352)	-	-	-	(352)
Carrying amount at the end of the year	608	1,737	2,290	2,183	156	315	7,289
Agenix Limited							
Balance at the beginning of the year	-	-	-	56	36	-	92
Additions	-	-	-	73	-	-	73
Disposals	-	-	-	(2)	-	-	(2)
Depreciation expense	-	-	-	(34)	(4)	-	(38)
Carrying amount at the end of the year	-	-	-	93	32	-	125

(b) Valuation of land and buildings

The carrying values of land and buildings have been determined by reference to cost and directors' valuations deemed to be cost, based upon independent valuations previously obtained.

(i) Land and buildings at 11 Durbell Street and land at 1602 Beaudesert Road, Acacia Ridge QLD 4110, were independently valued at $1,750,000 on 8 May 2003 (book value at 30 June 2003 was $992,000). The valuation, which has not been booked in the accounts, was carried out by Australian Pacific Valuers Pty Ltd.

(ii) Land and buildings at 101 Antimony Street, Carole Park QLD 4300, were independently valued at $1,470,000 on 8 May 2003 (book value at 30 June 2003 was $1,353,000).

(iii) Land and buildings at 14A Brennan Way, Belmont WA 6104, were independently valued at $410,000 on 12 June 2003 (book value at 30 June 2003 was $356,000). The valuation, which has not been booked in the accounts, was carried out by Knight Frank (WA) Pty Ltd.

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
15. INTANGIBLE ASSETS				
Brand names at cost	9,263	9,237	-	-
Accumulated amortisation	(1,532)	(1,080)	-	-
	7,731	8,157	-	-
Licenses and registrations at cost	2,277	2,245	-	-
Accumulated amortisation	(358)	(202)	-	-
	1,919	2,043	-	-
Goodwill at cost	564	564	-	-
Accumulated amortisation	(65)	(37)	-	-
	499	527	-	-
Total intangibles	10,149	10,727	-	-
16. OTHER ASSETS				
Current				
Prepayments	282	249	32	152
Forward exchange receivable	72	-	72	-
Land and buildings held for resale at cost	486	-	-	-
Accumulated depreciation	(110)	-	-	-
	376	-	-	-
Other	114	170	1	54
	844	419	105	206
Non-current				
Deferred research and development costs				
(a) ThromboView® Project				
Balance at the beginning of the year	2,490	435	64	-
Costs incurred and deferred	-	2,055	-	64
Balance at the end of the year	2,490	2,490	64	64
(b) B-230 Project				
Balance at the beginning of the year	-	487	-	-
Fully expensed to operating profit	-	(487)	-	-
Balance at the end of the year	-	-	-	-
Equipment and software not yet installed	368	-	110	-
Total other non-current assets	2,858	2,490	174	64
17. PAYABLES				
Current				
Trade creditors and accruals	6,043	4,377	482	918
Non-current				
Amounts payable to controlled entities	-	-	22,639	22,840
Current liabilities not effectively hedged				
US Dollars	528	249	-	61
Euro	-	24	-	-

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
18. INTEREST-BEARING LIABILITIES				
Current				
Commercial bill (secured)	720	720	720	720
Lease liability (secured)	232	234	-	-
	952	954	720	720
Non-current				
Commercial bill (secured)	2,300	3,020	2,300	3,020
Lease liability (secured)	251	444	-	-
	2,551	3,464	2,300	3,020
Total secured liabilities	3,503	4,418	3,020	3,740
(a) The commercial bill is secured over all the assets and undertakings of each company in the economic entity.				
(b) The commercial bill has a finance term of 6 years from draw down with principal reductions of $180,000 per quarter plus interest and fees. The interest rate is variable.				
(c) Lease liabilities are secured by charges over the leased assets to which they refer.				
19. PROVISIONS				
Current				
Employee benefits	538	501	39	38
Warranties	10	40	-	-
	548	541	39	38
Non-current				
Employee benefits	554	600	37	36
20. OTHER LIABILITIES				
Current				
Deferred gain	72	-	72	-
Other	-	50	-	111
	72	50	72	111
Non-current				
Other	6	11	-	-
21. CONTRIBUTED EQUITY				
154,432,440 (2002: 154,182,440) fully paid ordinary shares	36,598	36,515	36,598	36,515

