TRUSCREEN GROUP LIMITED

Preliminary Final Report
Consolidated Financial Statements - Unaudited

Currency is New Zealand Dollars

For the Year Ended 31 March 2025

Contents

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		$	$
Revenue from the sale of goods	3	1,712,052	2,107,839
Other income	3	393,203	497,045
Product cost of goods sold		(1,196,832)	(1,416,070)
Employee benefit expenses and directors' fees		(856,761)	(792,513)
Other administration costs		(501,808)	(366,222)
Research and development expenses		(814,614)	(877,303)
Rent		(12,550)	(44,403)
Travel		(74,402)	(30,258)
Marketing and product approvals		(627,860)	(676,077)
Insurance		(140,162)	(139,414)
Shareholder relations and services		(107,064)	(201,937)
Provision for inventory obsolescence		-	(21,577)
Share based payments		-	(89,643)
Borrowing cost		(16,678)	-
Loss before income tax		(2,243,476)	(2,050,533)
Income tax expense		-	-
Loss for the year		(2,243,476)	(2,050,533)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign subsidiary operations		(46,268)	41,980
		(46,268)	41,980
Total comprehensive loss for the year		(2,289,744)	(2,008,553)
Basic and diluted loss per share (cents)		(0.41)	(0.49)

The accompanying notes form part of these financial statements

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	2025	2024
		$	$
CURRENT ASSETS			
Cash and cash equivalents		365,473	2,728,036
Other receivables		411,012	489,336
Trade receivables		22,798	48,152
Inventories		538,679	491,254
Other current assets – prepayments		359,544	273,603
TOTAL CURRENT ASSETS		1,697,506	4,030,381
NON-CURRENT ASSETS			
Intangible assets		-	-
Right of use assets		306,851	
TOTAL NON-CURRENT ASSETS		306,851	-
TOTAL ASSETS		2,004,357	4,030,381
CURRENT LIABILITIES			
Trade and other payables		543,317	653,732
Lease liability		133,211	-
Provision for employee benefits		104,096	115,635
TOTAL CURRENT LIABILITIES		780,624	769,367
NON-CURRENT LIABILITIES			
Provision for employee benefits		31,190	29,080
Lease liability		184,161	
TOTAL NON-CURRENT LIABILITIES		215,351	29,080
TOTAL LIABILITIES		995,975	798,447
NET ASSETS		1,008,382	3,231,934
EQUITY			
Issued capital	5	38,772,137	38,705,945
Share option reserve		89,643	234,456
Foreign currency translation reserve		(383,396)	(337,128)
Accumulated losses		(37,470,002)	(35,371,339)
TOTAL EQUITY		1,008,382	3,231,934

The accompanying notes form part of these financial statements

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Share Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
		$	$	$	$	$
Balance at 1 April 2024		38,705,945	(35,371,339)	(337,128)	234,456	3,231,934
Loss for the year to 31 March 2024		-	(2,243,476)	-	-	(2,243,476)
Exchange differences on translating foreign subsidiary operations		-	-	(46,268)	-	(46,268)
Total comprehensive income for the year		-	(2,243,476)	(46,268)	-	(2,289,744)
Transactions with owners, in their capacity as owners						
Issue of shares	5	66,192	-	-	-	66,192
Share issue costs		-	-	-	-	-
Share based payments		-	144,813	-	(144,813)	-
Total transactions with owners		-	-	-	(144,813)	66,192
Balance at 31 March 2025		38,772,137	(37,470,002)	(383,396)	89,643	1,008,382

	Note	Share Capital	Accumulated Losses	Foreign Currency Translation Reserve	Option Reserve	Total
		$	$	$	$	$
Balance at 1 April 2023		36,097,125	(33,320,806)	(379,108)	144,813	2,542,024
Loss for the year to 31 March 2024		-	(2,050,533)	-	-	(2,050,533)
Exchange differences on translating foreign subsidiary operations		-	-	41,980	-	41,980
Total comprehensive income for the year		-	(2,050,533)	41,980	-	(2,008,553)
Transactions with owners, in their capacity as owners						
Issue of shares – capital raise		2,651,316	-	-	-	2,651,316
Share issue costs		(127,079)	-	-	-	(127,079)
Share based payments		84,583	-	-	89,643	174,226
Total transactions with owners		2,608,820	-	-	89,643	2,698,463
Balance at 31 March 2024		38,705,945	(35,371,339)	(337,128)	234,456	3,231,934

The accompanying notes form part of these financial statements

TRUSCREEN GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Cash received from customers		1,716,718	2,273,035
Cash paid to suppliers and employees including GST		(4,416,220)	(4,521,699)
Cash received from research and development tax offset		447,140	371,240
Short-term lease payments not included in lease liability		(38,490)	(159,849)
Interest paid		(3,296)	(3,260)
Interest received		4,842	4,099
Net cash used in operating activities	6	(2,289,306)	(2,033,174)
CASH FLOW TO INVESTING ACTIVITIES			
Purchase of plant and equipment		-	-
Net cash used in investing activities		-	-
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	2,651,316
Share issue costs		-	(67,200)
Principal element of lease payments		(84,398)	-
Proceeds from borrowings		-	215,760
Repayment of borrowings		-	(215,760)
Net cash from financing activities		(84,398)	2,584,116
Net (decrease)/increase in cash and cash equivalents		(2,373,704)	550,942
Cash and cash equivalents at the beginning of the financial year		2,728,036	2,160,468
Effects of exchange rate changes on cash and cash equivalents		11,141	16,626
Cash and cash equivalents at the end of the financial year		365,473	2,728,036

The accompanying notes form part of these financial statements

NOTE 1. MATERIAL ACCOUNTING POLICY INFORMATION

General Information

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

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

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

Basis of Preparation

These financial statements have been prepared under the historical costs convention, modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements have been rounded to the nearest dollar.