	2003		2002	
	Number of Shares	$'000	Number of Shares	$'000
(a) Ordinary shares				
At the beginning of the year	154,182,440	36,515	153,682,440	36,365
Options exercised during the year	250,000	83	-	-
Shares issued during the year	-	-	500,000	150
Balance at the end of the year	154,432,440	36,598	154,182,440	36,515

	2003		2002		
	30/01/2003 Number of 55c Options	24/11/2004 Number of 40c Options	30/11/2001 Number of 40c Options	30/01/2003 Number of 55c Options	24/11/2004 Number of 40c Options
21. CONTRIBUTED EQUITY (Continued)					
(b) Share options					
Balance at the beginning of the year	9,000,000	250,000	8,300,000	9,000,000	250,000
– issued during the year	-	-	-	-	-
– lapsed during the year	(9,000,000)	-	(8,300,000)	-	-
– exercised during the year and converted to shares	-	-	-	-	-
Balance at the end of the year	-	250,000	-	9,000,000	250,000

No share options were issued during the period. 9,000,000 options exercisable at 55c expired on 1 January 2003. The balance of share options at 30 June 2003 was 250,000 options, exercisable at 40c with expiry date 24 November 2004.

(c) Employee option plan

An employee option plan was approved by the shareholders on 8 June 2001. Under the employee option plan all directors, executives and staff of the consolidated entity are eligible to be issued with options over the ordinary shares of Agenix Limited. There are currently three directors, 20 executive officers and 129 staff eligible for this scheme. The options are issued for nil consideration and are issued in accordance with performance guidelines established by the directors of Agenix Limited. The options are issued for a term of six years. The options cannot be transferred and are not quoted on the ASX. The value of each option using the "Black-Scholes method" is as follows:

	Options Value (Cents per Share)
Options Class	
Options expiring 19/07/2007	
Exercise price 33 cents	12.6
Options expiring 19/07/2007	
Exercise price 44 cents	4.4
Options expiring 25/07/2008	
Exercise price 34 cents	13.2

This amount has not been recognised in the financial accounts. The costs associated with the employee option plan during the year were $1,817 (2002: $30,122).

		2003		2002	
	Note	Number of Options	Weighted Average Excercise Price	Number of Options	Weighted Average Excercise Price
Employee Option Plan					
Balance at the beginning of the year	21(d)	4,181,000	0.33	-	-
– issued during the year	21(e)	2,749,375	0.34	4,646,000	0.33
– lapsed during the year		(605,600)	0.33	(465,000)	0.33
– exercised during the year and converted to shares	21(f)	(250,000)	0.33	-	-
Balance at the end of the year	21(g)	6,074,775	0.34	4,181,000	0.33
Exercisable at end of the year		-	-	-	-

Notes to the Financial Statements

For the year ended 30 June 2003

21. CONTRIBUTED EQUITY (Continued)

(d) Options held at the beginning of the reporting period

The following table summarises information about options held by employees as at 1 July 2002:

Number of Options	Grant Date	Vesting Date	Expiry Date	Exercise Price
4,106,000	19 July 2001	19 July 2003	19 July 2007	0.33
75,000	19 July 2001	19 July 2003	19 July 2007	0.44

(e) Options granted during the reporting period

The following table summarises information about options granted by Agenix Limited to employees during the year:

	2003	2002
Number granted	2,749,375	4,646,000
Grant date	28 February 2003	19 July 2001
Vesting date	25 July 2004	19 July 2003
Expiry date	25 July 2008	19 July 2007
Weighted average exercise price	0.34	0.33

(f) Options exercised

(i) The following table summarises information about options exercised by employees during the year ended 30 June 2003:

Number of Options	Grant Date	Exercise Date	Expiry Date	Exercise Price	Proceeds from Shares Issued	Number of Shares Issued	Issue Date	Fair Value of Shares Issued
50,000	19 July 2001[A]	5 May 2003	19 July 2007	0.33	16,500	50,000	5 May 2003	0.40
50,000	19 July 2001[A]	13 May 2003	19 July 2007	0.33	16,500	50,000	13 May 2003	0.41
50,000	19 July 2001[A]	16 May 2003	19 July 2007	0.33	16,500	50,000	16 May 2003	0.41
50,000	19 July 2001[A]	16 June 2003	19 July 2007	0.33	16,500	50,000	16 June 2003	0.41
50,000	19 July 2001[A]	25 June 2003	19 July 2007	0.33	16,500	50,000	25 June 2003	0.40

(A) Due to the termination of R Richards, Mr Richards was granted the opportunity to exercise his options prior to the vesting date.

(ii) The following table summarises information about options exercised by employees during the year ended 30 June 2002:

Number of Options	Grant Date	Exercise Date	Expiry Date	Exercise Price	Proceeds from Shares Issued	Number of Shares Issued	Issue Date	Fair Value of Shares Issued
-	-	-	-	-	-	-	-	-

Fair value of shares issued during the reporting period is estimated to be the market price of shares of Agenix Limited on the ASX as at close of trading on their respective issue dates.

(g) The following table summarises information about options held by the employees as at 30 June 2003:

Number of Options	Grant Date	Vesting Date	Expiry Date	Exercise Price
3,272,900	19 July 2001	19 July 2003	19 July 2007	0.33
75,000	19 July 2001	19 July 2003	19 July2007	0.44
2,726,875	28 February 2003	25 July 2004	25 July 2008	0.34

A further 3,729,750 options are in the process of being issued under the employee option plan effective 21 July 2003 at an exercise price of 42 cents and having a last exercise date of 21 July 2009

Notes to the Financial Statements

For the year ended 30 June 2003

	CONSOLIDATED ENTITY		AGENIX LIMITED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000
22. ACCUMULATED LOSSES				
Balance at the beginning of the year	(1,819)	(1,980)	(10,045)	(11,132)
Net profit/(loss) attributable to the members of Agenix Limited	(811)	161	599	1,087
Balance at the end of the year	(2,630)	(1,819)	(9,446)	(10,045)
23. EXPENDITURE COMMITMENTS				
(a) Finance lease commitments				
Payable				
– no later than one year	239	283	-	-
– later than one year but not later than five years	316	493	-	-
– later than five years	-	-	-	-
Minimum lease payments	555	776	-	-
Less: Future finance charges	(72)	(98)	-	-
Lease liability	483	678	-	-
The liability has been shown in the balance sheet as:				
Current liability	232	234	-	-
Non-current liability	251	444	-	-
	483	678	-	-
(b) Operating lease commitments				
Non-cancellable operating leases contracted for but not capitalised in the accounts				
Payable				
– no later than one year	240	371	-	-
– later than one year but not later than five years	850	1,036	-	-
– later than five years	613	785	-	-
	1,703	2,192	-	-

(c) Research and development commitments

At 30 June 2003, commitments in relation to the clinical trials currently being undertaken for ThromboView®, totalled $259,925 (2002:$nil). These commitments will become due and payable not later than one year.

24. CONTINGENT ASSETS

In April 2003, the Therapeutic Goods Administration ("TGA") published recall information stating that a decision had been made to recall all batches of medicines that had been manufactured by Pan Pharmaceuticals. This impacted the Milton Group as two Milton products were being manufactured by Pan Pharmaceuticals.

For the year ending 30 June 2003, $782,000 of costs associated with the recall of products produced by Pan Pharmaceuticals were expensed in the Statements of Financial Performance of the Milton Group. The Pan recall costs represented amounts attributable to credit notes issued to suppliers and customers, existing stock written-off, costs incurred in notifying customers and legal accruals.

Management have also sought to claim monies from insurance companies under the existing insurance policies in place. At this stage, it is unclear whether there will be a favourable response to the claims made.

In addition, a claim with the Receivers of Pan Pharmaceuticals has been lodged to recover the actual costs borne by the Milton Group in respect of the Pan recall, additional costs arising in relation to the re-launch of the two re-called products, loss of gross margins during the period of re-call and opportunity costs tolerated by the Milton Group as a result of having to re-call products from the market. The extent of the claim currently lodged with the Receivers of Pan Pharmaceuticals is $1.4 million.