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

- *Revenue from Contracts with Customers*

The application of NZ IFRS 15: Revenue from contracts with customers (NZ IFRS 15) requires the Directors to apply judgement in determining whether revenue can be recognised in advance of the receipt of cash.

The significant judgements adopted by the Group in applying NZ IFRS 15 criteria include:
- Determining if a contract with the customer exists;
- Determining if the entity can identify the payment terms for the services; and
- Determining whether it is probable that the entity will collect the consideration to which it is entitled.

NOTE 2. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

- *Intangibles*

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

The intangibles were fully written off in a previous year.

Given the ongoing significant uncertainty associated with achieving revenue and profitability targets, the Directors have determined that the intangibles should remain fully impaired as at 31 March 2025.

- *Recognition of deferred taxation assets*

The benefit of deferred tax arising from tax losses and temporary differences has not been recognized.

- *Estimate of the Research and Development tax offset*

The Group receives a research and development tax offset based on 43.5% of research and development expenditure incurred. The amount is received following filing of the Group income tax returns. The Group estimates the amount of the offset assisted by external consultants and accounts for the amount as a receivable at year end.

- *Provision for inventory obsolescence*

The Group carries inventory of parts for the manufacture of the TruScreen Ultra® cervical cancer screening device. The Company will write off parts which it no longer considers usable. The Group has made a general provision for inventory obsolescence.

- *Provision for warranty*

The Group will undertake recalibration of the TruScreen Ultra® on an ongoing basis during the warranty period. While the Group will continue to undertake research and development of the product, the TruScreen Ultra® is a mature and well tested product and the Group has determined on the basis of materiality that no warranty provision is necessary.

- *Share based payments*

The Group measures the cost of equity-settled transactions with directors, employees and distributors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

NOTE 3. REVENUE

	2025	2024
	$	**$**
Sales revenue - sale of goods[1]		
Wholesalers/distributors	1,712,052	1,703,049
Direct to customer	-	404,790
	1,712,052	2,107,839
Other income		
Research and development tax offset		
- Current year	383,236	463,192
- Prior year adjustment	(20,885)	31,203
	362,351	494,395
Foreign exchange gain	26,297	-
Interest received	4,555	2,650
	393,203	497,045

[1]Ownership of goods transfers to the distributor/customer on leaving Truscreen's premises or that of the outsourced manufacturer when shipped directly to customers.

NOTE 4. EARNINGS PER SHARE

	2025	2024
Basic and Diluted loss per share:		
Net loss attributable to shareholders ($)	(2,243,476)	(2,050,533)
Weighted average number of ordinary shares on issue	552,743,441	422,175,861
Basic and diluted loss per share (cents) (based on weighted average number of shares on issue)	(0.41)	(0.49)

NOTE 5. ISSUED CAPITAL

Ordinary Shares – Fully Paid

Group	**2025 Number**	**2025 $**	**2024 Number**	**2024 $**
Balance at beginning of the year	552,591,116	38,705,945	416,642,008	36,097,125
Ordinary shares issued				
Share issue - placement	-	-	70,748,386	1,414,968
Share issue - rights issue	-	-	61,817,391	1,236,348
Share issue - advisor	2,316,603	66,192	-	-
Share issue costs	-	-	-	(127,079)
Shares issued in lieu of fees to directors	-	-	1,383,331	34,583
Share issue - employee benefit	-	-	2,000,000	50,000
Balance at end of the year	554,907,719	38,772,137	552,591,116	38,705,945

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

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

Shares were issued during the:

a. current period:

   the Company issued 2,316,603 shares in the current year to an advisor.

b. prior period:

   The Company undertook a share placement and a rights issue during the prior year, issuing 132,565,777 shares at $0.02 per share to raise $2,651,316, before costs. The Company also issued 2,000,000 shares to the CEO, Beata Edling, as part of her remuneration and 1,383,331 shares to directors in lieu of fees.

NOTE 6. CASH FLOW INFORMATION

	2025	2024
	$	$
Reconciliation of cash flow from operations with loss after income tax		
Loss for the period	(2,243,476)	(2,050,533)
Adjusted for:		
Share based payment expense	-	89,643
Depreciation right of use assets	102,061	-
Unrealised exchange difference arising from translating loss	(8,894)	15,473
Operating cash flows before working capital changes	(2,150,309)	(1,945,417)
Decrease in trade and other receivables	25,354	122,159
Increase/(decrease) in goods and services taxes recoverable	(2,182)	12,590
Increase in prepayments	(85,941)	(68,242)
Increase/(decrease) in inventory	(47,425)	72,187
Decrease/(increase) in research and development tax offset	80,506	(131,323)
Decrease in trade and other payables	(99,880)	(111,939)
Increase/(decrease) in employee liabilities	(9,429)	16,811
Net cash outflow from operating activities	(2,289,306)	(2,033,174)