Given the uncertainty surrounding the outcome of both the insurance claim, and the claim on the Receivers of Pan Pharmaceuticals, no asset has been recognised in the accounts for either amount.

25. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities.

Notes to the Financial Statements

For the year ended 30 June 2003

26. SEGMENT INFORMATION

Primary segment – Business

The industry segments below derive revenue from the following products and operations:

(i) Medical Diagnostics – Development, manufacture and sale of human and veterinary diagnostic tests.

(ii) Pharmaceuticals – Manufacture and sale of pharmaceutical products.

(iii) Molecular Biology – Manufacture and sale of biomedical products.

BUSINESS SEGMENTS	MEDICAL DIAGNOSTICS		PHARMA-CEUTICALS		MOLECULAR BIOLOGY		ELIMINATION		CONSOLIDATED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000
Revenue										
Segment revenue	19,489	23,018	17,557	16,836	480	568	-	-	37,526	40,422
Unallocated revenue									571	329
Total consolidated revenue									38,097	40,751
Results										
Segment result	2,491	10,470	(364)	(2,385)	219	162	-	-	2,346	8,247
Unallocated expenses									(3,157)	(4,093)
Consolidated entity profit from ordinary activities before income tax									(811)	4,154
Income tax (expense)/benefit									-	(3,993)
Net profit/(loss)									(811)	161
Assets										
Segment assets	24,367	23,036	14,068	14,919	184	377	(6,850)	(8,428)	31,769	29,904
Unallocated assets									14,012	15,709
Total consolidated assets									45,781	45,613
Liabilities										
Segment liabilities	4,626	2,865	14,252	10,699	101	279	(10,812)	(7,653)	8,167	6,190
Unallocated liabilities									3,650	4,727
Total liabilities									11,817	10,917
Other Segment Information										
Acquisition of property, plant and equipment, intangible assets and other non-current assets	891	3,352	360	646	-	17	73	(99)	1,324	3,916
Depreciation	469	416	545	491	4	1	41	60	1,059	968
Amortisation	167	213	239	239	-	-	582	581	988	1,033
Non-cash expenses other than depreciation and amortisation	376	188	1,160	703	8	18	-	-	1,544	909

26. SEGMENT INFORMATION (Continued)

Secondary segment – Geographical

GEOGRAPHICAL SEGMENTS	NORTH AMERICA		EUROPE		ASIA PACIFIC		AUSTRALIA AND NEW ZEALAND		CONSOLIDATED	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000
Segment revenue	7,579	9,974	4,144	7,503	3,258	3,022	22,545	19,923	37,526	40,422
Segment assets	-	-	-	-	-	-	45,713	45,613	45,781	45,613
Other segment information										
Acquisition of property, plant and equipment, intangible assets and other non-current assets	-	-	-	-	-	-	1,059	3,916	1,059	3,916

27. SUPERANNUATION COMMITMENTS

Superannuation contributions of 9% of employee wages and salaries were legally enforceable in Australia during the year. The commitment to contribute exists only as long as the employment of these persons continues.

The superannuation funds to which the economic entity contributes are accumulation funds and benefits are paid in accordance with employee balances in the funds. At balance date, the assets of the funds were sufficient to satisfy all benefits that would have vested under the plans in the event of termination of the plans, and voluntary or compulsory termination of each employee.

28. EVENTS SUBSEQUENT TO REPORTING DATE

(a) On 14 August 2003 the Company announced that it had received a $20 million bank bill facility from the Commonwealth Bank. This facility will replace the existing Westpac Bank facilities.

(b) On 4 September 2003 the Company announced that subsidiary, AGEN Biomedical Ltd, had filed a patent lawsuit in the United States seeking a declaration that its canine heartworm test kit does not infringe the claims of United States Patent 4,789,631. The Directors do not believe that there will be any impact on the distribution of AGEN products in the United States as a consequence of this action.

29.RELATED PARTY TRANSACTIONS/INTERESTS

(a) Wholly-owned group transactions

Loans

Loans made by Agenix Limited to wholly-owned subsidiaries, carry an interest rate of 10%.

(b) Director related entity transactions

Transactions with director related entities are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Purchases

During the current financial year, $5,000 was paid to People & Innovation Corporate Advisers Pty Ltd for consulting services in relation to corporate governance. Katherine Woodthorpe is a director of People & Inovation Corporate Advisers Pty Ltd.

Loans

Agenix Limited advanced a loan of $51,266 (2002: $211,217) to PhytoProtein Biotech Pte Ltd, a company in which Agenix had a 27.44% investment. As a requirement of the investment Mr R Govindan was appointed as a director of PhytoProtein Biotech Pte Ltd. Interest on the loan was 8% per annum. In June 2003 PhytoProtein Pte Ltd announced it had ceased operations. The outstanding loan plus interest, totalling $271,796, has thus been written-off to $nil. Agenix Ltd recovered $110,155 of the loan in the form of equipment.

Notes to the Financial Statements

For the year ended 30 June 2003

29. RELATED PARTY TRANSACTIONS/INTERESTS (Continued)

	2003 Number	2002 Number
(c) Share transactions of directors		
Directors' interest in the capital of Agenix Limited		
Ordinary fully paid shares	6,450,000	6,450,000
19 July 2007 employee options over ordinary shares	860,000	525,000

(d) Parent entity

Agenix Limited is the parent entity of the economic entity.

30. FINANCIAL INSTRUMENTS

(a) Derivative financial instruments

Derivative financial instruments are used by the economic entity to hedge exposure to exchange risk associated with foreign currency transactions.

The derivative financial instruments used by the entity are not recognised in the financial statements. Transactions for hedging purposes are undertaken without the use of collateral as only reputable institutions with sound financial positions are dealt with.

(b) Recognised financial instruments

(i) Forward exchange contracts and currency options

The economic entity enters into forward exchange contracts and currency options to buy and sell specified amounts of foreign currencies in the future at stipulated exchange rates. The objective in entering into the forward exchange contracts and currency options is to protect the economic entity against unfavourable exchange rate movements for both the contracted and anticipated future sales and purchases undertaken in foreign currencies. The accounting policy in regard to forward exchange contracts and currency options is detailed in Note 1(c). At balance date, Agenix Limited had the following outstanding forward exchange contract and AUD Call options:

	BUY AUSTRALIAN DOLLARS SELL UNITED STATES DOLLARS		AVERAGE EXCHANGE RATE	
	2003 $'000	2002 $'000	2003	2002
Forward exchange contracts				
Settlement in 6–9 months	1,569	-	0.6373	-
AUD Call options				
Settlement in 6–12 months	2,362	862	0.6350	0.5800

30. FINANCIAL INSTRUMENTS (Continued)

(c) Unrecognised financial instruments

(i) Interest rate risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted interest rates on classes of financial assets and financial liabilities is as follows:

	Fixed interest rate maturing in:									
	FLOATING INTEREST RATE		WITHIN ONE YEAR		1 TO 5 YEARS		NON-INTEREST BEARING		TOTAL	
	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000	2003 $'000	2002 $'000
Financial Assets										
Cash and deposits	9,474	7,498	-	-	-	-	1	1	9,475	7,499
Receivables	-	-	-	-	-	211	5,960	6,061	5,960	6,272
Investments	-	-	-	-	-	-	218	1,327	218	1,327
Foreign exchange contracts	-	-	-	-	-	-	72	-	72	-
Total financial assets	9,474	7,498	-	-	-	211	6,251	7,389	15,725	15,098
Weighted average interest rate	5.20%	4.35%	-	-	-	8.00%				
Financial Liabilities										
Bills of exchange and promissory notes	3,020	3,740	-	-		-	-	-	3,020	3,740
Unlisted employee options	777									
Trade and sundry creditors	-	-	-	-	-	-	6,043	4,377	6,043	4,377
Lease liabilities	-	-	232	234	251	444	-	-	483	678
Foreign exchange contracts	-	-	-	-	-	-	72	-	72	-
Total financial liabilities	3,797	3,740	232	234	251	444	6,115	4,377	9,618	8,795
Weighted average interest rate	6.42%	6.20%	7.45%	7.22%	7.45%	7.22%				

(ii) Options over ordinary shares

The fair value of options over ordinary shares is determined using the Black-Scholes option-pricing model.

(iii) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets in the carrying amount, net of any provisions for doubtful debts of those assets as disclosed in the Statements of Financial Position and Notes to the Financial Statements. Credit risk for derivative financial instruments arises from the potential failure by counterparties to the contract to meet their obligations. The credit risk exposure to forward exchange contracts is the net fair value of these contracts as disclosed in Note 30 (b) (i). The economic entity does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the economic entity.

Notes to the Financial Statements

For the year ended 30 June 2003

30. FINANCIAL INSTRUMENTS (Continued)

(c) Unrecognised financial instruments (Continued)

(iv) Net fair value

The net fair values of listed investments, and unlisted investments where there is not an organised financial market, the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment. For other assets and liabilities the net fair value approximates their carrying value. No financial assets and financial liabilities are readily traded on organised markets in standardised form other than listed investments. Financial assets where the carrying amount exceeds net fair values have been written down to net fair value.

(v) Terms, conditions and accounting policies for financial assets and liabilities not stated elsewhere in the notes to the financial statements.

Trade Debtors

Trade debtors are carried at nominal amounts due less any provisions for doubtful debts. A provision for doubtful debt is recognised when collection of the full nominal amount is no longer probable.

Trade Creditors and Accruals

Liabilities are recognised for amounts to be paid in the future for goods and services received whether or not billed to the economic entity.

Additional Information

The following additional information is required by the Australian Stock Exchange and was the status on 2 October 2003.

Shareholding

(a) Distribution of ordinary shareholders and option holders:

Category (Size of Holding)	Number of Ordinary Shareholders	Number of Option Holders 40 Cents Expiry 24/11/2004	Number of Employee Option Holders 33 Cents Expiry 19/07/2007	Number of Employee Option Holders 34 Cents Expiry 25/07/2008	Number of Employee Option Holders 44 Cents Expiry 19/07/2007
1~1,000	179	-	-	-	-
1,001~5,000	1,779	-	1	-	-
5,001~10,000	1,183	-	68	71	-
10,000~100,000	1,521	-	16	70	1
100,001 and over	145	1	3	3	-
Options on issue		250,000	2,317,900	2,715,625	75,000

(b) The ordinary share capital of Agenix Limited as at 2 October 2003 comprises 155,396,440 fully paid shares.

(c) The number of shareholders holding less than marketable parcels is 51.

(d) 20 largest shareholders – fully paid ordinary shares.

Shareholder	Number of Ordinary Shares	% of Issued Ordinary Shares
1. Citicorp Nominees Limited	15,048,982	9.68
2. UOB Kay Hian Pte Ltd	9,132,000	5.88
3. Mr Richard Tan	7,046,132	4.53
4. Mr Frederick John Lauritz	5,540,000	3.57
5. Perpetual Trustee Company Limited	4,054,240	2.61
6. Asiaeagle International Ltd	3,950,000	2.54
7. Deutsche Morgan Grenfell & Partners Nominees Pte Ltd	3,050,000	1.96
8. Asia Union Investments Pty Ltd	2,000,000	1.29
9. Westpac Custodian Nominees Limited	1,755,084	1.13
10. MTM Trustees Limited	1,504,221	0.97
11. National Nominees Limited	1,503,671	0.97
12. Mrs Elizabeth Anne Sietsma	1,400,000	0.90
13. ANZ Nominees Limited	1,316,559	0.85
14. Lorenson Pty Ltd	1,124,000	0.72
15. Jenell Nominees Pty Ltd	1,123,118	0.72
16. State One Nominees Pty Ltd	1,083,444	0.70
17. Mr Colin Sim	1,070,000	0.69
18. W H Management Services Pty Ltd	1,000,000	0.64
19. Willjo Pty Ltd	883,000	0.57
20. HSBC Custody Nominees (Australia) Limited	803,100	0.52
	64,387,551	41.43

Additional Information

(e) Substantial shareholders as at 2 October 2003:

Shareholder	Number of Ordinary Shares	% of Issued Ordinary Shares
Citicorp Nominees Limited	15,048,982	9.68
UOB Kay Hian Pte Ltd	9,132,000	5.88

(f) Voting rights

No restrictions. On a show of hands, every member or proxy present shall be entitled to one vote unless a poll is called in which case every share shall have one vote.

(g) Stock exchange listing

Quotation has been granted for all the ordinary shares of Agenix Limited on all Member Exchanges of the Australian Stock Exchange Limited.

(h) Directors' interest in equity

The interests of each director in the share capital of Agenix Limited as disclosed by the register of directors' shareholdings.

	BENEFICIALLY HELD		NON BENEFICIALLY HELD
	Ordinary Shares	Options 33 cents Expiry 19/07/2007	Ordinary Shares
R Govindan	-	300,000	3,950,000
FF Wong	2,500,000	-	-
D Horne	-	500,000	-
M Davey	-	60,000	-

GLOSSARY OF TERMS

» **Alveolar Dead-Space**	Volume of air that enters the tiny airs sacs of the lungs that for whatever reason are not functioning and therefore are not engaged in gas exchange.
» **CHW**	Canine Heartworm: a serious parasitic worm infection of the heart and lungs of dogs spread by mosquitoes.
» **Clinical studies**	Trials of drug or diagnostic products specifically designed to examine the safety and effectiveness of the product.
» **CPV**	Canine Parvovirus: a highly infectious and often fatal intestinal disease of dogs.
» **D-dimer**	A unique protein fragment detectable in the blood during clot breakdown.
» **DVT**	Deep Vein Thrombosis: the formation of blood clots within large veins leading to obstruction of blood flow.
» **Epidemiology**	The (study of the) factors influencing the occurrence, distribution, prevention, and control of disease and related events in a defined population.
» **FeLV**	Feline Leukaemia Virus: a contagious disease of cats transmitted by fighting that leads to chronic ill health, cancer-like activity and increased susceptibility to other diseases.
» **FIV**	Feline Immunodeficiency Virus: A transmissible viral disease of cats causing a decrease in the immune response, so leading to chronic illness and often death due to secondary infections. Not transmissible to humans.
» **Haemostasis**	The process whereby the body responds to internal or external bleeding. Involves both clotting and blood vessel responses.
» **ICT**	Immuno-Chromatography Technology: the use of antibodies to create a distinct positive or negative visual result on test paper.
» **Immunodiagnostics**	Use of antibody based systems to detect a range of disease or other diagnostic targets.
» ***In-Vivo***	Within the living organism.
» **IVD**	*In Vitro* Diagnostics: literally 'in glass diagnostics'. The performing of tests outside the body on samples taken from humans or animals.
» **Monoclonal (antibody)**	Specific synthetic immune system protein produced in a genetically engineered cell population.
» **OEM**	Original Equipment Manufacturer (of goods for sale by a third party).
» **PE**	Pulmonary Embolism: the lodgment of clots or other particles in the blood vessels of the lungs.
» **SCAHLS**	Subcommittee of Animal Health Laboratory Standards (Body responsible for the approval of diagnostic tests used for disease eradication, exotic disease surveillance and biosecurity).
» **Technetium-99m**	A commonly used radioisotope in nuclear medicine
» **Thrombosis**	The activation of specialised proteins in the blood that leads to clot formation.
» **Thromboembolism**	Occlusion of a blood vessel by an embolus that has broken away from a thrombus.

AGENIX LIMITED - CORPORATE INFORMATION

ABN 58 009 213 754

DIRECTORS

Ravindran Govindan
(Executive Chairman)
Wong Fong Fui
(Non-Executive Director)
Myles Davey
(Non-Executive Director)
Don Home
(Chief Executive Officer and Managing Director)

COMPANY SECRETARY

Neil Leggett

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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SHARE REGISTRY

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SOLICITORS

Phillips Fox

BANKERS

Commonwealth Bank of Australia
Westpac Business Banking

AUDITORS

Ernst & Young

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STOCK EXCHANGES

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